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DELTA REPORT

10-K

HIG PR G - HARTFORD FINANCIAL SERVIC
10-K - DECEMBER 31, 2024 COMPARED TO 10-K - DECEMBER 31, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	7478
CHANGES	949
DELETIONS	4038
ADDITIONS	2491

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)



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

For the fiscal year ended **December 31, 2023** **December 31, 2024**

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 001-13958

TheHartford_Logo_Horizontal_RGB.jpg

THE HARTFORD FINANCIAL SERVICES GROUP, INC. **The Hartford Insurance Group, Inc.**

(Exact name of registrant as specified in its charter)

Delaware

13-3317783

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

One Hartford Plaza, Hartford, Connecticut 06155

(Address of principal executive offices) (Zip Code)

(860) 547-5000

(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 \$0.01 per share	HIG	The New York Stock Exchange
6.10% Senior Notes due October 1, 2041	HIG 41	The New York Stock Exchange
Depository Shares, Each Representing a 1/1,000th Interest in a Share of 6.000% Non-Cumulative Preferred Stock, Series G, par value \$0.01 per share	HIG PR G	The New York Stock Exchange

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	☐
• if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.	Yes	☐	No	☒
• 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	☐
• whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	Yes	☒	No	☐
• 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 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. ☐
- 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 ☒
- 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. ☐
- 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). ☐
- whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the shares of Common Stock held by non-affiliates of the registrant as of **June 30, 2023** **June 28, 2024** was approximately **\$22 billion** **\$29 billion**, based on the closing price of **\$72.02** **\$100.54** per share of the Common Stock on the New York Stock Exchange on **June 30, 2023** **June 28, 2024**.

As of **February 22, 2024** **February 20, 2025**, there were outstanding **297,350,060** **285,386,985** shares of Common Stock, \$0.01 par value per share, of the registrant.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement for its **2024** **2025** annual meeting of stockholders are incorporated by reference in Part III of this Form 10-K.

THE HARTFORD **FINANCIAL SERVICES INSURANCE** GROUP, INC. ANNUAL REPORT ON FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 31, **2023** **2024** TABLE OF CONTENTS

Item	Item	Description	Page	Item	Description	Page
		Part I			Part I	
1	1	BUSINESS	6	1	BUSINESS	6
1A	1A	RISK FACTORS	23	1A	RISK FACTORS	21
1B	1B	UNRESOLVED STAFF COMMENTS	None	1B	UNRESOLVED STAFF COMMENTS	None
1C	1C	CYBERSECURITY	36	1C	CYBERSECURITY	34
2	2	PROPERTIES	37	2	PROPERTIES	35
3	3	LEGAL PROCEEDINGS	37	3	LEGAL PROCEEDINGS	35
4	4	MINE SAFETY DISCLOSURES	Not Applicable	4	MINE SAFETY DISCLOSURES	Not Applicable
		Part II			Part II	
5	5	MARKET FOR THE HARTFORD'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	38	5	MARKET FOR THE HARTFORD'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	36
6	6	RESERVED	None	6	RESERVED	None
7	7	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	40	7	MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	38
7A	7A	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	[a]	7A	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	[a]
8	8	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	[b]	8	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	[b]
9	9	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	None	9	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	None
9A	9A	CONTROLS AND PROCEDURES	117	9A	CONTROLS AND PROCEDURES	116
9B	9B	OTHER INFORMATION	119	9B	OTHER INFORMATION	118
9C	9C	DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	Not Applicable	9C	DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	Not Applicable

Part III				Part III			
	DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE OF THE HARTFORD				DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE OF THE HARTFORD		
10	10		120	10		119	
11	11	EXECUTIVE COMPENSATION	[c]	11	EXECUTIVE COMPENSATION	[c]	
	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS				SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS		
12	12		121	12		120	
13	13	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	[d]	13	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	[d]	
14	14	PRINCIPAL ACCOUNTANT FEES AND SERVICES	[e]	14	PRINCIPAL ACCOUNTANT FEES AND SERVICES	[e]	
15							
15							
	EXHIBITS AND FINANCIAL STATEMENT SCHEDULES				EXHIBITS AND FINANCIAL STATEMENT SCHEDULES		
15			122			121	
	EXHIBITS INDEX				EXHIBITS INDEX		
			225				
16	16	FORM 10-K SUMMARY	Not Applicable	16	FORM 10-K SUMMARY	Not Applicable	
	SIGNATURES				SIGNATURES		
			228			227	

[a] The information required by this item is set forth in the Enterprise Risk Management section of Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations and is incorporated herein by reference.

[b] See Index to Consolidated Financial Statements and Schedules elsewhere herein.

[c] The information called for by Item 11 will be set forth in the Proxy Statement under the subcaptions "Compensation Discussion and Analysis", "Executive Compensation Tables", "Director Compensation", "Report of the Compensation and Management Development Committee", "Pay Versus Performance" and "CEO Pay Ratio" and is incorporated herein by reference.

[d] Any information called for by Item 13 will be set forth in the Proxy Statement under the caption and subcaption "Board and Governance Matters" and "Director Independence" and is incorporated herein by reference.

[e] The information called for by Item 14 will be set forth in the Proxy Statement under the caption "Audit Matters" and is incorporated herein by reference.

Forward-looking Statements

Certain of the statements contained herein are forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "projects," and similar references to future periods.

Forward-looking statements are based on management's current expectations and assumptions regarding future economic, competitive, legislative and other developments and their potential effect upon The Hartford Financial Services Insurance Group, Inc. and its subsidiaries (collectively, the "Company" or "The Hartford"). Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual results could differ materially from expectations depending on the evolution of various factors, including the risks and uncertainties identified below, as well as factors described in such forward-looking statements; or in Part I, Item 1A, Risk Factors, in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations, and those identified from time to time in our other filings with the Securities and Exchange Commission.

- Risks Relating to Economic, Political and Global Market Conditions:
 - challenges related to the Company's current operating environment, including global political, economic and market conditions, and the effect of financial market disruptions, economic downturns, changes in trade regulation including tariffs and other barriers or other potentially adverse macroeconomic developments on the demand for our products and returns in our investment portfolios;
 - market risks associated with our business, including changes in credit spreads, equity prices, interest rates, inflation rate, foreign currency exchange rates and market volatility;
 - the impact on our investment portfolio if our investment portfolio is concentrated in any particular segment of the economy;
 - the impacts of changing climate and weather patterns on our businesses, operations and investment portfolio including on claims, demand and pricing of our products, the availability and cost of reinsurance, our modeling data used to evaluate and manage risks of catastrophes and severe weather events, the value of our investment portfolios and credit risk with reinsurers and other counterparties;
- Insurance Industry and Product-Related Risks:
 - the possibility of unfavorable loss development, including with respect to long-tailed exposures;
 - the significant uncertainties that limit our ability to estimate the ultimate reserves necessary for asbestos and environmental claims;
 - the possibility of another a pandemic, civil unrest, earthquake, or other natural or man-made disaster that may adversely affect our businesses;
 - weather and other natural physical events, including the intensity and frequency of thunderstorms, tornadoes, hail, wildfires, flooding, winter storms, hurricanes and tropical storms, as well as climate change and its potential impact on weather patterns;
 - the possible occurrence of terrorist attacks and the Company's inability to contain its exposure as a result of, among other factors, the inability to exclude coverage for terrorist attacks from workers' compensation policies and limitations on reinsurance coverage from the federal government under applicable laws;
 - the Company's ability to effectively price its products and policies, including its ability to obtain regulatory consents to pricing actions or to non-renewal or withdrawal of certain product lines;
 - actions by competitors that may be larger or have greater financial resources than we do;
 - technological changes, including usage-based methods of determining premiums, advancements in certain emerging technologies, including machine learning, predictive analytics, "big data" analysis or other artificial intelligence functions, advancements in automotive safety features, the development of autonomous vehicles, and platforms that facilitate ride sharing;

- the Company's ability to market, distribute and provide insurance products and investment advisory services through current and future distribution channels and advisory firms;
- the uncertain effects of emerging claim and coverage issues;
- political instability, politically motivated violence or civil unrest, which may increase the frequency and severity of insured losses;
- the ongoing effects of COVID-19, including exposure to COVID-19 business interruption property claims and the possibility of a resurgence of COVID-19 related losses in Group Benefits;
- Financial Strength, Credit and Counterparty Risks:
 - risks to our business, financial position, prospects and results associated with negative rating actions or downgrades in the Company's financial strength and credit ratings or negative rating actions or downgrades relating to our investments;
 - capital requirements which are subject to many factors, including many that are outside the Company's control, such as National Association of Insurance Commissioners ("NAIC") risk based capital formulas, rating agency capital models, Funds at Lloyd's and Solvency Capital Requirement, which can in turn affect our credit and financial strength ratings, cost of capital, regulatory compliance and other aspects of our business and results;
 - losses due to nonperformance or defaults by others, including credit risk with counterparties associated with investments, derivatives, premiums receivable, reinsurance recoverables and indemnifications provided by third parties in connection with previous dispositions;
 - the potential for losses due to our reinsurers' unwillingness or inability to meet their obligations under reinsurance contracts and the availability, pricing and adequacy of reinsurance to protect the Company against losses;
 - state and international regulatory limitations on the ability of the Company and certain of its subsidiaries to declare and pay dividends;
- Risks Relating to Estimates, Assumptions and Valuations:
 - risks associated with the use of analytical models in making decisions in key areas such as underwriting, pricing, capital management, reserving, investments, reinsurance and catastrophe risk management;
 - the potential for differing interpretations of the methodologies, estimations and assumptions that underlie the Company's fair value estimates for its investments and the evaluation of intent-to-sell impairments and allowance for credit losses on available-for-sale securities and mortgage loans;
 - the potential for impairments of our goodwill;
- Strategic and Operational Risks:
 - the Company's ability to maintain the availability of its systems and safeguard the security of its data in the event of a disaster, cyber breach or other information security incident, technology failure or other unanticipated event;
 - the potential for difficulties arising from outsourcing and similar third-party relationships;
 - the risks, challenges and uncertainties associated with capital management plans, expense reduction initiatives and other actions;
 - risks associated with acquisitions and divestitures, including the challenges of integrating acquired companies or businesses, which may result in our inability to achieve the anticipated benefits and synergies and may result in unintended consequences;
 - difficulty in attracting and retaining talented and qualified personnel, including key employees, such as executives, managers and employees with strong technological, analytical and other specialized skills;
 - the Company's ability to protect its intellectual property and defend against claims of infringement;
- Regulatory and Legal Risks:
 - the cost and other potential effects of increased federal, state and international regulatory and legislative developments, including those that could adversely impact the demand for the Company's products, operating costs and required capital levels;
 - unfavorable judicial or legislative developments;
 - the impact of changes in federal, state or foreign tax laws;
 - regulatory requirements that could delay, deter or prevent a takeover attempt that stockholders might consider in their best interests; and
 - the impact of potential changes in accounting principles and related financial reporting requirements.

Any forward-looking statement made by the Company in this document speaks only as of the date of the filing of this Form 10-K. Factors or events that could cause the Company's actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

[Index to Business](#)

Part I - Item 1. Business

Item 1.

BUSINESS

(Dollar amounts in millions, except for per share data, unless otherwise stated)

Index

Description	Page
General	6
Organization	6
Purpose and Strategic Priorities	6
Reporting Reportable Segments and Corporate	7
Reserves	17 15
Underwriting for P&C and Group Employee Benefits	18 16
Claims Administration for P&C and Group Employee Benefits	18 16
Reinsurance	18 16
Investment Operations	18 17
Enterprise Risk Management	19 17
Regulation and	17
Intellectual Property	19 18
Human Capital Resources	20 18
Available Information	22 20

significant business operations of its own. The holding company relies on the dividends from its insurance companies and other subsidiaries as the principal

GENERAL

The Hartford Financial Services Insurance Group, Inc. ("HFSG" "HIG") (together with its subsidiaries, "The Hartford", the "Company", "we", or "our") is a holding company for a group of subsidiaries that provide property and casualty ("P&C") insurance, employee group benefits insurance and services, and mutual funds and exchange-traded funds ("ETF") to individual and business customers in the United States, as well as in the United Kingdom and other international locations. Previously known as The Hartford Financial Services Group, Inc., the Company changed its name to The Hartford Insurance Group, Inc. on February 6, 2025. The Hartford is headquartered in Connecticut and its oldest subsidiary, Hartford Fire Insurance Company, dates back to 1810. As of December 31, 2023 December 31, 2024, total assets and total stockholders' equity of The Hartford were \$76.8 billion \$80.9 billion and \$15.3 billion \$16.4 billion, respectively.

ORGANIZATION

The Hartford strives to maintain and enhance its position as a market leader within the financial services insurance industry. The Company sells diverse and innovative products through multiple distribution channels to individuals and businesses and is considered a leading property and casualty and employee group benefits insurer. The Hartford Stag logo is one of the most recognized symbols in the financial services industry.

As a holding company, The Hartford Financial Services Group, Inc. HIG is separate and distinct from its subsidiaries and has no source of cash flow to meet its obligations, pay dividends and repurchase common stock. Information regarding the cash flow and liquidity needs of The Hartford Financial Services Insurance Group, Inc. may be found in Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") — Capital Resources and Liquidity.

PURPOSE AND STRATEGIC PRIORITIES

The Hartford's mission is to provide people with the support and protection they need to pursue their unique ambitions, seize opportunity, and prevail through unexpected challenge, challenges.

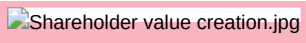
Our strategy to maximize value creation for all stakeholders focuses on advancing underwriting excellence, emphasizing digital capabilities, maximizing distribution channels, optimizing organizational efficiency, and embedding sustainability principles into our business to drive value creation while impacting society at large.

We endeavor to maintain and enhance our position as a market leader by leveraging our core strengths of underwriting excellence, risk management, claims, product development and distribution. We are investing in end-to-end transformation, advancing data, analytics, and digital capabilities across the organization to improve customer experience and strengthen our existing competitive advantages.

An ethical, people-oriented, and performance-driven culture drives our values. We are committed to maintaining and enhancing our inclusive culture and are proud of our reputation for ethics and integrity.

[Index to Business](#)

Part I - Item 1. Business



Strategic Priorities

Our strategy remains consistent and we are focused focuses on the following priorities across our businesses:

- Advancing leading underwriting capabilities across our portfolio to offer expanded products and services; services that solve for a broader range of customer needs;
- Investing in end-to-end transformation, responsibly leveraging data, analytics, digital and artificial intelligence capabilities to drive better, faster decisions and enhance customer experiences;
- Embracing a culture of growth and innovation and cross-enterprise collaboration;
- Emphasizing digital Attracting, developing and retaining talent by enhancing our leadership's capabilities, fostering our differentiating culture and data science that enhance the customer experience and improve underwriting and claims decision making; investing in talent pipelines;
- Maximizing distribution channels and product breadth to increase market share;
- Optimizing organizational efficiency with a focus on continuous improvement;
- Balancing use of excess capital for growth initiatives, investments in the business, and return to stockholders through dividends and share repurchases; and
- Continuing to advance the Company's sustainability leadership in order to attract and retain top talent drive value creation while positively impacting society at large.

We endeavor to maintain and enhance value our position as a market leader by leveraging our core strengths of underwriting excellence, risk management, claims, product development and distribution.

An ethical, people-oriented, and performance-driven culture drives our values. We are committed to stockholders, maintaining and enhancing our culture and are proud of our reputation for ethics and integrity.

[Index to Business](#)

Part I - Item 1. Business

REPORTABLE SEGMENTS AND CORPORATE

The Hartford conducts business principally in five reportable segments, including Business Insurance (formerly "Commercial Lines"), Personal Insurance (formerly "Personal Lines"), Property & Casualty Other Operations, Employee Benefits (formerly "Group Benefits") and Hartford Funds, as well as a Corporate category.

The following discussion describes the principal products and services, marketing and distribution, and competition of The Hartford's reportable segments. For more information on retaining further discussion of the reportable segments, including financial disclosures of revenues by product line, net income (loss), and attracting talent through our diversity, equity and inclusion ("DEI") initiatives, refer assets for each reportable segment, see Note 3 - Segment Information of Notes to the Human Capital Resources section of Part 1, Item 1.

Within our businesses, in 2024 we will continue to pursue objectives specific to each, including: Consolidated Financial Statements.

Commercial Lines 2024 Revenues of \$26,535 by Segment/Category

Maintaining underwriting 273

[1]Includes Revenue of \$70 for Property & Casualty Other Operations and pricing discipline across property and liability lines \$147 for Corporate.

BUSINESS INSURANCE

2024 Earned Premiums of business; \$12,721 by Line of Business



- Continuing to broaden our underwriting capabilities, product breadth, and risk appetite, increasing the cross-sell

2024 Earned Premiums of global specialty product lines to customers of small commercial and middle & large commercial, and growing specialized verticals in middle & large commercial; \$12,721 by Product

- Accelerating use of data and digital technology, including artificial intelligence, and voice of customer to drive a best-in-class experience;
- Enabling improved risk selection and portfolio decisions through data science and analytics; and
- Expanding distribution to match customers' preferred access points.

Personal Lines

- Regaining competitive momentum through the continued rollout of our new automobile and homeowners product and platform, Prevail, which is tailored to the mature market and includes digital service capabilities that provide real time transaction support;
- Continue addressing higher loss cost trends through pricing and underwriting actions;
- Increasing new business in AARP Direct through direct marketing initiatives; and
- Expanding use of telematics and investing in digital technology capabilities, including artificial intelligence



[Index to Business](#)

Part I - Item 1. Business

Group Benefits

- Grow revenues in all customer segments with an emphasis on employer groups with under 500 lives;
- Expanding absence/leave management capabilities and pursuing product and service innovation to meet the rapidly evolving needs of employers and employees;
- Continuing to grow market share of voluntary product offerings, including supplemental health coverage, as well as new state paid family and medical leave;
- Investing in technology that enhances the overall customer experience, supported by easy and accurate operations processes; and
- Advancing data and technology capabilities, including artificial intelligence, to unlock process improvement and enable agility.

Hartford Funds

- Driving organic growth by focusing on key distribution channels and optimizing our product and distribution teams; and
- Working with subadvisors to launch innovative products that meet the needs of financial advisors and their clients.

REPORTING SEGMENTS

The Hartford conducts business principally in five reporting segments including Commercial Lines, Personal Lines, Property & Casualty Other Operations, Group Benefits and Hartford Funds, as well as a Corporate category.

2023 Revenues of \$24,527 by Segment



[1]Includes Revenue of \$62 for Property & Casualty Other Operations and \$114 for Corporate.

The following discussion describes the principal products and services, marketing and distribution, and competition of The Hartford's reporting segments. For further discussion of the reporting segments, including financial disclosures of revenues by product line, net income (loss), and assets for each reporting segment, see Note 3 - Segment Information of Notes to Consolidated Financial Statements.

[Index to Business](#)

Part I - Item 1. Business

COMMERCIAL LINES



Principal Products and Services

Automobile Workers' Compensation	Covers damage to a business's fleet of vehicles employers for losses incurred due to collision employees sustaining an injury, illness or other perils (automobile physical damage). In addition to first party automobile physical damage, commercial automobile covers liability disability in connection with their work. Benefits paid under workers' compensation policies may include reimbursement of medical care costs, replacement income, compensation for bodily permanent injuries and property damage suffered by third parties benefits to survivors. Workers' compensation is provided under both guaranteed cost policies (coverage for a fixed premium) and losses caused by uninsured or under-insured motorists. loss sensitive policies where premiums are adjustable based on the loss experience of the employer.
General Liability	Covers a business in the event it is sued for causing harm to a person and/or damage to property. General liability insurance covers third-party claims arising from accidents occurring on the insured's premises or arising out of their operations. General liability insurance may also cover losses arising from product liability.
Marine	Encompasses various ocean and inland marine coverages including cargo, craft, hull, specie, transport and liability, among others.
Package Business	Covers both commercial property and general liability damages.
Commercial Property	Covers the building a business owns or leases as well as its personal property, including tools and equipment, inventory, and furniture. A commercial property insurance policy covers losses resulting from fire, wind, hail, earthquake, theft and other covered perils, including coverage for assets such as accounts receivable and valuable papers and records. Commercial property may include specialized equipment insurance, which provides coverage for loss or damage resulting from the mechanical breakdown of boilers and machinery.
General Liability	Covers a business in the event it is sued for causing harm to a person and/or damage to property. General liability A commercial property insurance covers third-party claims arising from accidents occurring on the insured's premises or arising out of their operations. General liability insurance policy may also cover losses arising from product liability and provides provide replacement of lost income due to an event resulting from a covered loss that interrupts business operations.
Marine	Encompasses various ocean and inland marine coverages including cargo, craft, hull, specie, transport and liability, among others.
Package Business	Covers both property and general liability damages.
Workers' Compensation	Covers employers for losses incurred due to employees sustaining an injury, illness or disability in connection with their work. Benefits paid under workers' compensation policies may include reimbursement of medical care costs, replacement income, compensation for permanent injuries and benefits to survivors. Workers' compensation is provided under both guaranteed cost policies (coverage for a fixed premium) and loss sensitive policies where premiums are adjustable based on the loss experience of the employer.
Professional Liability	Covers liability arising from directors and officers acting in their official capacity and liability for errors and omissions committed by professionals and others. Coverage may also provide employment practices insurance relating to allegations of wrongful termination and discrimination.
Bond	Encompasses fidelity and surety insurance, including commercial surety, contract surety and fidelity bonds. Commercial surety includes bonds that insure non-performance by contractors, license and permit bonds to help meet government-mandated requirements and probate and judicial bonds for fiduciaries and civil court proceedings. Contract surety bonds may include payment and performance bonds for contractors. Fidelity bonds may include ERISA bonds related to the handling of retirement plan assets and bonds protecting against employee theft or fraud. The Company also provides credit and political risk insurance ("CPRI") offered to clients with global operations.
Assumed Reinsurance	Includes assumed reinsurance of property, liability, surety, credit and political, marine and agriculture risks throughout the world but principally in Europe and the Americas. Business principally provides cover coverage on broad books of business (i.e. treaty), as opposed to individual risks (i.e. facultative).
Commercial Automobile	Covers damage to a business's fleet of vehicles due to collision or other perils (automobile physical damage). In addition to first party automobile physical damage, commercial automobile covers liability for bodily injuries and property damage suffered by third parties and losses caused by uninsured or under-insured motorists.

[Index to Business](#)

Part I - Item 1. Business

Through its three lines of business, small **commercial, business** (formerly "small commercial"), middle & large **commercial, business** (formerly "middle & large commercial"), and global specialty, **Commercial Lines Business Insurance** offers its products and services to businesses in the United States ("U.S.") and internationally. **Commercial Lines Business Insurance** generally consists of products written for small businesses and middle market companies as well as national and multi-national accounts, largely distributed through retail agents and brokers, wholesale agents and global and specialty insurance and reinsurance brokers. The majority of **Commercial Lines Business Insurance** written premium is generated by small **commercial business** and middle market lines, which provide coverage options and customized pricing based on the policyholder's individual risk characteristics. **Small commercial and middle market lines within middle & large commercial are generally referred to as standard commercial lines.**

Small **commercial business** provides coverages for small businesses, which the Company generally considers to be businesses with an annual payroll under \$20, revenues under \$50 and property values less than \$20 per location. Primary coverages provided include workers' compensation, property, general liability and commercial automobile. Within small **commercial, business**, both property and general liability coverages are offered under a single package policy, marketed under the Spectrum name. Small **commercial business** also provides excess and surplus lines coverage to small businesses including umbrella, general liability, property and other coverages.

Middle & large **commercial business** provides insurance coverages to medium-sized and national accounts businesses, which are companies whose payroll, revenue and property values exceed

the small business definition. In addition to offering standard commercial lines products, including workers' compensation, property, general liability and commercial automobile products, middle & large **commercial business** includes program business which provides tailored programs, primarily to customers with common risk characteristics. **On For** national accounts, a significant portion of the business is written through large deductible programs. Other programs written within middle & large **commercial business** are retrospectively-rated where the ultimate premium collected from the insured is adjusted based on how incurred losses for the policy year develop over time, subject to a minimum and maximum premium. Also within middle & large **commercial, business**, the Company writes captive programs business, which provides tailored programs to those seeking a loss sensitive solution where premiums are adjustable based on loss experience. In addition, through business partners, middle & large **commercial business** offers business insurance coverages to exporters and other U.S. companies with a physical presence overseas.

Lines of business written by small **commercial business** and middle & large **commercial business** are subject to rate regulation and written pricing increases or decreases that are partly in response to loss cost trends. Workers' compensation rates are based on loss experience and are informed by data submitted through the National Council on Compensation Insurance ("NCCI"). Workers' compensation rates have been under downward pressure for the industry due to favorable loss cost trends in recent **years, including due to lower claim frequency that occurred during the pandemic, years.**

[Index to Business](#)

Part I - Item 1. Business

Global specialty provides a variety of customized insurance products, including property, general liability, marine, professional liability, and bond. The vast majority of in the business written by

our Navigators Group insurance subsidiaries is reported in the U.S., global specialty serves both the admitted and non-admitted markets and produces business unit through both wholesale and retail brokers. Global specialty also offers various products internationally as a sole corporate member of Lloyd's Syndicate 1221 ("Lloyd's Syndicate"). In addition to offering insurance products, global specialty also offers assumed reinsurance for various risks including property, liability, surety, marine, credit and political, and agricultural primarily in Europe and the America's.

Marketing and Distribution

Commercial Lines Business Insurance provides insurance products and services through the Company's regional offices, branches and sales and policyholder service centers throughout the United States and, to a lesser extent, overseas, principally in the United Kingdom. The products are marketed and distributed using independent retail agents and brokers, wholesale agents and global and specialty insurance and reinsurance brokers, with business also sold direct-to-consumer. In addition, the Company offers insurance products to customers of payroll service providers through its relationships with major national payroll companies in the United States and to members of affinity organizations. As the sole corporate member of Lloyd's Syndicate 1221, ("Lloyd's Syndicate"), the Company has the exclusive right to underwrite business up to an approved level of premium in the Lloyd's of London ("Lloyds' Lloyd's") market.

In the United States, independent agents, brokers and wholesalers are consolidating and this trend is expected consolidating. While the acquisition activity has slowed with the rise of rates, we continue to continue. expect large deals by well positioned companies. This will likely result in a larger proportion of written premium being concentrated among fewer agents, brokers and wholesalers. These distribution partners are looking to exercise more control over the insurance value chain and are leveraging data and analytics for bargaining power.

Competition

Small Commercial Business

In small commercial, business, The Hartford competes against large national carriers, regional carriers and direct writers. Competitors include stock companies, mutual companies and other underwriting organizations. The small commercial business market remains highly competitive and fragmented as carriers seek to differentiate themselves through product expansion, price, enhanced service and leading technology. Larger carriers such as The Hartford are continually advancing their pricing sophistication and ease of doing business with agents and customers through the use of technology, analytics and other capabilities that improve the process of evaluating a risk, quoting new business and servicing customers. The Company also continuously enhances digital capabilities as customers and distributors demand more access and convenience, and expands product and underwriting capabilities to accommodate both larger accounts and a broader risk appetite.

Existing competitors and new entrants, including start-up and non-traditional carriers, are actively looking to expand sales of business insurance products to small businesses through increasing their underwriting appetite, deepening their relationships with distribution partners, leveraging emerging

artificial intelligence capabilities, and through on-line and direct-to-consumer marketing. Carriers that can quote business in an automated way have a competitive advantage by shortening the time from quoting to issuance. Through its ICON quoting tool, The Hartford quotes over 75% of its Spectrum package business and workers' compensation new business policies without human intervention.

Middle & Large Commercial Business

Middle & large commercial business is considered "higher touch" and involves highly specialized expertise, including individual underwriting and pricing decisions. Competition in this

[Index to Business](#)

Part I - Item 1. Business

market includes stock companies, mutual companies, alternative risk sharing groups and other underwriting organizations. In addition, some larger brokers are now becoming competitors through acquisition of managing general agents or managing general underwriters.

The pricing of middle market and national accounts is prone to significant volatility over time due to changes in individual account characteristics and exposure, as well as legislative and macro-economic forces. National and regional carriers participate in the middle & large commercial business insurance sector, resulting in a competitive environment where pricing and policy terms are critical to securing new business and retaining existing accounts. As a means to mitigate the cost of insurance, middle market and large commercial buyers may opt for loss-sensitive products in-lieu of guaranteed cost policies.

Within this competitive environment, The Hartford is continuing to invest in its underwriting systems and capabilities, including investing in speed to market solutions for the lower end of middle market, enhancing its digital experience, leverage leveraging its sales and underwriting talent and expand expanding its use of data analytics, artificial intelligence capabilities and third party data to make risk selection and pricing decisions as the firm pursues responsible growth strategies to deliver target returns. In product development and related areas such as claims and risk engineering, the Company has expanded its capabilities in industry verticals, such as energy, construction, media arts & entertainment, technology and life sciences.

Global Specialty

Global specialty competes against multi-national insurance and reinsurance companies, including marine, property, excess casualty, professional liability, bond and assumed reinsurance in the U.S and London markets. Global specialty writes many surplus lines of business, which are lines of business not written through standard products licensed or admitted in a state, state ("nonadmitted"). In recent years, surplus lines have accounted for a significant portion of the total U.S. property and casualty commercial market, and The Hartford continues to grow its surplus book of business.



Part I - Item 1. Business

Global specialty also writes business in the London market via its Lloyd's syndicate platform. The Lloyd's platform is comprised of over 50 syndicates and 350 brokers, who benefit from the ability to write risks in over 200 countries using Lloyd's international licenses. The Lloyd's platform has shifted from remediation to growth in recent years, as the market emerged from consecutive underwriting losses, returning to more

Customers served by the global specialty marketplace expect tailored policy language for their unique risks and, increasingly, are looking for a single insurance carrier to meet all their coverage needs. The Company has been successful in cross-selling global specialty product lines to customers of small commercial business and of middle & large commercial business and seeks to expand cross-sell opportunities in the future. The Hartford competes on the basis of its underwriting capabilities where it uses data and actuarial insights to enhance risk selection. The Company seeks to drive greater efficiency, shorten the quoting process and improve the customer's experience through expanded use of digital and artificial intelligence capabilities.

[Index to Business](#)



Part I - Item 1. Business

profitable underwriting conditions in recent years. Lloyd's is regulated by the Financial Conduct Authority ("FCA") and Prudential Regulatory Authority ("PRA") in the U.K. For further discussion, see Part II, Item 7, MD&A - Capital Resources and Liquidity.

[Index to Business](#)

PERSONAL LINES INSURANCE

2023 2024 Earned Premiums of \$3,087 \$3,453 by Line of Business



2023 2024 Earned Premiums of \$3,087 \$3,453 by Product



Principal Products and Services

Personal Automobile	Covers damage to an individual insured's own vehicle due to collision or other perils and is referred to as automobile physical damage. In addition to first party automobile physical damage, automobile insurance covers liability for bodily injuries and property damage suffered by third parties and losses caused by uninsured or underinsured under-insured motorists. Also, under no-fault laws, policies written in some states provide first party personal injury protection. Some of the Company's personal automobile insurance policies also offer personal umbrella liability coverage for an additional premium.
Homeowners	Insures against losses to residences and contents from fire, wind and other perils. Homeowners insurance includes owned dwellings, rental properties and coverage for tenants. The policies may provide other coverages, including loss related to recreational vehicles or watercraft, identity theft and personal items such as jewelry.

Personal Lines Insurance provides automobile, homeowners and personal umbrella coverages to individuals across the United States, mostly through a program designed exclusively for members of AARP ("AARP Program"). The Hartford's automobile and homeowners products provide coverage options and pricing tailored to a customer's individual risk. The Hartford has individual customer relationships with AARP Program policyholders and, as a group, they represent a significant portion of the total Personal Lines Insurance's business. Business sold to AARP members, either direct or through independent agents, amounted to earned premiums of \$2.9 billion \$3.2 billion, \$2.7 billion \$2.9 billion and \$2.7 billion in 2024, 2023 2022 and 2021, 2022, respectively. The AARP relationship provides The Company with a competitive advantage to capitalize on the continued growth of the over age 50 population.

market and includes digital service capabilities that provide real time transaction support. Among other things, overall rate levels, price segmentation, rating factors and underwriting procedures are being updated through the introduction of Prevail. Personal Lines Insurance works with carrier partners to provide risk protection options for AARP members with needs beyond the company's current product offering.

Marketing and Distribution

Personal Lines reaches diverse customers through multiple distribution channels, including direct-to-consumer and independent agents. The direct-to-consumer channel continues to represent a larger share of the automobile insurance market, accounting for more than one-third of industry premiums. In direct-to-consumer, Personal Lines markets its products through a mix of media, including direct mail, digital marketing, and television as well as digital and print advertising. Through the agency channel, Personal Lines provides products and services

The Company continues to roll has rolled out its new cloud-based product and platform, Prevail, on a state by state basis, and was which is now in 39 states as of December 2023, market in nearly all states. Prevail is tailored to the mature

Marketing and Distribution

Personal Insurance reaches diverse customers through multiple distribution channels, including direct-to-consumer and independent agents. In the direct-to-consumer channel, Personal Insurance markets its products through a mix of media, including digital marketing, direct mail, print advertising, and television. In the agency channel, Personal Insurance provides products and services to customers through a network of independent agents in the standard personal lines market, primarily serving mature, preferred consumers. These independent agents are not employees of the Company.

Personal Lines Insurance has made significant investments in offering direct and agency-based customers the opportunity to interact with the company on-line, including via mobile devices. In addition, its technology platform for telephone sales centers enables sales representatives to provide an enhanced experience for direct-to-consumer customers, positioning the Company to offer unique capabilities to AARP's member base.

Most of Personal Lines Insurance's sales are associated with its exclusive licensing arrangement with AARP, with the current agreement in place through December 31, 2032, to market automobile, homeowners and personal umbrella coverages to AARP's approximately 38 million members, primarily direct but also through independent agents, members. This relationship with AARP, which has been in place since 1984, provides Personal Lines Insurance with an important competitive advantage given the increase in the population of those over age 50 and the strength of the AARP brand.

Prior to May 2021, in most states, new business automobile and home policies were issued to AARP members with a lifetime continuation agreement endorsement, providing that the policies will be renewed as long as certain terms are met, such as timely payment of premium and maintaining a driver's license in good standing. However, beginning in May 2021, Personal Lines Insurance no longer offers the lifetime continuation agreement to new home and automobile policies. The endorsement will remain on renewal policies with original effective dates prior to May 2021.

In addition to selling to AARP members, Personal Lines Insurance offers its automobile and homeowners products to non-AARP customers, primarily through the independent agent channel. Personal Lines Insurance leverages its agency channel to target AARP members and other customer segments, primarily targeting target the over age 50 preferred mature market, that value which values the advice of an independent agent and recognize recognizes the differentiated experience the Company provides. In particular, the Company has taken action to distinguish its brand within the over age 50 preferred mature market and improve profitability in the independent agent channel, placing more emphasis on our highly partnered agents.

lines insurance Insurance is written by insurance companies of varying sizes that compete principally on the basis of price, product, service, including claims handling, the insurer's ratings and brand recognition. Companies with strong ratings, recognized brands, direct sales capability and economies of scale will have a competitive advantage. Larger carriers have the advantage of economies of scale with the top ten personal lines insurers accounting for approximately 70% of market share.

The growth of direct-to-consumer sales, including by new entrants to the marketplace, continues to outpace sales in the agency distribution channel. Insurers that distribute products principally through agency channels compete by offering commissions and additional incentives to attract new business. To distinguish themselves in the marketplace, top tier insurers are offering on-line digital and self-service capabilities that make it easier for agents and consumers to do business with the insurer. A large majority of agents have been using "comparative rater" tools that allow the agent to compare premium quotes among several insurance companies. The use of comparative rater tools increases price competition. Insurers that are able to capitalize on their brand and reputation, differentiate their products and deliver strong customer service are more likely to be successful in this market.

The use of data mining and predictive modeling is used by more and more carriers to target the most profitable business, and carriers have further segmented their pricing plans to expand market share in what they believe to be the most profitable segments. The Company continues to invest in capabilities to better utilize data and analytics, and thereby, refine and manage underwriting and pricing. Many carriers, including The Hartford, continue to invest in telematics capabilities to enable better risk selection and pricing segmentation in response to changes in driving patterns. Currently in the states where the Prevail product has rolled out, The Hartford offers its telematics program, TrueLane, which uses a mobile app solution to offer discounts for good driving behavior based on such attributes as braking, speed, distracted driving, and acceleration.

Also, new automobile technology advancements, including lane departure warnings, backup cameras, automatic braking and active collision alerts, are being continue to be deployed rapidly and are expected to improve driver safety and reduce the likelihood of vehicle collisions. However, these features include expensive parts, contributing to increasing average claim severity.

In 2023, 2024, inflation continued to impact the industry. Supply chain pressures, advanced vehicle technology, body shop capacity, and a tight labor market have increased the cost of automobile repairs. repairs, although there were some areas of moderation such as used car prices. In addition, a tight labor market and inflation on material prices increased the cost to

Competition

The personal lines automobile and homeowners insurance markets are highly competitive. However, in 2023, In 2024, many personal lines insurance companies, reduced including The Hartford, increased marketing spend and implemented non-rate actions in order to reduce increase new business production while working after returning to achieve adequate rate, new business rate adequacy. Personal

repair homes.

P&C OTHER OPERATIONS

Property & Casualty Other Operations includes certain property and casualty operations managed by the Company that have discontinued writing new business and includes substantially all of the Company's pre-1986 asbestos and environmental ("A&E") exposures. For a discussion of coverages provided under within the P&C Other Operations segment ("Run-off A&E"), run-off assumed reinsurance and all other non-A&E exposures, see Part II, Item 7, MD&A - Critical Accounting Estimates, Property & Casualty Insurance Product Reserves, Net of Reinsurance. policies written with exposure to A&E prior to 1986 reported

[Index to Business](#)

Part I - Item 1. Business

GROUP EMPLOYEE BENEFITS

2023 2024 Premiums and Other Considerations of \$6,515 \$6,615



Principal Products and Services

Group Life	Typically is term life insurance provided in the form of a yearly renewable policy. Other life coverages in this category include accidental loss of life and severe injury benefits and business travel accident insurance.
Group Disability	Typically comprised of short-term disability, long-term disability, and paid family leave plans that pay a percentage of an employee's salary for a period of time if they are ill or injured and cannot perform the duties of their job. Short-term and long-term disability policies have elimination periods that must be satisfied prior to benefit payments. The Company also earns fee income from leave management services for federal, state and employer family and medical leave and workplace accommodation programs, as well as the administration of employer self-funded disability plans.
Other Products	Includes other group coverages such as retiree health insurance, critical illness, accident and hospital indemnity coverages.

Group insurance typically covers an entire group of people under a single contract, most typically the employees of a single employer or members of an association.

Group Employee Benefits provides group life, disability and other group coverages to members of employer groups, associations and affinity groups through direct insurance policies and provides reinsurance to other insurance companies. Group insurance typically covers an entire group of people under a single contract, most typically the employees of a single employer or members of an association. In addition to employer paid coverages, the segment offers voluntary product coverages which are offered through employee payroll deductions. Group Employee Benefits also offers disability underwriting, administration, and claims processing to self-funded employer plans. In addition, the segment offers a single-company leave management solution, which integrates work absence data from the insurer's short-term and long-term group disability and workers' compensation insurance business with its leave management administration services.

Statutory paid family leave ("PFL") and paid family and medical leave ("PFML") programs are a source of growth as the Company offers fully insured coverage or administers self-insured coverage for some of these programs. As of 2023, year-end 2024, thirteen states and the District of Columbia have enacted mandated PFL or PFML programs. Alabama, Arkansas, Florida, Kentucky, New Hampshire, South Carolina, Tennessee, Texas,

New Hampshire, Tennessee, Texas, Vermont, and Virginia have also created opt-in paid family leave programs, and additional states are considering adopting PFL or PFML programs.

Group Employee Benefits generally offers term insurance policies, allowing for the adjustment of rates or policy terms at renewal in order to minimize the adverse effect of market trends, loss costs, changes in interest rates and other factors. Policies are typically sold with one, two or three-year rate guarantees depending upon the product and market segment.

Marketing and Distribution

The Group Employee Benefits distribution network is managed through a regional sales office system to distribute its group insurance products and services through a variety of distribution outlets including brokers, consultants, third-party administrators and trade associations. Additionally, the segment has relationships with several private exchanges which offer its products to employer groups. Technology providers, including Human Resources human resources platform vendors, are taking an increasingly prominent role in influencing customer decisions that also influence selection of the group employee benefits insurance provider.

[Index to Business](#)

Part I - Item 1. Business

Competition

Group Employee Benefits competes with numerous insurance companies and financial intermediaries marketing insurance products. The market for group employee benefits continues to grow as COVID-19 drove new demand for employee benefits among both employees and employers continue to demand employee benefits for addressing mental health, wellness, and caregiving costs.

In order to differentiate itself, Group Employee Benefits uses its risk management expertise and economies of scale to derive a competitive advantage. Competitive factors include the extent of products offered, price, the quality of customer and claims handling services, digital capabilities, and the Company's relationship with third-party distributors and private exchanges. Active price competition continues in the marketplace, resulting in multi-year rate guarantees being offered to customers. Top tier insurers in the marketplace also offer on-line digital and self-service capabilities to third party distributors and consumers. The relatively large size and underwriting capacity of the Group Employee Benefits business provides a competitive advantage over smaller competitors.

The Company's market presence has increased in recent years, benefiting from our industry leading digital technology and integrated absence management and claims platform.

Additionally, as employers continue to focus on reducing the cost of employee benefits, we expect more companies to offer voluntary products paid for by employees. Across the industry, the sale of voluntary product offerings, including supplemental health coverage, is growing at a faster rate than employer-provided benefits. Competitive factors affecting the sale of voluntary products include the breadth of products, product education, enrollment capabilities and overall customer service. The Company, as well its competitors, are investing in technology to offer digital capabilities, and to improve product offerings and service levels, particularly with voluntary products.

We offer our voluntary products including critical illness, accident and hospital indemnity coverage to employees through our Employee Choice Benefits programs. The Company's enhanced enrollment and marketing tools, such as My Tomorrow®, are providing additional opportunities to educate individual participants about supplementary benefits and deepen their knowledge about product selection.

In addition to providing group disability, leave management and life insurance, we offer integrated claim, leave and benefits administration with The Hartford's Ability Advantage platform.

HARTFORD FUNDS

Hartford Funds Segment Assets Under Management ("AUM") of \$131,025 \$139,598 as of December 31, 2023 December 31, 2024



Mutual Fund AUM of \$115,417 \$123,571 as of December 31, 2023 December 31, 2024



[Index to Business](#)

Part I - Item 1. Business

Principal Products and Services

Mutual Funds	Includes approximately 60 actively managed mutual funds across a variety of asset classes including domestic and international equity, fixed income, and multi-strategy investments, principally subadvised sub-advised by two unaffiliated institutional asset management firms.
Exchange-traded funds	Exchange-traded funds ("ETF") include actively managed ETFs and multifactor ETFs. Actively-managed ETFs include fixed income, domestic equity and commodity products utilizing the same investment platform as our mutual funds. Multifactor ETFs are designed to track indices using passive investment techniques that strive to improve performance relative to traditional capitalization-weighted indices.
Third-party life and annuity separate accounts under management	Relates to assets of the life and annuity business sold in May 2018 that are still managed by the Company's Hartford Funds segment.

The Hartford Funds segment provides investment management, administration, product distribution and related services to investors through a diverse set of investment products in domestic markets. Hartford Funds' comprehensive range of products and services assist clients in achieving their desired investment objectives. AUM are separated into three distinct categories referred to as mutual funds, ETFs and third-party life and annuity separate accounts under management.

Marketing and Distribution

Our funds and ETFs are sold through national and regional broker-dealer organizations, independent financial advisers, defined contribution plans, financial consultants, bank trust groups and registered investment advisers. Our distribution team is organized to sell primarily in the United States.

Competition

The investment management industry is mature and highly competitive. Firms are differentiated by investment performance, range of products offered, brand recognition, financial strength, proprietary distribution channels, quality of service and level of fees charged relative to quality of investment products. The Hartford Funds segment competes with a large number of asset management firms and other financial institutions and differentiates itself through its global subadvisors, sub-advisors, product breadth, competitive fees and strong distribution. The segment also competes directly with lower cost passive investment strategies, which continue taking share from active managers.

CORPORATE

The Company includes in the Corporate category reserves for run-off structured settlement and terminal funding agreement liabilities, restructuring costs, capital raising activities (including equity financing, debt financing and related interest expense), purchase accounting adjustments related to goodwill, reserves for run-off structured settlement and terminal funding agreement liabilities, restructuring costs, transaction expenses incurred in connection with an acquisition, certain M&A costs, purchase accounting adjustments related to goodwill and other expenses not allocated to the reporting

reportable segments. Corporate also includes investment management fees and expenses related to managing third-party assets. In addition, up until June 30, 2021, Corporate included a 9.7% ownership interest in Hopmeadow Holdings LP, the legal entity that acquired Talcott Resolution. For discussion of this sale, see Part II, Item 7, MD&A — The Hartford's Operations.

[Index to Business](#)

Part I - Item 1. Business

RESERVES

Total Reserves as of December 31, 2023 December 31, 2024 [1]

41

[1]Includes reserves for future policy benefits and other policyholder funds and benefits payable of \$494 \$448 and \$638, \$614, respectively, of which \$312 \$290 and \$408, \$401, respectively, relate to the Group Employee Benefits segment with the remainder related to run-off structured settlement and terminal funding agreements within Corporate.

The reserve for unpaid losses and loss adjustment expenses ("LAE") includes a liability for unpaid losses, including those that have been incurred but not yet reported, as well as estimates of all expenses associated with processing and settling these insurance claims, including reserves related to both Property & Casualty and Group Employee Benefits.

Total Property & Casualty Reserves as of December 31, 2023 December 31, 2024

737

reserves within Note 1 - Basis of Presentation and Significant Accounting Policies and in Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

Total Group Employee Benefits Reserves as of December 31, 2023 December 31, 2024 [1]

1350

[1]Includes short duration contract reserves of \$157 \$183 for short-term disability and \$38 \$39 of supplemental health as well as reserves for future policy benefits that include \$223 \$204 of paid up life reserves and policy reserves on life policies, \$71 \$67 of reserves for conversions to individual life and \$18 \$19 of other reserves.

Group Employee Benefits reserves include unpaid loss and loss adjustments expenses for long-term disability ("LTD"), group life and other lines of business as well as reserves for other policyholder funds and reserves for future policy benefits. Other policyholder funds and benefits payable represent deposits from policyholders, including policyholders of short-duration insurance contracts, where the Company does not have insurance risk but is subject to investment risk. Reserves for future policy benefits represent life-contingent reserves for which the Company is subject to insurance, interest rate, and investment risk. On January 1, 2023, the Company adopted the Financial Accounting Standards Board's ("FASB") updated guidance on accounting for long duration insurance contracts, which was applied on a modified retrospective basis as of January 1, 2021. For additional information refer to Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to Consolidated Financial Statements.

Discussion of The Hartford's Group Employee Benefits long-term disability reserves may be found in Part II, Item 7, MD&A — Critical Accounting Estimates — Group Employee Benefit LTD Reserves, Net of Reinsurance. Additional discussion may be found in Notes to Consolidated Financial Statements, including in the Company's accounting policies for insurance product reserves within Note 1 - Basis of Presentation and Significant Accounting Policies and in Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[Index to Business](#)

Part I - Item 1. Business

UNDERWRITING FOR P&C AND GROUP EMPLOYEE BENEFITS

The Company underwrites the risks it insures in order to manage exposure to loss through favorable risk selection and diversification. Risk modeling is used to manage, within specified limits, the aggregate exposure taken in each line of business and across the Company. For property and casualty business, aggregate exposure limits are set by geographic zone and peril. Products are priced according to the risk characteristics of the insured's exposures. Rates charged for Personal Lines Insurance products are filed with the states in which we write business. Rates for most Commercial Lines Business Insurance products are also filed with the states but the premium charged may be modified based on the insured's relative risk profile and workers' compensation policies may be subject to modification based on prior loss experience. The Company also writes coverage in the excess and surplus lines market, primarily within global specialty, which is characterized by the absence of regulation related to rate and form and allows for more pricing and coverage flexibility to write certain classes of business. Pricing for Group Employee Benefits products, including long-term disability and life insurance, is also based on an underwriting of the risks and a projection of estimated losses, including consideration of investment income.

Pricing adequacy depends on a number of factors, including the ability to obtain regulatory approval for rate changes, proper evaluation of underwriting risks, the ability to project future loss cost frequency and severity based on historical loss experience adjusted for known trends, the Company's response to rate actions taken by competitors, its expense levels and expectations about regulatory and legal developments. The Company seeks to price its insurance policies such that insurance premiums and future net investment income earned on premiums received will cover underwriting expenses and the ultimate cost of paying claims reported on the policies and provide for a profit margin. For many of its insurance products, the Company is required to obtain approval for its premium rates from state insurance departments and the Lloyd's Syndicate's ability to write business is subject to Lloyd's approval for its premium capacity each year.

Geographic Distribution of Earned Premium
(% of total)

Location	Commercial Personal Group							Business Personal Employee				
	Location	Lines	Lines	Benefits	Total	Location	Insurance	Insurance	Benefits	Total	Location	Insurance
California	California	8 %	2 %	2 %	12 %	California	8 %	2 %	2 %	12 %	California	8 %
New York	New York	5 %	1 %	3 %	9 %	New York	6 %	1 %	3 %	10 %	New York	6 %
Texas	Texas	5 %	1 %	2 %	8 %	Texas	5 %	2 %	2 %	9 %	Texas	5 %
Florida	Florida	3 %	1 %	2 %	6 %	Florida	3 %	1 %	2 %	6 %	Florida	3 %
All other	All other					All other					All other	
[1]	[1]	34 %	10 %	21 %	65 %	[1]	35 %	9 %	19 %	63 %	[1]	35 %
Total	Total	55 %	15 %	30 %	100 %	Total	57 %	15 %	28 %	100 %	Total	57 %

[1]No other single state or country accounted for 5% or more of the Company's consolidated earned premium in 2023, 2024.

CLAIMS ADMINISTRATION FOR P&C AND GROUP EMPLOYEE BENEFITS

Claims administration includes functions associated with the receipt of initial loss notices, claims adjudication and estimates, legal representation for insureds where appropriate, establishment of case reserves, payment of losses and notification to reinsurers. These activities are performed by approximately 6,700 6,900 claim employees including, among others, claim adjusters, appraisers, attorneys, doctors, nurses, behavioral health specialists, investigators and data analytics professionals as well as training staff, management, and support staff. The Company contracts with a select number of approved regional, national and international suppliers to enhance claim capabilities and business resiliency.

The Company's claims teams manage losses across all 50 states, Washington D.C, the U.S. and 2 internationally, working from locations across the U.S. and in two of our international locations. offices. The teams are organized to meet the specific claim service needs for our various product offerings. Our corporate home office supports shared service claim functions including The claims organization is supported by data and analytics, technology, and strategy, strategy located across the U.S. and in two of our international offices.

As a leading provider of workers' compensation and group employee benefits coverages, the Company leverages data analytics to return employees to active, productive lives as soon and safely as possible. Clinical experts focus on opioid usage, vocational rehabilitation, behavioral health and medical case management which we believe provides the Company with a competitive advantage for managing medical costs.

The Company maintains a dedicated catastrophe claims organization that is positioned to respond to large-scale catastrophic events across the country. For the most severe events, the team is supplemented with additional Company staff to respond to claimants promptly after an event.

The Company's claims organization has a nationwide staff of attorneys who represent insureds in key jurisdictions, including dedicated lawyers specializing in complex litigation.

Claim payments for benefits, losses and loss adjustment expenses are the largest expenditure for the Company.

REINSURANCE

For discussion of reinsurance, see Part II, Item 7, MD&A — Enterprise Risk Management and Note 8 - Reinsurance of Notes to Consolidated Financial Statements.



Part I - Item 1. Business

[Index to Business](#)

INVESTMENT OPERATIONS

Hartford Investment Management Company ("HIMCO") is an SEC registered investment advisor and manages the Company's investment operations. HIMCO provides customized



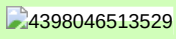
Part I - Item 1. Business

[Index to Business](#)

investment strategies for The Hartford's investment portfolio, as well as for The Hartford's pension plan and institutional clients.

As of **December 31, 2023** **December 31, 2024** and **2022** **2023**, the fair value of HIMCO's total assets under management was approximately **\$108.5 billion** **\$112.0 billion** and **\$108.9 billion** **\$108.5 billion**, respectively, including **\$50.3 billion** **\$50.9 billion** and **\$53.7 billion** **\$50.3 billion**, respectively, that were held in HIMCO managed third party accounts and **\$3.8 billion** **\$3.6 billion** and **\$3.7 billion** **\$3.8 billion**, respectively, that support the Company's pension and other postretirement benefit plans.

The Hartford's Investment Portfolio of \$59.2 billion as of December 31, 2024



Management of The Hartford's Investment Portfolio

HIMCO manages the Company's investment portfolios to maximize economic value, ensure sufficient funding of the Company's liabilities, and **achievement of achieve** enterprise financial objectives while remaining within acceptable risk tolerances. Portfolio objectives and guidelines are developed based upon the asset/liability profile, including timing and amount of claim payment obligations, investment return opportunity, and risk characteristics. The Company attempts to minimize adverse impacts to the portfolio and the Company's results of operations from changes in economic conditions through asset diversification, asset allocation limits, asset/liability duration matching, and active portfolio management, which may include the use of derivatives. Risk tolerances considered include, but are not limited to, asset sector exposure limits, credit issuer allocation limits, portfolio quality constraints including maximum exposure to below investment grade holdings, and interest rate duration limits. For further discussion of HIMCO's portfolio management approach, see Part II, Item 7, MD&A — Enterprise Risk Management.

The Hartford's Investment Portfolio of \$55.9 billion as of December 31, 2023



ENTERPRISE RISK MANAGEMENT

The Company has insurance, operational and financial risks. For discussion on how The Hartford manages these risks, see Part II, Item 7, MD&A - Enterprise Risk Management.

REGULATION

State and Foreign Insurance Laws

State insurance laws are intended to supervise and regulate insurers with the goal of protecting policyholders and ensuring the solvency of the insurers. As such, the insurance laws and regulations grant broad authority to state insurance departments ("Departments") to oversee and regulate the business of insurance. The Departments monitor the financial stability of an insurer by requiring insurers to maintain certain solvency standards and minimum capital and surplus requirements; invested asset requirements; state deposits of securities; guaranty fund premiums; restrictions on the size of risks which may be insured under a single policy; and adequate reserves and other necessary provisions for unearned premiums, unpaid losses and loss adjustment expenses and other liabilities, both reported and unreported. In addition, the Departments perform periodic market and financial examinations of insurers and require insurers to file annual and other reports on the financial condition of the companies. Policyholder protection is also regulated by the Departments through licensing of insurers, sales employees, agents and brokers and others; approval of premium rates and policy forms; and claims administration requirements.

Many states also have laws regulating insurance holding company systems. These laws require insurance companies, which are formed and chartered in the state ("Domestic Insurers"), to register with the state department of insurance (referred to as their "domestic state or regulator") and file information concerning the operations of companies within the holding company system that may materially affect the operations, management or financial condition of the insurers within the system. Insurance holding company regulations principally relate to (i) state insurance approval of the acquisition of Domestic Insurers, (ii) prior review or approval of certain transactions between the **domestic insurer** **Domestic Insurer** and its affiliates, and (iii) regulation of dividends made by the **domestic insurer**, **Domestic Insurer**. All transactions within a holding company system affecting Domestic Insurers must be determined to be fair and equitable.

The extent of financial services regulation on business outside the United States varies significantly among the countries in which The Hartford operates. Foreign financial services providers in certain countries are faced with greater restrictions than domestic competitors domiciled in that particular jurisdiction. Our International operations include a Lloyd's Syndicate which is required to meet the minimum market standards set by Lloyd's, as well as UK PRA and UK FCA regulatory requirements. Consistent with the U.K.'s current interpretation of Solvency II, both Lloyd's and the PRA focus on the adequacy of capital held and solvency of an insurer against the risk profile and management of the authorized insurer in setting capital requirements.

addition, the Board's Compensation and Management Development Committee ("Compensation Committee") is responsible for reviewing performance and

Federal and State Securities and Financial Regulation Laws

The Company sells and distributes its mutual funds and ETFs through a broker dealer subsidiary, and is subject to regulation promulgated and enforced by the Financial Industry Regulatory Authority, the SEC and/or, in some instances, state securities administrators. Other subsidiaries operate as investment advisers registered with the SEC under the Investment Advisers' Act of 1940, as amended, and are registered as investment advisers under certain state laws, as applicable. Because federal and state laws and regulations are primarily intended to protect investors in securities markets, they generally grant regulators broad rulemaking and enforcement authority. Some of these regulations include, among other things, regulations impacting sales methods, trading practices, suitability of investments, use and safekeeping of customers' funds, corporate governance, capital, recordkeeping, and reporting requirements.

Failure to comply with federal and state laws and regulations may result in fines, the issuance of cease-and-desist orders or suspension, termination or limitation of the activities of our operations and/or our employees.

INTELLECTUAL PROPERTY

We rely on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect our intellectual property.

We have a trademark portfolio that we consider important in the marketing of our products and services, including, among others, the trademarks of The Hartford name, the Stag Logo and the combination of these two trademarks. The duration of trademark registrations may be renewed indefinitely subject to country-specific use and registration requirements. We regard our trademarks as highly valuable assets in marketing our products and services and vigorously seek to protect them against infringement. In addition, we own a number of patents and patent applications relating to on-line quoting, insurance related processing, insurance telematics, proprietary interface platforms, and other matters. Patents are of varying duration depending on filing date, and will typically expire at the end of their natural term.

HUMAN CAPITAL RESOURCES

The Hartford has approximately 18,700 19,100 employees as of December 31, 2023 December 31, 2024.

Management, including the CEO and Chief Human Resources Officer ("CHRO"), establishes the hiring and compensation practices for our Company. The Board is periodically updated on key employee engagement measures (including employee survey results) and the demographics of the Company's workforce. The Board's Audit Committee receives an annual review of the Company's key employee relations measures. In

approving compensation paid to senior executives, and, among other things, the oversight of succession and continuity planning for the CEO and other senior executives, executive roles, setting the Company's executive compensation policy and administering the Company's Clawback Policy for senior executives. The Compensation Committee also receives updates on DEI initiatives and the results of the Company's annual pay equity analysis. Our Human Resources team, led by our CHRO, supports the Compensation Committee in the execution of its responsibilities. In addition to the day-to-day support and counseling they provide to our leaders, managers and employees, the Human Resources team also monitors key indicators to keep a pulse on trends across our employee population including strategic workforce planning, employee engagement, employee relations matters, career mobility, talent acquisition attraction, retention, and development, and retention, development.

Talent Attraction, Retention and Development

The Hartford prioritizes sustaining a workforce that values all aspects of diversity and maintains an inclusive and equitable work environment where employees are respected, inspired to perform at their best, and are recognized for their contributions. We believe that the combination of a workforce and culture that actively embrace different experiences, perspectives and insights results in better decisions, outcomes and experiences for both our customers and employees. We persistently work to improve the employee experience in support of our continuing strategic objective to attract, retain and develop the best talent in the industry.

Our commitment to a robust talent pipeline starts at the top. The Board of Directors engages with the Compensation Committee annually to review senior executive level talent, consider key emerging executive talent and conduct succession planning. In addition, our leadership team conducts a comprehensive annual talent review process across our organization each year.

In 2023, we achieved top quartile employee engagement and performance enablement scores, as measured by independent third party surveys, through continued focus on leader effectiveness, collaboration, innovation and risk-taking, career growth, belonging and well-being.

We have been with the industry for over 100 years and have a long history of innovation and excellence.

to keep pace with the evolving needs of our customers and the expectations of employees and external candidates, we focus on a broad array of actions, including:

- Providing career growth and development opportunities aligned to our strategies through our strategic workforce plans, executive, professional and front-line recruitment, training, development, internal mobility and job progression, and retention strategies;
- Offering extensive learning and development opportunities to sustain the skills needed for the roles we have today and those we anticipate in the future; and
- Holding leaders accountable for their progress against human capital goals that include development, engagement, retention mobility, succession, and business line-specific DEI goals which are reviewed periodically by the CEO and executive leadership team. retention.

[Index to Business](#)

Part I - Item 1. Business

For entry-level roles in the organization, we recruit at colleges and universities, and offer a range of training and development programs, including:

- The Hartford's Leadership Development Program, which provides curriculum to enhance leadership skill sets for all participants – from first-time leaders through our executive ranks;
- The Hartford Early Career Leadership Program, which offers programs in Actuarial, Finance, Underwriting, Claims & Operations and Technology through rotational development to gain a breadth of experiences;
- The Hartford's Apprenticeship Program, which prepares students for careers in insurance; and
- Our HartCode Hart-Academy Tech training program for employees introduced HartCloud Academy Developer Training Program, in 2024 offering an immersive training program for our mid-career engineers to advance their proficiency in cloud technologies.

The Hartford prioritizes sustaining a workforce that upholds the highest standards of ethics and trust. We are committed to creating a work environment where employees are respected.

[Index to Business](#)

Part I - Item 1. Business

inspired to perform at their best, and are recognized for their contributions. The Hartford believes that fostering a culture of integrity and ethical behavior leads to better decisions, outcomes and experiences for both our customers and employees. We believe that creating a work environment centered on trust enables us to attract, retain and leverage top talent to meet our business goals. We are committed to ethical conduct and a bias-free workplace for all employees as we build, enhance and sustain a welcoming and supportive culture.

In 2024, we achieved top quartile employee engagement and performance enablement scores, as measured by independent third party surveys, through continued focus on supporting our customers' needs, leader effectiveness, collaboration, innovation and risk-taking, career growth, belonging and well-being.

We have nine Employee Resource Groups ("ERG's") that are voluntary participation groups led by employees, open to all and dedicated to enabling people to share their unique perspectives and experience. These groups focus on the development and success of our employees and our business results through education, networking, mentorship and volunteer opportunities. As of December 31, 2024, over 60% of employees were members of at least one ERG. In 2024, employee-led Courageous Conversations, also allowed participants to engage in meaningful dialogue, which provides employees with Information Technology ("IT") application development skills, providing a pipeline can help fuel innovation and position us for success.

We persistently work to improve the employee experience in support of diverse IT our continuing strategic objective to attract, retain and develop the best talent from across in the Company industry.

Pay and Benefits

Compensation and Pay Equity

We offer competitive pay and benefits to our employees, with performance-based variable compensation making up a larger large share of the total compensation paid to executives in the organization. Variable compensation for the majority of employees includes an annual bonus plan. Our executives also receive long-term incentive awards. Annual bonus payouts are informed by whether the Company achieves core earnings (as adjusted for compensation purposes) above or below a target level that is determined from the annual operating plan set at the beginning of each year and reviewed and approved by the Compensation Committee. Long-term incentive awards include restricted stock units, performance shares and, for the most senior executives, stock options. Additional information about The Hartford's variable compensation programs is provided in the Company's Proxy Statement.

We use an independent third party to conduct statistical pay equity analyses for the vast majority of our U.S. employees each year – a three-step process that includes analysis before, during and after the annual compensation planning cycle. This enables us to identify unexplained pay disparities, conduct additional research to determine reasons for these differences and take appropriate actions to address the disparities if necessary.

The Compensation Committee is updated annually on our pay equity processes and results.

The Hartford also engages in a number of additional practices to ensure pay fairness, including:

- A practice to disclose to applicants and employees the salary ranges for most posted positions;
- Individual compensation decisions that consider each employee's experience, proficiency, and performance;
- Training available for managers and Human Resources business partners on performance assessment and compensation planning; and
- Multiple levels of review and approval required for all compensation decisions.

We are committed to our extensive, long-standing policies and practices to help ensure fair pay across the organization, while also staying attuned to external best practices and insights, and leveraging input from subject matter experts. We evaluate our performance every year, and as markets and talent pools shift over time we work to evolve our practices accordingly.

Employee Health Benefits and Wellness Well-Being

The Hartford offers a comprehensive benefits and well-being package that supports our employees' physical, emotional, social and wellness programs to help our employees live healthy lives financial well-being and helps them achieve their full potential. Our extensive benefits include:

- Medical plan options;
- Dental and vision coverage options;
- 401(k) plan with company non-elective and matching contributions;
- Paid time off ("PTO") with at least 25 days of annual eligibility to start;
- Paid holidays;

- Centralized compensation function that helps maintain consistent programs and practices across the enterprise;
- Enterprise-wide framework for evaluating and aligning roles and compensation levels based on job responsibilities, market competitiveness, strategic importance of the role, and other relevant factors;
- Prohibition against asking external job applicants for current or historical compensation information;

- Paid holidays;
- Flexible work schedules, including hybrid or remote work arrangements;
- Tuition reimbursement;
- Student loan repayment assistance;
- Family medical leave;
- Parental Paid parental leave;
- Travel reimbursement to access medical services in other locations as needed;
- Adoption Family building support, including adoption support program;
- Organ and bone marrow donation leave policy; and
- Employee assistance program.

The Company also offers a medical advocacy program and well-being programs, including nutrition counseling, weight management, fitness reimbursement and more.

Diversity, Equity and Inclusion

The Hartford is committed to being an insurance industry leader in advancing diversity. We do this by creating an equitable and inclusive work environment, which enables us to attract, retain and leverage top talent to meet our business goals, and by partnering with organizations across the industry to collaborate on initiatives and share best practices. We are committed to ethical conduct and a bias-free workplace for all employees as we build, enhance and sustain an inclusive and supportive culture.

[Index to Business](#)

Part I - Item 1. Business

We are transparent about our DEI commitments and goals and take a whole-company approach to ensure we make meaningful progress toward them.

We enable our Unit leaders to model and foster a commitment to DEI and to make progress against those DEI goals, within established legal and other parameters. Each business and functional area, with oversight by the Human Resources function, creates and implements DEI plans with specific initiatives, consistent with equal employment opportunity principles. This enables the Company's units to customize their DEI focus while still ensuring that all employment decisions are made based on merit and without regard to protected traits, like race and gender. Leaders meet with the CEO throughout the year to review progress against those goals and their results are considered as part of a broad annual performance assessment process.

We continue to invest in and accelerate a wide range of strategies to attract, retain and develop talent that is demographically underrepresented in the insurance industry, including initiatives to improve the representation of women and people of color. Examples include widening our recruiting pools for applicants, working to mitigate any bias that may exist in our talent systems and educating our leaders on how to lead inclusively.

We have nine Employee Resource Groups ("ERG's") that are voluntary participation groups led by employees, open to all and dedicated to fostering an inclusive workplace. These groups focus on the development and success of our employees through education, networking, mentorship and volunteer opportunities. As of December 31, 2023, over 59% of employees were members of at least one ERG. In 2023, we continued to offer Courageous Conversations, a process that allows employees to respectfully exchange perspectives, and we launched a comprehensive inclusive leadership training initiative for people managers.

The Company has demonstrated its commitment to advancing DEI outcomes for all through its active involvement in organizations such as the CEO Action for Racial Equity, the National African American Insurance Association and DisabilityIN and has been recognized for its commitment to inclusive workplaces by a number of organizations, including receiving the 2023 Catalyst Award, which is the premier recognition of organizational diversity, equity and inclusion initiatives that drive representation and inclusion for women.

As of December 31, 2023, women and people of color represent 61.4% and 32.3% of our workforce, respectively. The Board of Directors is updated annually on the Company's DEI efforts.

For more information on the Company's human capital including our commitments, goals, initiatives and progress, as well as our employee demographics, refer to The Hartford's Sustainability Highlight Report available on the investor relations section of the Company's website at: <https://ir.thehartford.com>. The Hartford's 2023 Sustainability Report is expected to be published following the Company's annual meeting in May 2024.

AVAILABLE INFORMATION

The Company's internet address is <https://www.thehartford.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 are available, without charge, on the investor relations section of our website, <https://ir.thehartford.com>, as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Reports filed with the SEC may be viewed at <https://www.sec.gov>. References in this report to our website address are provided only as a convenience and do not constitute, and should not be viewed as, an incorporation by reference of the information contained on, or available through, the website. Therefore, such information should not be considered part of this report.

Part I - Item 1A. Risk Factors

Item 1A.

RISK FACTORS

In deciding whether to invest in The Hartford, you should carefully consider the following risks, any of which could have a material adverse effect on our business, financial condition, results of operations or liquidity and could also impact the trading price of our securities. These risks are not exclusive, and additional risks to which we are subject include, but are not limited to, the factors mentioned under "Forward-Looking Statements" above and the risks of our businesses described elsewhere in this Annual Report on Form 10-K.

The following risk factors have been organized by category for ease of use, however many of the risks may have impacts in more than one category. The occurrence of certain of them may, in turn, cause the emergence or exacerbate the effect of others. Such a combination could materially increase the severity of the impact of these risks on our business, results of operations, financial condition or liquidity.

Risks Relating to Economic, Political and Global Market Conditions

Unfavorable economic, political and global market conditions may adversely impact our business and results of operations.

The Company's investment portfolio, Hartford Funds business, and insurance businesses are sensitive to changes in economic, political and global capital market conditions, such as the effect of a weak economy, including including:

- labor supply shortages and
- low labor force participation
- lower family income
- high unemployment
- changes in interest rate levels
- changes in credit spreads
- equity prices, interest rates, market disruptions
- rising inflation
- changes in foreign currency exchange rates and shifts in demand and supply of U.S. dollars. Weak economic conditions, such as high unemployment, low labor force participation, lower family income,
- a weak real estate market
- lower business investment and
- lower consumer spending

In an economic downturn, these factors may adversely affect the demand for insurance and financial products, insurance loss

costs, valuation and returns on the investment portfolio, and lower the Company's Company's profitability in some cases. cases, including adverse impacts to our net investment income and operating results.

The Company could experience credit losses on various asset balances, including receivables and the principal amount of various invested assets, including fixed maturities and mortgage loans. In addition to credit losses on invested assets, the Company could experience declines in the value of available for sale debt securities if credit spreads were to widen significantly, which would reduce stockholders' equity. In addition, disruption in equity markets could result in net realized or unrealized losses on our equity securities carried at fair value or reduce net investment income in future periods from our non-fixed income investment portfolio, including from limited partnerships and other alternative investments. The Company could also experience higher reinsurance costs and/or more limited availability of reinsurance coverage.

Furthermore, political instability, politically motivated violence or civil unrest, may increase the frequency and severity of insured losses. In addition, a deterioration in global economic conditions and/or geopolitical conditions, including due to military action, trade wars, tariffs or other actions with respect to international trade agreements or policies, has the potential to, among other things, reduce demand for our products, reduce exposures we insure, drive higher inflation that could increase the Company's loss costs and result in increased incidence of claims, particularly for workers' compensation and disability claims. If the conflict between Russia and Ukraine, current regional and/or the conflict between Israel and Hamas, global conflicts were to expand, to other countries, the insurance losses and adverse economic impacts could be much more severe than what is currently foreseeable.

The Company's investment portfolio includes limited partnerships and other alternative investments and equity securities for which changes in value are reported in earnings. These investments may be adversely impacted by economic volatility, including real estate market deterioration, which could impact our net investment returns and result in an adverse impact on operating results.

In an economic downturn, the Company could experience credit losses on various asset balances, including receivables and the principal amount of various invested assets, including fixed maturities and mortgage loans. In addition to credit losses on invested assets, The Company could experience declines in the value of available for sale debt securities if credit spreads were to widen significantly, which would reduce stockholders' equity. In addition, disruption in equity markets could result in net realized or unrealized losses on our equity securities carried at fair value or reduce net investment income in future periods from our non-fixed income investment portfolio, including from limited partnerships and other alternative investments. The Company could also experience higher reinsurance costs and/or more limited availability of reinsurance coverage.

Below are several key factors impacted by changes in economic, political, and global market conditions and their potential effect on the Company's business and results of operations:

- **Credit Spread Risk** - Credit spread exposure is reflected in the market prices of fixed income instruments where lower rated securities generally trade at a higher credit spread. If issuer credit spreads increase or widen, the market value of our investment portfolio may decline. If the credit spread widening is significant and occurs over an extended period of time, the Company may recognize credit losses, resulting in decreased earnings. If credit spreads tighten significantly, the Company's net investment income associated with new purchases of fixed maturities may be reduced. In addition, the value of credit derivatives under which the Company assumes exposure or purchases protection are impacted by changes in credit spreads, with losses occurring when credit spreads widen for assumed exposure or when credit spreads tighten if credit protection has been purchased.
- **Equity Markets Risk** - A decline in equity markets may result in net realized losses on sales of equity securities,

Part I - Item 1A. Risk Factors

unrealized losses on equity securities held at fair value, reduce net investment income in future periods from our non-fixed income investment portfolio, including from limited partnerships and other alternative investments, or lower earnings from Hartford Funds where fee income is earned based upon the fair value of the assets under management. Equity markets are unpredictable. In the past few years, equity markets have been volatile, which could be indicative of a greater risk of a decline. For additional information on equity market sensitivity, see Part II, Item 7, MD&A - Enterprise Risk Management, Financial Risk- Equity Risk.

- **Interest Rate Risk** - Increases in interest rates or persistently high interest rates could lead to recession or

Part I - Item 1A. Risk Factors

economic stagnation, which could lower the demand for many of the Company's products and may result in realized or unrealized losses on existing fixed income assets in the investment portfolio. This could also impact property valuations and financing costs for mortgage loans and real estate joint ventures within limited partnerships and other alternative investments. Alternatively, a deterioration in global economic conditions could result in a lower interest rate environment, which would pressure our net investment income and could result in lower margins on certain products.

New and renewal business for our property and casualty and group employee benefits products is priced considering prevailing interest rates. As interest rates decline, in order to achieve the same economic return, we would have to increase product prices to offset the lower anticipated investment income earned on invested premiums. Conversely, as interest rates rise, pricing targets will tend to decrease to reflect higher anticipated investment income. Our ability to effectively react to such changes in interest rates may affect our competitiveness in the marketplace, and in turn, could reduce written premium and earnings.

In addition, due to the long-term nature of the liabilities within our Group Employee Benefits operations, particularly for long-term disability, declines in interest rates over an extended period of time would result in our having to reinvest at lower yields. On the other hand, a rise in interest rates, in the absence of other countervailing changes, would reduce the market value of our investment portfolio. A decline in market value of invested assets due to an increase in interest rates could also limit our ability to realize tax benefits from recognized capital losses.

With the adoption of new U.S. GAAP accounting guidance for long-duration contracts ("LDTI"), effective January 1, 2023, our reserves for future policy benefits are sensitive to changing interest rate conditions. The LDTI U.S. Generally Accepted Accounting Principles ("GAAP") guidance requires that we update reserves for future policy benefits for changes in discount rates quarterly which could cause volatility in our stockholders' equity.

For additional information on interest rate sensitivity, see Part II, Item 7, MD&A - Enterprise Risk Management, Financial Risk - Interest Rate Risk.

- **Inflation Risk** - Inflation is a risk to our property and casualty business because, in many cases, claims are paid out many years after a policy is written and premium is collected for the risk. A greater than expected increase in inflation may impact medical services, repair costs or other claim settlement expenses, which can result in higher claim costs than what was estimated at the time the policy was

the workforce, resulting in difficulty in attracting, developing and retaining employees. If insured businesses cannot hire enough qualified people to sell products and services to customers, economic activity may be depressed and lower insured exposure, hindering the Company's growth.

- **Foreign Currency Exchange Rate Rates** - Changes in foreign currency exchange rates may impact our non-U.S. dollar denominated investments and foreign subsidiaries. We hold cash and fixed maturity securities denominated in foreign currencies, including British Pounds and Canadian dollars, among others, and also have other assets and liabilities denominated in foreign currencies such as premiums receivable and loss reserves. While the Company predominately uses asset-liability matching, including the use of derivatives, to hedge certain of these exposures to fluctuations in foreign currency exchange rates, these actions do not eliminate the risk that changes in the exchange rates of foreign currencies to the U.S. dollar could result in financial loss to the Company, including realized or unrealized losses resulting from currency revaluation and increases to regulatory capital requirements for foreign subsidiaries that have net assets that are not denominated in their local currency. For additional information on foreign exchange risk, see Part II, Item 7, MD&A - Enterprise Risk Management, Financial Risk.

Concentration of our investment portfolio increases the potential for significant losses.

The concentration of our investment portfolios in any particular industry, collateral type, group of related industries or geographic region could have an adverse effect on our investment portfolios and consequently on our business, financial condition, results of operations, or liquidity. Events or developments that have a negative impact on any particular industry, collateral type, group of related industries or geographic region may have a greater adverse effect on our investment portfolio to the extent that the portfolio is concentrated rather than diversified.

Further, if issuers of securities or loans we hold are acquired, merge or otherwise consolidate with other issuers of securities or loans held by the Company, our investment portfolio's credit concentration risk to issuers could increase for a period of time, until the Company is able to sell securities to get back in compliance with the established investment credit policies.

Changing climate and weather patterns may adversely affect our business,

written. Inflation can also affect consumer spending and business investment which can reduce the demand for our products and services. In addition, sustained inflation may result in an increase in interest rates, which would result in a reduction in the fair value of our investment portfolio.

- **Changes in the Labor Market** - Evolving labor market conditions, including increased competition for talent, could make it difficult to hire and retain employees and could increase compensation and benefits expense. New technologies may lead to changes in skill sets needed from

financial condition and results of operation.

Climate change presents risks to us as an insurer, investor and employer. Climate models indicate that rising temperatures will



Part I - Item 1A. Risk Factors

likely result in rising sea levels over the decades to come and may increase the frequency and intensity of natural catastrophes and severe weather events. Extreme weather events such as abnormally high temperatures may result in increased losses associated with our property, automobile, workers' compensation and group employee benefits businesses. Changing climate patterns may also increase the duration, frequency and intensity of heat/cold waves, which may result in increased claims for property damage, business interruption and losses under workers' compensation, group disability and group



Part I - Item 1A. Risk Factors

life coverages. Precipitation patterns across the U.S. are projected to change, which if realized, may increase risks of flash floods, wildfires, and other severe weather events. If third parties assert that climate change-related risks and damages are caused by insured businesses, or arise from alleged mismanagement at insured businesses, we may experience increased claims under general liability and management liability policies. Additionally, there may be an impact on the demand, price and availability of automobile and homeowners insurance, and there is a risk of higher reinsurance costs or more limited availability of reinsurance coverage. Changes in climate conditions may also cause our underlying modeling data to not adequately reflect frequency and severity, limiting our ability to effectively evaluate and manage risks of catastrophes and severe weather events. Among other impacts, this could result in not charging enough premiums or not obtaining timely state approvals for rate increases to cover the risks we insure. We may also experience significant interruptions to the Company's systems and operations that hinder our ability to sell and service business, manage claims and operate our business.

In addition, climate change-related risks, including risks associated with global energy transition, may adversely impact the value of the investments that we hold, resulting in potential realized or unrealized losses on our invested assets. Our decision to invest in certain securities, loans, or other investments may also be impacted by changes in climate patterns due to:

- changes in supply/demand for traditional sources of energy (e.g., coal, oil, natural gas);
- advances in low-carbon technology and renewable energy development;
- effects of extreme weather events on the physical and operational exposure of industries and issuers; and
- internal investment guidelines and policies related to the global energy transition.

The effects of climate change could also lead to increased credit risk of other counterparties we transact business with, including reinsurers. Climate change effects may also lead to decreases in real estate values in various locations and for a variety of reasons, reducing premium and demand for commercial property and homeowners insurance and adversely impacting the value of our real estate-related investments. Additionally, government policies or regulations to slow climate change, such as emission controls or technology mandates, may have an adverse impact on sectors such as utilities, transportation and manufacturing, affecting demand for our products and our investments in these sectors. Moreover, regulators may undertake actions to minimize the effects of climate change on

consumers, which could affect coverage provided under insurance contracts and administrative process.

These emerging regulatory initiatives, or other climate-related policies we adopt, may result in non-renewal of business or reduced appetite for underwriting or investing in certain industry sectors.

Because there is significant variability associated with the impacts of climate change, we cannot predict how physical, legal, regulatory and social responses may impact our business.

For additional discussion about climate change related risks, see the Risk Factor, "We are vulnerable to losses from catastrophes, both natural and man-made."

Insurance Industry and Product Related Risks

Unfavorable loss development may adversely affect our business, financial condition, results of operations or liquidity.

We establish property and casualty and **group employee** benefits loss reserves to cover our estimated liability for the payment of all unpaid losses and loss **adjustment** expenses incurred with respect to premiums earned on our policies. Loss reserves are estimates of what we expect the ultimate settlement and administration of claims will cost, less what has been paid to date. These estimates are based upon actuarial projections and on our assessment of currently available data, as well as estimates of claims severity and frequency, legal theories of liability, **available benefit offsets**, and other factors. For risks due to evolving changes in social, economic and environmental conditions, see the Risk Factor, "Unexpected and unintended claim and coverage issues under our insurance contracts may adversely impact our financial performance."

Loss reserve estimates are refined periodically as experience develops and claims are reported and settled, potentially resulting in increases to our reserves. Increases in reserves would be recognized as an expense during the periods in which these determinations are made, thereby adversely affecting our results of operations for those periods. In addition, since reserve estimates of aggregate loss costs for prior years are used in pricing our insurance products, inaccurate reserves can lead to our products not being priced adequately to cover actual losses and related loss expenses in order to generate a profit.

In property and casualty, we continue to receive A&E claims, the vast majority of which relate to policies written before 1986. Estimating the ultimate gross reserves needed for unpaid losses and related expenses for A&E claims is particularly difficult for insurers and reinsurers. The actuarial tools and other techniques used to estimate the ultimate cost of more traditional insurance exposures tend to be less precise when used to estimate reserves for some A&E exposures.

Moreover, the assumptions used to estimate gross reserves for A&E claims, such as claim frequency over time, average severity, and how various policy provisions will be interpreted, are subject to significant uncertainty. It is also not possible to predict changes in the legal and legislative environment and their effect on the future development of A&E claims. These

regulative environment and their effect on the future development of A&E claims. These

Part I - Item 1A. Risk Factors

factors, among others, make the variability of gross reserves estimates for these longer-tailed exposures significantly greater than for other more traditional exposures.

Effective December 31, 2016, the Company entered into an agreement with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc. ("Berkshire") whereby the Company **is was** reinsured for subsequent adverse development on substantially all of its net A&E reserves up to an aggregate net limit of \$1.5 billion. **As of December 31, 2024, the Company has exhausted the \$1.5 billion treaty limit, and as such, any further development that increases our recorded net reserves could have a material adverse effect on our financial condition, results of operations or liquidity.** We remain directly liable to claimants and if the reinsurer does not fulfill its obligations under the agreement **or if future adverse development exceeds the \$1.5 billion**

Part I - Item 1A. Risk Factors

aggregate limit, we may need to increase our recorded net reserves which could have a material adverse effect on our financial condition, results of operations or liquidity. reserves. For additional information related to risks associated with the adverse development cover ("ADC"), see Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

We are vulnerable to losses from catastrophes, both natural and man-made.

Our insurance operations expose us to claims arising out of catastrophes. Catastrophes can be caused by various unpredictable natural events, including, among others, earthquakes, hurricanes, hailstorms, severe winter weather, wind storms, fires, tornadoes, and pandemics. Catastrophes can also be man-made, such as terrorist attacks, civil unrest, cyber-attacks, explosions or infrastructure failures. Catastrophes may also include some major international events designated by Lloyd's of London.

The geographic distribution of our business subjects us to various catastrophe exposure for events occurring in a number of areas, including, but not limited to: hurricanes in Florida, the Gulf Coast, the Northeast and the Atlantic coast exposures across different regions of the United States; tornadoes and hail in the Midwest and Southeast; earthquakes in geographical regions exposed to seismic activity; wildfires in various regions, including the Western United States, Hawaii and Canada; and the spread of disease, which can occur throughout multiple geographic locations. States. We are also exposed to catastrophe losses in other parts of the world through our global specialty business. Any increases in the values and concentrations of insureds and property in these areas would increase the severity of catastrophic events in the future. In addition, changes in climate and/or weather patterns may increase the frequency and/or intensity of severe weather and natural catastrophe events potentially leading to increased insured losses. Potential examples include, but are not limited to:

- an increase in the frequency or intensity of wind and thunderstorm and tornado/hailstorm events due to increased convection in the atmosphere,
- more frequent and larger wildfires in certain geographies,
- higher incidence of deluge flooding, and
- the potential for an increase in frequency and severity of hurricane events.

Insufficient incorporation of climatic trends into widely used catastrophe models and internal tools to assess risk from natural catastrophe perils could lead to ineffective evaluation and management of catastrophe risk. For a further discussion of climate-related risks, see the above-referenced Risk Factor, "Changing climate and weather patterns may adversely affect our business, financial condition and results of operation."

Our businesses also have exposure to global or nationally occurring pandemics caused by highly infectious and potentially

a catastrophe, or multiple catastrophes. In addition, in part because accounting rules do not permit insurers to reserve for such catastrophic events until they occur, claims from catastrophic events could have a material adverse effect on our business, financial condition, results of operations or liquidity. The amount we charge for catastrophe exposure may be inadequate if the frequency or severity of catastrophe losses changes over time or if the models we use to estimate the exposure prove inadequate. In addition, regulators or legislators could limit our ability to charge adequate pricing for catastrophe exposures or shift more responsibility for covering risk.

Terrorism is an example of a significant man-made potential catastrophe. Private sector catastrophe reinsurance is limited and generally unavailable for terrorism losses caused by attacks with nuclear, biological, chemical or radiological weapons. In addition, workers' compensation policies generally do not have exclusions or limitations for terrorism losses. Reinsurance coverage from the federal government under the Terrorism Risk Insurance Program (the "Program") Reauthorization Act of 2019 ("TRIPRA 2019") is also limited and only applies for certified acts of terrorism that exceed a certain threshold of industry losses. Accordingly, the effects of a terrorist attack in the geographic areas we serve may result in claims and related losses for which we do not have adequate reinsurance. TRIPRA 2019 also requires that the federal government create the following reports, which could lead to additional legislation or regulation: (1) Treasury Department to include in its biennial report on the effectiveness of the Program an evaluation of the availability and affordability of terrorism risk insurance for places of worship; and (2) Government Accountability Office report to analyze and address the vulnerabilities and potential costs of cyber terrorism, to assess adequacy of coverage under the Program, and to make recommendations for future legislative changes to address evolving cyber terrorism risks. Further, the continued threat of terrorism and the occurrence of terrorist attacks, as well as heightened security measures and military action in response to these threats and attacks or other geopolitical or military crises, may cause significant volatility in global financial markets, disruptions to commerce and reduced economic activity. These consequences could have an adverse effect on the value of the assets in our investment portfolio and/or cause a reduction in demand for our products. Terrorist attacks also could disrupt our operation centers. In addition, TRIPRA 2019 expires on December 31, 2027 and if the U.S. Congress does not reauthorize the program or significantly reduces the government's share of covered terrorism losses, the Company's exposure to terrorism losses could increase materially unless it can purchase alternative

fatal diseases spread through human, animal or plant populations.

In the event of one or more catastrophes, policyholders may be unable to meet their obligations to pay premiums on our insurance policies. Further, our liquidity could be constrained by

exposure to terrorism losses could increase materially unless it can purchase alternative terrorism reinsurance protection in the private markets at affordable prices or takes actions to materially reduce its exposure in lines of business subject to terrorism risk. For a further discussion of TRIPRA, see Part II, Item 7, MD&A - Enterprise Risk Management - Insurance Risk Management, Reinsurance as a Risk Management Strategy.

Cyber risk exposure exists through stand-alone cyber policies as well as cyber coverage endorsements on some property,



Part I - Item 1A. Risk Factors

general liability, management liability and directors and officers policies. Increasing frequency of cyber attacks and the evolving nature of cyber risk taking place across the globe may potentially lead to increased insured losses across the industry and for the businesses we insure. Our insureds may be increasingly exposed to cyber-related attacks with insured



Part I - Item 1A. Risk Factors

losses to property (including data and systems), breach of data, ransom payments and business interruption. Geopolitical crises or hostile actions taken by nation states or terrorist organizations may heighten the risk of cyber-attacks on companies we insure and on our own operations.

As a result, it is possible that any, or a combination of all, of these factors related to a catastrophe, or multiple catastrophes, whether natural or man-made, can have a material adverse effect on our business, financial condition, results of operations or liquidity.

Pricing for our products is subject to our ability to adequately assess risks, estimate losses and comply with state and international insurance regulations.

We seek to price our property and casualty and group employee benefits insurance policies such that insurance premiums and future net investment income earned on premiums received will provide for an acceptable profit in excess of underwriting expenses and the cost of paying claims. Pricing adequacy depends on a number of factors, including proper evaluation of underwriting risks, the ability to project future claim costs, our expense levels, net investment income realized, our response to rate actions taken by competitors, legal and regulatory developments, including in international markets, and the ability to obtain regulatory approval for rate changes.

State insurance departments regulate many of the premium rates we charge and also propose rate changes for the benefit of the insurance consumer at the expense of the insurer, which may not allow us to reach targeted levels of profitability. Moreover, regulators may seek to prohibit or constrain the use of certain underwriting and rating factors, which may affect our ability to price risks. In addition to regulating rates, certain states have enacted laws that require a property and casualty insurer to participate in assigned risk plans, reinsurance facilities, joint underwriting associations and other residual market plans. State regulators also require that an insurer offer property and casualty coverage to all consumers and often restrict an insurer's ability to charge the price it might otherwise charge or restrict an insurer's ability to offer or enforce specific policy deductibles. In these markets, we may be compelled to underwrite significant amounts of business at lower than desired rates or accept additional risk not contemplated in our existing rates, participate in the operating losses of residual market plans or pay assessments to fund operating deficits of state-sponsored funds, which could lead to lower than anticipated profitability. The laws and regulations of many states also limit an insurer's ability to withdraw from one or more lines of insurance in the state, except pursuant to a plan that is approved by the state's insurance department. Additionally, certain states require insurers to participate in guaranty funds for impaired or insolvent insurance companies. These funds periodically assess losses against all insurance companies doing business in the state. Any of these factors could have a material adverse effect on our business, financial condition,

Additionally, the property and casualty and group employee benefits insurance markets have been historically cyclical, experiencing periods characterized by relatively high levels of price competition, less restrictive underwriting standards, more expansive coverage offerings, multi-year rate guarantees and declining premium rates, followed by periods of relatively low levels of competition, more selective underwriting standards, more coverage restrictions and increasing premium rates. In all of our property and casualty and group employee benefits insurance product lines, there is a risk that the premium we charge may ultimately prove to be inadequate as reported losses emerge. In addition, there is a risk that regulatory constraints, price competition or incorrect pricing assumptions could prevent us from achieving targeted returns. Inadequate pricing could have a material adverse effect on our business, financial condition, results of operations and financial condition, or liquidity.

Competitive activity, use of emerging technologies, or other technological changes may adversely affect our market share, demand for our products, or our financial results.

The industries in which we operate are highly competitive. Our principal competitors are other property and casualty insurers, group employee benefits providers and providers of mutual funds and exchange traded funds. Competitors may expand their risk appetites in products and services where The Hartford currently enjoys a competitive advantage. Larger competitors with more capital and new entrants to the market could result in increased pricing pressures on a number of our products and services and may harm our ability to maintain or increase our profitability. For example, larger competitors, including those formed through consolidation or who may acquire new entrants to the market, such as insurtech firms, may have lower operating costs and an ability to absorb greater risk while maintaining their financial strength ratings, thereby allowing them to price their products more competitively.

In addition, technological advancements and innovation are occurring in distribution, underwriting, claims and operations at a rapid pace that may continue to accelerate. Insurers are using or may begin using certain emerging technologies, such as machine learning, predictive analytics, "big data" analysis or other artificial intelligence functions to, among other things, improve pricing accuracy, be more targeted in marketing, strengthen customer relationships and provide more customized loss prevention services. Nontraditional competitors could enter the insurance market and further accelerate these trends. If competitors are able to use these emerging technologies more effectively and/or efficiently, it may provide them a competitive advantage. Because of the highly competitive nature of the

results of operations or liquidity. For more on international regulatory risks, see the Risk Factor, "Regulatory and legislative developments could have a material adverse impact on our business, financial condition, results of operations or liquidity."

may provide them a competitive advantage. Because of the highly competitive nature of the industries The Hartford competes in, there can be no assurance that the Company will continue to compete effectively with our industry rivals, or that competitive pressure will not have a material adverse effect on the our business, and financial condition, results of operations, operations or liquidity.



Part I - Item 1A. Risk Factors

Our business could be affected by other technological changes, including further advancements in automotive safety features, the development of autonomous or “self-driving” vehicles, and platforms that facilitate ride sharing. These technologies could impact the frequency or severity of losses, disrupt the demand



Part I - Item 1A. Risk Factors

for certain of our products, or reduce the size of the automobile insurance market as a whole. The risks we insure are also affected by the increased use of technology in homes and businesses, including technology used in heating, ventilation, air conditioning and security systems and the introduction of more automated loss control measures. Increased use of advanced analytics (e.g., artificial intelligence) and automation in the workplace could potentially affect the demand for workers' compensation insurance products over time. In addition, our business may be disrupted due to failures of accelerated technological changes, including our automation of minimally complex tasks, which may adversely impact our business and results of operations. While there is substantial uncertainty about the timing, penetration and reliability of such technologies, and the legal frameworks that may apply, such as to autonomous vehicles, any such impacts could have a material adverse effect on our business and results of operations.

We may experience difficulty in marketing and providing insurance products and investment advisory services through distribution channels and advisory firms.

We distribute our insurance products, mutual funds and ETFs through a variety of distribution channels and financial intermediaries, including brokers, independent agents, wholesale agents, reinsurance brokers, broker-dealers, banks, registered investment advisors, affinity partners, our own internal sales force and other third-party organizations. In some areas of our business, we generate a significant portion of our business through third-party arrangements. For example, we market **personal lines Personal Insurance** products in large part through an exclusive licensing arrangement with AARP that continues through December 31, 2032. Our ability to distribute products through the AARP program may be adversely impacted by membership levels and the pace of membership growth. In addition, the independent agent and broker distribution channel is consolidating, which could result in a larger proportion of written premium being concentrated among fewer agents and brokers, potentially increasing our cost of acquiring new business. While we periodically seek to renew or extend third party arrangements, there can be no assurance that our relationship with these third parties will continue or that the economics of these relationships won't change to make them less financially attractive to the Company. An interruption in our relationship with certain of these third parties could materially affect our ability to market our products and could have a material adverse effect on our business, financial condition, results of operations or liquidity.

Unexpected and unintended claim and coverage issues under our insurance contracts may adversely impact our financial performance.

Changes in industry practices and in legal, judicial, social and other environmental conditions, technological advances or fraudulent activities, may require us to pay claims we did not

with the use of social media to proliferate messaging around such issues, has expanded the theories for reporting claims, which may increase our claims administration and/or litigation costs. State and local governments' increased efforts aimed to respond to the costs and concerns associated with these types of issues may also lead to expansive, new theories for reporting claims or may lead to the passage of "reviver" statutes that extend the statute of limitations for the reporting of these claims, including statutes passed in certain states with respect to sexual molestation and sexual abuse claims. In addition, these and other social, economic, political and environmental issues may **either** extend coverage beyond our underwriting intent, **potentially increase jury awards**, and/or increase the frequency or severity of claims. Some of these changes, advances or activities may not become apparent until some time after we have issued insurance contracts that are affected by the changes, advances or activities and/or we may be unable to compensate for such losses through future pricing and underwriting. As a result, the full extent of liability under our insurance contracts may not be known for many years after a contract is issued, and this liability may have a material adverse effect on our business, financial condition, results of operations or liquidity at the time it becomes known.

COVID-19 illness could continue to impact our business and may have a material adverse impact on our results of operations.

While the impact of COVID-19 has subsided, a surge of COVID-19 infections could continue to impact our business, particularly with respect to mortality claims in our group benefits business, and will depend on future developments which are highly uncertain and cannot be easily predicted including: the potential spread of new COVID-19 variants; the continued effectiveness of vaccines; natural immunity and current or emerging therapeutic treatments in preventing infection, serious illness and death; and the percentage of those infected who are of working age.

Below are several key effects of COVID-19 on the Company's business results, financial condition, results of operations and/or liquidity:

- **Exposure to COVID-19 business interruption property claims** - Nearly all of our property insurance policies require direct physical loss or damage to property and contain standard exclusions that we believe preclude coverage for COVID-19 related claims, and the vast majority of such policies contain exclusions for virus-related losses. Nevertheless, the Company and certain of its writing companies have

intend to cover when we wrote the policies. Social, economic, political and environmental issues, including rising income inequality, **reduction and further delays in government social programs such as Social Security Disability, attorney representation rates, legal system abuse**, climate change, prescription drug use and addiction, exposures to new substances or those substances previously considered to be safe and found to have latent exposure, along

been served as defendants in lawsuits seeking insurance coverage under commercial insurance policies for alleged losses resulting from the shutdown or suspension of our insureds' businesses due to the spread of COVID-19. While the Company and its subsidiaries deny the allegations and are defending vigorously and while almost none of the plaintiffs have submitted proofs of loss or otherwise quantified or factually supported any allegedly covered loss, it is possible that adverse outcomes, if any, in the aggregate, could have a material adverse effect on the Company's consolidated operating results.

Part I - Item 1A. Risk Factors

- **The possibility of a resurgence of a higher level of mortality losses -** The Company's Group Benefits business has issued group life policies to employers and associations, which may result in increased death claims as a result of surges in COVID-19 infections causing mortality where COVID-19 is specifically listed as the cause of death and indirect impacts of COVID-19 that includes an increased number of deaths associated with chronic conditions exacerbated by COVID-19. In addition, while the Company has increased pricing for group life coverage in response to higher levels of mortality, it is possible that, even apart from surges in COVID-19 infections, the Company will experience a higher level of mortality going forward associated with chronic conditions. We may also continue to experience higher short-term disability and paid family leave claims from employees and covered individuals who have been affected by COVID-19.

For the reasons discussed above, the global public health and economic impacts caused by COVID-19 could have a material adverse effect on our results of operations.

Financial Strength, Credit and Counterparty Risks

Downgrades in our financial strength or credit ratings may make our products less attractive, increase our cost of capital and inhibit our ability to refinance our debt.

Financial strength and credit ratings are important in establishing the competitive position of insurance companies. Rating agencies assign ratings based upon several factors. While most of the factors relate to the rated company, others relate to the views of the rating agency (including its assessment of the strategic importance of the rated company to the insurance group), general economic conditions, and circumstances outside the rated company's control. In addition, rating agencies may employ different models and formulas to assess the financial strength of a rated company, and from time to time rating agencies have altered these models. Changes to the models or factors used by the rating agencies to assign ratings could adversely impact a rating agency's judgment of its internal rating and the publicly issued rating it assigns us.

Our financial strength ratings, which are intended to measure our ability to meet policyholder obligations, are an important factor affecting public confidence in most of our products and, as a result, our competitiveness. A downgrade or a potential

Part I - Item 1A. Risk Factors

downgrade in the rating of our financial strength or of one of our principal insurance subsidiaries could affect our competitive position and reduce future sales of our products.

Our credit ratings also affect our cost of capital. A downgrade or a potential downgrade of our credit ratings could make it more difficult or costly to refinance maturing debt obligations, to support business growth at our insurance subsidiaries and to maintain or improve the financial strength ratings of our principal insurance subsidiaries. These events could materially adversely

affect our business, financial condition, results of operations or liquidity. For a further discussion of potential impacts of ratings downgrades on derivative instruments, including potential collateral calls, see Part II, Item 7, MD&A - Capital Resources and Liquidity - Derivative Commitments.

The amount of capital that we must hold to maintain our financial strength and credit ratings and meet other requirements can vary significantly from time to time and is sensitive to a number of factors outside of our control.

We conduct the vast majority of our business through licensed insurance company subsidiaries. In the United States, statutory accounting standards and statutory capital and reserve requirements for these entities are prescribed by the applicable insurance regulators and the NAIC, National Association of Insurance Commissioners ("NAIC"). The minimum capital we must hold is based on risk-based capital ("RBC") formulas for both life and property and casualty and life companies. The RBC formula for property and casualty companies establishes capital requirements relating to underwriting, asset, credit, catastrophe, operational and off-balance sheet risks. The RBC formula for life companies is applicable to our group employee benefits business and establishes capital requirements relating to insurance, business, asset, credit, interest rate and off-balance sheet risks. The RBC formula for property and casualty companies sets required statutory surplus levels based on underwriting, asset, credit, and off-balance sheet risks.

Countries in which our international insurance subsidiaries are incorporated or deemed commercially domiciled are subject to minimum capital requirements as defined by the applicable regulatory regime, including a phased program of changes to the prudential and solvency regime in the UK U.K. following the UK's U.K.'s departure from the European Union. In addition, our Lloyd's member company must maintain required Funds at Lloyd's ("FAL") to meet the capital requirements of its syndicate. The FAL is determined based on the syndicate's Solvency Capital Requirement ("SCR") under the Solvency II capital adequacy model plus an economic capital assessment determined by the Lloyd's Franchise Board (which is responsible for the day-to-day management of the Lloyd's market).

In any particular year, statutory surplus amounts, RBC ratios, FAL and SCR may increase or decrease depending on a variety of factors, some of which are outside the Company's control, including:

- the amount of statutory income or losses generated by our insurance subsidiaries;
- the amount of additional capital our insurance subsidiaries must hold to support business growth;
- the amount of dividends or distributions paid to the holding company;
- the value of certain fixed maturities, equity securities, and limited partnership and other alternative investments in our investment portfolio;
- changes in interest rates;
- admissibility of deferred tax assets;
- changes to the regulatory capital formulas; and
- regulatory changes to accounting guidance for determining capital adequacy.

Part I - Item 1A. Risk Factors

Among other factors, rating agencies consider the level of statutory capital and surplus of our U.S. insurance subsidiaries as well as the level of **Generally Accepted Accounting Principles ("GAAP")** GAAP capital held by the Company in determining the Company's financial strength and credit ratings. Rating agencies may implement changes to their capital formulas that have the effect of increasing the amount of capital we must hold in order to maintain our current ratings. If our capital resources are insufficient to maintain a particular rating by one or more rating agencies, we may need to raise capital through public or private equity or debt financing. If we were not to raise additional capital, either at our discretion or because we were unable to do so, our financial strength and credit ratings might be downgraded by one or more rating agencies.

Losses due to nonperformance or defaults by counterparties can have a material adverse effect on the value of our investments and reduce our profitability or sources of liquidity.

We have credit risk with counterparties associated with investments, derivatives, premiums receivable, reinsurance recoverables and indemnifications provided by third parties in connection with previous dispositions. Among others, our counterparties include issuers of fixed maturity and equity securities we hold, borrowers of mortgage loans we hold, customers, trading counterparties, counterparties under swaps and other derivative contracts, reinsurers, clearing agents, exchanges, clearing houses and other financial intermediaries and guarantors. These counterparties may default on their obligations to us due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud, government intervention and other reasons. In addition, for exchange-traded derivatives, such as futures, options and "cleared" over-the-counter ("OTC") derivatives, the Company is generally exposed to the credit risk of the relevant central counterparty clearing house. Defaults by these counterparties on their obligations to us could have a material adverse effect on the value of our investments, financial condition, results of operations or liquidity. Additionally, if the underlying assets supporting the structured securities we invest in default on their payment obligations, our securities may incur losses.

The availability of reinsurance and our ability to recover under reinsurance contracts may not be sufficient to protect us against losses.

As an insurer, we frequently use reinsurance to reduce the effect of losses that may arise from, among other things, catastrophes and other risks that can cause unfavorable results of operations. In addition, our assumed reinsurance business purchases retrocessional coverage for a portion of the risks it assumes. Under these reinsurance arrangements, other

Part I - Item 1A. Risk Factors

insurers assume a portion of our losses and related expenses; however, we remain liable as the direct insurer on all risks reinsured. Consequently, ceded reinsurance arrangements do not eliminate our obligation to pay claims, and we are subject to our reinsurers' credit risk with respect to our ability to recover amounts due from them. The inability or unwillingness of any reinsurer or retrocessionaire to meet its financial obligations to us, including the impact of any insolvency or rehabilitation proceedings involving a reinsurer or retrocessionaire that could affect the Company's access to collateral held in trust, could

have a material adverse effect on our financial condition, results of operations or liquidity.

In addition, should the availability and cost of reinsurance change materially, we may have to pay higher reinsurance costs, accept an increase in our net liability exposure, reduce the amount of business we write, or access to the extent possible other alternatives to reinsurance, such as use of the capital markets. Further, due to the inherent uncertainties as to collection and the length of time before reinsurance recoverables will be due, it is possible that future adjustments to the Company's reinsurance recoverables, net of the allowance, could be required, which could have a material adverse effect on the Company's consolidated results of operations or liquidity in a particular quarterly or annual period.

Our ability to declare and pay dividends is subject to limitations.

The payment of future dividends on our capital stock is subject to the discretion of our **board Board of directors, Directors**, which considers, among other factors, our operating results, overall financial condition, credit-risk considerations and capital requirements, as well as general business and market conditions. Our **board Board of directors Directors** may only declare such dividends out of funds legally available for such payments. Moreover, our common stockholders are subject to the prior dividend rights of any holders of depositary shares representing preferred stock then outstanding. The terms of our outstanding junior subordinated debt securities prohibit us from declaring or paying any dividends or distributions on our capital stock or purchasing, acquiring, or making a liquidation payment on such stock, if we have given notice of our election to defer interest payments and the related deferral period has not yet commenced or a deferral period is continuing.

Moreover, as a holding company that is separate and distinct from its insurance subsidiaries, **HFSG HIG** has no significant business operations of its own. Therefore, **HFSG HIG** relies on dividends from our insurance company subsidiaries and other subsidiaries as the principal source of cash flow to meet its obligations. Subsidiary dividends fund payments on its debt securities and the payment of dividends to stockholders on its capital stock. Connecticut state laws and certain other U.S. jurisdictions in which we operate limit the payment of dividends and require notice to and approval by the state insurance commissioner for the declaration or payment of dividends above certain levels. The laws and regulations of the countries in which its international insurance subsidiaries are incorporated or deemed commercially domiciled, as well as requirements of the Council of Lloyd's, also impose limitations on the payment of dividends which, in some instances, are more restrictive. Dividends paid from its insurance subsidiaries are further dependent on their cash requirements. In addition, in the event of liquidation or

reorganization of a subsidiary, prior claims of a subsidiary's creditors may take precedence over the holding company's right to a dividend or distribution from the subsidiary except to the extent that the holding company may be a creditor of that subsidiary. For further discussion on dividends from insurance subsidiaries, see Part II, Item 7, MD&A - Capital Resources & Liquidity.



Part I - Item 1A. Risk Factors

Risks Relating to Estimates, Assumptions and Valuations

Actual results could materially differ from the analytical models we use to assist our decision making in key areas such as underwriting, pricing, capital management, reserving, investments, reinsurance and catastrophe risks.

We use models to help make decisions related to, support, among other things, underwriting, pricing, capital allocation, reserving, investments, reinsurance, and catastrophe risk, risk management. Both proprietary and third party models we use used incorporate numerous assumptions and forecasts about the future level and variability of interest rates, capital requirements, inflation, credit spreads, equity markets, currency exchange rates, loss frequency and severity, currency exchange rates, policyholder behavior, equity markets and inflation, capital requirements, among others. The models are subject to the inherent limitations of any statistical analysis as the historical internal and industry data and assumptions used in the models may not be indicative of what will happen in the future. Consequently, actual results may differ materially from our modeled results. The profitability and financial condition of the Company 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 our estimates of the risks we are exposed to prove to be materially inaccurate, our business, financial condition, results of operations or liquidity may be adversely affected.

The valuation of our securities and investments and the determination of allowances and credit losses are highly subjective and based on methodologies, estimations and assumptions that are subject to differing interpretations and market conditions.

Estimated fair values of the Company's investments are based on available market information and judgments about financial instruments, including estimates of the timing and amounts of expected future cash flows and the credit standing of the issuer or counterparty. During periods of market disruption, it may be difficult to value certain of our securities if trading becomes less frequent and/or market data becomes less observable. There may be certain asset classes that were in active markets with significant observable data that become illiquid due to the financial environment. In addition, there may be certain securities whose fair value is based on one or more



Part I - Item 1A. Risk Factors

unobservable inputs, even during normal market conditions. As a result, the determination of the fair values of these securities may include inputs and assumptions that require more estimation and management judgment and the use of complex valuation methodologies. These fair values may differ materially from the value at which the investments may be ultimately sold. Further, rapidly changing or unprecedented credit and equity

market conditions could materially impact the valuation of securities and the period-to-period changes in value could vary significantly. Decreases in value could have a material adverse effect on our business, results of operations, financial condition or liquidity.

Similarly, management's decision on whether to record an allowance for credit losses ("ACL") is subject to significant judgments and assumptions regarding changes in general economic conditions, the issuer's financial condition or future recovery prospects, estimated future cash flows, the expected recovery period and the accuracy of third party information used in internal assessments. As a result, management's evaluations and assessments are highly judgmental and its projections of future cash flows over the life of certain securities investments may ultimately prove incorrect as facts and circumstances change.

If our businesses do not perform well, we may be required to recognize an impairment of our goodwill.

Goodwill represents the excess of the amounts we paid to acquire subsidiaries and other businesses over the fair value of their net assets at the date of acquisition. We test goodwill at least annually for impairment. Impairment testing is performed based upon estimates of the fair value of the "reporting unit" to which the goodwill relates. The reporting unit is the operating segment or a business one level below an operating segment if discrete financial information is prepared and regularly reviewed by management at that level. The fair value of the reporting unit could decrease if new business, customer retention, profitability or other drivers of performance differ from expectations. If it is determined that the goodwill has been impaired, the Company must write down the goodwill by the amount of the impairment, with a corresponding charge to net income (loss). These write downs could have a material adverse effect on our results of operations or financial condition.

Strategic and Operational Risks

Our businesses may suffer and we may incur substantial costs if we are unable to access our systems and safeguard the security of our data in the event of a disaster, cyber breach, or other information security incident. incident or technology failure.

We use technology to process, store, retrieve, evaluate and analyze customer and company data and information. Our information technology and telecommunications systems, in turn, interface with and rely upon third-party systems. We and our third party vendors must be able to access our systems to provide insurance quotes, process premium payments, make

changes to existing policies, file and pay claims, administer mutual funds, provide customer support, manage our investment portfolios, report on financial results and perform other necessary business functions.

Systems failures or outages could compromise our ability to perform these business functions in a timely manner, which could harm our ability to conduct business and hurt our relationships with our business partners and customers. Our business may be disrupted by failures to effectively maintain or update existing technologies, implement new technology, automate business processes or use emerging technologies (e.g. artificial intelligence). In the



Part I - Item 1A. Risk Factors

event of a disaster such as a natural catastrophe, a pandemic, civil unrest, an industrial accident, a cyber-attack, a blackout, a terrorist attack (including conventional, nuclear, biological, chemical or radiological) or war, systems upon which we rely may be inaccessible to our employees, customers or business partners for an extended period of time. Even if our employees and business partners are able to report to work, they may be unable to perform their duties for an extended period of time if our data or systems used to conduct our business are disabled or destroyed.

Our systems have been, and will likely continue to be, subject to viruses or other malicious code, unauthorized access, cyber-attacks (such as ransomware and denial of service), cyber frauds or other computer related penetrations. The frequency and sophistication of such threats continue to increase as well. While, to date, The Hartford is not aware of having experienced a material breach of our cyber security systems, administrative, internal accounting and technical controls as well as other preventive actions may be insufficient to prevent physical and electronic break-ins, denial of service, cyber-attacks, business email compromises, ransomware or other security breaches to our systems or those of third parties with whom we do business. Such an event could compromise our confidential information as well as that of our clients and third parties, impede or interrupt our business operations and result in other negative consequences, including remediation costs, loss of revenue, additional regulatory scrutiny and litigation and reputational damage. In addition, we routinely transmit to third parties personal, confidential and proprietary information, which may be related to employees and customers, by email and other electronic means, along with receiving and storing such information on our systems. Although we attempt to protect proprietary and confidential information, we may be unable to secure the information in all events, especially with clients, vendors, service providers, counterparties and other third parties who may not have appropriate controls to protect confidential information.

Our businesses must comply with regulations to control the privacy of customer, employee and third party data, and state, federal and international regulations regarding data privacy are becoming increasingly more onerous. A misuse or mishandling of confidential or proprietary information could result in legal liability, regulatory action and reputational harm.

Third parties, including third party administrators and cloud-based systems, are also subject to cyber-attacks and breaches of confidential information, along with the other risks outlined above, any one of which may result in our incurring substantial costs and other negative consequences, including a material adverse effect on our business, reputation, financial condition,



Part I - Item 1A. Risk Factors

results of operations or liquidity. Our increased use of open source software, cloud technology and software as a service can make it more difficult to identify and remedy such situations due to the disparate location of code utilized in our operations. While we maintain cyber liability insurance that provides both third party liability and first party insurance coverages, our insurance may not be sufficient to protect against all loss.

Performance problems due to outsourcing and other third-party relationships may compromise our ability to conduct business.

We outsource certain business and administrative functions and rely on third-party vendors to perform certain functions or provide certain services on our behalf and have a significant number of information technology and business processes outsourced with a single vendor. If we are unable to reach agreement in the negotiation of contracts or renewals with certain third-party providers, or if such third-party providers experience disruptions in their processes or with relied upon vendors, or if they do not perform as anticipated, we may be unable to meet our obligations to customers and claimants, incur higher costs and lose business which may have a material adverse effect on our business and results of operations. For other risks associated with our outsourcing of certain functions, see the Risk Factor, "Our businesses may suffer and we may incur substantial costs if we are unable to access our systems and safeguard the security of our data in the event of a disaster, cyber breach or other information security incident."

Our ability to execute on capital management plans and other actions is subject to material challenges, uncertainties and risks.

The ability to execute on capital management plans is subject to material challenges, uncertainties and risks. From time to time, our capital management plans may include the repurchase of common stock, the paydown of outstanding debt or both. We may not achieve all of the benefits we expect to derive from these plans. An equity repurchase plan approved by the Board **would of Directors can** be subject to execution risks, including, among others, risks related to market fluctuations, investor interest and potential legal constraints that could delay execution at an otherwise optimal time. There can be no assurance that we will fully execute any such plan. **In addition, we may not be successful in keeping our businesses cost efficient.** We may take future actions, including acquisitions, divestitures or restructurings that may involve additional uncertainties and risks that negatively impact our business, financial condition, results of operations or liquidity and could impact our ability to execute our capital management plans.

Acquisitions and divestitures may not produce the anticipated benefits and may result in unintended consequences, which could have a material adverse impact on our financial condition and results of operations.

We may not be able to successfully integrate acquired businesses or achieve the expected synergies as a result of such acquisitions or divestitures. The process of integrating an acquired company or business can be complex and costly and may create unforeseen operating difficulties including ineffective integration of underwriting, risk management, claims handling,

finance, information technology and actuarial practices. Difficulties integrating an acquired business may also result in the acquired business performing differently than we expected including through the loss of customers or in our failure to realize anticipated increased premium growth or expense-related efficiencies. We could be adversely affected by the



Part I - Item 1A. Risk Factors

acquisition due to unanticipated performance issues and additional expense, unforeseen liabilities, transaction-related charges, downgrades by third-party rating agencies, diversion of management time and resources to integration challenges, loss of key employees, regulatory requirements, exposure to tax liabilities, amortization of expenses related to intangibles and charges for impairment of long-term assets or goodwill. In addition, we may be adversely impacted by uncertainties related to reserve estimates of the acquired company and its design and operation of internal controls over financial reporting. We may be unable to distribute as much capital to the holding company as planned due to regulatory restrictions or other reasons, or we may be required to contribute capital to a subsidiary, either of which could adversely affect our liquidity.

In addition, in the case of business or asset dispositions, we may have continued financial exposure to the divested businesses through reinsurance, indemnification or other financial arrangements following the transaction. The expected benefits of acquired or divested businesses may not be realized and involve additional uncertainties and risks that may negatively impact our business, financial condition, results of operations or liquidity.

Difficulty in attracting and retaining talented and qualified personnel may adversely affect the execution of our business strategies.

Our ability to attract, develop and retain talented employees, managers and executives is critical to our success. There is significant competition within and outside the insurance and financial services industry for qualified employees, particularly for individuals with highly specialized knowledge in areas such as underwriting, actuarial, data and analytics, technology and digital commerce and investment management. Our continued ability to compete effectively in our businesses and to expand into new business areas depends on our ability to attract new employees and to develop, retain and motivate our existing employees. The loss of key employees, including executives, managers and employees with strong technological, analytical and other specialized skills, may adversely impact the execution of our business objectives or result in loss of important institutional knowledge. Our inability to attract and retain key personnel could have a material adverse effect on our financial condition or results of operations.

We may not be able to protect our intellectual property and may be subject to infringement claims.

We rely on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect our intellectual property. Although we use a broad range of measures to protect our intellectual property rights, third parties may infringe or misappropriate our intellectual property. We may have to litigate to enforce and protect our intellectual property and to determine its scope, validity or enforceability, which could be costly, divert significant resources and may not prove



Part I - Item 1A. Risk Factors

successful. **Litigation to enforce our intellectual property rights may not be successful and cost a significant amount of money.** The inability to secure or enforce the protection of our intellectual property assets could harm our reputation and have a material adverse effect on our business and our ability to compete. We also may be subject to costly litigation in the event that another party

alleges our operations or activities infringe upon their intellectual property rights, including patent rights, or violate license usage rights. Any such intellectual property claims and any resulting litigation could result in significant expense and liability for damages, and in some circumstances we could be enjoined from providing certain products or services to our customers, or utilizing and benefiting from certain patent, copyrights, trademarks, trade secrets or licenses, or alternatively could be required to enter into costly licensing arrangements with third parties, all of which could have a material adverse effect on our business, results of operations or financial condition.

Regulatory and Legal Risks

Regulatory and legislative developments could have a material adverse impact on our business, financial condition, results of operations or liquidity.

We are subject to extensive laws, **regulations** and **regulations executive orders** that are complex, subject to change and often conflict in their approach or intended outcomes. Compliance with these laws, **regulations** and **regulations executive orders** can increase cost, affect our strategy, and constrain our ability to adequately price our products.

In the U.S., regulatory initiatives and legislative developments may significantly affect our operations and prospects in ways that we cannot predict. For example, federal and state legislative efforts on Paid Family and Medical Leave, data privacy and cyber security, risk-based pricing, **sustainability**, and **environmental, social and governance ("ESG") sustainability** practices could have unanticipated consequences for the Company and its businesses. It is unclear whether and to what extent Congress, the current Administration or individual states will continue to pursue these types of proposals, and how those changes might impact the Company, its business, financial conditions, results of operations or liquidity.

Our U.S. insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled, licensed or authorized to conduct business. State regulations generally seek to protect the interests of policyholders rather than an insurer or the insurer's stockholders and other investors. U.S. state laws grant insurance regulatory authorities broad administrative powers with respect to, among other things, licensing and authorizing lines of business, approving policy forms and premium rates, setting statutory capital and reserve requirements, limiting the types and amounts of certain investments and restricting underwriting practices. State insurance departments also set constraints on domestic insurer transactions with affiliates and dividends and, in many cases, must approve affiliate transactions and extraordinary dividends as well as strategic transactions such as acquisitions and divestitures.

Our international insurance subsidiaries are subject to the laws and regulations of the relevant jurisdictions in which they operate, including the requirements of the PRA and the FCA in the U.K., the Bermuda Monetary Authority in Bermuda and the Insurance Authority in Hong Kong. Our Lloyd's Syndicate is also subject to management and supervision by the Council of



Part I - Item 1A. Risk Factors

Lloyd's, which has wide discretionary powers to regulate members' underwriting at Lloyd's, as well as regulations imposed by overseas regulators where the Lloyd's Syndicate conducts business.

Following the U.K.'s withdrawal from the European Union, the U.K. entered into a free trade agreement with the E.U. on December 30, 2020. Under this agreement, a Trade Partnership Committee meets on a regular basis to discuss areas of cooperation. It is possible that deliberations of this Trade Partnership Committee could affect how U.K. domiciled financial services and insurance firms are regulated.

In addition, future regulatory initiatives could be adopted at the federal, state and international level that could affect the profitability of our businesses. For example, the NAIC and state insurance regulators periodically reexamine existing laws and regulations, specifically focusing on modifications to U.S. statutory accounting principles, interpretations of existing laws and the development of new laws and regulations. The NAIC continues to enhance the U.S. system of insurance solvency regulation, with a particular focus on group supervision, risk-based capital, accounting and financial reporting, enterprise risk management and reinsurance which could, among other things, affect statutory measures of capital adequacy, including risk-based capital ratios.

Lawmakers and regulators at the federal, state and international levels are enacting laws and promulgating regulations and guidance related to climate change, with conflicts from jurisdiction to jurisdiction possible, which may impose additional costs on the Company, or expose us to new or additional risks. For example, regulators could impose new disclosure requirements regarding underwriting or investment in certain industry sectors or take other actions such as implementing a temporary moratorium on cancellation of policies within catastrophe prone areas. **The In March of 2024, the U.S. Securities and Exchange Commission ("SEC") issued proposed final rules to enhance and standardize climate-related disclosures for investors. The scope rules were challenged by various stakeholders and timing have been stayed pending the outcome of final that litigation. If allowed to take effect in their current form, the rules is uncertain; however, if not modified substantively, the proposed rules would will require extensive narrative and quantitative reporting on climate change and decarbonization in SEC filings and could pose potential compliance and litigation risks to the Company. In addition, the Federal Insurance Office continues to analyze the potential for climate change to affect insurance and reinsurance coverage, which could result in increased data collection and reporting. Regulators may also impose new requirements affecting our operations such as disclosure related to greenhouse gas emissions (GHGe) and other climate-related information, increasing our operating expenses and litigation risk. The state of California is adopting mandatory climate reporting for companies doing business there, and other state regulators may impose similar obligations and related risks.**

There has also been increased regulatory scrutiny of the use of emerging technologies related to artificial intelligence, including



Part I - Item 1A. Risk Factors

machine learning, predictive analytics and other “big data” techniques. We may be subject to new regulations that could materially adversely affect our operations or ability to write business profitably in one or more jurisdictions. The NAIC has adopted a Model Bulletin on the Use of Artificial Intelligence Systems by Insurers. This would need to be adopted at the individual state level in order to become effective. We anticipate some states will do so in the future. State insurance regulators may adopt their own guidelines for insurers independent of the NAIC guidance. In addition, regulators have recently requested

information from insurers on their use of algorithms, artificial intelligence and machine learning. We cannot predict what, if any, legislative or regulatory actions may be taken regarding these or other emerging technologies, but any inquiries and/or limitations could have a material impact on our business, business processes, financial condition, and results of operations.

In addition, changes in laws, regulations or regulations, executive orders, particularly relating to privacy and data security, may materially impede our ability to execute on business strategies and/or our ability to be competitive.

Any proposed or future legislation or NAIC initiatives, if adopted, may be more restrictive on our ability to conduct business than current regulatory requirements or may result in higher costs or increased statutory capital and reserve requirements. The International Association of Insurance Supervisors (“IAIS”) continues to advance advance the development of insurance group capital standards for use with Internationally Active Insurance Groups (“IAIGs”). As of January 1, 2020, the IAIS Insurance Capital Standard entered a five-year monitoring period at the end of which insurance firms are required to follow such standards. While the Company would not currently be subject to this capital standard regime, it is possible that, in the future, standards similar to what is being contemplated by the IAIS could apply to the Company. Working through the NAIC, U.S. state insurance regulators have adopted a group capital calculation for use in solvency-monitoring activities. The calculation is intended to provide additional analytical information to the lead state for use in assessing group risks and capital adequacy to complement complement the current holding company analysis in the U.S. By the end of In December, 2024, the IAIS will assess whether this method approved the final version of the global Insurance Capital Standard (ICS) as a prescribed capital requirement for IAIGs. The IAIS also finalized the comparability assessment of the United States (US)-developed Aggregation Method (AM), concluding that a US AM provides a basis for implementation of the ICS to produce comparable outcomes to the consolidated group insurance capital standard that it has been developing for use with IAIGs.results.

Further, a particular regulator or enforcement authority may interpret a legal, accounting, or reserving issue differently than we have, exposing us to different or additional regulatory risks. The application of these regulations and guidelines by insurers involves interpretations and judgments that may be challenged by state insurance departments and other regulators. The result of those potential challenges could require us to increase levels of regulatory capital and reserves or incur higher operating and/or tax costs.

In addition, our asset management businesses are also subject to extensive regulation in the various jurisdictions where they operate. These laws, regulations and regulations executive orders are primarily intended to protect investors in the securities markets or investment advisory clients and generally grant supervisory authorities broad administrative powers. Compliance with these laws, regulations and regulations executive orders is costly, time consuming and personnel intensive, and may have an adverse effect on our business, financial condition, results of operations or liquidity.



Part I - Item 1A. Risk Factors

Our insurance business is sensitive to significant changes in the legal environment that could adversely affect The Hartford's results of operations or financial condition or harm its businesses.

Like any major P&C insurance company, litigation is a routine part of The Hartford's business - both in defending and indemnifying our insureds and in litigating insurance coverage and benefits disputes. The Hartford accounts for such activity by establishing unpaid loss and loss adjustment expense reserves. Significant changes in the legal environment could cause our ultimate liabilities to change from our current expectations. Such changes could be judicial in nature, like trends in the size of jury awards, developments in the law relating to tort liability or the liability of insurers, and rulings concerning the scope of insurance coverage or the amount or types of damages covered by insurance. In addition, Such changes also can be legislative or regulatory, including changes in federal or state laws and regulations relating to the liability of insurers or policyholders, including state laws expanding "bad faith" liability and state "reviver" statutes, extending statutes of limitations for certain sexual molestation and sexual abuse claims, could result in changes in business practices, additional litigation, or unexpected losses, including increased frequency and severity of claims. Such changes could also come in the form of executive orders. Also, the emergence of new targets and new and expanding theories of liability for claims involving issues like global climate change, risks from products and substances alleged to cause damage, physical and mental health crises, new technologies, legal system abuse, attorney representation rates, and socioeconomic and political dynamics also could result in additional litigation exposure and unexpected losses. It is impossible to forecast such changes reliably, much less to predict how they might affect our loss reserves or how those changes might adversely affect our ability to price our insurance products appropriately. Thus, significant judicial or legislative developments could adversely affect The Hartford's business, financial condition, results of operations or liquidity.

Changes in federal, state or foreign tax laws could adversely affect our business, financial condition, results of operations or liquidity.

Changes in federal, state or foreign tax laws and tax rates, regulations, or regulations related executive orders could have a material adverse effect on our profitability or financial condition by increasing the Company's overall tax and compliance burdens. The Company's federal and state tax returns reflect certain items such as tax-exempt bond interest, tax credits, and insurance reserve deductions. There is an increasing risk that, in the context of tax reform in the U.S., federal and/or state tax legislation could modify or eliminate these items, impacting the Company, its investments, investment strategies, and/or its policyholders. For a description of potential impacts for the Inflation Reduction Act, which was signed into law on August 16, 2022, see Part I, Item 2, MD&A - Capital Resources and Liquidity, Contingencies, Legislative and Regulatory Developments.

Part I - Item 1A. Risk Factors

insurance commissioner of the state where the domestic insurer is domiciled. Prior to granting approval of an application to acquire control of a domestic insurer, the state insurance commissioner will consider such factors as the financial strength of the applicant, the acquirer's plans for the future operations of the domestic insurer, and any such additional information as the insurance commissioner may deem necessary or appropriate for the protection of policyholders or in the public interest. Generally, state statutes provide that control over a domestic insurer is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10 percent or more of the voting securities of the domestic insurer or its parent company. Because a person acquiring 10 percent or more of our common stock would indirectly control the same percentage of the stock of our U.S. insurance subsidiaries, the insurance change of control laws of various U.S. jurisdictions would likely apply to such a transaction. Other laws or required approvals pertaining to one or more of our existing subsidiaries, or a future subsidiary, may contain similar or additional restrictions on the acquisition of control of the Company. These laws and similar rules applying to subsidiaries domiciled outside of the United States may discourage potential acquisition proposals and may delay, deter, or prevent a change of control, including transactions that our Board of Directors and some or all of our stockholders might consider to be desirable.

Part I - Item 1C. Cybersecurity

Regulatory requirements could delay, deter or prevent a takeover attempt that stockholders might consider in their best interests.

Before a person can acquire control of a U.S. insurance company, prior written approval must be obtained from the

Changes in accounting principles and financial reporting requirements could adversely affect our results of operations or financial condition.

As an SEC registrant, we are currently required to prepare our financial statements in accordance with U.S. GAAP, as promulgated by the FASB, Financial Accounting Standards Board. Accordingly, we are required to adopt new guidance or interpretations which may have a material effect on our results of operations or financial condition that is either unexpected or has a greater impact than expected. For a description of changes in accounting standards that are currently pending and, if known, our estimates of their expected impact, see Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to the Consolidated Financial Statements.

Item 1C.

CYBERSECURITY

The Hartford has implemented an information protection program with established governance routines for assessing and managing risks. The Hartford employs a 'defense-in-depth' strategy that uses multiple security measures to protect the integrity of the Company's information assets. This 'defense-in-depth' strategy aligns to the National Institute of Standards and Technology Cybersecurity Framework, where controls are implemented throughout our environments to achieve **five the six** categorical objectives **including of governance**, identification, protection, detection, response and recovery.

Our 'defense in depth' program uses several methods to protect against intrusion by a bad actor, including such techniques as reputational filtering, anti-virus scans, intrusion prevention, multi-factor authentication, and account isolation among others. We also use numerous approaches to detect ransomware and other cyber attacks, including, among others, dark web searches, email sandboxing, endpoint detection, and intrusion detection. The Hartford continues to monitor and enhance its framework to respond to evolving cyber threats and regulations for data privacy, including the European Union General Data Protection Regulation, **and the California Consumer Privacy Act. Act and the New York Department of Financial Services Cybersecurity Regulation.**

We regularly assess our programs and control environment, leveraging externally conducted cyber tests and evaluations along with internally managed cyber risk assessments and testing. Additionally, the Company collaborates with industry associations, government authorities **peers**, and external advisors to monitor the threat environment and to inform our security practices.

In connection with **the regular assessment assessments** of third-party service providers, **performed by our procurement organization**, our information protection team performs **a third-party an** assessment of each vendor's information security practices and protocols, including its readiness to protect against and respond to cybersecurity breaches. Third-party service providers are categorized in tiers depending on the significance of their operations to the Company's business processes and risk assessments for vendors in the highest tier are completed periodically. With respect to cyber, we have procedures to verify each service provider's information security controls, and each vendor completes a cyber questionnaire that also addresses their resiliency in the event of an intrusion to their systems. We proactively communicate with suppliers to understand mitigation steps taken when major cyber exposures are identified.

We are executing on a multi-year roadmap to, among other things, further improve our ability to defend against, respond to, and recover from ransomware and other cyber events; enhance application cybersecurity capabilities, including defenses against fraud attacks; and to ensure security capabilities are built into new cloud-based platforms that we adopt. **We are also required to maintain strong cyber defense protocols in the states where we are authorized or licensed to write business.** A number of states where our insurance companies are domiciled, including Connecticut, have adopted the NAIC Insurance Data Security Model Law. Our legal team monitors the status of new cybersecurity regulations, including notification requirements.

To the best knowledge of Management, no risks from cybersecurity threats have materially affected or are reasonably likely to materially affect the Company, including its business strategy, results of operations, or financial condition. For further discussion of the Company's risks related to cybersecurity, see Part I, Item 1A, — Risk Factors for the risk factor "Our businesses may suffer and we may incur substantial costs if we are unable to access our systems and safeguard the security of our data in the event of a disaster, cyber breach or other information security incident."

From a governance perspective, senior members of our Enterprise Risk Management, Information Protection and Internal Audit functions provide detailed, regular reports on cybersecurity matters to the Board **of Directors**, primarily through the Audit Committee, which oversees controls for the Company's major risk exposures and has principal responsibility for oversight of cybersecurity risk, and the Finance, Investment and Risk Management Committee ("FIRMCo"), which oversees business risk related to cyber insurance products. The topics covered by these updates include the Company's activities, policies and procedures to prevent, detect and respond to cybersecurity incidents, as well as lessons learned from cybersecurity incidents and internal and external testing of our cyber defenses.

The Audit Committee is provided with updates on technology and cybersecurity risks at least four times annually, including annual reviews of the Company's cybersecurity program and technology risks and controls, and bi-annual updates on operational risks (in spring and fall). Given its importance, the full Board **of Directors** is invited to attend the annual cybersecurity program **update** and time is reserved at each Audit Committee meeting for cybersecurity technology matters that warrant discussion between the standing sessions. In addition, **our** Enterprise Risk Management **team** provides FIRMCo **with** an assessment of **cybersecurity cyber** insurance risk once per year. The Audit Committee, FIRMCo and the full Board **of Directors** are apprised of developments in the external environment and business strategies that present additional potential cyber risk exposure to the Company **such as modifications to on-line platforms and expanded use of cloud-based applications**, on an **ongoing**, as-needed basis. As a result, cybersecurity and cyber risk are typically discussed more frequently than the annual minimum requirements.

The Company has established an Executive Privacy & Security Council ("EPSC") that meets semi-annually. **Formed in 2003, the The** EPSC consists of a cross-functional senior leaders, including the Chief Information Officer ("CIO"), the Chief Information Security Officer ("CISO"), the Chief Risk Officer ("CRO"), **the Chief Privacy Officer ("CPO")** and General Counsel, among others. The EPSC receives a monthly written executive briefing on topics, and with metrics related to cybersecurity, including incident prevention, detection, mitigation and remediation. Quarterly, the **IT Information Technology ("IT")** Risk Council, made up of senior IT leaders, is also provided with an update of cybersecurity risks and preparedness. Various other meetings are held on cybersecurity topics periodically, including monthly business operating reviews, and meetings of the Enterprise Risk and Capital Committee ("ERCC") and executive leadership team.

Part I - Item 1C. Cybersecurity

Both the CIO and the CISO have expertise assessing and managing cybersecurity risks. The CIO has served in her current role since 2019 and served in similar technology leadership roles before her current role. She has **eighteen nineteen** years of executive leadership experience in the financial services industry and **twenty-eight twenty-nine** years of overall technology experience, during which time she has led large scale business transformation, delivered innovative technology strategies and has overseen and modernized complex technology portfolios.

The CISO has held several senior-level information technology roles in his **twenty-five-year twenty-six-year** tenure with the Company and has served in his current role since 2021. In his various roles, he has been responsible for providing senior leadership in the areas of information security, IT governance risk & compliance, business continuity, and disaster recovery.

Item 2.

PROPERTIES

PROPERTIES

As of **December 31, 2023 December 31, 2024**, The Hartford owned building space totaling approximately 1.8 million square feet consisting of its home office complex in Hartford, Connecticut and other properties within the greater Hartford, Connecticut area. In addition, we lease offices throughout North America, the United Kingdom and other overseas locations to house administrative, claims

handling, sales and other business operations. As of December 31, 2023, December 31, 2024, The Hartford leased approximately 935,998 thousand square feet throughout the United States, 22,13 thousand square feet in London and 6 thousand square feet in other international branches. All of the properties owned or leased are used by one or more of the five reporting reportable segments, or are used for corporate purposes, depending on the location. For more information on reporting reportable segments, see Part I, Item 1, Business Reporting Segments, Reportable Segments and Corporate. The Company believes its properties and facilities are suitable and adequate for current operations.

Item 3.

LEGAL PROCEEDINGS

For a discussion regarding The Hartford's legal proceedings, see the information contained under "Litigation," "Litigation" including "COVID-19 Pandemic Business Income Insurance Litigation " and "Run-off Asbestos and Environmental Claims," Claims" in Note 15 14 - Commitments and Contingencies of the Notes to Consolidated Financial Statements.

Part II - Item 5. Market for the Hartford's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Item 5.

MARKET FOR THE HARTFORD'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

are held of record by banks, brokers and other financial institutions.

The Hartford's common stock is traded on the New York Stock Exchange ("NYSE") under the trading symbol "HIG". As of February 22, 2024 February 20, 2025, the Company had approximately 7,835 7,485 registered holders of record of the Company's common stock. A substantially greater number of holders of our common stock are "street name" holders or beneficial holders, whose shares

The Hartford's cash dividends paid on common stock and expected payment of future cash dividends are discussed in the Summary of Capital Resources and Liquidity and Liquidity Requirements and Sources of Capital - Dividends sections of Part II, Item 7, MD&A — Capital Resources and Liquidity.

For information related to securities authorized for issuance under equity compensation plans, see Part III, Item 12, Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Repurchases of common stock by the Company during the quarter ended December 31, 2023 December 31, 2024 are set forth below. During the period from January 1, 2024 January 1, 2025 through February 22, 2024 February 20, 2025, the Company repurchased 2.3 million 2.2 million shares for \$200. \$248.

Repurchases of Common Stock by the Issuer for the Three Months Ended December 31, 2023				
Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [2]
(in millions)				
October 1, 2023 - October 31, 2023	2,043,934	\$ 71.72	2,039,013	\$ 1,553
November 1, 2023 - November 30, 2023	1,294,172	\$ 76.29	1,290,733	\$ 1,456
December 1, 2023 - December 31, 2023	1,370,044	\$ 80.19	1,356,163	\$ 1,348

Total	4,708,150 \$	75.44	4,685,909

Repurchases of Common Stock by the Issuer for the Three Months Ended December 31, 2024				
Period	Total Number of Shares Purchased [1]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs [2]
(in millions)				
October 1, 2024 - October 31, 2024	1,507,644 \$	117.71	1,499,511 \$	3,373
November 1, 2024 - November 30, 2024	779,493 \$	117.75	758,991 \$	3,285
December 1, 2024 - December 31, 2024	1,176,909 \$	117.26	1,176,909 \$	3,148
Total	3,464,046 \$	117.57	3,435,411	

[1]Includes 22,241,28,635 shares in net settlement of employee tax withholding obligations related to equity awards under the Company's incentive stock plans, which were not part of publicly announced share repurchase authorizations. The Company paid an average price per share of \$78.24 \$113.44 in employee tax withholding obligations related to net share settlements in the three months ended December 31, 2023 December 31, 2024.

[2]In July, 2022, On July 28, 2022, the Board of Directors approved a share repurchase authorization for up to \$3.0 billion \$3.0 billion effective from August 1, 2022 to December 31, 2024. In addition to the authorization covering the period from August 1, 2022 to December 31, 2024, on July 25, 2024, the Board of Directors approved a share repurchase authorization for up to \$3.3 billion effective from August 1, 2024 to December 31, 2026. The timing of any repurchases is dependent on several factors, including the market price of the Company's securities, the Company's capital position, consideration of the effect of any repurchases on the Company's financial strength or credit ratings, the Company's blackout periods, and other considerations.

Part II - Item 5. Market for the Hartford's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

TOTAL RETURN TO STOCKHOLDERS

The following table presents The Hartford's five-year total return on its common stock including reinvestment of dividends in comparison to the S&P 500 and the S&P Insurance Composite Index.

Cumulative Five-Year Total Return		
Cumulative Five-Year Total Return		
Cumulative Five-Year Total Return		
	Base	
	Base	
	Base	
	Period	
	Period	
	Period	
	Period	
	Period	
	Period	
	Period	
	Period	
	Period	
	Period	
	Base Period	
	Base Period	Base Period

Company/Index

Company/Index

Company/Index

Company/Index

Company/Index

Company/Index



Company/Index

Company/Index

Company/Index

Company/Index

Company/Index

Company/Index

The Hartford Financial Services Group, Inc.
The Hartford Financial Services Group, Inc.
The Hartford Financial Services Group, Inc.
The Hartford Insurance Group, Inc.
The Hartford Insurance Group, Inc.
The Hartford Insurance Group, Inc.

S&P 500 Index

S&P 500 Index

S&P 500 Index

S&P Insurance Composite Index
S&P Insurance Composite Index
S&P Insurance Composite Index

197

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Item 7.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollar amounts in millions, except for per share data, unless otherwise stated)

The Hartford provides projections and other forward-looking information in the following discussions, which contain many forward-looking statements, particularly relating to the Company's future financial performance. These forward-looking statements are estimates based on information currently available to the Company, are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and are subject to the cautionary statements set forth on pages 4 and 5 of this Form 10-K. Actual results are likely to differ, and in the past have differed, materially from those forecast by the Company, depending on the outcome of various factors, including, but not limited to, those set forth in the following discussion and in Part I, Item 1A, Risk Factors, and those identified from time to time in our other filings with the Securities and Exchange Commission. The Hartford undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

On January 1, 2023, the Company adopted the FASB's updated guidance on accounting for long duration insurance contracts, which was applied on a modified retrospective basis as of January 1, 2021. For additional information refer to Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to Consolidated Financial Statements.

On December 29, 2021, the Company completed the sale of Navigators Holdings (Europe) N.V., a Belgium holding company, and its subsidiaries, Bracht, Deckers & Mackelbert N.V. ("BDM") and Assurances Continentales Continentale Verzekeringen N.V. ("ASCO"), (collectively referred to as "Continental Europe Operations").

Certain reclassifications have been made to historical financial information presented in Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") to conform to the current period presentation.

For discussion of reclassifications and dispositions, see Note 1 - Basis of Presentation and Significant Accounting Policies, and Note 22 - Business Dispositions of Notes to Consolidated Financial Statements.

The Hartford defines increases or decreases greater than or equal to 200%, or changes from a net gain to a net loss position, or vice versa, as "NM" or not meaningful.

For discussion of the earliest of the three years included in the financial statements of the current filing, refer to Part 2, II, Item 7, MD&A in The Hartford's 2022 2023 Form 10-K Annual Report.

Index

Description	Page
Key Performance Measures and Ratios	40 38
The Hartford's Operations	45 43
Financial Highlights	48 45
Consolidated Results of Operations	49 46
Investment Results	52 49
Critical Accounting Estimates	54 51
Commercial Lines Business Insurance	74 71
Personal Lines Insurance	78 76
Property & Casualty Other Operations	83 81
Group Employee Benefits	84 82
Hartford Funds	86 84
Corporate	88 86
Enterprise Risk Management	89 87
Capital Resources and Liquidity	108 107
Impact of New Accounting Standards	115 114

Throughout the MD&A, we use certain terms and abbreviations, the more commonly used are summarized in the [Acronyms](#) section.

KEY PERFORMANCE MEASURES AND RATIOS

The Company considers the measures and ratios in the following discussion to be key performance indicators for its businesses. Management believes that these ratios and measures are useful in understanding the underlying trends in The Hartford's businesses. However, these key performance indicators should only be used in conjunction with, and not in lieu of, the results presented in the segment discussions that follow in this MD&A. These ratios and measures may not be comparable to other performance measures used by the Company's competitors.

Definitions of Non-GAAP and Other Measures and Ratios

Assets Under Management ("AUM")- Include mutual fund and ETF assets. AUM is a measure used by the Company's Hartford Funds segment because a significant portion of the segment's revenues and expenses are based upon asset values. These revenues and expenses increase or decrease with a rise or fall in AUM whether caused by changes in the market or through net flows.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Book Value per Diluted Share excluding accumulated other

comprehensive income ("AOCI")- This is a non-GAAP per share measure that is calculated by dividing (a) common stockholders' equity, excluding AOCI, after tax, by (b) common shares outstanding and dilutive potential common shares. The Company provides this measure to enable investors to analyze the amount of the Company's net worth that is primarily attributable to the Company's business operations. The Company believes that excluding AOCI from the numerator is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates. Book value per diluted share is the most directly comparable U.S. GAAP measure.

Combined Ratio- The sum of the loss and loss adjustment expense ratio, the expense ratio and the policyholder dividend ratio. This ratio is a relative measurement that describes the related cost of losses and expenses for every \$100 of earned premiums. A combined ratio below 100 demonstrates underwriting profit; a combined ratio above 100 demonstrates underwriting losses.

Core Earnings- The Hartford uses the non-GAAP measure core earnings as an important measure of the Company's operating performance. The Hartford believes that core earnings provides investors with a valuable measure of the performance of the Company's ongoing businesses because it reveals trends in our insurance and financial services businesses that may be obscured by including the net effect of certain items. Therefore, the following items are excluded from core earnings:

- Certain realized gains and losses - Generally realized gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to the insurance and underwriting aspects of our business. Accordingly, core earnings excludes the effect of all realized gains and losses that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized gains and losses are integrally related to our insurance operations, so core earnings includes net realized gains and losses such as net periodic settlements on credit derivatives. These net realized gains and losses are directly related to an offsetting item included in the income statement such as net investment income.
- Restructuring and other costs - Costs incurred as part of a restructuring plan are not a recurring operating expense of the business.
- Loss on extinguishment of debt - Largely consisting of make-whole payments or tender premiums upon paying debt off before maturity, these losses are not a recurring operating expense of the business.

- Gains and losses on reinsurance transactions - Gains or losses on reinsurance, such as those entered into upon sale of a business or to reinsure loss reserves, are not a recurring operating expense of the business.
- Integration and other non-recurring M&A costs - These costs, including transaction costs incurred in connection with an acquired business, are incurred over a short period of time and do not represent an ongoing operating expense of the business.
- Change in loss reserves upon acquisition of a business - These changes in loss reserves are excluded from core earnings because such changes could obscure the ability to compare results in periods after the acquisition to results of periods prior to the acquisition.
- Deferred gain resulting from retroactive reinsurance and subsequent changes in the deferred gain - Retroactive reinsurance agreements economically transfer risk to the reinsurers and excluding the deferred gain on retroactive reinsurance and related amortization of the deferred gain from core earnings provides greater insight into the economics of the business.
- Change in valuation allowance on deferred taxes related to non-core components of before tax income - These changes in valuation allowances are excluded from core earnings because they relate to non-core components of before tax income, such as tax attributes like capital loss carryforwards.
- Results of discontinued operations - These results are excluded from core earnings for businesses sold or held for sale because such results could obscure the ability to compare period over period results for our ongoing businesses.

In addition to the above components of net income available to common stockholders that are excluded from core earnings, preferred stock dividends declared, which are excluded from net income, are included in the determination of core earnings. Preferred stock dividends are a cost of financing more akin to interest expense on debt and are expected to be a recurring expense as long as the preferred stock is outstanding.

Net income (loss) and net income (loss) available to common stockholders are the most directly comparable U.S. GAAP measures to core earnings. Core earnings should not be considered as a substitute for net income (loss) or net income (loss) available to common stockholders and does not reflect the overall profitability of the Company's business. Therefore, The Hartford believes that it is useful for investors to evaluate net income (loss), net income (loss) available to common stockholders, and core earnings when reviewing the Company's performance.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reconciliation of Net Income to Core Earnings

	For the years ended December 31,		
	2023	2022	2021
Net income	\$ 2,504	\$ 1,819	\$ 2,371
Preferred stock dividends	21	21	21
Net income available to common stockholders	2,483	1,798	2,350
Adjustments to reconcile net income available to common stockholders to core earnings:			
Net realized losses (gains) excluded from core earnings, before tax	152	626	(505)
Restructuring and other costs, before tax	6	13	1
Loss on extinguishment of debt, before tax	—	9	—
Integration and other non-recurring M&A costs, before tax	8	21	58
Change in deferred gain on retroactive reinsurance, before tax	194	229	246
Income tax expense (benefit) [1]	(76)	(200)	34

Core earnings	\$	2,767	\$	2,496	\$	2,184

	For the years ended December 31,		
	2024	2023	2022
Net income	\$ 3,111	\$ 2,504	\$ 1,819
Preferred stock dividends	21	21	21
Net income available to common stockholders	3,090	2,483	1,798
Adjustments to reconcile net income available to common stockholders to core earnings:			
Net realized losses excluded from core earnings, before tax	56	152	626
Restructuring and other costs, before tax	2	6	13
Loss on extinguishment of debt, before tax	—	—	9
Integration and other non-recurring M&A costs, before tax	8	8	21
Change in deferred gain on retroactive reinsurance, before tax	(83)	194	229
Income tax expense (benefit) [1]	3	(76)	(200)
Core earnings	\$ 3,076	\$ 2,767	\$ 2,496

[1] Primarily represents the federal income tax expense (benefit) related to before tax items not included in core earnings.

Core Earnings Margin- The Hartford uses the non-GAAP measure core earnings margin to evaluate, and believes it is an important measure of, the **Group Employee Benefits** segment's operating performance. Core earnings margin is calculated by dividing core earnings by revenues, excluding buyouts and realized gains (losses). Net income margin, calculated by dividing net income by revenues, is the most directly comparable U.S. GAAP measure. The Company believes that core earnings margin provides investors with a valuable measure of the performance of **Group Employee Benefits** because it reveals trends in the business that may be obscured by the effect of buyouts and realized gains (losses) as well as other items excluded in the calculation of core earnings. Core earnings margin should not be considered as a substitute for net income margin and does not reflect the overall profitability of **Group Employee Benefits**. Therefore, the Company believes it is important for investors to evaluate both core earnings margin and net income margin when reviewing performance. A reconciliation of net income margin to core earnings margin is set forth in the Results of Operations section within MD&A - **Group Employee Benefits**.

Current Accident Year Catastrophe Ratio- A component of the loss and loss adjustment expense ratio, represents the ratio of catastrophe losses incurred in the current accident year ("CAY") (net of reinsurance) to earned premiums. For U.S. events, a catastrophe is an event that causes \$25 or more in industry insured property losses and affects a significant number of property and casualty policyholders and insurers, as defined by the Property Claim Services office of Verisk. For international events, the Company's approach is similar, informed, in part, by how Lloyd's of London defines major losses. Lloyd's of London is an insurance market-place operating worldwide ("Lloyd's"). Lloyd's does not underwrite risks. The Company accepts risks as the sole member of Lloyd's Syndicate 1221 ("Lloyd's Syndicate"). The current accident year catastrophe ratio includes the effect of catastrophe losses, but does not include the effect of reinstatement premiums.

Expense Ratio- For **Commercial Lines Business Insurance** and **Personal Lines Insurance** is the ratio of underwriting expenses less fee income, to earned premiums. Underwriting expenses include the **amortization of**

amortization of deferred policy acquisition costs ("DAC"), **amortization of other intangible assets** and insurance operating costs and other expenses, including certain centralized services costs and bad debt expense. DAC includes commissions, taxes, licenses and fees and other incremental direct underwriting expenses and are amortized over the policy term.

The expense ratio for **Group Employee Benefits** is expressed as the ratio of insurance operating costs and other expenses including amortization of intangibles and amortization of DAC, to premiums and other considerations, excluding buyout premiums.

The expense ratio for **Commercial Lines, Business Insurance, Personal Lines Insurance** and **Group Employee Benefits** does not include integration and other transaction costs associated with an acquired business.

Fee Income- Is largely driven from amounts earned as a result of contractually defined percentages of AUM in our Hartford Funds business. These fees are generally earned on a daily basis. Therefore, this fee income increases or decreases with the rise or fall in AUM whether caused by changes in the market or through net flows.

Gross New Business Premium- Represents the amount of premiums charged, before ceded reinsurance, for policies issued to customers who were not insured with the Company in the previous policy term. Gross new business premium plus gross renewal written premium less ceded reinsurance equals total written premium.

Loss and Loss Adjustment Expense Ratio- A measure of the cost of claims incurred in the calendar year divided by earned premium and includes losses and loss adjustment expenses incurred for both the current and prior accident years. Among other factors, the loss and loss adjustment expense ratio needed for the Company to achieve its targeted return on equity ("ROE") fluctuates from year to year based on changes in the expected investment yield over the claim settlement period, the timing of expected claim settlements and the targeted returns set by management based on the competitive environment.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The loss and loss adjustment expense ratio is affected by claim frequency and claim severity, particularly for shorter-tail property lines of business, where the emergence of claim frequency and severity is credible and likely indicative of ultimate losses. Claim frequency represents the percentage change in the average number of reported claims per unit of exposure in the current accident year compared to that of the previous accident year. Claim severity represents the percentage change in the estimated average cost per claim in the current accident year compared to that of the previous accident year. As one of the factors used to determine pricing, the Company's practice is to first make an overall assumption about claim frequency and severity for a given line of business and then, as part of the rate-making process, adjust the assumption as appropriate for the particular state, product or coverage.

Current Accident Year Underlying Loss and Loss Adjustment Expense Ratio Before Catastrophes- Ratio-

Ratio- A This non-GAAP financial measure of is the cost of non-catastrophe loss and loss adjustment expenses incurred in the current accident year divided by earned premiums. Management believes that the current accident year The loss and loss adjustment expense ratio before catastrophes is the most directly comparable GAAP measure. Management believes that the underlying loss and loss adjustment expense ratio is a performance measure that is useful to investors as it removes the impact of volatile and unpredictable catastrophe losses and prior accident year development ("PYD"). A reconciliation of the loss and loss adjustment expense ratio to the underlying loss and loss adjustment expense ratio is set forth in the Reportable Segment and Corporate Operating Summaries section within MD&A.

Loss Ratio, excluding Buyouts- Utilized for the Group Employee Benefits segment and is expressed as a ratio of benefits, losses and loss adjustment expenses, excluding those related to buyout premiums, to premiums and other considerations, excluding buyout premiums. Since Group Employee Benefits occasionally buys a block of claims for a stated premium amount, the Company excludes this buyout from the loss ratio used for evaluating the profitability of the business as buyouts may distort the loss ratio. Buyout premiums represent takeover of open claim liabilities and other non-recurring premium amounts.

Net investment income excluding limited partnerships and other alternative investments- This non-GAAP measure is the amount of net investment income on a consolidated level earned from invested assets, excluding the net investment income related to limited partnerships and other alternative investments. The Company believes that net investment income excluding limited partnerships and other alternative instruments, provides investors with an important measure of the trend in investment earnings because it excludes the impact of the volatility in returns related to limited partnerships and other alternative instruments. Net investment income is the most directly comparable GAAP measure. A reconciliation of net investment income to net investment income excluding limited partnerships and other alternative investments - is set forth in the Investment Results section within MD&A.

Mutual Fund and Exchange-Traded Fund Assets- Are owned by the shareowners of those products and not by the Company and, therefore, are not reflected in the Company's

premium writings in certain classes of business or states. Policy count retention is also affected by advertising and rate actions taken by us and competitors.

Effective Policy Count Retention- Represents the number of policies expected to renew in the current year period, based on contract effective dates, divided by the new and renewal policies effective in the prior period. Effective policy count retention is affected by a number of factors, including the percentage of renewal policy quotes accepted and decisions by the Company to non-renew policies because of specific policy underwriting concerns or because of a decision to reduce premium writings in certain classes of business or states. Effective policy count retention is also affected by advertising and rate actions taken by us and competitors, as well as the effect of subsequent cancellations and non-renewals by customers. Effective policy count retention statistics are subject to change from period to period based on the effect of differences between actual and expected policy cancellations throughout the policy period.

Policies in Force- in-force- Represents the number of policies with coverage in effect as of the end of the period. The number of policies in force in-force is a growth measure used for Personal Lines and standard commercial lines (small commercial insurance, small business, and middle market lines within middle & large commercial business, and is affected by both new business growth and policy count retention.

Consolidated Financial Statements, except in instances where the Company seeds new investment products.

Mutual fund and ETF assets are a measure used by the Company primarily because a significant portion of the Company's Hartford Funds segment revenues and expenses are based upon asset values. These revenues and expenses increase or decrease with a rise or fall in AUM whether caused by changes in the market or through net flows.

Net New Business Premium- Represents the amount of premiums charged, after ceded reinsurance, for policies issued to customers who were not insured with the Company in the previous policy term. Net new business premium plus renewal written premium equals total written premium.

Policy Count Retention- Represents the number of renewal policies issued during the current year period divided by the new and renewal policies issued in the prior period. Policy count retention is affected by a number of factors, including the percentage of renewal policy quotes accepted and decisions by the Company to non-renew policies because of specific policy underwriting concerns or because of a decision to reduce

Policyholder Dividend Ratio- The ratio of policyholder dividends to earned premium.

Premium Retention- For middle & large commercial, business, represents the ratio of prior period premiums that were successfully renewed divided by premiums associated with policies available for renewal in the current period. Premium retention excludes premium amounts from annual audits, renewal written price increases and changes in exposure, including amount of insurance. Premium retention statistics are subject to change from period to period based on a number of factors, including the effect of subsequent cancellations and non-renewals.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Prior Accident Year Loss and Loss Adjustment Expense Ratio-

Represents the increase (decrease) in the estimated cost of settling catastrophe and non-catastrophe claims incurred in prior accident years as recorded in the current calendar year divided by earned premiums.

Reinstatement Premiums- Represents additional ceded premium paid for the reinstatement of the amount of reinsurance coverage that was reduced as a result of the Company ceding losses to reinsurers.

Renewal Earned Price Increase (Decrease)- Written premiums are earned over the policy term, which is six months for certain Personal Lines personal automobile business and twelve months for substantially all of the remainder of the Company's P&C business. Since the Company earns premiums over the six to twelve month term of the policies, renewal earned price increases (decreases) lag renewal written price increases (decreases) by six to twelve months.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Renewal Written Price Increase (Decrease)- For **Commercial Lines, Business Insurance**, represents the combined effect of rate changes, and individual risk pricing decisions per unit of exposure on policies that renewed and includes amount of insurance. For Personal **Lines, Insurance**, renewal written price increases represent the total change in premium per policy since the prior year on those policies that renewed and includes the combined effect of rate changes, amount of insurance and other changes in exposure. For Personal **Lines, Insurance**, other changes in exposure include, but are not limited to, the effect of changes in number of drivers, vehicles and incidents, as well as changes in customer policy elections, such as deductibles and limits. The rate component represents the change in rate impacting renewal policies as previously filed with and approved by state regulators during the period. Amount of insurance represents the change in the value of the rating base, such as model year/vehicle symbol for automobiles, building replacement costs for property and wage inflation for workers' compensation. A number of factors affect renewal written price increases (decreases) including expected loss costs as projected by the Company's pricing actuaries, rate filings approved by state regulators, risk selection decisions made by the Company's underwriters and marketplace competition. Renewal written price changes reflect the property and casualty insurance market cycle. Prices tend to increase for a particular line of business when insurance carriers have incurred significant losses in that line of business in the recent past or the industry as a whole commits less of its capital to writing exposures in that line of business. Prices tend to decrease when recent loss experience has been favorable or when competition among insurance carriers increases. Renewal written price statistics are subject to change from period to period, based on a number of factors, including changes in actuarial estimates and the effect of subsequent cancellations and non-renewals, and modifications made to better reflect ultimate pricing achieved.

not be considered as a substitute for ROA and does not reflect the overall profitability of our Hartford Funds business. Therefore, the Company believes it is important for investors to evaluate both ROA, and ROA, core earnings when reviewing the Hartford Funds segment performance. A reconciliation of ROA to ROA, core earnings is set forth in the Results of Operations section within MD&A - Hartford Funds.

Underlying Combined Ratio-This non-GAAP financial measure of underwriting results represents the combined ratio before catastrophes, prior accident year development and current accident year change in loss reserves upon acquisition of a business. Combined ratio is the most directly comparable GAAP measure. The Company believes this ratio is an important measure of the trend in profitability since it removes the impact of volatile and unpredictable catastrophe losses and prior accident year loss and loss adjustment expense reserve development. The changes to loss reserves upon acquisition of a business are excluded from underlying combined ratio because such changes could obscure the ability to compare results in periods after the acquisition to results of periods prior to the acquisition as such trends are valuable to our investors' ability to assess the Company's financial performance. A reconciliation of combined ratio to underlying combined ratio is set forth in the Results of Operations section within MD&A - **Commercial Lines Business Insurance** and Personal **Lines, Insurance**.

Underwriting Gain (Loss)- The Hartford's management evaluates profitability of the **Commercial Business** and Personal **Lines Insurance** segments primarily on the basis of underwriting gain or loss. Underwriting gain (loss) is a before tax non-GAAP measure that represents earned premiums less incurred losses, loss adjustment expenses and underwriting expenses. Net income (loss) is the most directly comparable GAAP measure. Underwriting gain (loss) is influenced significantly by earned premium growth and the adequacy of The Hartford's pricing. Underwriting profitability over time is also greatly influenced by The Hartford's underwriting discipline, as management strives to manage exposure to loss through favorable risk selection and diversification, effective management of claims, use of reinsurance and its ability to manage its expenses. The Hartford believes that underwriting gain (loss) provides investors with a valuable measure of profitability, before tax, derived from underwriting activities, which are managed separately from the Company's investing activities.

Return on Assets ("ROA"), Core Earnings-The Company uses this non-GAAP financial measure to evaluate, and believes is an important measure of, the Hartford Funds segment's operating performance. ROA, core earnings is calculated by dividing annualized core earnings by a daily average AUM. ROA is the most directly comparable U.S. GAAP measure. The Company believes that ROA, core earnings, provides investors with a valuable measure of the performance of the Hartford Funds segment because it reveals trends in our business that may be obscured by the effect of items excluded in the calculation of core earnings. ROA, core earnings, should

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reconciliation of Net Income to Underwriting Gain (Loss)

	2023
	2023
	2023
Commercial Lines	
Commercial Lines	
Commercial Lines	
	2024
	2024
	2024
Business Insurance	
Business Insurance	
Business Insurance	
Net income	
Net income	
Net income	
Adjustments to reconcile net income to underwriting gain:	
Adjustments to reconcile net income to underwriting gain:	
Adjustments to reconcile net income to underwriting gain:	
Net investment income	
Net investment income	
Net investment income	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses	
Net realized losses	
Net realized losses	
Other expense	
Other expense	
Other expense	
Income tax expense	
Income tax expense	
Income tax expense	
Underwriting gain	
Underwriting gain	
Underwriting gain	
Personal Lines	
Personal Lines	
Personal Lines	
Net income	
Net income	
Net income	
Adjustments to reconcile net income to underwriting gain (loss):	
Adjustments to reconcile net income to underwriting gain (loss):	
Adjustments to reconcile net income to underwriting gain (loss):	
Personal Insurance	
Personal Insurance	

Personal Insurance	
Net income (loss)	
Net income (loss)	
Net income (loss)	
Adjustments to reconcile net income (loss) to underwriting gain (loss):	
Adjustments to reconcile net income (loss) to underwriting gain (loss):	
Adjustments to reconcile net income (loss) to underwriting gain (loss):	
Net investment income	
Net investment income	
Net investment income	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses	
Net realized losses	
Net realized losses	
Net servicing and other income	
Net servicing and other income	
Net servicing and other income	
Income tax expense (benefit)	
Income tax expense (benefit)	
Income tax expense (benefit)	
Underwriting gain (loss)	
Underwriting gain (loss)	
Underwriting gain (loss)	
P&C Other Ops	
P&C Other Ops	
P&C Other Ops	
Net loss	
Net loss	
Net loss	
Adjustments to reconcile net loss to underwriting loss:	
Adjustments to reconcile net loss to underwriting loss:	
Adjustments to reconcile net loss to underwriting loss:	
Net investment income	
Net investment income	
Net investment income	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses (gains)	
Net realized losses	
Net realized losses	
Net realized losses	
Other expense	
Other expense	
Other expense	
Income tax benefit	
Income tax benefit	
Income tax benefit	
Underwriting loss	
Underwriting loss	

Underwriting loss

Written and Earned Premiums- Written premium represents the amount of premiums charged for policies issued, net of reinsurance, during a fiscal period. Premiums are considered earned and are included in the financial results on a pro rata basis over the policy period. Management believes that written premium is a performance measure that is useful to investors as it reflects current trends in the Company's sale of property and casualty insurance products. Written and earned premium are recorded net of ceded reinsurance premium.

Traditional life and disability insurance type products, such as those sold by **Group Employee Benefits**, collect premiums from policyholders in exchange for financial protection for the policyholder from a specified insurable loss, such as death or disability. These premiums, together with net investment income earned, are used to pay the contractual obligations under these insurance contracts.

Two major factors, new sales and persistency, impact premium growth. Sales can increase or decrease in a given year based on a number of factors including, but not limited to, customer demand for the Company's product offerings, pricing competition, distribution channels and the Company's reputation and ratings. Persistency refers to the percentage of premium remaining in-force from year-to-year.

THE HARTFORD'S OPERATIONS

The Hartford conducts business principally in five **reporting reportable** segments including **Commercial Lines**, **Business Insurance**, **Personal Lines**, **Insurance**, **Property & Casualty Other Operations**, **Group Employee Benefits** and **Hartford Funds**, as well as a Corporate category. The Company includes in the Corporate category **reserves for run-off structured settlement and terminal funding agreement liabilities**, **restructuring costs**, **capital raising activities** (including equity financing, debt financing and related interest expense), **purchase accounting adjustments related to goodwill**, **reserves for run-off structured settlement and terminal funding agreement liabilities**, **restructuring costs**, **transaction expenses** incurred in connection with an acquisition, certain M&A costs, **purchase accounting adjustments related to goodwill** and other expenses not allocated to the **reporting reportable** segments. Corporate also includes investment management fees and expenses related to managing third-party assets. In addition, up until June 30, 2021, Corporate included a 9.7% ownership interest in Hopmeadow Holdings LP, the legal entity that acquired Talcott Resolution in May 2018 (Hopmeadow Holdings, LP, Talcott Resolution Life Inc., and its subsidiaries are collectively referred to as "Talcott Resolution"). The sale of Talcott Resolution to a new investor was completed on June 30, 2021. The Company received a total of \$217 in connection with

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

the sale of its 9.7% ownership interest, resulting in a realized gain of \$46 before tax in 2021.

The Company derives its revenues principally from: (a) premiums earned for insurance coverage provided to insureds; (b) management fees on mutual fund and ETF assets; (c) net investment income; (d) fees earned for services provided to third parties; and (e) net realized gains and losses. Premiums charged for insurance coverage are earned principally on a pro rata basis over the terms of the related policies in-force.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The profitability of the Company's property and casualty insurance businesses over time is greatly influenced by the Company's underwriting discipline, which seeks to manage exposure to loss through favorable risk selection and diversification, its management of claims, its use of reinsurance, the size of its in force block, making reliable estimates of actual mortality and morbidity, and its ability to manage its expense ratio which it accomplishes through economies of scale and its management of acquisition costs and other **underwriting expenses**, **insurance operating costs**. Pricing adequacy depends on a number of factors, including the ability to obtain regulatory approval for rate changes, proper evaluation of underwriting risks, the ability to project future loss cost frequency and severity based on historical loss experience adjusted for known trends, the Company's response to rate actions taken by competitors, its expense levels and expectations about regulatory and legal developments. The Company seeks to price its insurance policies such that insurance premiums and future net investment income earned on premiums received will cover **underwriting expenses** **insurance operating costs** and the ultimate cost of paying claims reported on the policies and provide for a profit margin. For many of its insurance products, the Company is required to obtain approval for its premium rates from state insurance departments and the Lloyd's Syndicate's ability to write business is subject to Lloyd's approval for its premium capacity each year. Most of Personal **Lines Insurance** written premium is associated with our exclusive licensing agreement with AARP, which is effective through December 31, 2032. This agreement provides an important competitive advantage given the size of the 50 plus population and the strength of the AARP brand.

Similar to property and casualty, profitability of the **group benefits Employee Benefits** business depends, in large part, on the ability to evaluate and price risks appropriately and make reliable estimates of mortality, morbidity, disability and longevity. To manage the pricing risk, **Group Employee** Benefits generally offers term insurance policies, allowing for the adjustment of rates or policy terms in order to minimize the adverse effect of market trends, loss costs, declining interest rates and other factors. However, as policies are typically sold with rate guarantees an average of three years, pricing for the Company's products could prove to be inadequate if loss and expense trends emerge adversely during the rate guarantee period or if investment returns are lower than expected at the time the products were sold. For some of its products, the Company is required to obtain approval for its premium rates from state insurance departments. New and renewal business for **group employee** benefits business, particularly for LTD, are priced using an assumption about expected investment yields over time. While the Company employs asset-liability duration matching strategies to mitigate

uncertain and actual investment yields could differ significantly from expected investment yields, affecting profitability of the business. In addition to appropriately evaluating and pricing risks, the profitability of the **Group Employee** Benefits business depends on other factors, including the Company's response to pricing decisions and other actions taken by competitors, its ability to offer voluntary products and self-service capabilities, the persistency of its sold business and its ability to manage its expenses which it seeks to achieve through economies of scale and operating efficiencies.

The financial results of the Company's mutual fund and ETF businesses depend largely on the amount of AUM and the level of fees charged based, in part, on asset share class and fund type. Changes in AUM are driven by the two main factors of net flows and the market return of the funds, which are heavily influenced by the return realized in the equity and bond markets. Net flows are comprised of new sales less redemptions by mutual fund and ETF shareowners. Financial results are highly correlated to the growth in AUM since these funds generally earn fee income on a daily basis.

The investment return, or yield, on invested assets is an important element of the Company's earnings since insurance products are priced with the assumption that premiums received can be invested for a period of time before benefits, losses and loss adjustment expenses are paid. Due to the need to maintain sufficient liquidity to satisfy claim obligations, the majority of the Company's invested assets have been held in available-for-sale ("AFS") securities, including, among other asset classes, corporate bonds, municipal bonds, government debt, short-term debt, mortgage-backed securities, asset-backed securities ("ABS") and collateralized loan obligations ("CLO" CLOs). The Company also invests in commercial mortgage loans as well as limited partnerships and **other** alternative investments, which are private investments that are less liquid, but have the potential to generate higher returns. The primary investment objective for the Company is to maximize economic value, consistent with acceptable risk parameters, including the management of credit risk and interest rate sensitivity of invested assets, while generating sufficient net of tax income to meet policyholder and corporate obligations. Investment strategies are developed based on a variety of factors including business needs, regulatory requirements and tax considerations.

Operational transformation and cost reduction plan

In recognition of the need to become more cost efficient and competitive along with enhancing the experience we provide to agents and customers, on July 30, 2020, the Company announced an operational transformation and cost reduction plan it refers to as Hartford Next. Through reduction of its headcount, **Information Technology ("IT") investments to further enhance our capabilities, and other activities, relative to 2019, the Company achieved a reduction in annual insurance operating costs and other expenses of approximately \$636 in 2023.**

To achieve those expected savings, we incurred approximately \$323 through December 31, 2023. We expect additional expected expenses of \$61 after 2023, consisting mostly of amortization of internal use software and capitalized real estate costs. Included in the restructuring costs of approximately \$124

risk and may use interest-rate sensitive derivatives to hedge its exposure in the **Group Employee** Benefits investment portfolio, cash flow patterns related to the payment of benefits and claims are

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

were \$35 of employee severance, \$25 to retire certain IT applications, and \$64 for consulting and lease termination expenses. Restructuring costs are reported as a charge to net income but not in core earnings.

The following table presents Hartford Next program costs incurred, including restructuring costs, and expense savings relative to 2019 realized in 2021, 2022 and 2023:

Hartford Next Costs and Expense Savings				
	2021	2022	2023	
Employee severance	\$ (25)	\$ (7)		(6)
IT costs to retire applications	9	8		5
Professional fees and other expenses	17	12		7
Estimated restructuring costs	1	13		6
Non-capitalized IT costs	46	43		15
Other costs	17	11		6
Amortization of capitalized IT development costs [1]	—	3		7
Amortization of capitalized real estate [2]	—	1		1
Estimated costs within core earnings	63	58		29
Total Hartford Next program costs	64	71		35
Cumulative savings relative to 2019 beginning July 1, 2020	(423)	(561)		(636)
Net expense (savings) before tax	\$ (359)	\$ (490)		(601)
Net expense (savings) before tax:				
To be accounted for within core earnings	\$ (360)	\$ (503)		(607)
Restructuring costs recognized outside of core earnings	1	13		6
Net expense (savings) before tax	\$ (359)	\$ (490)		(601)

[1]Does not include approximately \$47 of IT asset amortization after 2023.
[2]Does not include approximately \$9 of real estate amortization after 2023.

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

20232024 FINANCIAL HIGHLIGHTS

Net Income Available to Common Stockholders	Net Income Available to Common Stockholders per Diluted Share	Book Value per Diluted Share

303437

Y	Increased \$685 \$607 or 38% 24%	Y	Increased \$2.51 \$2.38 or 46% 30%	Y	Increased \$7.76 \$5.66 or 19% 11%
	+ Lower net realized losses The effect of higher earned premiums in P&C and Employee Benefits + The effect of higher earned premiums in P&C and GBHigher net investment income + Reduction in outstanding shares due to share repurchases + Lower group life and group disability loss ratios + Higher net investment income + Lower underlying loss and LAE ratio in Personal Insurance + Favorable P&C prior accident year reserve development in the 2024 period + Lower net realized losses + Lower group life loss ratio - A higher current accident year loss ratio before catastrophesHigher catastrophe losses in Personal Lines P&C - Higher current accident year catastrophe losses expense ratio in P&C and Employee Benefits - Higher group disability and supplemental health loss ratios		+ Increase in net income available to common stockholders + An increase in AOCI, primarily driven by a decrease in net unrealized losses on AFS securities		+ Net income in excess of common stockholder dividends - Dilutive effect of share repurchases
Investment Yield, After Tax		Property & Casualty Combined Ratio		Group Employee Benefits Net Income Margin	
		2.44 2.45 2.46			

Y	Increased 10 20 bps	Yp	Deteriorated 0.3 Improved 1.7 points	Y	Increased 2.6 0.2 points
	+ A higher yield on fixed maturity securities due to reinvesting at higher rates and an increased yield on variable-rate securities		+ Higher personal automobile loss costs, driven by severity		+ Lower group life underlying loss and group disability loss ratios
	- A lower expense LAE ratio primarily driven by higher earned premium and lower marketing spend in Personal Lines Insurance		+ Effect of higher fully insured ongoing premiums, including a lower expense Improved group life loss ratio		
			+ Lower net realized losses		
	- Lower returns on limited partnerships and other alternative investments				Lower net realized losses Favorable Higher prior accident year reserve expense ratio development in the 2024 period
		- Higher loss ratio on paid family and medical leave and supplemental health products			
			- Lower net investment income A slightly higher expense ratio in P&C		
					Higher catastrophe losses in P&C

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

CONSOLIDATED RESULTS OF OPERATIONS

The Consolidated Results of Operations should be read in conjunction with [the Company's Consolidated Financial Statements](#) and the related [Notes](#) as well as with the [segment operating results Reportable Segment and Corporate Operating Summaries](#) sections of [within](#) the MD&A.

Consolidated Results of Operations		2023
		2023
		2023
		2024
		2024
		2024
Earned premiums		
Earned premiums		
Earned premiums		
Fee income		
Fee income		
Fee income		
Net investment income		
Net investment income		
Net investment income		

Net realized gains (losses)
Net realized gains (losses)
Net realized gains (losses)
Net realized losses
Net realized losses
Net realized losses
Other revenues
Other revenues
Other revenues
Total revenues
Total revenues
Total revenues
Benefits, losses and loss adjustment expenses
Benefits, losses and loss adjustment expenses
Benefits, losses and loss adjustment expenses
Amortization of deferred policy acquisition costs ("DAC")
Amortization of deferred policy acquisition costs ("DAC")
Amortization of deferred policy acquisition costs ("DAC")
Insurance operating costs and other expenses
Insurance operating costs and other expenses
Insurance operating costs and other expenses
Interest expense
Interest expense
Interest expense
Amortization of other intangible assets
Amortization of other intangible assets
Amortization of other intangible assets
Restructuring and other costs
Restructuring and other costs
Restructuring and other costs
Total benefits, losses and expenses
Total benefits, losses and expenses
Total benefits, losses and expenses
Income before income taxes
Income before income taxes
Income before income taxes
Income tax expense
Income tax expense
Income tax expense
Net income
Net income
Net income
Preferred stock dividends
Preferred stock dividends
Preferred stock dividends
Net income available to common stockholders
Net income available to common stockholders
Net income available to common stockholders

Year ended **December 31, 2023** **December 31, 2024**
 compared to year ended **December 31,**
2022 **December 31, 2023**

Net income available to common stockholders increased by **\$685 \$607**,
 primarily driven by:

- **Lower net realized losses** An increase in P&C underwriting gain of \$439, \$338, before tax, primarily driven by net gains on equity securities the effect of earned premium growth, a lower underlying loss and LAE ratio in the 2023 period compared Personal Insurance, and a change from unfavorable to net losses in the 2022 period and lower net losses on sales of fixed maturities in the 2023 period, favorable prior accident year reserve development, partially offset by higher CAY catastrophe losses on credit derivatives in the 2023 period;
- In Group Benefits, improved group life and group disability loss ratios and the effect of a slightly higher fully insured ongoing premiums, including a lower expense ratio;

- Higher net investment income of \$263, before tax, primarily driven by the impact a higher level of reinvesting at higher rates invested assets and a higher yield on variable rate securities, fixed maturities, partially offset by lower income from limited partnerships and other alternative investments;

- Lower net realized losses of \$127, before tax; and

- An increase in P&C underwriting gain of \$20, before tax, driven by In Employee Benefits, a lower group life loss ratio and the effect of earned premium growth, including a lower expense ratio, and a lower level of unfavorable prior accident year reserve development, higher fully insured ongoing premiums, partially offset by a higher current accident year expense ratio, a higher group disability loss ratio, and LAE a higher loss ratio before catastrophes in Personal Lines and higher current accident year catastrophe losses.

These increases were partially offset by:

- Lower fee income net of variable expenses in Hartford Funds, on supplemental health products.

For a discussion of the Company's operating results by segment, see MD&A - Reportable Segment and Corporate Operating Summaries.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Revenue **REVENUE**

Earned Premiums

1422

Earned premiums increased by **\$1,541 or 7%** primarily due to:

- An increase in P&C reflecting a **10% 9%** increase in **Commercial Lines Business Insurance** and a **5% 12%** increase in Personal **Lines. Insurance.**
 - Contributing to the increase in **Commercial Lines Business Insurance** was the effect of an increase in new business across all most lines of business, earned pricing increases, and higher insured exposures, principally in workers' compensation and property lines.
 - For Personal **Lines. Insurance**, earned premium was up **increased** primarily due to the effect of earned pricing increases, partially offset by non-renewals.
- An increase in **Group Employee** Benefits earned premium of **7%** due to **increases in group disability, group life and supplemental health product premiums, driven by strong persistency and new business sales as well as 2% including** an increase in exposure on existing **accounts, accounts, new business sales, and persistency in excess of 90%.**

Fee income **decreased increased** primarily due to a **\$71 decline \$62 increase** in Hartford Funds driven by **lower higher** daily average assets resulting from **an increase in equity market levels, partially offset by** net outflows over the preceding twelve months, partly offset by an increase in equity market levels. This decrease was partially offset by an increase of \$30 in **Group Benefits disability business driven by strong persistency and new business sales, month period.**

Net Investment Income

2405

Net investment income increased primarily due to **a higher level of invested assets and the impact of reinvesting at higher reinvestment rates, and a higher yield on variable-rate securities. This increase was** partially offset by **a lower level of income on limited partnership partnerships** and other alternative **investment income driven by lower income** from sales of underlying real estate properties and valuation declines on real estate funds in 2023 compared to valuation increases in 2022. **investments.**

Net realized losses **decreased improved** primarily due to:

- **Net gains on equity securities in the 2023 period driven by sales compared to net losses in the 2022 period driven by valuation declines and sales; and**
- **Fewer net losses on sales of fixed maturities in the 2023 period.**

The increases were partially offset by:

- Losses on credit derivatives in the 2023 period;
- Gains on transactional foreign currency revaluation in the 2024 period **due compared to** losses in the 2023 period; and
- A favorable change in the ACL on mortgage loans and fewer net credit spread tightening. losses on fixed maturities, AFS.

These improvements were partially offset by:

- Greater net losses on sales of fixed maturities.

For further discussion of investment results, see MD&A - Investment Results, Net **Realized Gains Investment Income** and MD&A - Investment Results, Net **Investment Income. Realized Gains (Losses).**

[Index to MD&A](#)

Benefits, Losses and ExpensesBENEFITS, LOSSES AND EXPENSES

Losses and LAE Incurred for P&C

3413

Benefits, losses and loss adjustment expenses increased \$636, due to:

- An increase in Property & Casualty of \$935 \$637, which was attributable to:
 - An increase in P&C CAY loss and loss adjustment expenses LAE before catastrophes of \$934, \$675, before tax, primarily due to the effect of higher earned premiums, partially offset by a lower underlying loss and LAE ratio in Commercial Lines Personal Insurance; and to a lesser extent, higher personal automobile claim severity.
 - An increase in current accident year CAY catastrophe losses of \$27, \$92, before tax. Catastrophe losses in the 2024 period included losses from tornado, wind and hail events across several regions of the United States, as well as hurricanes and tropical storms primarily in the Southeast, South and Mid-Atlantic regions, and, to a lesser extent, from winter storms, primarily in the Pacific, Northeast, and South regions. Catastrophe losses in the 2023 period included losses from tornado, wind and hail events across several regions of the United States, and losses from winter storms along the East and West Coasts. Catastrophe losses in the 2022 period included losses from Hurricane Ian, as well as tornado, wind and hail events in the Northern Plains, Midwest, South, Mountain West, and Great Plains, losses from winter storms, including Winter Storm Elliott, and \$27 of losses, net of reinsurance, related to the Ukraine conflict.

GroupEmployee Benefits Losses and LAE Incurred

4408

Partially offset by:

- Partially offsetting this was a A favorable change of \$26, \$130, before tax, in P&C net prior accident year reserve development, with development in the 2024 period of a net favorable \$120, before tax, and development in the 2023 period of a net unfavorable \$10, before tax, and development in the 2022 period of a net unfavorable \$36, before tax. Among other reserve changes, prior year reserve development included adverse development for A&E reserves of \$203 and \$194, before tax, in 2024 and 2023 respectively, of which \$62 and \$194, respectively, was ceded to NICO under ADC's of \$194, before tax in 2023 related to the A&E ADC and \$229, before tax in 2022. For reserve development ceded to NICO in each year, the Company recognized accounted for as a deferred gain under retroactive reinsurance accounting. The 2024 period also included a benefit of \$145 related to amortization of the Navigators ADC deferred gain.

Apart from adverse development ceded to the A&E reserve changes and the amortization of the Navigators ADC deferred gain, net favorable reserve development was \$9 \$6 lower in 2023. 2024. Favorable prior year reserve development in the 2024 period was primarily driven by decreases in reserves related to workers' compensation, catastrophes, bond, personal automobile liability and physical damage, homeowners, professional liability and uncollectible reinsurance, partially offset by increases in reserves for general liability, commercial automobile liability, assumed reinsurance, and unallocated loss adjustment expense ("ULAE") reserves related to A&E reserves in P&C Other Operations. Favorable development in the 2023 period was primarily driven by decreases in reserves related to workers' compensation, catastrophes, bond and package, partially offset by increases in reserves for general liability, assumed reinsurance, Personal Lines personal automobile physical damage, and unallocated loss adjustment expense ("ULAE") ULAE reserves related to A&E reserves in P&C Other Operations. Favorable development in 2022 included reserve decreases in workers' compensation, catastrophes, package business and bond, partially offset by reserve increases in general liability and commercial automobile liability. For further discussion, see Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.
- An increase in Group Benefits of \$166, before tax, primarily driven by the effect of an increase in earned premiums and higher incidence on paid family leave and short-term disability products, partially offset by the

[Index to MD&A](#)

impact For further discussion, see Note 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

- A slight decrease in Employee Benefits of \$2, before tax, primarily driven by lower group life mortality, levels and favorable long-term disability claim recoveries and incidence, and recoveries, a favorable change in the long-term disability recovery rate assumption, offset by the effect of higher earned premiums and a higher loss ratio on paid family and medical leave products.

Amortization of deferred policy acquisition costs increased from the prior year period driven by Commercial Lines, Business Insurance, reflecting an increase in earned premiums across all commercial lines of business.

These increases were partially offset by:

- Incremental savings from the Company's Hartford Next operational transformation volume; and cost reduction plan;
- Lower Higher direct marketing costs in Personal Lines; and
- Lower variable expenses in Hartford Funds.

Interest Expense decreased primarily due to the Company redeeming \$600 aggregate principal amount of junior subordinated debentures on April 15, 2022. For further discussion of the debt redemption, see Note 14 - Debt of Notes to Consolidated Financial Statements. Insurance.

Income tax expense increased primarily due to an increase in income before tax. For further discussion of income taxes, see Note 17 16 - Income Taxes of Notes to Consolidated Financial Statements.

Insurance operating costs and other expenses increased due to:

- Technology investments made to improve customer and broker experience and data analytics to enhance underwriting and pricing capabilities; and
- Increased expense from higher staffing costs, including higher incentive compensation and benefits costs, and commissions, in Commercial Lines and Group Benefits partly in response to increased business volume, partially offset by lower incentive compensation.

INVESTMENT RESULTS

Composition of Invested Assets

		December 31, 2023			December 31, 2022				December 31, 2024			December 31, 2023		
		Amount		Percent	Amount		Percent		Amount		Percent	Amount		Percent
Fixed maturities, available-for-sale ("AFS"), at fair value		\$39,818		71.2 %	\$36,231		68.9 %							
Fixed maturities, at fair value using the fair value option ("FVO")		327		0.6 %	333		0.6 %							
Fixed maturities, AFS, at fair value		\$42,567		71.9 %	\$39,818		71.2 %							
Fixed maturities, at fair value using the fair value option ("FVO Securities")		308		0.5 %	327		0.6 %							
Equity securities, at fair value	Equity securities, at fair value	864	1.5	1.5 %	1,801	3.4	3.4 %	Equity securities, at fair value	603	1.0	1.0 %	864	1.5	1.5 %
Mortgage loans (net of allowance for credit losses ("ACL") of \$51 and \$36)		6,087		10.9 %	6,000		11.4 %							
Mortgage loans (net of allowance for credit losses ("ACL") of \$44 and \$51)		6,396		10.8 %	6,087		10.9 %							
Limited partnerships and other alternative investments	Limited partnerships and other alternative investments	4,785	8.6	8.6 %	4,177	8.0	8.0 %	Limited partnerships and other alternative investments	5,042	8.5	8.5 %	4,785	8.6	8.6 %
Other investments [1]	Other investments [1]	191	0.3	0.3 %	159	0.3	0.3 %	Other investments [1]	226	0.4	0.4 %	191	0.3	0.3 %
Short-term investments	Short-term investments	3,850	6.9	6.9 %	3,859	7.4	7.4 %	Short-term investments	4,068	6.9	6.9 %	3,850	6.9	6.9 %
Total investments	Total investments	\$55,922	100.0	100.0 %	\$52,560	100.0	100.0 %	Total investments	\$59,210	100.0	100.0 %	\$55,922	100.0	100.0 %

[1] Primarily consists of equity fund investments, overseas deposits, consolidated investment funds, and derivative instruments which are carried at fair value.

December 31, 2023 2024 compared to December 31, 2022 December 31, 2023

Total investments increased primarily due to an increase in fixed maturities, AFS, at fair value and limited partnerships and other alternative investments, partially offset by a decrease in equity securities, at fair value.

Limited partnerships bonds, U.S. Treasuries, and other alternative investments increased primarily driven by additional investments, commercial mortgage-backed securities ("CMBS").

Equity securities, at fair value decreased primarily due to sales of common stocks.

As of December 31, 2023, equity securities, at fair value are comprised of approximately 50% preferred stocks.

Fixed maturities, AFS, at fair value increased primarily due to net additions of corporate bonds, high-quality residential mortgage-backed securities ("RMBS") and ABS, partially offset by net reductions to U.S. treasuries and tax-exempt municipal bonds. The increase was also due to higher valuations as a result of tighter credit spreads.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Net Investment Income														For the years ended December 31,
		2023		2022		2021								
		2024		2023		2022								
(Before tax)	(Before tax)	Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]	(Before tax)	Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]
Fixed maturities [2]	Fixed maturities [2]	\$ 1,895	4.2 %	\$ 1,469	3.4 %	\$ 1,349	3.1 %	Fixed maturities [2]	\$ 2,204	4.6 %	\$ 1,895	4.2 %	\$ 1,469	3.4 %
Equity securities	Equity securities	45	3.7 %	57	3.0 %	73	4.9 %	Equity securities	35	5.3 %	45	3.7 %	57	3.0 %
Mortgage loans	Mortgage loans	235	3.9 %	211	3.6 %	181	3.7 %	Mortgage loans	266	4.2 %	235	3.9 %	211	3.6 %
Limited partnerships and other alternative investments	Limited partnerships and other alternative investments	212	4.8 %	515	14.4 %	732	31.8 %	Limited partnerships and other alternative investments	148	3.0 %	212	4.8 %	515	14.4 %
Other [3]														
Investment expense														
Investment expense														
Investment expense														
Total net investment income														
Total net investment income														
Total net investment income		\$ 2,305	4.1 %	\$ 2,177	3.9 %	\$ 2,313	4.3 %		2,568	4.3 %	2,305	4.1 %	2,177	3.9 %
Adjustment for net investment income from limited partnerships and other alternative investments		(148)	0.1 %	(212)	(0.1)%	(515)	(0.7)%							
Total net investment income excluding limited partnerships and other alternative investments	Total net investment income excluding limited partnerships and other alternative investments	\$ 2,093	4.0 %	\$ 1,662	3.2 %	\$ 1,581	3.1 %	Total net investment income excluding limited partnerships and other alternative investments	\$ 2,420	4.4 %	\$ 2,093	4.0 %	\$ 1,662	3.2 %

[1]Yields calculated using annualized net investment income divided by the monthly average invested assets at amortized cost, as applicable, excluding derivatives book value.

[2]Includes net investment income on short-term investments.

[3]Primarily includes changes in fair value of certain equity fund investments and income from derivatives that qualify for hedge accounting and are used to hedge fixed maturities.

Year ended **December 31, 2023****December 31, 2024** compared to the year ended **December 31, 2022****December 31, 2023**

Total net investment income increased primarily due to **a higher level of invested assets** and the impact of **reinvesting** at higher **reinvestment** rates, and a higher yield on variable-rate securities. This increase was partially offset by **a lower level of income** on limited **partnership** **partnerships** and other alternative **investment income driven by lower** income from sales of underlying real estate properties and valuation declines on real estate funds in 2023 compared to valuation increases in 2022, **investments**.

Annualized net investment income yield, excluding limited partnerships and other alternative investments, was up primarily due to the impact of reinvesting at higher **rates** and a higher yield on variable-rate securities. **rates**.

Average reinvestment rate, on fixed maturities and mortgage loans, excluding **certain** U.S. Treasury securities, for the year-ended December 31, 2024 was 5.9%, which was above the average yield of sales and maturities of 5.0% for the same period. **Average reinvestment rate**, on fixed maturities and mortgage loans, excluding U.S. Treasury securities, for the year-ended December 31, 2023 was 5.8%, which was above the average yield of sales and maturities of 4.4% for the same period. **Average reinvestment rate**, on fixed maturities and mortgage loans, excluding certain U.S. Treasury securities, for the year-ended December 31, 2022 was 4.4% which was above the average yield of sales and maturities of 3.6% for the same period.

For the **2024** 2025 calendar year, we expect the annualized net investment income yield, excluding limited partnerships and other alternative investments, to be **above marginally higher than** the portfolio yield earned in 2023 due to the higher rate environment. 2024. The estimated impact on annualized net investment income yield is subject to variability due to **including the impact of** evolving market **conditions**, active portfolio management, and the level of non-routine income items, such as make-whole payments, prepayment penalties on mortgage loans and yield adjustments on prepayable securities.

conditions.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Net Realized Gains (Losses)								
(Before tax)	(Before tax)	2023	2022	2021	(Before tax)	2024	2023	2022
Gross gains on sales of fixed maturities								
Gross losses on sales of fixed maturities								
Equity securities [1]								
Net credit losses on fixed maturities, AFS [2]								
Change in ACL on mortgage loans [3]								
Intent-to-sell impairments [2]								
Other, net [4]								
Net realized gains (losses)								
Net realized gains (losses)								
Net realized gains (losses)								

For the years ended December 31,

[1]The change in net unrealized gains (losses) on equity securities still held as of the end of the period and included in net realized gains (losses) were \$68, \$17, \$(108), and \$155 \$(108) for the years ended **December 31, 2023** **December 31, 2024**, **2022**, **2023**, and **2021** **2022**, respectively.

[2]See Credit Losses on Fixed Maturities, AFS and Intent-to-Sell Impairments within the Investment Portfolio Risks and Risk Management section of the MD&A.

[3]See ACL on Mortgage Loans within the Investment Portfolio Risks and Risk Management section of the MD&A.

[4]Includes gains (losses) on non-qualifying derivatives for the years ended **December 31, 2023** **December 31, 2024**, **2023**, and **2022** and **2021** of **\$13**, **\$(108)**, **\$46**, and **\$12**, **\$46**, respectively, and gains (losses) from transactional foreign currency revaluation of **\$20**, **\$(15)**, and **\$28**, and **\$(1)**, respectively. Also included for year ended December 31, 2021, is a loss of \$21 on the sale of the Continental Europe Operations and a gain of \$46 on the sale of the Company's previously owned interest in Talcott Resolution.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Year ended December 31, 2024

Gross gains and losses on sales were primarily due to sales of U.S. treasuries, corporate securities, tax-exempt municipals, and CMBS largely to fund purchases of higher-yielding investments.

Equity securities net gains were primarily driven by an increase in value due to higher equity market levels.

Other, net gains primarily included gains of \$20 on transactional foreign currency revaluation and gains of \$8 on interest rate derivatives driven by changes in interest rates.

Year ended December 31, 2022

Gross gains and losses on sales were primarily due to sales of U.S. treasuries, which were used to manage duration and liquidity, and to fund purchases of spread product, mortgage loans, and alternative investments. Also included were sales of corporate securities and tax-exempt municipals and tender activity.

Equity securities net losses were primarily driven by a decline in value due to lower equity market levels.

Other, net gains include gains of \$28 on transactional foreign currency revaluation and \$25 on interest rate derivatives driven by an increase in interest rates. These gains were partially offset by losses of \$28 on FVO securities due to credit spread widening.

Year ended December 31, 2023

Gross gains and losses on sales were primarily due to sales of corporate securities and tax-exempt municipals, in addition to sales of U.S. treasuries which were used to manage duration and liquidity, and to fund purchases of higher yielding investments.

Equity securities net gains were primarily driven by sales due to higher equity market levels.

Other, net losses were primarily driven by losses of \$105 on credit derivatives due to tighter credit spreads and losses of \$15 on transactional foreign currency revaluation.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ, and in the past have differed, from those estimates.

The Company has identified the following estimates as critical in that they involve a higher degree of judgment and are subject to a significant degree of variability:

- property and casualty insurance product reserves, net of reinsurance;
- group employee benefit LTD reserves, net of reinsurance;
- evaluation of goodwill for impairment;
- valuation of investments and derivative instruments including evaluation of credit losses on fixed maturities, AFS and ACL on mortgage loans; and

In developing these estimates management makes subjective and complex judgments that are inherently uncertain and subject to material change as facts and circumstances develop. Although variability is inherent in these estimates, management believes the amounts provided are appropriate based upon the facts available upon compilation of the financial statements. Certain of these estimates are particularly sensitive to market conditions, and deterioration and/or volatility in the worldwide debt or equity markets could have a material impact on the Consolidated Financial Statements.

- contingencies relating to corporate litigation and regulatory matters.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

PROPERTY & CASUALTY INSURANCE PRODUCT RESERVES, NET OF REINSURANCE

Loss and LAE Reserves, Net of Reinsurance as of December 31, 2023 December 31, 2024

Commercial Lines
Commercial Lines

		Commercial Lines		Personal Lines		Property & Casualty Other Operations		Total Property & Casualty Insurance		% Total Reserves-net											
		Business Insurance																			
		Business Insurance																			
		Business Insurance		Personal Insurance		Property & Casualty Other Operations		Total Property & Casualty Insurance		% Total Reserves-net											
Workers' compensation	Workers' compensation	\$ 12,212	\$ —	\$ —	\$ —	\$ 5,168	\$ 5,168	44.7%	44.7%	Workers' compensation	\$ 12,660	\$ —	\$ —	\$ —	\$ —	\$ 12,660	42.7%	42.7%			
General liability	General liability	5,168	—	—	—	5,168	5,168	18.9%	18.9%	General liability	5,935	—	—	—	—	5,935	5,935	20.0%			
Marine	Marine	295	—	—	—	295	295	1.1%	1.1%	Marine	343	—	—	—	—	343	343	1.2%			
Package business [1]	Package business [1]	2,281	—	—	—	2,281	2,281	8.3%	8.3%	Package business [1]	2,590	—	—	—	—	2,590	2,590	8.7%			
Commercial property	Commercial property	540	—	—	—	540	540	2.0%	2.0%	Commercial property	612	—	—	—	—	612	612	2.1%			
Automobile liability	Automobile liability	1,351	1,572	1,572	—	2,923	2,923	10.7%	10.7%	Automobile liability	1,554	1,727	1,727	—	—	3,281	3,281	11.1%			
Automobile physical damage	Automobile physical damage	25	84	84	—	109	109	0.4%	0.4%	Automobile physical damage	31	78	78	—	—	109	109	0.4%			
Professional liability	Professional liability	1,449	—	—	—	1,449	1,449	5.3%	5.3%	Professional liability	1,577	—	—	—	—	1,577	1,577	5.3%			
Bond	Bond	458	—	—	—	458	458	1.7%	1.7%	Bond	443	—	—	—	—	443	443	1.5%			
Homeowners	Homeowners	—	372	372	—	372	372	1.3%	1.3%	Homeowners	—	403	403	—	—	403	403	1.4%			
Asbestos and environmental	Asbestos and environmental	84	8	8	248	248	340	340	1.2%	1.2%	Asbestos and environmental	83	8	8	224	224	315	315	1.1%		
Assumed reinsurance	Assumed reinsurance	562	—	—	76	76	638	638	2.3%	2.3%	Assumed reinsurance	758	—	—	71	71	829	829	2.8%		
All other	All other	157	4	4	402	402	563	563	2.1%	2.1%	All other	157	4	4	393	393	554	554	1.9%		
Total reserves-net	Total reserves-net	24,582	2,040	2,040	726	726	27,348	27,348	100.0%	100.0%	Total reserves-net	26,743	2,220	2,220	688	688	29,651	29,651	100.0%		
Reinsurance and other recoverables																					
Total reserves-gross																					
Total reserves-gross																					
Total reserves-gross																					

[1] Commercial Lines Business Insurance policy packages that include property and general liability coverages are generally referred to as the package line of business.

P&C Loss and Loss Adjustment Expense Reserves, Net of Reinsurance, by Segment as of **December 31, 2023** **December 31, 2024**

 359

For descriptions of the coverages provided under the lines of business shown above, see Part I - Item1, Business.

Overview of Reserving for Property and Casualty Insurance Claims

It typically takes many months or years to pay claims incurred under a property and casualty insurance product; accordingly, the Company must establish reserves at the time the loss is incurred. Most of the Company's policies provide for occurrence-based coverage where the loss is incurred when a claim event happens, like an automobile accident, house or building fire or injury to an employee under a workers' compensation policy. Some of the Company's policies, mostly for directors and officers insurance and errors and omissions insurance, are claims-made policies where the loss is incurred in the period the claim event is reported to the Company even if the loss event itself occurred in an earlier period.

Loss and loss adjustment expense reserves provide for the estimated ultimate costs of paying claims under insurance policies written by the Company, less amounts paid to date. These reserves include estimates for both claims that have been reported and those that have not yet been reported, and include estimates of all expenses associated with processing and settling these claims. Case reserves are established by a claims handler on each individual claim and are adjusted as new information becomes known during the course of handling the claim. Incurred but not reported ("IBNR") reserves represent the difference between the estimated ultimate cost of all claims and the actual loss and loss adjustment expenses reported to the

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Company by claimants to date ("reported losses"). Reported losses represent cumulative loss and loss adjustment expenses paid plus case reserves for outstanding reported claims. For most lines, Company actuaries evaluate the total reserves (IBNR and case reserves) on an accident year basis. An accident year is the calendar year in which a loss is incurred, or, in the case of claims-made policies, the calendar year in which a loss is reported. For certain lines, acquired from the Navigators Group book of business, total reserves are evaluated on a policy year basis and then converted to accident year. A policy year is the calendar year in which a policy incepts.

patterns of insurance companies ceding to The Hartford can

Factors that Change Reserve Estimates- Reserve estimates can change over time because of unexpected changes in the external environment. Higher than expected inflation in claim costs, such as with medical care, hospital care, automobile parts, wages, and home and building repair, would cause claims to settle for more than they are initially reserved. Changes in the economy can cause an increase or decrease in the number of reported claims (claim frequency). For example, an improving economy could result in more automobile miles driven and a higher number of automobile reported automobile-related claims, or a change in economic conditions can lead to more or fewer workers' compensation reported claims. An increase in the number or percentage of claims litigated can increase the average settlement amount per claim (claim severity). Changes in the judicial environment can affect interpretations of damages and how policy coverage applies, which could increase or decrease claim severity. Over time, judges or juries in certain jurisdictions may be more inclined to determine liability and award damages. New legislation can also change how damages are defined or change the statutes of limitations for the filing of civil suits, resulting in greater claim frequency or severity. In addition, new types of injuries may arise from exposures not contemplated when the policies were written. Past examples include pharmaceutical products, silica, lead paint, sexual molestation and sexual abuse and construction defects. Additionally, social inflationary pressures, such as increased litigation funding and aggressive tactics by plaintiff attorneys, can introduce the risk of potentially increasing jury awards and an increase in the percentage of litigated claims impacting both general liability and automobile claim frequency and severity.

Reserve estimates can also change over time because of changes in internal Company operations. A delay or acceleration in handling claims may signal a need to increase or reduce reserves from what was initially estimated. New lines of business may have loss development patterns that are not well established. Changes in the geographic mix of business, changes in the mix of business by industry and changes in the mix of business by policy limit or deductible can increase the risk that losses will ultimately develop differently than the loss development patterns assumed in our reserving. In addition, changes in the quality of risk selection in underwriting and changes in interpretations of policy language could increase or decrease ultimate losses from what was assumed in establishing the reserves.

In the case of assumed reinsurance, all of the above risks apply. The Company assumes property and casualty risks from other insurance companies as part of its Global Re business and from certain pools and associations. Global Re, which is a part of the global specialty business, mostly assumes property, casualty and specialty risks. Changes in the case reserving and reporting

create additional uncertainty in estimating the reserves. Due to the inherent complexity of the assumptions used, final claim settlements may vary significantly from the present estimates of direct and assumed reserves, particularly when those settlements may not occur until well into the future.

Reinsurance Recoverables- Through both facultative and treaty reinsurance agreements, the Company cedes a share of the risks it has underwritten to other insurance companies. The Company records reinsurance recoverables for losses and loss adjustment expenses ceded to its reinsurers representing the anticipated recovery from reinsurers of unpaid claims, including IBNR.

The Company estimates the portion of losses and loss adjustment expenses to be ceded based on the terms of any applicable facultative and treaty reinsurance, including an estimate of IBNR for losses that will ultimately be ceded.

The Company provides an allowance for uncollectible reinsurance, reflecting management's best estimate of reinsurance cessions that may be uncollectible in the future due to reinsurers' unwillingness or inability to pay. The allowance for uncollectible reinsurance comprises an ACL and an allowance for disputed balances. The ACL primarily considers the credit quality of the Company's reinsurers while the allowance for disputes considers recent outcomes in arbitration and litigation in disputes between reinsurers and cedants and recent commutation activity between reinsurers and cedants that may signal how the Company's own reinsurance claims may settle. Where its reinsurance contracts permit, the Company secures reinsurance recoverables with various forms of collateral, including irrevocable letters of credit, secured trusts, funds held accounts and group-wide offsets. The allowance for

on credit, secured assets, funds held accounts and group-wide onsets. The allowance for uncollectible reinsurance was \$100 \$72 as of December 31, 2023 December 31, 2024, comprised of \$46 \$30 related to Commercial Lines, Business Insurance, \$1 related to Personal Lines Insurance and \$53 \$41 related to Property & Casualty Other Operations.

The Company's estimate of reinsurance recoverables, net of an allowance for uncollectible reinsurance, is subject to similar risks and uncertainties as the estimate of the gross reserve for unpaid losses and loss adjustment expenses for direct and assumed exposures.

Review of Reserve Adequacy- The Hartford regularly reviews the appropriateness of reserve levels at the line of business or more detailed level, taking into consideration the variety of trends that impact the ultimate settlement of claims. For Property & Casualty Other Operations, asbestos and environmental ("Run-off A&E") reserves are reviewed by type of event rather than by line of business.

Reserve adjustments, which may be material, are reflected in the operating results of the period in which the adjustment is determined to be necessary. In the judgment of management, information currently available has been properly considered in establishing the reserves for unpaid losses and loss adjustment expenses and in recording the reinsurance recoverables for ceded unpaid losses.

Reserving Methodology

The following is a discussion of the reserving methods used for the Company's property and casualty lines of business other than asbestos and environmental.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reserving Methodology

The following is a discussion of the reserving methods used for the Company's property and casualty lines of business other than asbestos and environmental.

Reserves are set by line of business within the operating segments. A single line of business may be written in more than one segment. Lines of business for which reported losses emerge over a long period of time are referred to as long-tail lines of business. Lines of business for which reported losses emerge more quickly are referred to as short-tail lines of business. The Company's shortest-tail lines of business are homeowners, commercial property, marine property and automobile physical damage. The longest tail longest-tail lines of business include workers' compensation, general liability, professional liability and assumed reinsurance. For short-tail lines of business, emergence of paid losses and case reserves is credible and likely indicative of ultimate losses. For long-tail lines of business, emergence of paid losses and case reserves is less credible in the early periods after a given accident year and, accordingly, may not be indicative of ultimate losses.

Use of Actuarial Methods and Judgments- The Company's reserving actuaries regularly review reserves for both current and prior accident years using the most current claim data. A variety of actuarial methods and judgments are used for most lines of business to arrive at selections of estimated ultimate losses and loss adjustment expenses. New methods may be added for specific lines over time to inform these selections where appropriate. The reserve selections incorporate input, as appropriate, from claims personnel, pricing actuaries and operating management about reported loss cost trends and other factors that could affect the reserve estimates. Some reserves are reviewed fully each quarter, including loss and loss adjustment expense reserves for commercial property, homeowners, personal automobile, and most workers' compensation lines. Other reserves, including commercial automobile, marine, package business, and most general liability and professional liability lines, are reviewed semi-annually. Certain additional reserves are also reviewed semi-annually or annually, including reserves for losses incurred in accident years older than twelve years for Personal Lines Insurance and older than twenty years for Commercial Lines, Business Insurance, as well as reserves for bond, assumed reinsurance, latent exposures such as construction defects, and ULAE. For reserves that are reviewed semi-annually or annually, management monitors the emergence of paid and reported losses in the intervening quarters and, if warranted, performs a reserve review to determine whether the reserve estimate should change.

An expected loss ratio "ELR" ("ELR") is used in initially recording the reserves for both short-tail and long-tail lines of business. This ELR is determined by starting with the average loss ratio of recent prior accident years and adjusting that ratio for the effect of expected changes to earned pricing, loss frequency and severity, mix of business, ceded reinsurance and other factors. For short-tail lines, IBNR for the current accident year is initially recorded as gives weight to both the product of the initial ELR for the period, multiplied by earned premium for the period and the proportion of approach as well as a loss development approach, given early reported losses expected to be reported are more credible than in future calendar periods for the current accident

period. long tailed lines. For long-tailed lines, IBNR for the current accident year is initially recorded as the product of the ELR for the period and the earned premium for the period, less reported losses for the period.

As losses emerge or develop in periods subsequent to a given accident year, reserving actuaries use other methods to estimate ultimate unpaid losses in addition to the ELR method. These primarily include paid and reported loss development methods, frequency/severity techniques and the Bornhuetter-Ferguson method (a combination of the ELR method with the paid development or reported development method). Within any one line of business, the methods that are given more weight vary based primarily on the maturity of the accident year, the mix of business and the particular internal and external influences impacting the claims experience or the methods. The output of the reserve reviews are reserve estimates representing a range of actuarial indications.

Reserve Discounting- Most of the Company's property and casualty insurance product reserves are not discounted. However, the Company has discounted liabilities funded through structured settlements and has discounted a portion of workers' compensation reserves that have a fixed and determinable payment stream. For further discussion of these discounted liabilities, see Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to Consolidated Financial Statements.

Differences Between GAAP and Statutory Basis Reserves- As of December 31, 2023 December 31, 2024 and 2022, 2023, U.S. property and casualty insurance product reserves for losses and loss adjustment expenses, net of reinsurance recoverables, reported under U.S. GAAP were approximately \$1.6 billion \$1.5 billion lower than net reserves reported on a statutory basis, primarily due to reinsurance recoverables on two adverse development cover reinsurance agreements that are recorded as a reduction of other liabilities under statutory accounting. For further discussion of these adverse development cover reinsurance agreements, see Note 1 - Basis of Presentation and Significant Accounting

Policies of Notes to Consolidated Financial Statements. Excluding the effect of these retroactive reinsurance agreements, U.S. property and casualty insurance product reserves for losses and loss adjustment expenses, net of reinsurance recoverables, reported under U.S. GAAP were approximately equal to net reserves reported on a statutory basis.

Reserving Methods by Line of Business- Apart from Run-off A&E, which is discussed in the following section on Property & Casualty Other Operations, below is a general discussion of which reserving methods are preferred by line of business. Because the actuarial estimates are generated at a much finer level of detail than line of business (e.g., by distribution channel, coverage, accident period), other methods than those described for the line of business may also be employed for a coverage and accident year within a line of business. Also, as circumstances change, the methods that are given more weight will change.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Preferred Reserving Methods by Line of Business

Commercial property, homeowners and automobile physical damage	These short-tailed lines are relatively fast-developing and paid and reported development techniques are used. These methods use historical data to generate paid and reported loss development patterns, which are then applied to cumulative paid and reported losses by accident period to estimate ultimate losses. In addition to paid and reported development methods, for the most immature accident months, the Company uses frequency/severity techniques and methods that incorporate the initial expected loss ratio ("ELR"). The advantage of frequency/severity techniques is that frequency estimates are generally more stable and external information can be used to supplement internal data in estimating average severity. In For personal lines automobile physical damage, the Company also considers gross loss, salvage and subrogation estimates to project net ultimate losses for recent accident periods.
Personal automobile liability	For personal automobile liability, and bodily injury in particular, in addition to traditional paid and reported development methods, the Company relies on frequency/severity techniques and the initial ELR. The Company generally uses the reported development method for older accident years and a combination of reported development, frequency/severity and the initial ELR for more recent accident years. For older accident periods, reported losses are a good indicator of ultimate losses given the high percentage of ultimate losses reported to date. For more recent periods, where there is more uncertainty and a higher percentage of open and unreported claims, putting some reliance on frequency/severity and initial expectations is prudent. The Company supplements these standard actuarial methods with a comprehensive review of claims diagnostics such as attorney representation, litigation, settlement rates, large loss impacts, and case reserve adequacy. Through reviewing the standard actuarial methods and claims diagnostics, a loss estimate can be calculated that considers these results and the age of the accident year that is being estimated.
Commercial automobile liability	The Company performs a variety of techniques, including the paid and reported development methods and frequency/severity techniques. For older, more mature accident years, the Company primarily uses reported development techniques. For more recent accident years, the Company relies on several methods that incorporate ELR, reported loss development, paid loss development, and frequency/severity.
Professional liability	Reported and paid loss development patterns for this line tend to be volatile. Therefore, the Company typically supplements the ELR method and paid and reported development methods with others such as individual claim reviews and frequency and severity techniques.
General liability, bond and large deductible workers' compensation	For these long-tailed lines of business, the Company generally relies on the ELR and paid and reported development techniques. The Company generally weights these techniques together, relying more heavily on the ELR method at early ages of development and shifting more weight onto paid and reported development methods as an accident year matures. The Company also uses various frequency/severity methods aimed at capturing large loss development and in some bond lines individual claim reviews are used.
Workers' compensation	Workers' compensation is the Company's single largest reserve line of business and a wide range of methods are used. Due to the long-tailed nature of workers' compensation, the selection of methods is driven by ELR methods for recent accident years and then, as an accident year matures, shifting first to Bornhuetter-Ferguson and frequency/severity methods, then to paid and reported development methods, and finally to methods that are responsive to the inventory of open claims. Across these techniques, there are adjustments related to changes in emergence patterns across years, projections of future cost inflation, and outlier claims.
Marine	For marine liability, the Company generally relies on the ELR, Bornhuetter-Ferguson, and reported development techniques. The Company generally weights these techniques together, relying more heavily on the ELR method at early ages of development and then shifts towards Bornhuetter-Ferguson and then more towards the reported development method as an accident year matures. For marine property segments, the Company relies on Bornhuetter-Ferguson methods for early development ages then shifts to reported development techniques.
Assumed reinsurance and all other	Standard methods, such as ELR, Bornhuetter-Ferguson and reported development techniques are applied. These methods are informed by underlying treaty analyses supporting the ELRs, and cedant data will often inform the loss development patterns. In some instances, reserve indications may also be influenced by information gained from claims and underwriting audits. Policy quarter and policy year loss reserve estimates are then converted to an accident year basis.
Allocated loss adjustment expenses ("ALAE")	For some lines of business (e.g., professional liability, assumed reinsurance, and the acquired Navigators Group book of business), ALAE and losses are analyzed together. For most lines of business, however, ALAE is analyzed separately, using paid development techniques and a ratio of paid ALAE to paid loss applied to loss reserves to estimate unpaid ALAE.
Unallocated loss adjustment expenses ("ULAE")	ULAE is analyzed separately from loss and ALAE. For most lines of business, future ULAE costs to be paid are projected based on a claim projection method that applies an expected claim handling cost per unit to projected claims, leveraging the anticipated claim closure pattern and the ratio of paid ULAE to paid loss applied to estimated unpaid losses. For some lines, a simplified paid-to-paid approach is used.

The recorded reserve for losses and loss adjustment expenses represents the Company's best estimate of the ultimate settlement amount of unpaid losses and loss adjustment expenses. In applying judgment, the best estimate is selected after considering the estimates derived from a number of actuarial methods, giving more weight to those methods deemed more predictive of ultimate unpaid losses and loss

adjustment expenses. The Company does not produce a statistical range or confidence interval of reserve estimates and, since reserving methods with more credibility are given greater weight, the selected best estimate may differ from the mid-point of the various estimates produced by the actuarial methods used.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Assumptions used in arriving at the selected actuarial indications consider a number of factors, including the immaturity of emerged claims in recent accident years, emerging trends in the recent past, and the level of volatility within each line of business.

Adjustments to reserves for prior accident years are referred to as "prior accident year development". Increases in previous estimates of ultimate loss costs are referred to as either an increase in prior accident year reserves or as unfavorable reserve development. Decreases in previous estimates of ultimate loss costs are referred to as either a decrease in prior accident year reserves or as favorable reserve development. Reserve development can influence the comparability of year over year underwriting results.

For a discussion of changes to reserve estimates recorded in 2023, 2024, see Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses in the Notes to Consolidated Financial Statements.

Current Trends Contributing to Reserve Uncertainty

The Hartford is a multi-line company in the property and casualty insurance business. The Hartford is, therefore, subject to reserve uncertainty stemming from changes in loss trends and other conditions which could become material at any point in time. As market conditions and loss trends develop, management must assess whether those conditions constitute a long-term trend that should result in a reserving action (i.e., increasing or decreasing reserves).

General liability- Within Commercial Lines Business Insurance and Property & Casualty Other Operations, the Company has exposure to general liability claims, including from bodily injury, property damage and product liability. Reserves for these exposures can be particularly difficult to estimate due to the long development pattern and uncertainty about around how cases will settle. In particular, the Company has exposure to bodily injury claims that arise from long-term or continuous exposure to harmful products or substances. Examples include, but are not limited to, pharmaceutical products, silica, talcum powder, per- and polyfluoroalkyl substances ("PFAS"), head injuries CTE exposures and lead paint. The Company also has exposure to claims from construction defects, where property damage or bodily injury from negligent construction is alleged. In addition, the Company has exposure to claims asserted against religious institutions, and other organizations relating to sexual molestation and sexual abuse. For information related to the Company's settlement agreement with the Boy Scouts of America ("BSA"), see Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses in the Notes to Consolidated Financial Statements. State "reviver" statutes, extending statutes of limitations for certain sexual molestation and sexual abuse claims, could result in additional litigation or could result in unexpected sexual molestation and sexual abuse losses. Such exposures may involve potentially long latency periods and may implicate coverage in multiple policy periods, which can raise complex coverage issues with significant effects on the ultimate scope of coverage. Such exposures may also be impacted by insured bankruptcies. These factors make reserves for such claims more uncertain than other bodily injury or property damage claims. With regard to these exposures, the Company monitors

trends in litigation, the external environment including legislation, the similarities to other mass torts and the potential impact on the Company's reserves. The Company also monitors the effects of social inflation and the impact of increased litigation funding and aggressive trial tactics by plaintiff attorneys that can introduce the risk of potentially increasing jury awards and an increase in the percentage of litigated claims. Additionally, uncertainty in estimated claim severity causes reserve variability, including the effect of changes in internal claim handling and case reserving practices.

Workers' compensation- Included in both small commercial business and middle & large commercial, business, workers' compensation is the Company's single biggest line of business, and the property and casualty line of business with the longest pattern of loss emergence. To the extent that patterns in the frequency of settlement payments deviate from historical patterns, loss reserve estimates would be less reliable. Medical costs make up approximately 50% of workers' compensation payments. As such, reserve estimates for workers' compensation are particularly sensitive to changes in medical inflation, the changing use of medical care procedures and changes in state legislative and regulatory environments. In addition, changes in the economic environment could reduce the ability of an injured worker to return to work and thus lengthen the time a worker receives disability benefits. In National Accounts, national accounts, reserves for large deductible workers' compensation insurance require estimating losses attributable to the deductible amount that will be paid by the insured; if such losses are not paid by the insured due to financial difficulties, the Company is contractually liable.

Commercial Lines automobile- Uncertainty in estimated claim severity causes reserve variability for commercial automobile losses including reserve variability due to changes in internal claim handling and case reserving practices as well as due to changes in the external environment, including but not limited to the impacts of social inflation mentioned in the general liability section above and many of the same drivers detailed in the personal automobile section below.

Directors' Directors and officers' officers insurance- Uncertainty regarding the number and severity of security class action suits can result in reserve volatility for directors' directors and officers' officers insurance claims. Additionally, the Company's exposure to losses under directors' directors and officers' officers insurance policies, both domestically and internationally, is primarily in excess layers, making estimates of loss more complex.

Personal Lines automobile- While claims emerge over relatively shorter periods, estimates can still vary due to a number of factors, including uncertain estimates of frequency and severity trends. Severity trends are affected by changes in internal claim handling and case reserving practices as well as by changes in the external environment, such as due to inflation in labor and materials because of supply chain disruptions affecting repair costs. Severity trends can also be impacted by social inflation whereby increased litigation funding and aggressive trial tactics by plaintiff attorneys can introduce the risk of potentially increasing jury awards and an increase in the percentage of litigated claims. Changes in claim practices increase the uncertainty in the interpretation of case reserve data, which increases the uncertainty in recorded reserve levels. Severity trends have increased in recent accident years, in part driven by more expensive parts associated with new automobile

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

driven by more expensive parts associated with new automobile technology and increased attorney representation, causing additional uncertainty about the reliability of past patterns. In addition, the introduction of new products and class plans can lead to a different mix of business by type of insured than the Company experienced in the past. Changes in mix increase the uncertainty of the reserve projections since historical data and reporting patterns may not be applicable to the new business.

Assumed reinsurance- While pricing and reserving processes can be challenging and idiosyncratic for insurance companies, the inherent uncertainties of setting prices and estimating such reserves are even greater for the reinsurer. This is primarily due to the longer time between the date of an occurrence and the reporting of claims to the reinsurer, the diversity of development patterns among different types of reinsurance treaties or contracts, the necessary reliance on the ceding companies for information regarding reported claims and differing pricing and reserving practices among ceding companies. In addition, trends that have affected development of liabilities in the past may not necessarily occur or impact liability development in the same manner or to the same degree in the future. As a result, actual losses and LAE may deviate, perhaps substantially, from the expected estimates.

International business- In addition to several of the line-specific trends listed above, international business may have additional uncertainty due to geopolitical, foreign currency, and trade dispute risks.

Catastrophes- Within Commercial Lines Business Insurance and Personal Lines Insurance, the Company is exposed to losses from catastrophe events, primarily for damage to property. Reserves for hurricanes, tropical storms, tornado/hail, wildfires, earthquakes and other catastrophe events are subject to significant uncertainty about the number and average severity of claims arising from those events, particularly in cases where the event occurs near the end of a financial reporting period when there is limited information about the extent of damages. For example, after a catastrophe event, it may take a period of time before we are able to access the impacted areas limiting the ability of our claims adjusting staff to inspect losses, make estimates and determine the damages that are covered by the policy. To estimate catastrophe losses, we consider information from claim notices received to date, third party data, visual images of the affected area where we have exposures and our own historical experience of loss reporting patterns for similar events.

Impact of Key Assumptions on Reserves

As stated above, the Company’s practice is to estimate reserves using a variety of methods, assumptions, and data elements within its reserve estimation. The Company does not use statistical loss distributions or confidence levels in the process of determining its reserve estimate and, as a result, does not disclose reserve ranges.

Across most lines of business, the most important reserve assumptions are future loss development factors applied to paid or reported losses to date. The trend in loss cost frequency and severity is also a key assumption, particularly in the most recent accident years, where loss development factors are less credible.

The following discussion discloses possible variation from current estimates of loss reserves due to a change in certain key indicators of potential losses. For automobile liability lines in both Personal Lines Insurance and Commercial Lines Business Insurance, the key indicator is the annual loss cost trend, particularly the severity trend component of loss costs. For workers’ compensation and general liability, loss development patterns are a key indicator, particularly for more mature accident years. For workers’ compensation, paid loss development patterns have been impacted by medical cost inflation and other changes in loss cost trends. For general liability, incurred loss development patterns have been impacted by, among other things, emergence of new types of claims (e.g., PFAS claims) and a shift in the mixture between smaller, more routine claims and larger, more complex claims.

Each of the impacts described below is estimated individually, without consideration for any correlation among key indicators or among lines of business. Therefore, it would be inappropriate to take each of the amounts described below and add them together in an attempt to estimate volatility for the Company’s reserves in total. For any one reserving line of business, the estimated variation in reserves due to changes in key indicators is a reasonable estimate of potential reserve development that may occur in the future, likely over a period of several calendar years. The variation discussed is not meant to be a worst-case scenario, and, therefore, it is possible that future variation may be more than the amounts discussed below. Moreover, the variation discussed does not represent a statistical range of potential reserve outcomes, and factors exist beyond the key indicators considered which have the potential to drive additional variation to the Company’s reserves.

Reserves, Net of Reinsurance			
	Possible Change in Key Indicator	December 31, 2023	Estimated Range of Potential Reserve Development
		December 31, 2024	
Personal Automobile Liability	+/- 2.5 - 2.5 points to the annual assumed change in loss cost severity for the two most recent accident years	\$1.6 1.7 billion	+/- \$80M \$90
Commercial Automobile Liability	+/- 2.5 points to the annual assumed change in loss cost severity for the two most recent accident years	\$1.4 1.6 billion	+/- \$40M \$50
Workers' Compensation	2% change in paid loss development patterns	\$12.2 12.7 billion	+/- \$400M \$400
General Liability	8% change in reported loss development patterns	\$5.2 5.9 billion	+/- \$600M \$700

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reserving for Asbestos and Environmental Claims

How A&E Reserves are Set- The process for establishing reserves for asbestos and environmental claims first involves estimating the required reserves gross of ceded reinsurance and then estimating reinsurance recoverables.

In establishing reserves for gross asbestos claims, the Company evaluates its insureds' estimated liabilities for such claims by examining exposures for individual insureds and assessing how coverage applies. The Company considers a variety of factors, including the jurisdictions where underlying claims have been brought, past, pending and anticipated future claim activity, the level of plaintiff demands, disease mix, past settlement values of similar claims, dismissal rates, allocated loss adjustment expense, and potential impact of other defendants being in bankruptcy.

Similarly, the Company reviews exposures to establish gross environmental reserves. The Company considers several factors in estimating environmental liabilities, including historical values of similar claims, the number of sites involved, the insureds' alleged activities at each site, the alleged environmental damage, the respective shares of liability of potentially responsible parties, the appropriateness and cost of remediation, the nature of governmental enforcement activities or mandated remediation efforts and potential impact of other defendants being in bankruptcy.

After evaluating its insureds' probable liabilities for asbestos and/or environmental claims, the Company evaluates the insurance coverage in place for such claims. The Company considers its insureds' total available insurance coverage, including the coverage issued by the Company. The Company also considers relevant judicial interpretations of policy language, the nature of how policy limits are enforced on multi-year policies and applicable coverage defenses or determinations, if any.

The estimated liabilities of insureds and the Company's exposure to the insureds depends heavily on an analysis of the relevant legal issues and litigation environment. This analysis is conducted by the Company's lawyers and is subject to applicable privileges.

For both asbestos and environmental reserves, the Company also analyzes its historical paid and reported losses and expenses year by year, to assess any emerging trends, fluctuations or characteristics suggested by the aggregate paid and reported activity. The historical losses and expenses are analyzed on both a direct basis and net of reinsurance.

Once the gross ultimate exposure for indemnity and allocated loss adjustment expense is determined for its insureds by each policy year, the Company calculates its ceded reinsurance

recoverables based on any applicable facultative and treaty reinsurance and the Company's experience with reinsurance collections. See the section that follows entitled A&E Adverse Development Cover that discusses the impact the reinsurance agreement with NICO may have on future adverse development of asbestos and environmental reserves, if any.

Uncertainties Regarding Adequacy of A&E Reserves- A number of factors affect the variability of estimates for gross asbestos and environmental reserves including assumptions with respect to the frequency of claims, the average severity of those claims settled with payment, the dismissal rate of claims with no payment, resolution of coverage disputes with our policyholders and the expense to indemnity ratio. Reserve estimates for gross asbestos and environmental reserves are subject to greater variability than reserve estimates for more traditional exposures.

The process of estimating asbestos and environmental reserves remains subject to a wide variety of uncertainties, which are detailed in Note 15 14 - Commitments and Contingencies of Notes to Consolidated Financial Statements. The Company believes that its current asbestos and environmental reserves are appropriate. Future developments could continue to cause the Company to change its estimates of its gross asbestos and environmental reserves. Losses ceded under the adverse development cover ("A&E ADC") with NICO in excess of the ceded premium paid of \$650 have resulted in a deferred gain resulting in a timing difference between when gross reserves are increased and when reinsurance recoveries are recognized. This timing difference results in a charge to net income until such periods when the recoveries are recognized. Consistent with past practice, the Company will continue to monitor its reserves in Property & Casualty Other Operations regularly, including its annual reviews of asbestos liabilities, reinsurance recoverables, the allowance for uncollectible reinsurance, and environmental liabilities. Where future developments indicate, we will make appropriate adjustments to the reserves at that time.

Total P&C Insurance Product Reserves Development

In the opinion of management, based upon the known facts and current law, the reserves recorded for the Company's property and casualty insurance products at **December 31, 2023** **December 31, 2024** represent the Company's best estimate of its ultimate liability for unpaid losses and loss adjustment expenses. However, because of the significant uncertainties surrounding reserves, it is possible that management's estimate of the ultimate liabilities for these claims may change in the future and that the required adjustment to currently recorded reserves could be material to the Company's results of operations or liquidity.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Rollforward of Property and Casualty Insurance Product Liabilities for Unpaid Losses and LAE for the Year Ended December 31, 2024

	Business Insurance	Personal Insurance	Property & Casualty Other Operations	Total Property & Casualty Insurance
Beginning liabilities for unpaid losses and loss adjustment expenses, gross	\$ 29,181	\$ 2,068	\$ 2,795	\$ 34,044
Reinsurance and other recoverables	4,599	28	2,069	6,696
Beginning liabilities for unpaid losses and loss adjustment expenses, net	24,582	2,040	726	27,348
Provision for unpaid losses and loss adjustment expenses				
Current accident year before catastrophes	7,186	2,351	—	9,537
Current accident year ("CAY") catastrophes	486	282	—	768
Prior accident year development ("PYD")	(231)	(108)	219	(120)
Total provision for unpaid losses and loss adjustment expenses	7,441	2,525	219	10,185
Change in deferred gain on retroactive reinsurance included in the provision for the period but reflected in other liabilities	145	—	(62)	83
Payments	(5,400)	(2,345)	(195)	(7,940)
Foreign currency adjustment	(25)	—	—	(25)
Ending liabilities for unpaid losses and loss adjustment expenses, net	26,743	2,220	688	29,651
Reinsurance and other recoverables	4,637	20	2,096	6,753
Ending liabilities for unpaid losses and loss adjustment expenses, gross	\$ 31,380	\$ 2,240	\$ 2,784	\$ 36,404
Earned premiums and fee income	\$ 12,764	\$ 3,486		
Loss and loss adjustment expense paid ratio [1]	42.3	67.3		

Loss and loss adjustment expense ratio	58.5	73.1
Prior accident year development (pts) [2]	(1.8)	(3.1)

[1]The "loss and loss adjustment expense paid ratio" represents the ratio of paid losses and loss adjustment expenses to earned premiums and fee income.

[2]"Prior accident year development (pts)" represents the ratio of prior accident year development to earned premiums.

Current Accident Year Catastrophe Losses for the Year Ended December 31, 2024, Net of Reinsurance			
	Business Insurance	Personal Insurance	Total
Wind and hail	\$ 210	\$ 190	\$ 400
Winter storms	52	18	70
Hurricanes and tropical storms [1]	136	64	200
Wildfires	1	10	11
Other international	1	—	1
Catastrophes before assumed reinsurance	400	282	682
Global assumed reinsurance business [2]	86	—	86
Total catastrophe losses	\$ 486	\$ 282	\$ 768

[1]Includes losses from Hurricane Helene of \$121, net of reinsurance, including \$20 of hurricane losses in the global assumed reinsurance business.

[2]Catastrophe losses incurred on global assumed reinsurance business are not covered under the Company's aggregate property catastrophe treaty. For further information on the treaty, refer to Enterprise Risk Management — Insurance Risk section of this MD&A.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unfavorable (Favorable) Prior Accident Year Development for the Year Ended December 31, 2024				
	Business Insurance	Personal Insurance	Property & Casualty Other Operations	Total Property & Casualty Insurance
Workers' compensation	\$ (258)	\$ —	\$ —	(258)
Workers' compensation discount accretion	44	—	—	44
General liability	211	—	—	211
Marine	(1)	—	—	(1)
Package business	(6)	—	—	(6)
Commercial property	(7)	—	—	(7)
Professional liability	(27)	—	—	(27)
Bond	(56)	—	—	(56)
Assumed reinsurance	24	—	—	24
Automobile liability	47	(30)	—	17
Homeowners	—	(28)	—	(28)
Net asbestos and environmental reserves [1]	—	—	141	141
Catastrophes	(67)	(20)	—	(87)
Uncollectible reinsurance	(7)	—	(12)	(19)
Other reserve re-estimates, net [2]	17	(30)	28	15
Prior accident year development before change in deferred gain	(86)	(108)	157	(37)
Change in deferred gain on retroactive reinsurance included in other liabilities [1][3]	(145)	—	62	(83)
Total prior accident year development	\$ (231)	\$ (108)	\$ 219	(120)

[1]The 2024 A&E reserve review resulted in an increase in reserves before ADC reinsurance of \$203, for which \$62 was recorded as a deferred gain on retroactive reinsurance.

[2]Other reserve re-estimates for the year ended December 31, 2024 includes a \$32 decrease in personal automobile physical damage reserves.

[3] The change in deferred gain on retroactive reinsurance for the year ended December 31, 2024, included a benefit for amortization of the Navigators ADC deferred gain of \$145.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Rollforward of Property and Casualty Insurance Product Liabilities for Unpaid Losses and LAE for the Year Ended December 31, 2023

	Business Insurance	Personal Insurance	Property & Casualty Other Operations	Total Property & Casualty Insurance
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Provision for unpaid losses and loss adjustment expenses				
Provision for unpaid losses and loss adjustment expenses				
Provision for unpaid losses and loss adjustment expenses				
Current accident year before catastrophes				
Current accident year before catastrophes				
Current accident year before catastrophes				
Current accident year ("CAY") catastrophes				
Current accident year ("CAY") catastrophes				
Current accident year ("CAY") catastrophes				
Prior accident year development ("PYD")				
Prior accident year development ("PYD")				
Prior accident year development ("PYD")				
Current accident year catastrophes				
Prior accident year development				
Total provision for unpaid losses and loss adjustment expenses				
Total provision for unpaid losses and loss adjustment expenses				
Total provision for unpaid losses and loss adjustment expenses				
Change in deferred gain on retroactive reinsurance included in the provision for the period but reflected in other liabilities				
Change in deferred gain on retroactive reinsurance included in the provision for the period but reflected in other liabilities				
Change in deferred gain on retroactive reinsurance included in the provision for the period but reflected in other liabilities				
Change in deferred gain on retroactive reinsurance included in other liabilities				
Payments [1]				
Payments [1]				
Payments [1]				
Foreign currency adjustment				
Foreign currency adjustment				
Foreign currency adjustment				
Ending liabilities for unpaid losses and loss adjustment expenses, net				
Ending liabilities for unpaid losses and loss adjustment expenses, net				
Ending liabilities for unpaid losses and loss adjustment expenses, net				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Ending liabilities for unpaid losses and loss adjustment expenses, gross				
Ending liabilities for unpaid losses and loss adjustment expenses, gross				
Ending liabilities for unpaid losses and loss adjustment expenses, gross				
Earned premiums and fee income				

Earned premiums and fee income
Earned premiums and fee income
Loss and loss expense paid ratio [2]
Loss and loss expense paid ratio [2]
Loss and loss expense paid ratio [2]
Loss and loss expense incurred ratio
Loss and loss expense incurred ratio
Loss and loss expense incurred ratio
Loss and loss adjustment expense paid ratio [2]
Loss and loss adjustment expense paid ratio [2]
Loss and loss adjustment expense paid ratio [2]
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Prior accident year development (pts) [3]
Prior accident year development (pts) [3]
Prior accident year development (pts) [3]

[1]Includes the \$787 settlement paid to the BSA on April 20, 2023. For further information, see "Settlement Agreement with Boy Scouts of America" in Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[2]The "loss and loss adjustment expense paid ratio" represents the ratio of paid losses and loss adjustment expenses to earned premiums and fee income.

[3]"Prior accident year development (pts)" represents the ratio of prior accident year development to earned premiums.

Current Accident Year Catastrophe Losses for the Year Ended December 31, 2023, Net of Reinsurance

	Commercial Lines	Personal Lines	Total
	Business Insurance	Personal Insurance	Total
Wind and hail			
Winter storms			
Hurricanes and tropical storms			
Wildfires			
Other international			
Other international			
Other international			
Catastrophes before assumed reinsurance			
Global assumed reinsurance business [1]			
Total catastrophe losses			

[1]Catastrophe losses incurred on global assumed reinsurance business are not covered under the Company's aggregate property catastrophe treaty. For further information on the treaty, refer to Enterprise Risk Management — Insurance Risk section of this MD&A.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unfavorable (Favorable) Prior Accident Year Development for the Year Ended December 31, 2023

	Commercial Lines	Personal Lines	Property & Casualty	Other Operations	Total Property & Casualty Insurance
	Business Insurance	Insurance	Property & Casualty	Other Operations	Total Property & Casualty Insurance
Workers' compensation					
Workers' compensation discount accretion					
General liability					
Marine					

Package business
Commercial property
Professional liability
Bond
Assumed reinsurance
Automobile liability
Homeowners
Net asbestos and environmental reserves [1]
Net asbestos and environmental reserves [1]
Net asbestos and environmental reserves [1]
Catastrophes
Uncollectible reinsurance
Other reserve re-estimates, net [2]
Prior accident year development before change in deferred gain
Change in deferred gain on retroactive reinsurance included in other liabilities [1]
Total prior accident year development

[1]The year ended December 31, 2023 included \$194 of adverse development on net asbestos and environmental reserves that was ceded to NICO but for which the Company recorded a deferred gain on retroactive reinsurance.

[2]Other reserve re-estimates for the year ended December 31, 2023 includes a ~~\$22~~\$22 increase in personal automobile physical damage reserves.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Rollforward of Property and Casualty Insurance Product Liabilities for Unpaid Losses and LAE for the Year Ended December 31, 2022

	Commercial Lines	Personal Lines	Property & Casualty Other Operations	Total Property & Casualty Insurance
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Beginning liabilities for unpaid losses and loss adjustment expenses, gross				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Reinsurance and other recoverables				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Beginning liabilities for unpaid losses and loss adjustment expenses, net				
Provision for unpaid losses and loss adjustment expenses				
Provision for unpaid losses and loss adjustment expenses				
Provision for unpaid losses and loss adjustment expenses				
Current accident year before catastrophes				
Current accident year before catastrophes				
Current accident year before catastrophes				
Current accident year catastrophes				
Prior accident year development				
Current accident year catastrophes				
Current accident year catastrophes				
Prior accident year development [1]				
Prior accident year development [1]				
Prior accident year development [1]				
Total provision for unpaid losses and loss adjustment expenses				
Total provision for unpaid losses and loss adjustment expenses				
Total provision for unpaid losses and loss adjustment expenses				

Change in deferred gain on retroactive reinsurance included in other liabilities
Change in deferred gain on retroactive reinsurance included in other liabilities
Change in deferred gain on retroactive reinsurance included in other liabilities
Payments
Payments
Payments
Foreign currency adjustment
Foreign currency adjustment
Foreign currency adjustment
Ending liabilities for unpaid losses and loss adjustment expenses, net
Ending liabilities for unpaid losses and loss adjustment expenses, net
Ending liabilities for unpaid losses and loss adjustment expenses, net
Reinsurance and other recoverables
Reinsurance and other recoverables
Reinsurance and other recoverables
Ending liabilities for unpaid losses and loss adjustment expenses, gross
Ending liabilities for unpaid losses and loss adjustment expenses, gross
Ending liabilities for unpaid losses and loss adjustment expenses, gross
Earned premiums and fee income
Loss and loss expense paid ratio [1]
Loss and loss expense paid ratio [1]
Loss and loss expense paid ratio [1]
Loss and loss expense incurred ratio
Loss and loss expense incurred ratio
Loss and loss expense incurred ratio
Earned premiums and fee income
Earned premiums and fee income
Loss and loss adjustment expense paid ratio [1]
Loss and loss adjustment expense paid ratio [1]
Loss and loss adjustment expense paid ratio [1]
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Prior accident year development (pts) [2]
Prior accident year development (pts) [2]
Prior accident year development (pts) [2]

[1]The "loss and loss **adjustment** expense paid ratio" represents the ratio of paid losses and loss adjustment expenses to earned premiums and fee income.

[2]"Prior accident year development (pts)" represents the ratio of prior accident year development to earned premiums.

Current Accident Year Catastrophe Losses for the Year Ended December 31, 2022, Net of Reinsurance

	Commercial Lines	Personal Lines	Total
	Business Insurance	Personal Insurance	Total
Wind and hail			
Winter storms [1]			
Hurricanes and Tropical Storms [2]			
Wildfires			
Ukraine conflict [3]			
Other international			

Catastrophes before assumed reinsurance
Global assumed reinsurance business [1] [2] [3]
Total catastrophe losses

[1]Includes losses from Winter Storm Elliott of \$167, including \$3 in the global assumed reinsurance business. Gross losses from Winter Storm Elliott of \$202 were partially offset by a \$35 reinsurance recoverable since, under a per occurrence property catastrophe treaty layer covering losses from earthquakes and named storms other than hurricanes and tropical storms, the Company is able to cede 70% of up to \$250 in excess of a \$100 attachment point subject to a \$50 annual aggregate deductible.

[2]Includes losses from Hurricane Ian of \$186, net of reinsurance, including \$35 of hurricane losses in the global assumed reinsurance business.

[3]Total catastrophe losses resulting from the Ukraine conflict were \$27, net of reinsurance, including \$4 within global assumed reinsurance, all in the first quarter, which included exposures under political violence and terrorism policies, including aviation war, as well as credit and political risk insurance policies.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unfavorable (Favorable) Prior Accident Year Development for the Year Ended December 31, 2022

	Commercial Lines	Personal Lines	Property & Casualty	Other Operations	Total Property & Casualty Insurance
	Business Insurance	Insurance	Property & Casualty	Other Operations	Total Property & Casualty Insurance
Workers' compensation					
Workers' compensation discount accretion					
General liability					
Marine					
Package business					
Commercial property					
Professional liability					
Bond					
Assumed reinsurance					
Automobile liability					
Homeowners					
Net asbestos and environmental reserves [1]					
Net asbestos and environmental reserves [1]					
Net asbestos and environmental reserves [1]					
Catastrophes					
Uncollectible reinsurance					
Other reserve re-estimates, net					
Prior accident year development before change in deferred gain					
Change in deferred gain on retroactive reinsurance included in other liabilities [1]					
Total prior accident year development					

[1]The year ended December 31, 2022 included \$229 of adverse development on net asbestos and environmental reserves that was ceded to NICO but for which the Company recorded a deferred gain on retroactive reinsurance.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Rollforward of Property and Casualty Insurance Product Liabilities for Unpaid Losses and LAE for the Year Ended December 31, 2021

	Commercial Lines	Personal Lines	Property & Casualty Other Operations	Total Property & Casualty Insurance
Beginning liabilities for unpaid losses and loss adjustment expenses, gross	\$ 25,058	\$ 1,836	\$ 2,728	\$ 29,622
Reinsurance and other recoverables	4,271	28	1,426	5,725
Beginning liabilities for unpaid losses and loss adjustment expenses, net	20,787	1,808	1,302	23,897
Provision for unpaid losses and loss adjustment expenses				
Current accident year before catastrophes	5,407	1,840	—	7,247

Current accident year catastrophes	496	168	—	664
Prior accident year development [1]	141	(144)	202	199
Total provision for unpaid losses and loss adjustment expenses	6,044	1,864	202	8,110
Change in deferred gain on retroactive reinsurance included in other liabilities [1]	(91)	—	(155)	(246)
Payments	(4,316)	(1,865)	(214)	(6,395)
Foreign currency adjustment	2	—	—	2
Ending liabilities for unpaid losses and loss adjustment expenses, net	22,426	1,807	1,135	25,368
Reinsurance and other recoverables	4,480	37	1,564	6,081
Ending liabilities for unpaid losses and loss adjustment expenses, gross	\$ 26,906	\$ 1,844	\$ 2,699	\$ 31,449
Earned premiums and fee income	\$ 9,575	\$ 2,986		
Loss and loss expense paid ratio [2]	45.1	62.5		
Loss and loss expense incurred ratio	63.4	63.1		
Prior accident year development (pts) [3]	1.5	(4.9)		

[1] Prior accident year development does not include the benefit of a portion of losses ceded under the Navigators and A&E ADCs which, under retroactive reinsurance accounting, is deferred and is recognized over the period the ceded losses are recovered in cash from NICO. For additional information regarding the two adverse development cover reinsurance agreements, refer to Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[2] The "loss and loss expense paid ratio" represents the ratio of paid losses and loss adjustment expenses to earned premiums and fee income.

[3] "Prior accident year development (pts)" represents the ratio of prior accident year development to earned premiums.

Current Accident Year Catastrophe Losses for the Year Ended December 31, 2021, Net of Reinsurance				
	Commercial Lines	Personal Lines	Total	
Wind and hail	\$ 157	\$ 94	\$ 251	
Winter storms [1]	151	18	169	
Hurricanes and Tropical Storms	151	43	194	
Wildfires	9	23	32	
Losses ceded to the aggregate catastrophe treaty [2]	(29)	(10)	(39)	
Catastrophes before assumed reinsurance	439	168	607	
Global assumed reinsurance business [3]	57	—	57	
Total catastrophe losses	\$ 496	\$ 168	\$ 664	

[1] Includes catastrophe losses from the February winter storms in Texas and other areas within Commercial Lines and Personal Lines of \$206 and \$24, respectively, gross of reinsurance, and \$151 and \$18, respectively, net of reinsurance under the Company's per occurrence property catastrophe treaty covering events other than earthquakes and named hurricanes and tropical storms. The reinsurance covers 70% of up to \$250 of losses in excess of \$100 from such events occurring within a seven day time period, subject to a \$50 annual aggregate deductible. These recoveries do not inure to the benefit of the aggregate property catastrophe treaty reinsurers. For further information on the treaty, refer to Enterprise Risk Management — Insurance Risk section of this MD&A.

[2] For further information on the aggregate catastrophe treaty, refer to Enterprise Risk Management — Insurance Risk section of this MD&A.

[3] Catastrophe losses incurred on global assumed reinsurance business are not covered under the Company's aggregate property catastrophe treaty. For further information on the treaty, refer to Enterprise Risk Management — Insurance Risk section of this MD&A.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unfavorable (Favorable) Prior Accident Year Development for the Year Ended December 31, 2021				
	Commercial Lines	Personal Lines	Property & Casualty Other Operations	Total Property & Casualty Insurance
Workers' compensation	\$ (190)	\$ —	\$ —	(190)
Workers' compensation discount accretion	35	—	—	35
General liability	454	—	—	454
Marine	1	—	—	1
Package business	(91)	—	—	(91)
Commercial property	(26)	—	—	(26)
Professional liability	(2)	—	—	(2)

Bond	(26)	—	—	(26)
Assumed reinsurance	(6)	—	—	(6)
Automobile liability	9	(90)	—	(81)
Homeowners	—	3	—	3
Net asbestos and environmental reserves	—	—	—	—
Catastrophes	(97)	(57)	—	(154)
Uncollectible reinsurance	(5)	—	(1)	(6)
Other reserve re-estimates, net	(6)	—	48	42
Total prior accident year development	50	(144)	47	(47)
Change in deferred gain on retroactive reinsurance included in other liabilities	91	—	155	246
Total prior accident year development	\$ 141	\$ (144)	\$ 202	\$ 199

For discussion of the factors contributing to unfavorable (favorable) for the prior accident year reserve development 2024, 2023, 2022, and 2021 2022 periods, refer to Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

PROPERTY & CASUALTY OTHER OPERATIONS

Net reserves and reserve activity in Property & Casualty Other Operations are categorized and reported as asbestos, environmental, and "all other". The "all other" category of reserves covers a wide range of insurance and assumed reinsurance coverages, including, but not limited to, potential liability for construction defects, lead paint, silica, pharmaceutical products, head injuries, sexual molestation and sexual abuse and other long-tail liabilities. In addition to various insurance and assumed reinsurance exposures, "all other" includes unallocated loss adjustment expense reserves. "All other" also includes the Company's allowance for uncollectible reinsurance. When the Company commutes a ceded reinsurance contract or settles a ceded reinsurance dispute, net reserves for the related cause of loss (including asbestos, environmental or all other) are

allowance for uncollectible reinsurance attributable to that commutation or settlement.

Asbestos and Environmental Reserves

The vast majority of the Company's exposure to A&E relates to policy coverages provided prior to 1986 and is reported within the P&C Other Operations segment ("Run-off A&E"). In addition, since 1986 the Company has written asbestos and environmental A&E exposures under general liability policies and pollution liability under homeowners policies, which are reported in the Commercial Lines Business Insurance and Personal Lines Insurance segments, respectively.

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[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Run-off A&E Summary as of December 31, 2023December 31, 2024

	Asbestos	Asbestos	Environmental	Total Run-off A&E	Asbestos	Environmental	Total Run-off A&E
Gross							
	Direct						
	Direct						
	Direct						
	Assumed Reinsurance						
	Total						
Ceded- other than NICO							
Total net reserves, before ceded losses to NICO							
Ceded - NICO A&E ADC "Run-off" [1]							
Total net reserves, before ceded losses to NICO and intersegment balances							

Ceded - NICO A&E ADC "Run-off" and intersegment balances [1]

Net

[1] Including \$1,476 \$1,538 of ceded losses for Run-off A&E and a \$38 reduction in ceded losses for Commercial Lines Business Insurance and Personal Lines Insurance, cumulative net incurred losses of \$1,438 \$1,500 have been ceded to NICO under an adverse development cover reinsurance agreement. See the section that follows entitled A&E Adverse Development Cover for additional information.

Rollforward of Run-off A&E Losses and LAE

	Asbestos	Asbestos	Environmental	Total Run-off A&E	Asbestos	Environmental	Total Run-off A&E
2024							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Losses and loss adjustment expenses incurred before ceding to NICO A&E ADC							
Losses and loss adjustment expenses paid							
Reclassification of allowance for uncollectible reinsurance [1]							
Ending net reserves before reinsurance recoverable from NICO and intersegment balances							
Reinsurance recoverable from NICO A&E ADC and intersegment balances							
Ending net reserves							
2023							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Losses and loss adjustment expenses incurred before ceding to NICO A&E ADC							
Losses and loss adjustment expenses paid							
Reclassification of allowance for uncollectible reinsurance [1]							
Ending net reserves before reinsurance recoverable from NICO							
Reinsurance recoverable from NICO A&E ADC							
Ending net reserves before reinsurance recoverable from NICO and intersegment balances							
Reinsurance recoverable from NICO A&E ADC and intersegment balances							
Ending net reserves							
2022							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Losses and loss adjustment expenses incurred before ceding to NICO A&E ADC							
Losses and loss adjustment expenses paid							
Reclassification of allowance for uncollectible reinsurance [1]							
Ending net reserves before reinsurance recoverable from NICO							
Reinsurance recoverable from NICO A&E ADC							
Ending net reserves							
2021							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Beginning net reserves before reinsurance recoverable from NICO							
Losses and loss adjustment expenses incurred before ceding to NICO A&E ADC							
Losses and loss adjustment expenses paid							
Reclassification of allowance for uncollectible reinsurance [1]							
Ending net reserves before reinsurance recoverable from NICO							
Reinsurance recoverable from NICO A&E ADC							

Ending net reserves before reinsurance recoverable from NICO and intersegment balances
Reinsurance recoverable from NICO A&E ADC and intersegment balances

Ending liability — net

[1]Related to the reclassification of an allowance for uncollectible reinsurance from the "all other" category of P&C Other Operations reserves.

A&E Adverse Development Cover

Effective December 31, 2016, the Company entered into an A&E ADC reinsurance agreement with NICO to reduce uncertainty about potential adverse development. Under the A&E ADC, the Company paid a reinsurance premium of \$650 for NICO to assume adverse net loss and allocated loss adjustment expense reserve development up to \$1.5 billion above the Company's existing net A&E reserves as of December 31, 2016 of approximately \$1.7 billion, including both Run-off A&E and A&E reserves in Commercial Lines Business Insurance and

collateral trust account as security for NICO's claim payment obligations to the Company. The Company has retained the risk of collection on amounts due from other third-party reinsurers and continues to be responsible for claims handling and other administrative services, subject to certain conditions. The A&E ADC covers covered substantially all the Company's A&E reserve development up to the reinsurance limit.

Under retroactive reinsurance accounting, net adverse A&E reserve development after December 31, 2016 results in an offsetting reinsurance recoverable up to the \$1.5 billion limit. Cumulative ceded losses up to the \$650 reinsurance limit, which as of December 31, 2024, has been exhausted.

Personal Lines Insurance. The \$650 reinsurance premium was placed in a

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Under retroactive reinsurance accounting, net adverse A&E reserve development after December 31, 2016 results in an offsetting reinsurance recoverable up to the \$1.5 billion limit. Cumulative ceded losses up to the \$650 reinsurance premium paid have been recognized as a dollar-for-dollar offset to direct losses incurred. Cumulative ceded losses exceeding the \$650 reinsurance premium paid have resulted in a deferred gain. As of December 31, 2023 December 31, 2024, the Company has exhausted the treaty limit and incurred a cumulative \$1.438 \$1.5 billion in adverse development on A&E reserves that have been ceded under the A&E ADC treaty with NICO, including \$1,476 \$1,538 for Run-off A&E reserves, partially offset by a \$38 reduction for A&E reserves in Commercial Lines Business Insurance and Personal Lines Insurance. As such, \$62 of no remaining coverage is available for any future adverse net reserve development, if any. As a result, the which may be significant. The Company has recorded a \$788 \$850 deferred gain within other liabilities, representing the difference between the reinsurance recoverable of \$1.438 \$1.5 billion and ceded premium paid of \$650. TheRecoveries from NICO will be collected once the Company has paid cumulative losses in excess of the \$1.7 billion attachment point. The deferred gain is will be recognized over the claim settlement period in the proportion of the amount of cumulative ceded losses collected from the reinsurer to the estimated ultimate reinsurance recoveries. Consequently, until periods when the deferred gain is recognized as a benefit to earnings, cumulative adverse development of asbestos and environmental claims will result in charges against earnings, which may be significant.

Net and Gross Survival Ratios

Net and gross survival ratios are a measure of the quotient of the carried reserves divided by average annual payments (net of reinsurance and on a gross basis) and is an indication of the number of years that carried reserves would last (i.e., survive) if future annual payments were consistent with the calculated historical average.

Since December 31, 2016, asbestos and environmental net reserves have been declining since all adverse development has been ceded to NICO, up to a the limit of \$1.5 billion, and the deferred gain on retroactive reinsurance has been recorded within other liabilities rather than in net loss and loss adjustment expense reserves. Recoveries from NICO will not be collected until the Company has cumulative loss payments of more than the attachment point of \$1.7 billion, which was based on the carrying value of net reserves as of December 31, 2016. Accordingly, the payment of losses without any current collection of recoveries from NICO has reduced the Company's net loss reserves which decreases the net survival ratios such that, unadjusted, the net survival ratios would not be representative of the true number of years of average loss payments covered by the reserves. Therefore, the net survival ratios presented in the table below are calculated before considering the effect of the A&E ADC reinsurance agreement but net of other reinsurance in place.

Net and Gross Survival Ratios	
	Asbestos
	Asbestos
	Asbestos
One year net survival ratio	
One year net survival ratio	
One year net survival ratio	
Three year net survival ratio	
Three year net survival ratio	
Three year net survival ratio	
One year gross survival ratio	
One year gross survival ratio	
One year gross survival ratio	
Three year gross survival ratio	
Three year gross survival ratio	
Three year gross survival ratio	

Run-off A&E Paid and Incurred Losses and LAE Development

Asbestos		Asbestos	Environmental	Total A&E		Asbestos	Environmental	Total A&E

	Paid Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE	Incurred Losses & LAE	Paid Losses & LAE
2024														
Gross														
Gross														
Gross														
Ceded- other than NICO														
Net - Gross of ADC														
Ceded - NICO A&E ADC														
Net														
2023														
Gross														
Gross														
Gross														
Ceded- other than NICO														
Net - Gross of ADC														
Ceded - NICO A&E ADC														
Net														
2022														
Gross														
Gross														
Gross														
Ceded- other than NICO														
Net - Gross of ADC														
Ceded - NICO A&E ADC														
Net														
2021														
Gross														
Gross														
Gross														
Ceded- other than NICO														
Net - Gross of ADC														
Ceded - NICO A&E ADC														
Net														

Review of Asbestos and Environmental Reserves

The Company performs its regular comprehensive annual review of asbestos and environmental reserves in the fourth quarter, including both Run-off A&E (P&C Other Operations) and

Personal Lines Insurance. As part of the evaluation of asbestos and environmental reserves in the fourth quarter of 2023, 2024, the Company reviewed all of its open direct domestic insurance accounts exposed to asbestos and environmental liability, as well as assumed reinsurance accounts.

2024 comprehensive annual reviews

As a result of the 2024 fourth quarter review, the Company increased asbestos reserves before NICO reinsurance by \$167 in P&C Other Operations, primarily driven by higher-than-expected frequency, higher settlement values for certain accounts, an increase in the Company's share of liability due to insolvencies and cost sharing agreements and an increase in claim settlement rates.

Index to MD&A

As a result of the 2024 fourth quarter review, the Company increased environmental reserves before NICO reinsurance by \$36 in P&C Other Operations, primarily due to higher severity on recently emerged accounts, higher environmental site cleanup and monitoring costs, and higher legal expenses.

Part II - Item 7. Management's Discussion and Analysis environmental reserves was charged to earnings in 2024 within P&C Other Operations, which includes \$62 that was ceded to the NICO ADC and recorded as a deferred gain under retroactive reinsurance accounting. As of Financial Condition December 31, 2024, the Company has ceded the cumulative treaty limit of \$1.5 billion and Results of Operations as such, any future adverse development will be charged to earnings.

2023 comprehensive annual reviews

As a result of the 2023 fourth quarter review, the Company increased asbestos reserves before NICO reinsurance by \$156 in P&C Other Operations, primarily driven by an increase in the Company's share of liability due to insolvencies and cost sharing agreements, an increase in claim settlement rates, as well as higher defense costs. The increase in asbestos reserves was offset by a \$156 reinsurance recoverable under the NICO treaty.

As a result of the 2023 fourth quarter review, the Company increased environmental reserves before NICO reinsurance by \$38 in P&C Other Operations, primarily due to higher severity

on recently emerged accounts, higher environmental site cleanup and monitoring costs, including increased estimates of liability for PFAS exposures, and higher legal expenses. The increase in environmental reserves was offset by a \$38 reinsurance recoverable under the NICO treaty.

The total \$194 increase in asbestos and environmental reserves in P&C Other Operations was offset by a \$194 reinsurance recoverable under the NICO treaty. Since cumulative losses ceded to the A&E ADC exceed the \$650 of ceded premium paid, the Company recognized a \$194 increase in deferred gain on retroactive reinsurance, resulting in the Company recording a charge to earnings of \$194 in 2023.

2022 comprehensive annual reviews

As a result of the 2022 fourth quarter review, the Company increased estimated asbestos reserves before NICO reinsurance by \$162, including \$161 in P&C Other Operations, primarily driven by an increase in the Company's share of liability due to insolvencies and cost sharing agreements, an increase in claim settlement rates, and higher claim settlement values and defense costs. The increase in asbestos reserves was offset by a \$162 reinsurance recoverable under the NICO treaty.

As a result of the 2022 fourth quarter review, the Company increased estimated environmental reserves before NICO reinsurance by \$67, including \$68 in P&C Other Operations, primarily due to increased estimates of liability for PFAS exposure, the resolution of one large mining account, higher environmental site cleanup and monitoring costs, and higher legal expenses. The increase in environmental reserves was offset by a \$67 reinsurance recoverable under the NICO treaty.

The total \$229 increase in asbestos and environmental reserves in P&C Other Operations was offset by a \$229

reinsurance recoverable under the NICO treaty. Since cumulative losses ceded to the A&E ADC exceed the \$650 of ceded premium paid, the Company recognized a \$229 increase in deferred gain on retroactive reinsurance, resulting in the Company recording a charge to earnings of \$229 in 2022.

For information regarding the 2021 2022 comprehensive annual review, refer to Part 2, II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations in The Hartford's 2022 2023 Form 10-K Annual Report.

Review of "All Other" Reserves in Property & Casualty Other Operations

Prior year development on all other reserves resulted in increases of \$16, \$30 \$51 and \$47, \$51, respectively for calendar years 2024, 2023 2022 and 2021, 2022. Included in the 2023 2024 adverse reserve development was an increase in ULAE reserves, primarily due to an increase in expected aggregate claim handling costs associated with asbestos and environmental claims.

The Company provides an allowance for uncollectible reinsurance, reflecting management's best estimate of reinsurance cessions that may be uncollectible in the future due to reinsurers' unwillingness or inability to pay. In performing its assessment, the Company evaluates the collectibility of the reinsurance recoverables and the adequacy of the allowance for uncollectible reinsurance associated with older, long-term casualty liabilities reported in Property & Casualty Other Operations. In conducting these evaluations, the Company used its most recent detailed evaluations of ceded liabilities reported in the segment. The Company analyzed the overall credit quality of the Company's reinsurers, recent trends in arbitration and litigation outcomes in disputes between cedants and reinsurers, and recent developments in commutation activity between reinsurers and cedants. As of 2024, 2023, 2022, and 2021 2022 the allowance for uncollectible reinsurance for Property & Casualty Other Operations totaled \$41, \$53 \$56 and \$53, \$56, respectively. Due to the inherent uncertainties as to collection and the length of time before reinsurance recoverables become due, particularly for older, long-term casualty liabilities, it is possible that future adjustments to the Company's reinsurance recoverables, net of the allowance, could be required.

IMPACT OF RE-ESTIMATES ON PROPERTY & CASUALTY INSURANCE PRODUCT RESERVES

Estimating property and casualty insurance product reserves uses a variety of methods, assumptions and data elements. Ultimate losses may vary materially from the current estimates. Many factors can contribute to these variations and the need to change the previous estimate of required reserve levels. Prior accident year reserve

The table below shows the range of annual reserve re-estimates experienced by The Hartford over the past ten years. The range of prior accident year development shown in the table below is net of losses ceded, including losses ceded under two adverse

development is generally due to the emergence of additional facts that were not known or anticipated at the time of the prior reserve estimate and/or due to changes in interpretations of information and trends.

development cover reinsurance agreements with NICO that are accounted for as a deferred gain on retroactive reinsurance. The amount of prior accident year development (as shown in the reserve rollforward) for a given calendar year is expressed as a percent of the beginning calendar year reserves, net of

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

reinsurance. The ranges presented are significantly influenced by the facts and circumstances of each particular year and by the fact that only the last ten years are included in the range. Accordingly, these percentages are not intended to be a prediction of the range of possible future variability. For further

discussion of the potential for variability in recorded loss reserves, see Preferred Reserving Methods by Line of Business and Impact of Key Assumptions on Reserves sections.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Range of Prior Accident Year Unfavorable (Favorable) Development for the Ten Years Ended December 31, 2023 December 31, 2024

	Commercial Lines Business Insurance	Personal Lines Insurance	Property & Casualty Other Operations	Total Property & Casualty [1]
Annual range of prior accident year unfavorable (favorable) development for the ten years ended December 31, 2023December 31, 2024	(1.3%) - 0.4%	(20.5%) - 8.3%	0.9% - 9.8% 21.6%	(1.9%) - 2.4%

[1]Excluding the reserve increases for asbestos and environmental reserves, over the past ten years, reserve re-estimates for total property and casualty insurance ranged from (1.9%) to 1.0%.

The potential variability of the Company's property and casualty insurance product reserves would normally be expected to vary by segment and the types of loss exposures insured by those segments. Illustrative factors influencing the potential reserve variability for each of the segments are discussed under Critical Accounting Estimates for Property & Casualty Insurance

Product Reserves and Asbestos and Environmental Reserves. See the section entitled Property & Casualty Other Operations, Annual Reserve Reviews about the impact that the A&E ADC retroactive reinsurance agreement with NICO has on net reserve changes of asbestos and environmental reserves.

GROUPEMPLOYEE BENEFIT LTD RESERVES, NET OF REINSURANCE

The Company establishes reserves for group life and accident & health contracts, including long-term disability coverage, for both reported claims and claims related to insured events that the Company estimates have been insured but have not yet been

Estimates for IBNR claims are made by applying completion factors to expected emerged experience by line of business. Included within IBNR are bulk reserves for claims reported but still within the waiting period until benefits are paid, typically 2 or

have been incurred but have not yet been reported. As long-term disability reserves are long-tail claim liabilities, they are discounted because the payment pattern and the ultimate costs are reasonably fixed and determinable on an individual claim basis. The Company held \$6,619 \$6,609 and \$6,535 \$6,619 of LTD unpaid losses and loss adjustment expenses, net of reinsurance, as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively.

period until benefits are paid, typically 3 or 6 months depending on the contract. Completion factors are

Reserving Methodology

How Reserves are Set - A Disabled

Life Reserve ("DLR") is calculated for each LTD claim. The DLR for each claim is the expected present value of all future benefit payments starting with the known monthly gross benefit which is reduced for estimates of the expected claim recovery due to return to work or claimant death, offsets from other income including offsets from Social Security benefits, and discounting, where the discount rate is tied to expected investment yield at the time the claim is incurred. Estimated future benefit payments represent the monthly income benefit that is paid until recovery, death or expiration of benefits. Claim recoveries are estimated based on claim characteristics such as age and diagnosis and represent an estimate of benefits that will terminate, generally as a result of the claimant returning to work or being deemed able to return to work. For claims recently closed due to recovery, a portion of the DLR is retained for the possibility that the claim reopens upon further evidence of disability. In addition, a reserve for estimated unpaid claim expenses is included in the DLR.

The DLR also includes a liability for potential payments to pending claimants beyond the elimination period who have not yet been approved for LTD. In these cases, the present value of future benefits is reduced for the likelihood of claim denial based on Company experience.

derived from standard actuarial techniques using triangles that display historical claim count emergence by incurral month. These estimates are reviewed for reasonableness and are adjusted for current trends and other factors expected to cause a change in claim emergence. The reserves include an estimate of unpaid claim expenses, including a provision for the cost of initial set-up of the claim once reported.

For all products, including LTD, there is a period generally ranging from two to twelve months, depending on the product and line of business, where emerged claims for an incurral year are not yet credible enough to be a basis for estimating reserves. In these cases, the ultimate loss is estimated using earned premium multiplied by an expected loss ratio based on pricing assumptions of claim incidence, claim severity, and earned

pricing adjusted for emerging trends as needed.

Impact of Key Assumptions on Reserves

The key assumptions affecting long-term disability, which is the largest reserve within Group Employee Benefits, include:

Discount Rate - The discount rate is the interest rate at which expected future claim cash flows are discounted to determine the present value. A higher selected discount rate results in a lower reserve. If the discount rate is higher than our future investment returns, our invested assets will not earn enough investment income to cover the discount accretion on our claim reserves which would negatively affect our profits. For each incurral year, the discount rates are estimated based on

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

investment yields expected to be earned net of investment expenses. The incurral year is the year in which the claim is incurred and the estimated settlement pattern is determined. Once established, discount rates for each incurral year are unchanged except that LTD reserves assumed from the acquisition of Aetna's U.S. group life and disability business are all discounted using rates as of the November 1, 2017 acquisition date. The weighted average discount rate on LTD reserves was 3.2% 3.3% and 3.2% in 2023 2024 and 2022 2023, respectively. Had the discount rate for each incurral year been 10 basis points lower at the time they were established, our LTD unpaid

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

loss and loss adjustment expense reserves would be higher by \$30, before tax, as of December 31, 2023 December 31, 2024.

Claim Termination Rates (inclusive of mortality, recoveries, and expiration of benefits) - Claim termination rates are an estimate of the rate at which claimants will cease receiving benefits during a given calendar year. Terminations result from a number of factors, including death, recoveries and expiration of benefits. The probability that benefits will terminate in each future month for each claim is estimated using a predictive model that

termination rates for a single incurral year have generally increased and have ranged from 4% 7% below to 13% 7% above current assumptions over that time period. For a single recent incurral year (such as 2023 2024), a one percent decrease in our assumption for LTD claim termination rates would increase our reserves by \$13. For all incurral years combined, as of

estimated using a predictive model that uses past Company experience, contract provisions, job characteristics and other claimant-specific characteristics such as diagnosis, time since disability began, and age. Actual claim termination experience will vary from period to period. Over the past 10 years, claim

December 31, 2023, December 31, 2024, a one percent decrease in our assumption for our LTD claim termination rates would increase our Group Employee Benefits unpaid losses and loss adjustment expense reserves by \$27. \$29.

Current Trends Contributing to Reserve Uncertainty

We have observed delays in the Social Security Administration's processing of disability claims, which reduces or slows down the recognition of offsets to claimant benefits. If we have a downturn in the economy and/or in employment levels, we could experience an increase in claim incidence on long-term disability claims.

By investing in fixed income securities of similar duration to our liabilities, we hedge our interest rate exposure over a three year period at the time we price and sell long-term disability policies given average three year rate guarantees. Our weighted average discount rate assumption for the 2023 2024 incurrence year is up from that of the 2022 2023 incurrence year.

EVALUATION OF GOODWILL FOR IMPAIRMENT

Goodwill balances are reviewed for impairment at least annually, or more frequently if events occur or circumstances change that would indicate that a triggering event for a potential impairment has occurred. The recognition and measurement of goodwill impairment is based on the excess of the carrying value of the reporting unit over its estimated fair value, up to the amount of the reporting unit's goodwill.

The estimated fair value of each reporting unit incorporates multiple inputs into discounted cash flow calculations including assumptions that market participants would make in valuing the reporting unit. Assumptions include levels of economic capital, future business growth, earnings projections, assets under management for Hartford Funds and the weighted average cost of capital used for purposes of discounting. Decreases in business growth, decreases in earnings projections and

increases in the weighted average cost of capital will all cause a

reporting unit's fair value to decrease, increasing the possibility of impairment.

A reporting unit is defined as an operating segment or one level below an operating segment. The Company's reporting units for to which goodwill has been allocated consist of Commercial Lines, Business Insurance, Personal Lines, Group Insurance, Employee Benefits and Hartford Funds.

Related Parties.

The annual goodwill assessment for the reporting units was completed as of **October 31, 2023** **October 31, 2024**, and resulted in no write-downs of goodwill for the year ended **December 31, 2023** **December 31, 2024**. All reporting units passed the annual impairment test with a significant margin. For information on goodwill see Note **10 9** - Goodwill & Other Intangible Assets of Notes to Consolidated Financial Statements.

VALUATION OF INVESTMENTS AND DERIVATIVE INSTRUMENTS

Fixed Maturities, Equity Securities, Short-term Investments, and Derivatives

The Company generally determines fair values using valuation techniques that use prices, rates, and other relevant information evident from market transactions involving identical or similar instruments. Valuation techniques also include, where appropriate, estimates of future cash flows that are converted into a single discounted amount using current market expectations. The Company uses a "waterfall" approach comprised of the following pricing sources which are listed in priority order: quoted prices, prices from third-party pricing

broker quotes may be used. For further discussion, see the Fixed Maturities, Equity Securities, Short-term Investments and Derivatives section in Note 4 - Fair Value Measurements of Notes to Consolidated Financial Statements.

services, internal matrix pricing, and independent broker quotes. The fair values of derivative instruments are determined primarily using a discounted cash flow model or option model technique and incorporate counterparty credit risk. In some cases, quoted market prices for exchange-traded transactions and transactions cleared through central clearing houses ("OTC-cleared") may be used and in other cases independent

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Evaluation of Credit Losses on Fixed Maturities, AFS and ACL on Mortgage Loans

Each quarter, a committee of investment and accounting professionals evaluates investments to determine if a credit loss is present for fixed maturities, AFS or an ACL is required for mortgage loans. This evaluation is a quantitative and qualitative

process, which is subject to risks and uncertainties. For further discussion of the accounting policies, see the Significant Investment Accounting Policies Section in Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to Consolidated Financial Statements. For a discussion of credit losses recorded, see the Credit Losses on Fixed Maturities, AFS and Intent-to-Sell Impairments and ACL on Mortgage Loans

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

sections within the Investment Portfolio Risks and Risk Management section of the MD&A.

CONTINGENCIES RELATING TO CORPORATE LITIGATION AND REGULATORY MATTERS

Management evaluates each contingent matter separately. A loss is recorded if probable and reasonably estimable. Management establishes reserves for these contingencies at its "best estimate," or, if no one number within the range of possible losses is more probable than any other, the Company records an estimated reserve at the low end of the range of losses.

The Company has a quarterly monitoring process involving legal and accounting professionals. Legal personnel first identify outstanding corporate litigation and regulatory matters posing a reasonable possibility of loss. These matters are then jointly reviewed by accounting and legal personnel to evaluate the facts and changes since the last review in order to determine if a provision for loss should be recorded or adjusted, the amount that should be recorded, and the appropriate disclosure. The outcomes of certain contingencies currently being evaluated by

the Company, which relate to corporate litigation and regulatory matters, are inherently difficult to predict, and the reserves that have been established for the estimated settlement amounts are subject to significant changes. Management expects that the ultimate liability, if any, with respect to such lawsuits, after consideration of provisions made for estimated losses, will not be material to the consolidated financial condition of the Company. In view of the uncertainties regarding the outcome of these matters, as well as the tax-deductibility of payments, it is possible that the ultimate cost to the Company of these matters could exceed the reserve by an amount that would have a material adverse effect on the Company's consolidated results of operations or liquidity in a particular quarterly or annual period.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

REPORTABLE SEGMENT AND CORPORATE OPERATING SUMMARIES

COMMERCIAL LINES BUSINESS INSURANCE - RESULTS OF OPERATIONS

Underwriting Summary

								Increase (Decrease) From 2022 to 2023	
		2023		2022		2021			
								Increase (Decrease) From 2023 to 2024	
		2024		2023		2022			
Written premiums	Written premiums	\$12,279	\$	11,158	\$	10,041	10	10 %	11 %
Change in unearned premium reserve	Change in unearned premium reserve	638	587	587	500	500	9	9 %	17 %
Earned	Earned								

premiums	premiums	11,641	10,571	10,571	9,541	9,541	10	10 %	11 %	
Fee income	Fee income	41	39	39	34	34	5	5 %	15 %	F
Losses and loss adjustment expenses										
	Current accident year before catastrophes									
	Current accident year before catastrophes									
	Current accident year before catastrophes	6,575	5,959	5,959	5,407	5,407	10	10 %	10 %	
Current accident year catastrophes [1]	Current accident year catastrophes [1]	436	441	441	496	496	(1)	(1 %)	(11 %)	
Prior accident year development [1]	Prior accident year development [1]	(225)	(231)	(231)	141	141	3	3 %	NM	
Total losses and loss adjustment expenses	Total losses and loss adjustment expenses	6,786	6,169	6,169	6,044	6,044	10	10 %	2 %	T a a e
Amortization of DAC	Amortization of DAC	1,779	1,563	1,563	1,398	1,398	14	14 %	12 %	A D
Underwriting expenses		1,837		1,788		1,678		3 %	7 %	
Insurance operating costs		1,973		1,837		1,788		7 %	3 %	
Amortization of other intangible assets	Amortization of other intangible assets	29	29	29	29	29	—	— %	— %	A o a
Dividends to policyholders	Dividends to policyholders	39	29	29	24	24	34	34 %	21 %	D p
Underwriting gain	Underwriting gain	1,212	1,032	1,032	402	402	17	17 %	157 %	
Net investment income [2]										
Net investment income [2]										
Net investment income [2]		1,532	1,415	1,415	1,502	1,502	8	8 %	(6 %)	
Net realized gains (losses) [2]		(156)		(385)		260		59 %	NM	
Net realized losses [2]		(73)		(156)		(385)		53 %	59 %	
Other income (expense) [3]										
Other income (expense) [3]										
Other income (expense) [3]		(1)	(12)	(12)	(5)	(5)	92	92 %	(140 %)	
Income before income taxes										
Income before income taxes										
Income before income taxes										
Income before income taxes		2,587	2,050	2,050	2,159	2,159	26	26 %	(5 %)	
Income tax expense [4]	Income tax expense [4]	502	426	426	402	402	18	18 %	6 %	Ir e
Net income	Net income	\$ 2,085	\$	1,624	\$	1,757	28	28 %	(8 %)	

[1]For additional information on current accident year catastrophes and prior accident year development, see MD&A - Critical Accounting Estimates, Property and Casualty Insurance Product Reserves Development, Net of Reinsurance and

Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[2]For discussion of consolidated investment results, see MD&A - Investment Results.

[3]Includes integration costs in connection with the 2019 acquisition of Navigators Group.

[4]For discussion of income taxes, see Note 17 16 - Income Taxes of Notes to Consolidated Financial Statements.

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Premium Measures									
					2023	2022	2021		
Small Commercial:									
					2024	2023	2022		
Small Business:									
Net new business premium									
Net new business premium									
Net new business premium									
Policy count retention	Policy count retention	85 %	86 %	84 %	Policy count retention	84 %	85 %	86 %	
Renewal written price increases									
Renewal written price increases									
Renewal written price increases		4.6 %	3.8 %	3.1 %		6.4 %	4.6 %	3.8 %	
Renewal earned price increases	Renewal earned price increases	4.2 %	3.5 %	2.6 %	Renewal earned price increases	6.1 %	4.3 %	3.5 %	
Policies in-force as of end of period (in thousands)									
Middle Market [1]:									
Net new business premium									
Net new business premium									
Net new business premium									
Premium retention	Premium retention	83 %	83 %	80 %	Premium retention	84 %	83 %	83 %	
Renewal written price increases									
Renewal written price increases									
Renewal written price increases		7.3 %	5.6 %	5.9 %		6.9 %	7.2 %	5.6 %	
Renewal earned price increases	Renewal earned price increases	6.6 %	5.7 %	7.2 %	Renewal earned price increases	7.5 %	6.5 %	5.7 %	
Global Specialty:									
Global Specialty:									
Global Specialty:									
Global specialty gross new business premium [2]									
Global specialty gross new business premium [2]									
Global specialty gross new business premium [2]									
Renewal written price increases [3]	Renewal written price increases [3]	4.4 %	6.1 %	13.4 %	Renewal written price increases [3]	5.8 %	4.4 %	5.9 %	
Renewal earned price increases [3]	Renewal earned price increases [3]	5.4 %	9.8 %	21.5 %	Renewal earned price increases [3]	5.9 %	5.4 %	9.3 %	

[1]Except for net new business premium, metrics for middle market exclude loss sensitive and programs businesses.

[2]Excludes Global Re and Continental Europe Operations and is before ceded reinsurance.

[3]Excludes Global Re, offshore energy policies, credit and political risk insurance policies, political violence and terrorism ("PV&T") policies, and any business under which the managing agent of our Lloyd's Syndicate delegates underwriting authority to coverholders and other third parties.

Underwriting Ratios				
			Increase (Decrease) From 2022	Increase (Decrease) From 2021
2023	2022	2021	to 2023	to 2022
			Increase (Decrease) From 2023	Increase (Decrease) From 2022
2024	2023	2022	to 2024	to 2023
Loss and loss adjustment expense ratio				
Current accident year before catastrophes				
Current accident year before catastrophes				
Current accident year before catastrophes				
Expense ratio				
Policyholder dividend ratio				
Combined ratio				

Adjustment to reconcile combined ratio to underlying combined ratio:
Adjustment to reconcile combined ratio to underlying combined ratio:
Adjustment to reconcile combined ratio to underlying combined ratio:
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Underlying combined ratio
Underlying loss and loss adjustment expense ratio
Underlying loss and loss adjustment expense ratio
Underlying loss and loss adjustment expense ratio
Current accident year catastrophes
Prior accident year development
Total loss and loss adjustment expense ratio
Expense ratio
Policyholder dividend ratio
Combined ratio
Impact of current accident year catastrophes and prior year development
Underlying combined ratio
Underlying combined ratio
Underlying combined ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Adjustment to reconcile loss and loss adjustment expense ratio to underlying loss and loss adjustment expense ratio:
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Underlying loss and loss adjustment expense ratio

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Net Income
1120

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Net income increased primarily due to higher net investment income, lower net realized losses and a higher underwriting gain and higher net investment income. gain. For further discussion of investment results, see MD&A - Investment Results.

Underwriting Gain
1376

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Underwriting gain increased driven by due to the effect of earned premium growth and slightly lower current accident year catastrophes, partially offset by slightly lower higher favorable prior accident year development. development, including \$145 of a benefit for amortization of a deferred gain on the Navigators ADC in the current year period.

Expense ratio decreased in 2023 increased modestly driven as higher staffing costs, including higher incentive compensation and benefits costs, and higher commissions were largely offset by the impact of higher earned premium, lower incentive compensation premium.

[Index to MD&A](#)

Earned Premiums

1900

[1]Other of \$43, \$46, \$52 and \$52 \$57 for 2021, 2022, 2023 and 2023, 2024, respectively, is included in the total.

Written Premiums

2003

[1]Other written premiums of \$43, \$46, \$52 and \$52 \$58 for the year ended December 31, 2021 December 31, 2022, 2022 2023 and 2023, 2024, respectively, is included in the total.

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Earned premiums increased in 2023 2024 due to written premium increases over the prior twelve months, including the effect of higher insured exposures, principally in workers' compensation and property lines.

Written premiums increased in 2024 driven by growth across small business, middle & large business and global specialty.

- Small business written premium increased driven by double-digit new business growth, renewal written price increases in all lines and higher insured exposures. Written premium grew in nearly all lines of business, including package business, excess and surplus and automobile.
- Middle & large business written premium increased driven by double-digit new business growth, renewal written price increases in all lines and higher insured exposures. Written premium grew in nearly all lines across industry verticals, specialty markets, general industries and large property.
- Global specialty written premium increased driven by written price increases across almost all lines as well as an increase in gross new business, primarily in U.S. and international casualty insurance lines. Written premiums also grew in global reinsurance, primarily in property and liability.

Renewal written price increases were recognized in most lines other than directors and officers ("D&O").

- In small business, renewal written price increases were higher in 2024, with accelerating double-digit price increases in package business and automobile and moderating double-digit price increases in excess and surplus lines. Workers' compensation pricing was slightly positive and consistent with 2023.
- In middle market, renewal written price increases were generally flat to 2023, with high single-digit to low double-digit price increases in most lines other than workers' compensation, which was slightly positive. Property pricing has moderated from elevated levels in 2023 while automobile pricing has accelerated.
- In global specialty, U.S. price increases were higher than prior year levels and we achieved mid single-digit renewal written price increases overall, with high single to low double-digit increases in marine, casualty and auto lines. D&O pricing continues to be negative, but to a lesser extent than the prior year.

[Index to MD&A](#)

Written premiums increased in 2023 driven by growth across small commercial, middle & large commercial and global specialty.

- Small commercial written premium increased in 2023 driven by double-digit new business growth, renewal written price increases and higher insured exposures. Written premium grew in all lines of business, including package business, workers' compensation, auto and excess and surplus lines.
- Middle & large commercial written premium increased in 2023 driven by double-digit new business growth, renewal written price increases in all lines and higher insured exposures. Written premium grew in nearly all lines across general industries, specialty markets, large property and industry verticals.
- Global specialty written premium increased in 2023 driven by written price increases across almost all lines as well as an increase in gross new business. Written premiums grew across most U.S. lines, international lines, and global reinsurance.

Renewal written price increases were recognized in nearly all lines in 2023, with price increases across most lines other than director's and officer's.

- In small commercial, renewal written price increases were higher in 2023, with high single digit price increases in package business and automobile and double-digit increases in excess and surplus lines. Workers' compensation pricing was slightly positive, but moderated from 2022 due to lower net rates and wage inflation.
- In middle market, the Company recognized high single-digit to low double-digit price increases in most lines other than workers' compensation, which was slightly positive due to the effect of wage inflation largely offset by lower net rates.
- In global specialty, price increases continued to moderate from prior year levels and we achieved low single-digit renewal written price increases overall, with the highest increases in property, marine and casualty lines.

Current Accident Year Underlying Loss and LAE Ratio before Catastrophes

3253

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Current Accident Year Underlying Loss and LAE ratio before catastrophes increased slightly was flat in **2023** **2024** as a higher **general liability** loss ratio in workers' compensation was offset by lower net non-catastrophe property losses driven by middle & large commercial losses.

Catastrophes and Unfavorable (Favorable) Prior Accident Year Development

3438

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Current accident year catastrophe losses for 2024 included losses from tornado, wind and hail events across several regions of the United States, as well as hurricanes and tropical storms primarily in the Southeast and South regions, and, to a lesser extent, winter storms mainly in the Pacific, Northeast and South regions.

Current accident year catastrophe losses for 2023 included losses from tornado, wind and hail events across several regions of the United States, and losses from winter storms along the East and West coasts.

Current accident year catastrophe losses for 2022 included losses for Hurricane Ian, tornado, wind and hail events primarily in the Midwest, South, Mountain West and Great Plains, losses from winter storms, including Winter Storm Elliott, and \$27 of losses, net of reinsurance, related to the Ukraine conflict.

Prior accident year development was net favorable for 2024 and included reserve decreases for workers' compensation, catastrophes, bond and professional liability, partially offset by reserve increases for general liability, automobile liability and assumed reinsurance. Also included is a benefit of \$145 related to amortization of the Navigators ADC deferred gain. For additional information regarding the ADC reinsurance agreement, refer to Note 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to the Consolidated Financial Statements.

Prior accident year development was net favorable for 2023 and included reserve decreases for workers' compensation, catastrophes, bond and package business, partially offset by reserve increases for general liability, assumed reinsurance and automobile liability.

2025 Outlook

Prior accident year development was net favorable for 2022 In 2025, the Company expects written premium growth to arise from new business, including from expanding addressable markets and included reserve decreases for workers' distribution, and increases in written pricing in nearly all lines of business. While we anticipate slight, pricing-related headwinds in

Index to MD&A

reserves for sexual molestation and sexual abuse claims from Commercial Lines to P&C Other Operations. The reallocated reserves relate to excess liability policies written by a legal entity in P&C Other Operations for amounts owed to claimants under the agreement in principle reached with the BSA on sexual molestation and sexual abuse claims in third quarter 2021. In total for the Company, there was no change in 2022 in the liability for settlement amounts owed on the BSA claims.

increases in written pricing in nearly all lines of business. Management expects renewal written pricing increases, excluding workers' compensation, to be consistent with 2023, while workers' compensation pricing is expected to be flat to slightly negative. Written pricing increases in 2024 may be driven by a number of factors including the impact of materials, labor and social inflation costs on loss trends. While we anticipate slight, pricing-related headwinds in workers' compensation margins in 2024, we expect to generate earned pricing in excess of loss trends on the remainder of the Commercial Lines book, but remain subject to the inherent volatility in catastrophe and underlying property results.

PERSONAL LINES INSURANCE - RESULTS OF OPERATIONS

Underwriting Summary																		
		Increase (Decrease)																
		2023		2022		2021		From 2022 to 2023		Increase (Decrease)								
		2024		2023		2022		From 2023 to 2024		Increase (Decrease)								
Written premiums	Written premiums	\$3,198	\$	2,961	\$	2,908	8	8 %	2 %	Written premiums	\$ 3,598	\$	3,198	\$	2,961	13	13 %	8 %
Change in unearned premium reserve	Change in unearned premium reserve	111	12	12	(46)	(46)	NM		NM	Change in unearned premium reserve	145	111	111	12	12	31	31 %	NM
Earned premiums	Earned premiums	3,087	2,949	2,949	2,954	2,954	5	5 %	— %	Earned premiums	3,453	3,087	3,087	2,949	2,949	12	12 %	5 %
Fee income	Fee income	30	30	30	32	32	—	— %	(6 %)	Fee income	33	30	30	30	30	10	10 %	— %
Losses and loss adjustment expenses																		
Current accident year before catastrophes																		
Current accident year before catastrophes																		
Current accident year before catastrophes		2,287	1,969	1,969	1,840	1,840	16	16 %	7 %		2,351	2,287	2,287	1,969	1,969	3	3 %	16 %
Current accident year catastrophes [1]	Current accident year catastrophes [1]	240	208	208	168	168	15	15 %	24 %	Current accident year catastrophes [1]	282	240	240	208	208	18	18 %	15 %
Prior accident year development [1]	Prior accident year development [1]	11	(13)	(13)	(144)	(144)	NM	NM	91 %	Prior accident year development [1]	(108)	11	11	(13)	(13)	NM		NM
Total losses and loss adjustment expenses	Total losses and loss adjustment expenses	2,538	2,164	2,164	1,864	1,864	17	17 %	16 %	Total losses and loss adjustment expenses	2,525	2,538	2,538	2,164	2,164	(1)	(1 %)	17 %
Amortization of DAC	Amortization of DAC	231	228	228	230	230	1	1 %	(1 %)	Amortization of DAC	255	231	231	228	228	10	10 %	1 %
Underwriting expenses		576		594		615		(3 %)	(3 %)									
Insurance operating costs		673		576		594		17 %	(3 %)									

Amortization of other intangible assets	Amortization of other intangible assets	2	2	2	2	2	—	— %	— %	Amortization of other intangible assets	2	2	2	2	2	—	— %	— %
Underwriting gain (loss)	Underwriting gain (loss)	(230)	(9)	(9)	275	275	NM		NM	Underwriting gain (loss)	31	(230)	(230)	(9)	(9)	NM		NM
Net investment income [2]																		
Net investment income [2]																		
Net investment income [2]		171	140	140	157	157	22	22 %	(11 %)		222	171	171	140	140	30	30 %	22 %
Net realized gains (losses) [2]		(16)		(35)		29		54 %	NM									
Net realized losses [2]		(14)		(16)		(35)		13 %	54 %									
Net servicing and other income (expense) [3]	Net servicing and other income (expense) [3]	21	17	17	19	19	24	24 %	(11 %)	Net servicing and other income (expense) [3]	18	21	21	17	17	(14)	(14 %)	24 %
Income (loss) before income taxes																		
Income (loss) before income taxes																		
Income (loss) before income taxes		(54)	113	113	480	480	NM	NM	(76 %)		257	(54)	(54)	113	113	NM		NM
Income tax expense (benefit) [4]	Income tax expense (benefit) [4]	(15)	22	22	95	95	NM	NM	(77 %)	Income tax expense (benefit) [4]	49	(15)	(15)	22	22	NM		NM
Net income (loss)	Net income (loss)	\$ (39)	\$ 91	\$ 91	\$ 385	NM	NM	(76 %)		Net income (loss)	\$ 208	\$ (39)	\$ (39)	\$ 91	NM		NM	

[1]For discussion of current accident year catastrophes and prior accident year development, see MD&A - Critical Accounting Estimates, Property and Casualty Insurance Product Reserves, Net of Reinsurance and Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[2]For discussion of consolidated investment results, see MD&A - Investment Results.

[3]Includes servicing revenues of \$85, \$81, and \$73 for 2024, 2023, and \$80 for 2023, 2022, and 2021, respectively and includes servicing expenses of \$66, \$60, and \$55 for 2024, 2023, and \$61 for 2023, 2022, and 2021, respectively.

[4]For discussion of income taxes, see Note 17 16 - Income Taxes of Notes to Consolidated Financial Statements.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Written and Earned Premiums

Written Premiums	2023	2022	2021	Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022
Product Line					
Automobile	\$ 2,213	\$ 2,020	\$ 1,997	10 %	1 %
Homeowners	985	941	911	5 %	3 %
Total	\$ 3,198	\$ 2,961	\$ 2,908	8 %	2 %
Earned Premiums					
Product Line					
Automobile	\$ 2,134	\$ 2,025	\$ 2,035	5 %	— %
Homeowners	953	924	919	3 %	1 %
Total	\$ 3,087	\$ 2,949	\$ 2,954	5 %	— %

Premium Measures

	2023	2022	2021
Policies in-force end of period (in thousands)			
Automobile	1,257	1,323	1,317
Homeowners	704	740	773
New business written premium			
Automobile	\$ 224	\$ 227	\$ 219
Homeowners	\$ 93	\$ 74	\$ 60
Policy count retention [1]			
Automobile	85 %	84 %	84 %
Homeowners	84 %	84 %	85 %
Effective policy count retention [1]			

Automobile	84 %	86 %	85 %
Homeowners	84 %	85 %	85 %
Renewal written price increase			
Automobile	16.3 %	4.5 %	2.2 %
Homeowners	14.2 %	10.7 %	8.5 %
Renewal earned price increase			
Automobile	10.5 %	3.2 %	2.0 %
Homeowners	12.9 %	8.9 %	8.1 %

[1] Policy count retention represents the number of renewal policies issued during the current year period divided by the new and renewal policies issued in the prior period. Effective policy count retention represents the number of policies expected to renew in the current year period, based on contract effective dates, divided by the new and renewal policies effective in the prior period.

	2024	2023	2022	Increase (Decrease) From 2023 to 2024	Increase (Decrease) From 2022 to 2023
Written Premiums					
Product Line					
Automobile	\$ 2,456	\$ 2,213	\$ 2,020	11 %	10 %
Homeowners	1,142	985	941	16 %	5 %
Total	\$ 3,598	\$ 3,198	\$ 2,961	13 %	8 %
Earned Premiums					
Product Line					
Automobile	\$ 2,401	\$ 2,134	\$ 2,025	13 %	5 %
Homeowners	1,052	953	924	10 %	3 %
Total	\$ 3,453	\$ 3,087	\$ 2,949	12 %	5 %

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Premium Measures

	2024	2023	2022
Policies in-force end of period (in thousands)			
Automobile	1,171	1,257	1,323
Homeowners	712	704	740
New business written premium			
Automobile	\$ 314	\$ 224	\$ 227
Homeowners	\$ 200	\$ 93	\$ 74
Policy count retention			
Automobile	83 %	85 %	84 %
Homeowners	84 %	84 %	84 %
Effective policy count retention			
Automobile	80 %	83 %	86 %
Homeowners	83 %	84 %	85 %
Renewal written price increase			
Automobile	22.1 %	16.3 %	4.5 %
Homeowners	14.8 %	14.2 %	10.7 %
Renewal earned price increase			
Automobile	21.4 %	10.5 %	3.2 %
Homeowners	14.7 %	12.9 %	8.9 %

Underwriting Ratios

	2023	2022	2021	Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022
	2024	2023	2022	to 2024	to 2023
Loss and loss adjustment expense ratio					

Current accident year before catastrophes
Current accident year before catastrophes
Current accident year before catastrophes
Expense Ratio
Combined Ratio
Adjustment to reconcile combined ratio to underlying combined ratio:
Adjustment to reconcile combined ratio to underlying combined ratio:
Adjustment to reconcile combined ratio to underlying combined ratio:
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Underlying combined ratio
Underlying loss and loss adjustment expense ratio
Underlying loss and loss adjustment expense ratio
Underlying loss and loss adjustment expense ratio
Current accident year catastrophes
Prior accident year development
Total loss and loss adjustment expense ratio
Expense ratio
Combined ratio
Impact of current accident year catastrophes and prior year development
Underlying combined ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Loss and loss adjustment expense ratio
Adjustment to reconcile loss and loss adjustment expense ratio to underlying loss and loss adjustment expense ratio:
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Current accident year catastrophes and prior year development
Underlying loss and loss adjustment expense ratio

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Product Combined Ratios					
	2023	2022	2021	Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022
	2024	2023	2022	Increase (Decrease) From 2023 to 2024	Increase (Decrease) From 2022 to 2023
Automobile					
Combined ratio					
Combined ratio					
Combined ratio					
Adjustment to reconcile combined ratio to underlying combined ratio:					
Current accident year catastrophes					
Current accident year catastrophes					
Current accident year catastrophes					
Prior accident year development					
Underlying combined ratio					
Homeowners					
Homeowners					
Homeowners					

Combined ratio
Combined ratio
Combined ratio
Adjustment to reconcile combined ratio to underlying combined ratio:
Current accident year catastrophes
Current accident year catastrophes
Current accident year catastrophes
Prior accident year development
Underlying combined ratio

Net Income (Loss)

741

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Net loss income changed from to a net income in 2022, gain compared to a net loss for the prior year, largely driven by an increase in the improved underwriting loss, partially offset by results and an increase in net investment income and a decrease in net realized losses. income.

Underwriting Gain (Loss)

967

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Underwriting gain changed to a net gain compared to a net loss increased in 2023, for the prior year, driven by higher current accident year losses before catastrophes, an increase a decrease in current accident year catastrophe losses the underlying loss and a change from favorable to unfavorable prior accident year development, partially offset by LAE ratio, the effect of an increase in earned premium due to renewal written price increases, and a decrease change from unfavorable to favorable prior accident year development, partially offset by an increase in current accident year catastrophe losses, and an increase in insurance operating costs.

Expense ratio increased primarily due to higher direct marketing costs, costs, higher incentive compensation and benefits costs, and higher commissions, partially offset by the impact of higher earned premium.

[Index to MD&A](#)

Expense ratio decreased in 2023 primarily due to lower direct marketing costs, and to a lesser extent, the impact of higher earned premium and Hartford Next savings.

Earned Premiums

1632

Written Premiums

1651

Year ended December 31, 2023 **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Earned premiums increased in 2023 due to an increase in higher written premium over the prior twelve months in both automobile and in homeowners.

Written Premiums

2243

Written premiums increased in 2023 due to 2024 driven by the effect of written pricing increases and by an increase in new business premium in both automobile and homeowners, partially offset by non-renewals, homeowners.

Renewal written pricing increases were higher for both automobile and homeowners in 2023 2024 primarily in response to recent higher elevated loss cost trends as well as higher insured values in homeowners.

Policy count retention slightly increased in decreased for automobile and was stable for homeowners in 2023, 2024, in response to renewal written pricing increases.

Effective policy count retention decreased both for automobile and for homeowners in 2023 2024, in response to renewal written pricing increases.

Policies in-force as of the end of 2024 declined since 2023 decreased for both automobile and increased for homeowners, compared to the end of 2022, reflecting the level of new business in relation to non-renewed policies.

Current Accident Year Loss and Loss Adjustment Expense Ratio before Catastrophes

3231

Year ended December 31, 2023 compared to the year ended **December 31, 2022**

Current accident year loss and LAE ratio before catastrophes increased in both automobile and homeowners in 2023. The increase in automobile was primarily due to an increase in automobile liability and physical damage claim severity, as well as a higher level of frequency in the current period due to driving continuing to return to more normalized levels, partially offset by the impact of earned pricing increases. The automobile severity increases include the inflationary effects on bodily injury claims and automobile parts and repairs. For homeowners, the increase in the current accident year loss and LAE ratio before catastrophes was due to an increase in severity for both weather and non-weather claims, partially offset by earned pricing increases. Contributing to the increase in homeowners severity was the effect of higher rebuilding costs due to inflation.

[Index to MD&A](#)

Underlying Loss and Loss Adjustment Expense Ratio

2312

Current Accident Year Catastrophes and Unfavorable (Favorable) Prior Accident Year Development

2524

Year ended December 31, 2024 compared to the year ended December 31, 2023

Underlying loss and LAE ratio decreased in both automobile and homeowners in 2024. The decrease in automobile was primarily due to the impact of earned pricing increases as well as lower physical damage claim frequency, partially offset by higher automobile claim severities. The auto physical damage claim severity trend has moderated from the prior year. The automobile liability severity increases continue to recognize the inflationary effects and higher attorney representation rates on bodily injury claims. For homeowners, the decrease in the underlying loss and LAE ratio was primarily due to the impact of earned pricing increases and lower claim frequency, partially offset by higher claim severities. Contributing to the higher homeowners severity was the effect of higher rebuilding costs.

Year ended December 31, 2023 compared to the year ended December 31, 2022

Current accident year catastrophe losses increased in 2023 compared to the prior year. Current accident year catastrophe losses for 2024 included losses from tornado, wind and hail events in several regions of the United States, and to a lesser extent, from hurricanes and tropical storms primarily in the Southeast region. Current accident year catastrophe losses for 2023 included tornado, wind and hail events across several regions of the United States, losses from winter storms primarily on the East and West coasts, and to a lesser extent, wildfire events and hurricanes and tropical storms. Current accident year catastrophe losses for 2022 included losses for Hurricane Ian as well as wind and hail events primarily in the Northern Plains, Midwest, South and Mountain West, and losses from winter storms.

Prior accident year development was favorable in 2024, primarily driven by lower estimated severity on automobile physical damage, automobile liability, and homeowners, as well as decreases in reserves related to catastrophes. Prior accident year development was unfavorable in 2023, primarily driven by automobile physical damage, partially offset by decreases in reserves related to homeowners and catastrophes. Prior accident year development was favorable for 2022, primarily driven by automobile liability.

2024 Outlook

In 2024, the Company expects written premium growth largely primarily from strong renewal written pricing increases, increases in both automobile and homeowners, as well as an increase in new business premium. We expect 2025 annual written pricing increases in both automobile and homeowners to moderate compared to 2024 results. Retention is expected to moderate improve as written pricing moderates, while growth in new business will be driven by increased marketing spend and the continued roll out of our new Prevail automobile and homeowners' product which is available in 39 states as of December 31, 2023, with additional states expected during the year. We expect 2024 annual written pricing in both automobile and homeowners' to be consistent with fourth quarter 2023 results. Loss ratios are expected to continue to improve in automobile and earned pricing is expected to remain above loss cost trends in homeowners', however both are subject to volatility in severity trends, for which we are expecting moderation from the elevated levels that have occurred over the past couple of years due to supply chain and other inflationary pressures, and the impact of volatile catastrophe results.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

PROPERTY & CASUALTY OTHER OPERATIONS - RESULTS OF OPERATIONS

Underwriting Summary

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117/396

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REFINITIV 

										Increase (Decrease)											Increase (Decrease)
										From 2022 to 2023											From 2021 to 2022
										From 2023 to 2024											From 2022 to 2023
		2023	2022	2021																	
		2024	2023	2022																	
Losses and loss adjustment expenses																					
Losses and loss adjustment expenses																					
Losses and loss adjustment expenses																					
Prior accident year development [1]																					
Prior accident year development [1]																					
Prior accident year development [1]		\$ 224	\$ 280	\$ 202	(20	(20 %)	39 %	\$ 219	\$ 224	\$ 280	(2	(2 %)	(20 %)								
Total losses and loss adjustment expenses	Total losses and loss adjustment expenses	224	280	280	202	202	(20	(20 %)	39 %	Total losses and loss adjustment expenses	219	224	224	280	280	(2	(2 %)	(20 %)			
Underwriting expenses		4	9	8	(56 %)	13 %															
Insurance operating costs		9	4	9	125 %	(56 %)															
Underwriting loss	Underwriting loss	(228)	(289)	(289)	(210)	(210)	21	21 %	(38 %)	Underwriting loss	(228)	(228)	(228)	(289)	(289)	—	— %	21 %			
Net investment income [2]	Net investment income [2]	69	63	63	75	75	10	10 %	(16 %)	Net investment income [2]	74	69	69	63	63	7	7 %	10 %			
Net realized gains (losses) [2]		(7)	(16)	13	56 %	NM															
Other income (expenses)		—	—	(1)	— %	100 %															
Net realized losses [2]		(4)	(7)	(16)	43 %	56 %															
Other expenses		(4)	—	—	NM	— %															
Loss before income taxes	Loss before income taxes	(166)	(242)	(242)	(123)	(123)	31	31 %	(97 %)	Loss before income taxes	(162)	(166)	(166)	(242)	(242)	2	2 %	31 %			
Income tax benefit [3]	Income tax benefit [3]	(36)	(52)	(52)	(28)	(28)	31	31 %	(86 %)	Income tax benefit [3]	(35)	(36)	(36)	(52)	(52)	3	3 %	31 %			
Net loss	Net loss	\$ (130)	\$ (190)	\$ (95)	32	32 %	(100 %)	Net loss	\$ (127)	\$ (130)	\$ (190)	2	2 %	32 %							

[1]For discussion of prior accident year development, see MD&A - Critical Accounting Estimates, Property and Casualty Insurance Product Reserves, Net of Reinsurance and Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

[2]For discussion of consolidated investment results, see MD&A - Investment Results.

[3]For discussion of income taxes, see Note 17 16 - Income Taxes of Notes to Consolidated Financial Statements.

Net Loss

441

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Net loss decreased slightly primarily due to a lower underwriting loss, higher net investment income and lower net realized losses, and partially offset by an increase in net investment income, other expense relating to a one-time contract settlement charge on a claims servicing arrangement.

reserves. Unfavorable prior accident year development in 2022 included a \$229 In 2024, an increase in A&E reserves, and reallocating a portion the deferred gain of general liability reserves from Commercial Lines \$62 was recognized relating to P&C Other Operations related ceding losses to sexual molestation and sexual abuse claims. The reallocated reserves relate to excess liability policies written by a legal entity in P&C Other Operations for amounts owed to claimants under the agreement in principle reached with the BSA on sexual molestation and sexual abuse claims in third quarter 2021. In total for the Company, there was no change in the liability for settlement amounts owed on the BSA claims in the 2022 period.

Before NICO reinsurance in 2023, A&E reserves were increased by \$194 in P&C Other Operations, including \$156 for asbestos and \$38 for environmental. Cumulative adverse A&E reserve development ceded to NICO for both ongoing operations and P&C Other Operations totaled \$1,438 through December 31, 2023 and since this amount exceeds ceded premium paid for the A&E ADC of \$650, the Company has recognized a \$788 deferred gain on retroactive reinsurance as of December 31, 2023, within other liabilities, including a \$194 increase in deferred gain in 2023 recognized within P&C Other Operations. ADC.

Asbestos reserves prior accident year development in 2023 2024 before NICO reinsurance of \$156 \$167 was primarily due to higher-than-expected frequency, higher settlement values for certain accounts, an increase in the Company's share of liability due to insolvencies and cost sharing agreements and an increase in claim settlement rates, as well as higher defense costs, rates.

Environmental reserves prior accident year development in 2023 2024 before NICO reinsurance of \$38 \$36 was primarily due to higher severity on recently emerged accounts, higher environmental site cleanup and monitoring costs, including increased estimates of liability for PFAS exposures, and higher legal expenses.

Underwriting loss decreased, primarily due to lower was unchanged as an increase in insurance operating costs was offset by a decrease in unfavorable prior accident year reserve development in the 2023 period, development.

Unfavorable prior accident year reserve development for the year ended December 31, 2024 was primarily due to a \$203 increase in A&E reserves and a \$28 increase in related ULAE reserves. Unfavorable prior accident year reserve development for the year ended December 31, 2023 was primarily due to a \$194 \$194 increase in A&E reserves and a \$23 \$23 increase in related ULAE

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

GROUP EMPLOYEE BENEFITS - RESULTS OF OPERATIONS

Operating Summary																											
										Increase (Decrease) From 2022 to 2023		Increase (Decrease) From 2021 to 2022															
		2023		2022		2021																					
										Increase (Decrease) From 2023 to 2024		Increase (Decrease) From 2022 to 2023															
		2024		2023		2022																					
Premiums and other considerations	Premiums and other considerations	\$ 6,515	\$ 6,057	\$ 5,687	8	8 %	7 %	Premiums and other considerations										\$ 6,515	\$ 6,515	\$ 6,057	2	2 %	8 %				
Net investment income [1]	Net investment income [1]	469	524	550	550	(10)	(10 %)	(5 %)	Net investment income [1]										475	469	469	524	524	1	1 %	(10 %)	
Net realized gains (losses) [1]		(45)		(122)		130		63 %		(194 %)																	
Net realized losses [1]		(24)		(45)		(122)		47 %		63 %																	
Total revenues	Total revenues	6,939	6,459	6,459	6,367	6,367	7	7 %	1 %	Total revenues										7,066	6,939	6,939	6,459	6,459	2	2 %	7 %

Benefits, losses and loss adjustment expenses	Benefits, losses and loss adjustment expenses	4,683	4,517	4,517	4,602	4,602	4	4 %	(2 %)	Benefits, losses and loss adjustment expenses	4,681	4,683	4,683	4,517	4,517	—	— %	4 %
Amortization of DAC	Amortization of DAC	34	33	33	40	40	3	3 %	(18 %)	Amortization of DAC	34	34	34	33	33	—	— %	3 %
Insurance operating costs and other expenses	Insurance operating costs and other expenses	1,514	1,467	1,467	1,373	1,373	3	3 %	7 %	Insurance operating costs and other expenses	1,609	1,514	1,514	1,467	1,467	6	6 %	3 %
Amortization of other intangible assets	Amortization of other intangible assets	40	40	40	40	40	—	— %	— %	Amortization of other intangible assets	40	40	40	40	40	—	— %	— %
Total benefits, losses and expenses	Total benefits, losses and expenses	6,271	6,057	6,057	6,055	6,055	4	4 %	— %	Total benefits, losses and expenses	6,364	6,271	6,271	6,057	6,057	1	1 %	4 %
Income before income taxes	Income before income taxes	668	402	402	312	312	66	66 %	29 %	Income before income taxes	702	668	668	402	402	5	5 %	66 %
Income tax expense [2]	Income tax expense [2]	133	75	75	56	56	77	77 %	34 %	Income tax expense [2]	141	133	133	75	75	6	6 %	77 %
Net income	Net income	\$ 535	\$ 327	\$ 327	\$ 256	\$ 256	64	64 %	28 %	Net income	\$ 561	\$ 535	\$ 535	\$ 327	\$ 327	5	5 %	64 %

[1]For discussion of consolidated investment results, see MD&A - Investment Results.

[2]For discussion of income taxes, see Note 17-16 - Income Taxes of Notes to Consolidated Financial Statements.

Premiums and Other Considerations

		Premiums and Other Considerations														
		2023	2022	2021	Increase (Decrease) From 2022 to 2023			Increase (Decrease) From 2021 to 2022								
		2024	2023	2022	Increase (Decrease) From 2023 to 2024			Increase (Decrease) From 2022 to 2023								
Fully insured — ongoing premiums	Fully insured — ongoing premiums	\$6,290	\$5,858	\$5,502	7	7 %	6 %	Fully insured — ongoing premiums	\$6,392	\$6,290	\$5,858	2	2 %	7 %		
Buyout premiums	Buyout premiums	8	12	2	2	(33)	(33 %)	NM	1	8	8	12	12	(88)	(88 %)	(33 %)
Fee income	Fee income	217	187	187	183	16	16 %	2 %	222	217	217	187	187	2	2 %	16 %
Total premiums and other considerations	Total premiums and other considerations	\$6,515	\$6,057	\$5,687	8	8 %	7 %	Total premiums and other considerations	\$6,615	\$6,515	\$6,057	2	2 %	8 %		
Fully insured ongoing sales	Fully insured ongoing sales	\$839	\$801	\$760	5	5 %	5 %	Fully insured ongoing sales	\$718	\$839	\$801	(14)	(14 %)	5 %		

Ratios, Excluding Buyouts

		2023	2022	2021	Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022						
		2024	2023	2022	Increase (Decrease) From 2023 to 2024	Increase (Decrease) From 2022 to 2023						
Group disability loss ratio	Group disability loss ratio	67.1 %	68.3 %	68.2 %	(1.2)	0.1	Group disability loss ratio	68.0 %	67.1 %	68.3 %	0.9	(1.2)
Group life loss ratio	Group life loss ratio	83.5 %	87.4 %	101.5 %	(3.9)	(14.1)	Group life loss ratio	78.7 %	83.5 %	87.4 %	(4.8)	(3.9)
Total loss ratio	Total loss ratio	71.8 %	74.5 %	80.9 %	(2.7)	(6.4)	Total loss ratio	70.8 %	71.8 %	74.5 %	(1.0)	(2.7)
Expense ratio [1]	Expense ratio [1]	24.3 %	25.3 %	25.5 %	(1.0)	(0.2)	Expense ratio [1]	25.4 %	24.3 %	25.3 %	1.1	(1.0)

[1]Integration and transaction costs related to the acquisition of Aetna's U.S. group life and disability business are not included in the expense ratio.

Margin

				Increase (Decrease) From	Increase (Decrease) From
				2023 to 2024	2022 to 2023
				2024	2023
Net income margin				7.9 %	7.7 %
Adjustments to reconcile net income margin to core earnings margin:					
Net realized losses, before tax				0.4 %	1.8 %
Integration and other non-recurring M&A costs, before tax				— %	0.1 %
Income tax expense				(0.1 %)	(0.5 %)
Core earnings margin				8.2 %	6.5 %

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Margin

	2023	2022	2021	Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022
Net income margin	7.7 %	5.1 %	4.0 %	2.6	1.1
Adjustments to reconcile net income margin to core earnings margin:					
Net realized losses (gains), before tax	0.4 %	1.8 %	(2.0 %)	(1.4)	3.8
Integration and other non-recurring M&A costs, before tax	0.1 %	0.1 %	0.1 %	0.0	0.0
Income tax expense (benefit)	(0.1 %)	(0.5 %)	0.5 %	0.4	(1.0)
Core earnings margin	8.1 %	6.5 %	2.6 %	1.6	3.9

Net Income

437

Fully Insured Ongoing Premiums

1042

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Net income increased primarily due to a lower **group life** loss ratio, **the effect of higher fully insured ongoing premiums including a lower expense ratio**, and lower **net realized losses**, partially offset by a **decrease in net investment income**, **higher expense ratio and a higher loss ratio on group disability and supplemental health products**.

Insurance operating costs and other expenses were higher primarily due to the effect of **an increase in fully insured ongoing premium, growth, higher staffing costs**, including **higher incentive compensation and benefits costs**, higher commissions and **staffing costs and increased investments in technology** partially offset by **incremental expense savings from Hartford Next and lower incentive compensation investments**.

Year ended **December 31, 2023** **December 31, 2024** compared to the year ended **December 31, 2022** **December 31, 2023**

Fully insured ongoing premiums increased **in group disability, life over prior year and other driven by strong persistency and new business sales as well as included an increase in exposure on existing accounts, accounts, new business sales, and persistency in excess of 90%, though slightly below the prior year**.

Fully insured ongoing sales decreased compared to prior year driven by lower group life and group disability sales.

Ratios

1428

Year ended **December 31, 2024** compared to the year ended **December 31, 2023**

Loss ratio improved 1.0 points in 2024 compared to the prior year period, driven by a lower group life loss ratio, partially offset by increased loss ratios in disability and supplemental health products. The group life loss ratio decreased 4.8 points driven by a lower level of mortality. The group disability loss ratio increased 0.9 points driven by higher loss ratio on paid family and medical leave products, partially offset by favorable long-term disability claim recoveries and changes in the long-term disability recovery rate assumption of 0.5 points.

Expense ratio increased primarily due to **increases the impact of higher staffing costs**, including higher incentive compensation and benefits costs and increased investments in technology.

2025 Outlook

The Company expects growth in fully insured ongoing premiums in 2025 due to sales and continued strong book persistency. The level of long-term disability incidence and recoveries will impact the group disability loss ratio. Although the group life sales, **partially offset by a decrease loss ratio**, which had been elevated during the pandemic, improved in **group disability sales**.

2024, we expect 2025 mortality to still be above pre-pandemic levels. We expect the long-term net income margin outlook for this business to be approximately 6% to 7%.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Ratios

Year ended December 31, 2023 compared to the year ended December 31, 2022

Loss ratio improved 2.7 points for 2023 compared to the prior year period reflecting lower group life and group disability loss ratios. The group life loss ratio decreased 3.9 points driven by a lower level of mortality compared to the prior year period.

The group disability loss ratio decreased 1.2 points due to favorable long-term disability claim incidence and recoveries, partially offset by higher incidence in paid family leave and short-term disability products.

Expense ratio decreased in 2023 driven by the effect of higher earned premiums, incremental expense savings from Hartford Next and lower incentive compensation, partially offset by higher staffing costs and increased investments in technology.

2024 Outlook

In a highly competitive pricing environment, the Company expects growth in fully insured ongoing premiums in 2024 due to continued strong book persistency and sales, including from voluntary product offerings, state paid family and medical leave and an emphasis on small to mid-size employer groups. The level of long-term disability incidence and recoveries, both of which were favorable in 2023, will impact the group disability loss ratio. The group life loss ratio, which had been elevated during the pandemic, improved in 2023 and may be impacted by the effect of increasing pricing and loss trends in an endemic state. We expect the long-term net income margin outlook for this business to be approximately 6% to 7%, which does not assume any net realized gains or losses and is subject to uncertainty on mortality and long-term disability loss cost trends as well as volatility in net investment income.

HARTFORD FUNDS - RESULTS OF OPERATIONS

Operating Summary

										Increase (Decrease) From 2022 to 2023	Increase (Decrease) From 2021 to 2022			
2023			2022			2021			2023	2022				
										Increase (Decrease) From 2023 to 2024	Increase (Decrease) From 2022 to 2023			
2024			2023			2022			2024	2023				
Fee income and other revenue	Fee income and other revenue	\$ 973	\$ 1,044	\$ 1,189	(7 (7 %)	(12 %)	Fee income and other revenue	\$ 1,035	\$ 973	\$ 1,044	6 6 % (7 %)			
Net investment income	Net investment income	17	9	5	89 89 %	80 %	Net investment income	20	17	17	9 9 18 18 % 89 %			
Net realized gains (losses)	Net realized gains (losses)	10	(24)	(24)	4	4 NM	Net realized gains (losses)	12	10	10	(24) (24) 20 20 % NM			
Total revenues	Total revenues	1,000	1,029	1,029	1,198	1,198 (3 (3 %)	(14 %)	Total revenues	1,067	1,000	1,000	1,029	1,029	7 7 % (3 %)
Operating costs and other expenses														
Operating costs and other expenses														
Operating costs and other expenses		781	826	826	925	925 (5 (5 %)	(11 %)	824	781	781	826	826	6 6 % (5 %)	
Total benefits, losses and expenses		781	826	925	(5 %)	(11 %)								
Income before income taxes														
Income before income taxes														
Income before income taxes	Income before income taxes	219	203	203	273	273 8 8 %	(26 %)	243	219	219	203	203	11 11 %	8 %
Income tax expense [1]	Income tax expense [1]	45	41	41	56	56 10 10 %	(27 %)	51	45	45	41	41	13 13 %	10 %
Net income	Net income	\$ 174	\$ 162	\$ 217	7 7 %	(25 %)	Net income	\$ 192	\$ 174	\$ 162	10 10 %	7 %		
Daily average Hartford Funds AUM	Daily average Hartford Funds AUM	\$127,019	\$135,124	\$151,347	(6 (6 %)	(11 %)	Daily average Hartford Funds AUM	\$136,477	\$127,019	\$135,124	7 7 %	(6 %)		
ROA [2]	ROA [2]	13.7	12.0	12.0	14.3	14.3 1.7 1.7	(2.3)	ROA [2]	14.1	13.7	13.7	12.0	12.0	0.4 0.4 1.7

Adjustments to reconcile ROA to ROA, core earnings:

Effect of net realized losses (gains), excluded from core earnings, before tax																		
Effect of net realized losses (gains), excluded from core earnings, before tax																		
Effect of net realized losses (gains), excluded from core earnings, before tax		(0.8)	1.7	1.7	(0.3)	(0.3)	(2.5)	(2.5)	2.0	(0.8)	(0.8)	(0.8)	1.7	1.7	0.0	0.0	(2.5)	
Effect of income tax expense (benefit)	Effect of income tax expense (benefit)	0.1	(0.4)	(0.4)	0.1	0.1	0.5	0.5	(0.5)	Effect of income tax expense (benefit)	—	0.1	0.1	(0.4)	(0.4)	(0.1)	(0.1)	0.5
ROA, core earnings [2]	ROA, core earnings [2]	13.0	13.3	13.3	14.1	14.1	(0.3)	(0.3)	(0.8)	ROA, core earnings [2]	13.3	13.0	13.0	13.3	13.3	0.3	0.3	(0.3)

[Index to MD&A](#)

Hartford Funds Segment AUM																					
										Increase (Decrease) From 2022 to 2023		Increase (Decrease) From 2021 to 2022									
										Increase (Decrease) From 2023 to 2024		Increase (Decrease) From 2022 to 2023									
										2024		2023		2022							
Mutual Fund and ETF AUM - beginning of period	Mutual Fund and ETF AUM - beginning of period	\$112,472	\$	142,632	\$	124,627	(21	(21 %)	14 %	Mutual Fund and ETF AUM - beginning of period	\$119,316	\$	112,472	\$	142,632	6	6 %	(21 %)			
Sales - Mutual Fund	Sales - Mutual Fund	20,960	29,833	29,833	32,399	32,399	(30	(30 %)	(8 %)	Sales - Mutual Fund	24,325	20,960	20,960	29,833	29,833	16	16 %	(30 %)			
Redemptions - Mutual Fund	Redemptions - Mutual Fund	(28,606)	(37,981)	(37,981)	(28,653)	(28,653)	25	25 %	(33 %)	Redemptions - Mutual Fund	(28,041)	(28,606)	(28,606)	(37,981)	(37,981)	2	2 %	25 %			
Net flows - ETF	Net flows - ETF	619	197	197	121	121	NM	NM	63 %	Net flows - ETF	491	619	619	197	197	(21	(21 %)	NM			
Net Flows - Mutual Fund and ETF	Net Flows - Mutual Fund and ETF	(7,027)	(7,951)	(7,951)	3,867	3,867	12	12 %	NM	Net Flows - Mutual Fund and ETF	(3,225)	(7,027)	(7,027)	(7,951)	(7,951)	54	54 %	12 %			
Change in market value and other	Change in market value and other	13,871	(22,209)	(22,209)	14,138	14,138	NM		NM	Change in market value and other	11,963	13,871	13,871	(22,209)	(22,209)	(14	(14 %)	NM			
Mutual Fund and ETF AUM - end of period	Mutual Fund and ETF AUM - end of period	119,316	112,472	112,472	142,632	142,632	6	6 %	(21 %)	Mutual Fund and ETF AUM - end of period	128,054	119,316	119,316	112,472	112,472	7	7 %	6 %			
Third-party life and annuity separate account AUM	Third-party life and annuity separate account AUM	11,709	11,635	11,635	15,263	15,263	1	1 %	(24 %)	Third-party life and annuity separate account AUM	11,544	11,709	11,709	11,635	11,635	(1	(1 %)	1 %			
Hartford Funds AUM - end of period	Hartford Funds AUM - end of period	\$131,025	\$	124,107	\$	157,895	6	6 %	(21 %)	Hartford Funds AUM - end of period	\$139,598	\$	131,025	\$	124,107	7	7 %	6 %			

Mutual Fund and ETF AUM by Asset Class													
										Increase (Decrease)			
										From 2022 to 2023		Increase (Decrease)	
										2023	2022	2021	2023
										Increase (Decrease)			
										From 2023 to 2024		Increase (Decrease)	
										2024	2023	2022	2024
										From 2022 to 2023			
Equity - Mutual Funds	Equity - Mutual Funds	\$ 79,352	\$ 73,782	\$ 95,703	8	8 %	(23 %)	Equity - Mutual Funds	\$ 84,000	\$ 79,352	\$ 73,782	6	6 % 8 %
Fixed Income - Mutual Funds	Fixed Income - Mutual Funds	16,773	15,861	20,113	6	6 %	(21 %)	Fixed Income - Mutual Funds	21,059	16,773	15,861	26	26 % 6 %
Multi-Strategy Investments - Mutual Funds [1]	Multi-Strategy Investments - Mutual Funds [1]	19,292	19,975	23,610	(3)	(3 %)	(15 %)	Multi-Strategy Investments - Mutual Funds [1]	18,512	19,292	19,975	(4)	(4 %)
Equity - ETF	Equity - ETF	2,141	1,805	2,230	19	19 %	(19 %)	Equity - ETF	1,811	2,141	1,805	(15)	(15 %)
Fixed Income - ETF	Fixed Income - ETF	1,758	1,049	976	68	68 %	7 %	Fixed Income - ETF	2,672	1,758	1,049	52	52 % 68 %
Mutual Fund and ETF AUM	Mutual Fund and ETF AUM	\$119,316	\$ 112,472	\$ 142,632	6	6 %	(21 %)	Mutual Fund and ETF AUM	\$128,054	\$ 119,316	\$ 112,472	7	7 % 6 %

[1]Includes balanced, allocation, and alternative investment products.

Net Income	Hartford Funds AUM
 389	 707
Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023	December 31, 2023 2024 compared to December 31, 2022 December 31, 2023
Net income increased for the year ended December 31, 2023 December 31, 2024 , primarily driven by net realized gains compared due to net realized losses in 2022 and higher net investment income, partially offset by a decrease an increase in fee income net of variable operating costs and other expenses driven by a decrease in higher daily average AUM.	Hartford Funds AUM increased primarily due to an increase in market values, partly offset by net outflows over the previous twelve months. Net outflows were \$3.2 billion for the year ended December 31, 2024 compared to net outflows of \$7.0 billion for the year ended December 31, 2023 compared .
2024 Outlook	2025 Outlook
Assuming continued growth in equity markets in 2024, the Company expects net income for Hartford Funds to increase from 2023 to 2024.	Assuming continued growth in equity markets in 2025, the Company expects net income for Hartford Funds to net outflows of \$8.0 billion for the year ended December 31, 2022, increase from 2024 to 2025.

2024 Outlook
Assuming continued growth in equity markets in 2024, the Company expects net income for Hartford Funds to increase from 2023 to 2024.

CORPORATE - RESULTS OF OPERATIONS

Operating Summary

										Increase (Decrease) From											
										Increase (Decrease)											
										From 2021 to 2022											
										From 2022 to 2023											
										Increase (Decrease) From											
										Increase (Decrease)											
										From 2022 to 2023											
		2023	2022	2021								2024	2023	2022							
Fee income [1]	Fee income [1]	\$ 39	\$ 49	\$ 50	(20	(20 %)	(2 %)		Fee income [1]	\$ 40	\$ 39	\$ 49	3	3 %	(20 %)						
Net investment income																					
Net investment income [2]																					
Net investment income																					
Net investment income [2]																					
Net investment income		47	26	24	81 %	8 %															
Net realized gains (losses)		26	(45)	73		NM															
Net investment income [2]		63	47	26	34 %	81 %															
Net realized gains (losses) [2]		42	26	(45)	62 %	NM															
Other revenue (loss)	Other revenue (loss)	2	1	(10)	(10)	100	100 %	NM	Other revenue (loss)	2	2	2	1	1	—	— %	100 %				
Total revenues	Total revenues	114	31	31	137	137	NM	NM	(77 %)	Total revenues	147	114	114	31	31	29	29 %	NM			
Benefits, losses and loss adjustment expenses [2]		7	8	8	(13 %)	— %															
Benefits, losses and loss adjustment expenses [3]		8	7	8	14 %	(13 %)															
Insurance operating costs and other expenses [1]																					
Insurance operating costs and other expenses [1]																					
Insurance operating costs and other expenses [1]		68	61	61	90	90	11	11 %	(32 %)		54	68	68	61	61	(21	(21 %)	11 %			
Interest expense [3]																					
Interest expense [3]																					
Interest expense [3]		199	213	234	(7 %)	(9 %)															
Interest expense [4]																					
Interest expense [4]																					
Interest expense [4]		199	199	213	— %	(7 %)															
Restructuring and other costs	Restructuring and other costs	6	13	13	1	1	(54	(54 %)	NM	Restructuring and other costs	2	6	6	13	13	(67	(67 %)	(54 %)			
Total benefits, losses and expenses	Total benefits, losses and expenses	280	295	295	333	333	(5	(5 %)	(11 %)	Total benefits, losses and expenses	263	280	280	295	295	(6	(6 %)	(5 %)			
Loss before income taxes	Loss before income taxes	(166)	(264)	(264)	(196)	(196)	37	37 %	(35 %)	Loss before income taxes	(116)	(166)	(166)	(264)	(264)	30	30 %	37 %			
Income tax benefit [4]		(45)	(69)	(47)	35 %	(47 %)															
Income tax benefit [5]		(44)	(45)	(69)	2 %	35 %															
Net loss	Net loss	(121)	(195)	(195)	(149)	(149)	38	38 %	(31 %)	Net loss	(72)	(121)	(121)	(195)	(195)	40	40 %	38 %			
Preferred stock dividends	Preferred stock dividends	21	21	21	21	21	—	— %	— %	Preferred stock dividends	21	21	21	21	21	—	— %	— %			
Net loss available to common stockholders	Net loss available to common stockholders	(142)	(216)	(170)	34	34 %	(27 %)			Net loss available to common stockholders	(93)	(142)	(216)	35	35 %	34 %					

[1]Includes investment management fees and expenses related to managing third-party assets, business.

[2]For discussion of consolidated investment results, see MD&A - Investment Results.

[3]Includes benefits expense on life and annuity business previously underwritten by the Company.

[3] 4]For discussion of debt, see Note 14 13 - Debt of Notes to Consolidated Financial Statements.

[4] 5]For discussion of income taxes, see Note 17 16 - Income Taxes of Notes to Consolidated Financial Statements.

Net loss available to common stockholders
401

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Net loss available to common stockholders for the year ended December 31, 2023 December 31, 2024 decreased primarily due to a change from net realized losses an increase in the 2022 period to net realized gains, in the 2023 period, higher net investment income, lower interest expense, a loss on extinguishment of debt in the 2022 period and lower restructuring costs, partially offset by a \$14, before tax, capital-based state tax expense covering several years recorded in the 2023 period, related to recently released guidance, and lower restructuring costs.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Interest Expense
932

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Interest expense decreased remained flat for the year ended December 31, 2023 due to the redemption of \$600 in 7.875% junior subordinated debentures in April 2022, December 31, 2024.

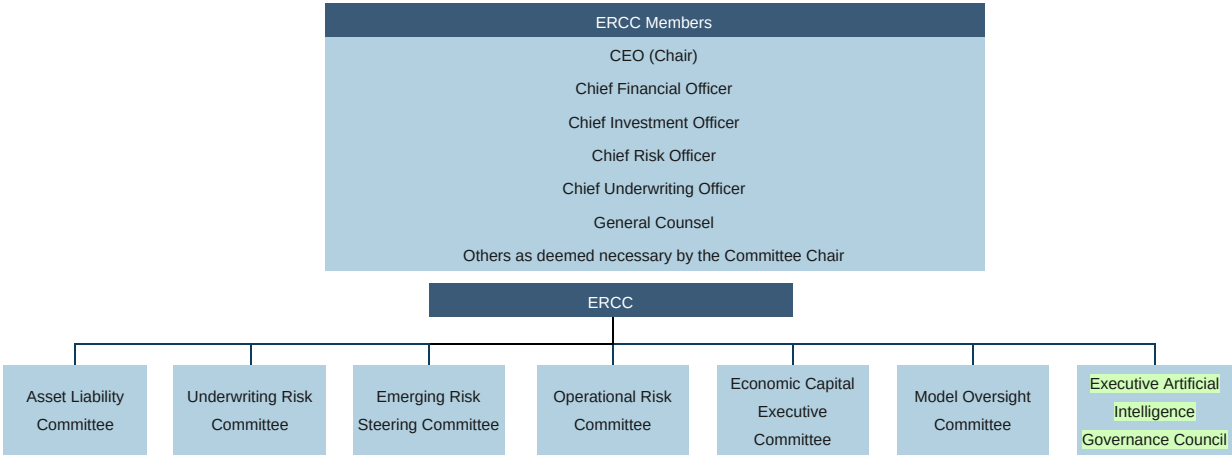
[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

ENTERPRISE RISK MANAGEMENT

The Company's Board of Directors has ultimate responsibility for risk oversight, as described more fully in our Proxy Statement, while management is tasked with the day-to-day management of the Company's risks.

The Company manages and monitors risk through risk policies, controls and limits. At the senior management level, an Enterprise Risk and Capital Committee ("ERCC") oversees the risk profile and risk management practices of the Company. As illustrated below, a number of functional committees sit underneath the ERCC, providing oversight of specific risk areas and recommending risk mitigation strategies to the ERCC.



The Company's enterprise risk management ("ERM") function supports the ERCC and functional committees, and is tasked with, among other things:

- risk identification and assessment;
- the development of risk appetites, tolerances, and limits;
- risk monitoring; and
- internal and external risk reporting.

The Company categorizes its main risks as insurance risk, operational risk and financial risk, each of which is described in

more detail below.

INSURANCE RISK

Insurance risk is the risk of losses of both a catastrophic and non-catastrophic nature on the P&C and Group Employee Benefits products the Company has sold. Catastrophe insurance risk is the exposure arising from both natural catastrophes (e.g., weather, earthquakes, wildfires, pandemics) and man-made catastrophes (e.g., terrorism, cyber-attacks) that create a

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

concentration or aggregation of loss across the Company's insurance or asset portfolios.

Sources of Insurance Risk Non-catastrophe insurance risks exist within each of the Company's segments except Hartford Funds and include:

- **Property-** Risk of loss to personal or commercial property from automobile related accidents, weather, explosions, smoke, shaking, fire, theft, vandalism, inadequate installation, faulty equipment, collisions and falling objects, and/or machinery mechanical breakdown resulting in physical damage, losses from PV&T and other covered perils.
- **Liability-** Risk of loss from automobile related accidents, uninsured and underinsured under-insured drivers, lawsuits from accidents, defective products, breach of warranty, negligent acts by professional practitioners, environmental claims, latent exposures, fraud, coercion, forgery, failure to fulfill obligations per contract surety, liability from errors and omissions, losses from credit and political risk insurance ("CPRI") coverages, losses from derivative lawsuits, and other securities actions and covered perils.
- **Mortality-** Risk of loss from unexpected trends in insured deaths impacting timing of payouts from group life insurance, personal or commercial automobile related accidents, and death of employees or executives during the course of employment, while on disability, or while collecting workers compensation benefits.
- **Morbidity-** Risk of loss to an insured from illness incurred during the course of employment or illness from other covered perils.
- **Disability-** Risk of loss incurred from personal or commercial automobile related losses, accidents arising outside of the workplace, injuries or accidents incurred during the course of employment, or from equipment, with

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

each loss resulting in short-term or long-term disability payments.

- **Longevity-** Risk of loss from increased life expectancy trends among policyholders receiving long-term benefit payments.
- **Cyber Insurance-** Risk of loss to property, breach of data and business interruption from various types of cyber-attacks.

Catastrophe risk primarily arises in the property, automobile, workers' compensation, casualty, group life, and group disability lines of business but could also arise from other coverages such as losses under PV&T and CPRI policies. **Not all insurance losses arising from catastrophe risk are categorized as catastrophe losses within the segment operating results. For example, losses arising from the COVID-19 pandemic were not**

categorized as catastrophe losses within either the P&C or Group Benefits segments as the pandemic was not identified as a catastrophe event by the Property Claim Service in the U.S. See the term Current Accident Year Catastrophe Ratio within the Key Performance Measures section of MD&A for an explanation of how the Company defines catastrophe losses in its financial reporting.

Impact Non-catastrophe insurance risk can arise from unexpected loss experience, underpriced business and/or underestimation of loss reserves and can have significant effects on the Company's earnings. Catastrophe insurance risk can arise from various unpredictable events and can have significant effects on the Company's earnings and may result in losses that could constrain its liquidity.

Management The Company's policies and procedures for managing these risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based pricing, risk modeling, risk transfer, and capital management strategies. The Company has established underwriting guidelines for both individual risks, including individual policy limits, and risks in the aggregate, including aggregate exposure limits by geographic

zone and peril. The Company uses both internal and third-party models to estimate the potential loss resulting from various catastrophe events and the potential financial impact those events would have on the Company's financial position and results of operations across its businesses.

The Hartford closely monitors scientific literature on climate change to help identify climate change risks impacting our business. We use data from the scientific community and other outside experts including partnerships with third-party catastrophe modeling firms to inform our risk management activities and stay abreast of potential implications of climate-related impacts that we incorporate into our risk assessment. We regularly study these climate change implications and incorporate these risks into our catastrophe risk assessment and management strategy through product pricing, underwriting and management of aggregate risk to manage implications of severe weather and climate change in our insurance portfolio.

In addition, certain insurance products offered by The Hartford provide coverage for losses incurred due to cyber events and the Company has assessed and modeled how those products would respond to different events in order to manage its aggregate exposure to losses incurred under the insurance policies we sell. The Company models numerous deterministic scenarios including losses caused by malware, data breach, distributed denial of service attacks, intrusions of cloud environments and attacks of power grids.

Among specific risk tolerances set by the Company, risk limits are set for natural catastrophes, terrorism risk and pandemic risk.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Risk	Risk	Definition	Details and Company Limits	Risk	Definition	Details and Company Limits
Natural catastrophe	Natural catastrophe	Exposure arising from natural phenomena (e.g., earthquakes, wildfires, etc.) that create a concentration or aggregation of loss across the Company's insurance or asset portfolios and the inherent volatility of weather or climate pattern changes.	The Company generally limits its estimated before tax loss as a result of natural catastrophes for property & casualty exposures from a single 250-year event to less than 30% of the reported capital and surplus of the property and casualty insurance subsidiaries prior to reinsurance and to less than 15% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. The Company generally limits its estimated before tax loss from an aggregation of multiple natural catastrophe events for an all-peril annual aggregate 100-year event to less than 18% reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. From time to time the estimated loss from natural catastrophes may fluctuate above or below these limits due to changes in modeled loss estimates, exposures or statutory surplus. [1] The table below represents the estimated before tax catastrophe loss exceedance probabilities, from an aggregate of all catastrophe events occurring in a one-year timeframe before and after reinsurance and from a single hurricane or earthquake occurrence.	Natural catastrophe	Exposure arising from natural phenomena (e.g., earthquakes, wildfires, etc.) that create a concentration or aggregation of loss across the Company's insurance or asset portfolios and the inherent volatility of weather or climate pattern changes.	The Company generally limits its estimated before tax loss as a result of natural catastrophes for property & casualty exposures from a single 250-year event to less than 30% of the reported capital and surplus of the property and casualty insurance subsidiaries prior to reinsurance and to less than 15% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. The Company generally limits its estimated before tax loss from an aggregation of multiple natural catastrophe events for an all-peril annual aggregate 100-year event to less than 18% reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. From time to time the estimated loss from natural catastrophes may fluctuate above or below these limits due to changes in modeled loss estimates, exposures or statutory surplus. [1] The table below represents the estimated before tax catastrophe loss exceedance probabilities, from an aggregate of all catastrophe events occurring in a one-year timeframe before and after reinsurance and from a single hurricane or earthquake occurrence.
Modeled Loss Gross and Net of Reinsurance [2]						

			Probability of Loss Exceedance [3]	Gross of Reinsurance	Net of Reinsurance			Probability of Loss Exceedance [3]	Gross of Reinsurance	Net of Reinsurance
Terrorism										
Terrorism										
Terrorism		The risk of losses from terrorist attacks, including losses caused by single-site and multi-site conventional attacks, as well as the potential for attacks using nuclear, biological, chemical or radiological weapons ("NBCR").	Enterprise limits for terrorism apply to aggregations of risk across property & casualty, group benefits and specific asset portfolios and are defined based on a deterministic, single-site conventional terrorism attack scenario. The Company manages its potential estimated loss from a conventional terrorism loss scenario, up to \$2.0 billion net of reinsurance and \$2.5 billion gross of reinsurance, before coverage under TRIPRA. In addition, the Company monitors exposures monthly and employs both internally developed and vendor-licensed loss modeling tools as part of its risk management discipline. Our modeled exposures to conventional terrorist attacks around landmark locations may fluctuate above and below our stated limits.			The risk of losses from terrorist attacks, including losses caused by single-site and multi-site conventional attacks, as well as the potential for attacks using nuclear, biological, chemical or radiological weapons ("NBCR").		Enterprise limits for terrorism apply to aggregations of risk across property & casualty, employee benefits and specific asset portfolios and are defined based on a deterministic, single-site conventional terrorism attack scenario. The Company manages its potential estimated loss from a conventional terrorism loss scenario, up to \$2.0 billion net of reinsurance and \$2.5 billion gross of reinsurance, before coverage under TRIPRA. In addition, the Company monitors exposures monthly and employs both internally developed and vendor-licensed loss modeling tools as part of its risk management discipline. Our modeled exposures to conventional terrorist attacks around landmark locations may fluctuate above and below our stated limits.		
Pandemic	Pandemic	The exposure to loss arising from widespread influenza or other pathogens or bacterial infections that create an aggregation of loss across the Company's insurance or asset portfolios.	The Company generally limits its estimated before tax loss from a single 250 year pandemic event to less than 18% of the aggregate reported capital and surplus of the property and casualty and group benefits insurance subsidiaries. In evaluating these scenarios, the Company assesses the impact on group life, short-term disability, long-term disability and property & casualty claims. While ERM has a process to track and manage these limits, from time to time, the estimated loss for pandemics may fluctuate above or below these limits due to changes in modeled loss estimates, exposures, or statutory surplus. In addition, the Company assesses losses in the investment portfolio associated with market declines in the event of a widespread pandemic. [1]			Pandemic	The exposure to loss arising from widespread influenza or other pathogens or bacterial infections that create an aggregation of loss across the Company's insurance or asset portfolios.	The Company generally limits its estimated before tax loss from a single 250 year pandemic event to less than 18% of the aggregate reported capital and surplus of the property and casualty and employee benefits insurance subsidiaries. In evaluating these scenarios, the Company assesses the impact on group life, short-term disability, long-term disability and property & casualty claims. While ERM has a process to track and manage these limits, from time to time, the estimated loss for pandemics may fluctuate above or below these limits due to changes in modeled loss estimates, exposures, or statutory surplus. In addition, the Company assesses losses in the investment portfolio associated with market declines in the event of a widespread pandemic. [1]		

[1]For U.S. insurance subsidiaries, reported capital and surplus is equal to actual U.S. statutory capital and surplus. For Navigators Insurers in non-U.S. jurisdictions, reported capital and surplus is equal to U.S. GAAP equity of those subsidiaries less certain assets such as goodwill and other intangible assets.

[2]The loss estimates represent total property modeled losses for hurricane single occurrence events, property and workers' compensation modeled losses for earthquake single occurrence events, and modeled aggregate annual losses for natural catastrophes from all perils (hurricane, flood, earthquake, hail, tornado, wildfire and winter storms). The net loss estimates provided assume that the Company is able to recover all losses ceded to reinsurers under its reinsurance programs. The Company also manages natural catastrophe risk for group life and group disability, which in combination with property and workers compensation loss estimates are subject to separate enterprise risk management net aggregate loss limits as a percent of enterprise surplus.

[3]The modeled probability of loss exceedance represents the likelihood of a loss from single peril occurrence or from an aggregate of catastrophe events from all perils to exceed the indicated amount in a one-year time frame.

Reinsurance as a Risk Management Strategy

The Company uses reinsurance to transfer certain risks to reinsurance companies based on specific geographic or risk concentrations. A variety of traditional reinsurance products are used as part of the Company's risk management strategy, including excess of loss occurrence-based products that reinsure property and workers' compensation exposures, and individual risk (including facultative reinsurance) or quota share arrangements, that reinsure losses from specific classes or lines of business. The Company has no significant finite risk contracts in place and the statutory surplus benefit from all such prior year

contracts is immaterial. The Hartford also participates in governmentally administered reinsurance facilities such as the Florida Hurricane Catastrophe Fund ("FHCF"), the Terrorism Risk Insurance Program Reauthorization Act ("TRIPRA") and other reinsurance programs relating to particular risks or specific lines of business.

Reinsurance for Catastrophes- The Company utilizes various reinsurance programs to mitigate catastrophe losses including excess of loss occurrence-based treaties covering property and workers' compensation, a catastrophe bond, an aggregate property catastrophe treaty, and individual risk agreements

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

(including facultative reinsurance) that reinsure losses from specific classes or lines of business. The aggregate property catastrophe treaty covers the aggregate losses of catastrophe events (up to \$350 per event) designated by the Property Claim Services office of Verisk and, for international business, net losses arising from two or more risks involved in the same loss occurrence totaling at least \$500 thousand, in excess of a \$750 retention. The occurrence-based property catastrophe treaty responds in excess of \$200 per occurrence for all perils other than earthquakes and named hurricanes and tropical storms.

For earthquakes and named tropical storms the occurrence based property treaty responds in excess of \$350 per occurrence. The occurrence property catastrophe treaty and workers' compensation catastrophe treaties beginning with the January 1, 2021 renewal do not cover pandemic losses, as most industry reinsurance programs exclude communicable disease. The Company has reinsurance in place to cover individual group life losses in excess of \$1 per person.

Primary Catastrophe Reinsurance Coverages as of January 1, 2024 January 1, 2025 [1]

	Portion of losses reinsured	Portion of losses retained by The Hartford
Per Occurrence Property Catastrophe Treaty from 1/1/2024 2025 to 12/31/2024 2025 [1] [2]		
Losses of \$0 to \$200	None	100% retained
Losses of \$200 to \$350 for earthquakes and named hurricanes and tropical storms [3]	None	100% retained
Losses of \$200 to \$350 from one event other than earthquakes and named hurricanes and tropical storms [3]	40% of \$150 in excess of \$200	60% co-participation
Losses of \$350 to \$500 from one event (all perils)	75% of \$150 in excess of \$350	25% co-participation
Losses of \$500 to \$1.2 billion \$1.20 billion from one event [4] (all perils)	90% of \$700 in excess of \$500	10% co-participation
Per Occurrence Property Catastrophe Bond from 1/1/2024 2025 to 12/31/2026 [5]		
Losses of \$1.1 billion \$1.19 billion to \$1.4 billion \$1.49 billion for tropical cyclone and earthquake events [6]	66.67% of \$300 in excess of \$1.1 billion \$1.19 billion	33.33% of \$300 in excess of \$1.1 billion \$1.19 billion
Aggregate Property Catastrophe Treaty for 1/1/2024 2025 to 12/31/2024 2025 [7]		
\$0 to \$750 of aggregate losses	None	100% Retained
\$750 to \$950 of aggregate losses	100%	None
Workers' Compensation Catastrophe Treaty for 1/1/2024 2025 to 12/31/2024 2025		
Losses of \$0 to \$100 from one event	None	100% Retained
Losses of \$100 to \$450 from one event [8]	80% of \$350 in excess of \$100	20% co-participation

[1]These agreements do not cover the assumed reinsurance business which purchases its own retrocessional coverage.

[2]In addition to the Per Occurrence Property Catastrophe Treaty, for Florida homeowners wind events, The Hartford has purchased the mandatory FHCF reinsurance for the annual period starting June 1, 2023 June 1, 2024. Retention and coverage varies by writing company. The writing company with the largest coverage under FHCF is Hartford Insurance Company of the Midwest, with coverage of \$38 \$35 in per event losses in excess of a \$20 \$19 retention (estimates are based on best available information at this time and are periodically updated as information is made available by Florida).

[3]Named hurricanes and tropical storms are defined as any storm or storm system declared to be a hurricane or tropical storm by the US National Hurricane Center, US Weather Prediction Center, or their successor organizations (being divisions of the US National Weather Service).

[4]Portions of this layer of coverage extend beyond a traditional one year term.

[5]Refer to "Catastrophe Bond" discussion below for further information.

[6]Tropical cyclones are defined as a storm or storm system that has been declared by National Weather Service or any division or agency thereof (including the National Hurricane Center or the Weather Prediction Center) or any of their successors to be a hurricane, tropical storm, or tropical depression.

[7]The aggregate treaty is not limited to a single event; rather, it is designed to provide reinsurance protection for the aggregate of all catastrophe events (up to \$350 per event), either designated by the Property Claim Services office of Verisk or, for international business, net losses arising from two or more risks involved in the same loss occurrence totaling at least \$500 thousand. All catastrophe losses, except assumed reinsurance business losses, apply toward satisfying the \$750 attachment point under the aggregate treaty.

[8]In addition to the limits shown, the workers' compensation reinsurance includes a non-catastrophe, industrial accident layer, providing coverage for 80% of \$25 in per event losses in excess of a \$25 retention.

In addition to the property catastrophe reinsurance coverage described in the above table, the Company has other reinsurance agreements that cover property catastrophe losses, some of which provide for reinstatement of limits in the event of loss with reinstatement provisions varying depending on the layer of coverage. The Per Occurrence Property Catastrophe Treaty and Workers' Compensation Catastrophe Treaty include a provision to reinstate one limit in the event that a catastrophe loss exhausts limits on one or more layers under the treaties.

Catastrophe Bond- The Company has property catastrophe protection in the form of catastrophe bonds issued through an indemnity agreement with Foundation Re IV Ltd. ("Foundation Re IV"), an independent Bermuda company registered as a special purpose insurer under the Bermuda Insurance Act 1978 and related rules and regulations. The agreement provides fully collateralized loss coverage on the Company's commercial and personal property and automobile physical damage in all 50 states of the United States of America, the District of Columbia and Puerto Rico from tropical cyclone and earthquake events.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The reinsurance agreement with Foundation Re IV, which originally inception January 1, 2024, provides indemnity per occurrence excess of loss coverage of 66.67% of \$300 in losses in excess of \$1.1 billion \$1.19 billion for the treaty term effective January 1, 2024 January 1, 2025, through December 31, 2026. The attachment point and maximum limit under this agreement are reset annually to adjust the expected loss of the layer within a predetermined range. The Company has not incurred any losses that have resulted or are expected to result in a recovery under the reinsurance agreement with Foundation Re IV since its inception.

Under the terms of the reinsurance agreement, the Company is obligated to pay annual reinsurance premiums to Foundation Re IV for the reinsurance coverage. Amounts payable to the Company under the reinsurance agreement with respect to any covered event cannot exceed the Company's actual losses from such event. The principal amount of the catastrophe bonds will be reduced by any amounts paid to the Company under the reinsurance agreement.

The reinsurance agreement meets the requirements to be accounted for as reinsurance in accordance with the guidance for reinsurance contracts. In connection with the reinsurance agreement, Foundation Re IV issued \$200 in notes (generally referred to as "catastrophe bonds") to investors in amounts equal to the full coverage provided under the reinsurance agreement. The proceeds of the issuance were deposited in a reinsurance trust account.

As with any reinsurance agreement, there is credit risk associated with collecting amounts due from reinsurers. Foundation Re IV's credit risk is mitigated by a reinsurance trust account that has been funded by Foundation Re IV with money market funds that invest solely in direct government obligations and obligations backed by the U.S. government. The money market funds must have the highest principal stability ratings from S&P Global Ratings ("S&P") or Moody's Investors Service, Inc. ("Moody's") on the issuance date of the bonds and thereafter must be rated by S&P or Moody's, as applicable. Other permissible investments include money market funds which invest in repurchase and reverse repurchase agreements collateralized by direct government obligations and obligations of any agency backed by the U.S. government with terms of no more than 397 calendar days, and cash.

At the time the agreement was entered into with Foundation Re IV, the Company evaluated the applicability of the accounting guidance that addresses variable interest entities ("VIEs") and concluded that it was a VIE. However, while Foundation Re IV was determined to be a VIE, the Company concluded that it did not have a variable interest in the entity, as the variability in its results, caused by the reinsurance agreement, is expected to be absorbed entirely by the investors in the catastrophe bonds issued by Foundation Re IV and residual amounts earned by it, if any, are expected to be absorbed by the equity investor (the Company has neither an equity nor a residual interest in Foundation Re IV).

Accordingly, the Company is not the primary beneficiary of Foundation Re IV and does not consolidate that entity in the Company's consolidated financial statements. Additionally, because the Company has no intention to pursue any transaction that would result in it acquiring interest in and becoming the primary beneficiary of Foundation Re IV, the

consolidation of that entity in the Company's consolidated financial statements in future periods is unlikely.

Reinsurance for Terrorism- For the risk of terrorism, private sector catastrophe reinsurance capacity is generally limited and largely unavailable for terrorism losses caused by nuclear, biological, chemical or radiological attacks. As such, the Company's principal reinsurance protection against large-scale terrorist attacks is the coverage currently provided through TRIPRA to the end of 2027.

TRIPRA provides a backstop for insurance-related losses resulting from any "act of terrorism", which is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General, for losses that exceed a threshold of industry losses of \$200. Under the program, in any one calendar year, the federal government will pay a percentage of losses incurred from a certified act of terrorism after an insurer's losses exceed 20% of the Company's eligible direct commercial earned premiums of the prior calendar year up to a combined annual aggregate limit for the federal government and all insurers of \$100 billion. The percentage of losses paid by the federal government is 80%. The Company's estimated deductible under the program is \$2.0 billion \$2.2 billion for 2024; 2025. 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.

Reinsurance for A&E and Navigators Group Reserve Development - The Company has two ADC reinsurance agreements in place, both of which are accounted for as retroactive reinsurance. One agreement covers covered substantially all A&E reserve development for 2016 and prior accident years (the "A&E ADC") up to an aggregate limit of \$1.5 billion and the other covered substantially all reserve development of Navigators Insurance Company ("NIC") and certain of its affiliates for 2018 and prior accident years (the "Navigators ADC") up to an aggregate limit of \$300. As the Company has ceded all of the \$300 and \$1.5 billion available limit limits under the Navigators ADC and the A&E ADC; respectively, there is no remaining limit available under either agreement as of December 31, 2023 December 31, 2024. During 2024, the Company collected recoveries from NICO under the Navigators ADC and as a result amortized \$145 of the \$209 deferred gain within benefits, losses and loss adjustment expenses in the Consolidated Statements of Operations. As of December 31, 2024 and December 31, 2023, the Company has paid Navigators claims in excess of the \$1.816 billion acquisition date reserves plus the \$100 retention. The Company expects to begin amortizing the deferred gain into income on the Navigators ADC was \$64 and \$209, respectively, and is included in other liabilities on the first quarter of 2024 as recoveries are received. Consolidated Balance Sheets. For more information on the A&E ADC and the Navigators ADC, see Note 1, Basis of Presentation and Significant Accounting Policies, and Note 11, 10. Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements.

Reinsurance Recoverables

Property and Casualty insurance product reinsurance recoverables represent loss and loss adjustment expense recoverables from a number of entities, including reinsurers and pools. A portion of the total gross reinsurance recoverables balance relates to the Company's participation in various mandatory (assigned) and involuntary risk pools and the value of annuity contracts held under structured settlement agreements.

Group Benefits and Corporate reinsurance recoverables represent reserves for future policy benefits and unpaid loss and loss adjustment expenses and other policyholder funds and

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Employee Benefits and Corporate reinsurance recoverables represent reserves for future policy benefits and unpaid loss and loss adjustment expenses and other policyholder funds and benefits payable that are recoverable from a number of reinsurers.

The table below shows the gross and net reinsurance recoverables reported in the Property and Casualty and Group Employee Benefits reporting reportable segments as well as Corporate.

To manage reinsurer credit risk, a reinsurance security review committee evaluates the credit standing, financial performance, management and operational quality of each potential reinsurer.

In placing reinsurance, the Company considers the nature of the risk reinsured, including the expected liability payout duration, and establishes limits tiered by reinsurer credit rating. Where its contracts permit, the Company secures future claim obligations with various forms of collateral or other credit enhancement, including irrevocable letters of credit, secured trusts, funds held accounts and group wide offsets. As part of its reinsurance recoverable review, the Company analyzes recent developments in commutation activity between reinsurers and

quality of the Company's reinsurers. For further discussion on reinsurance recoverables, including details of recoverables by AM Best credit rating, see Note 8 – Reinsurance of Notes to Consolidated Financial Statements.

Annually, the Company completes evaluations of the reinsurance recoverable asset associated with older, long-term casualty liabilities reported in the Property & Casualty Other Operations reporting reportable segment and the allowance for uncollectible reinsurance reported in the Commercial Lines Business Insurance and Group Employee Benefits reporting reportable segments as well as the Corporate category. For a discussion regarding the results of the evaluation of older, long-term casualty liabilities reported in the Property & Casualty Other Operations reporting reportable segment, see MD&A - Critical Accounting Estimates, Property and Casualty Insurance Product Reserves, Net of Reinsurance. For a discussion of the allowance for uncollectible reinsurance, see Note 8 – Reinsurance of Notes to Consolidated Financial Statements.

cedants, recent trends in arbitration and litigation outcomes in disputes between cedants and reinsurers and the overall credit

Reinsurance Recoverables as of December 31,

	Property and Casualty	Property and Casualty Group Benefits Corporate Total								Property and Casualty	Employee Benefits	Corporate	Total
	2023	2022	2023	2022	2023	2022	2023	2022	2023				
	2024	2023	2024	2023	2024	2023	2024	2023	2023				
Paid loss and loss adjustment expenses													
Unpaid loss and loss adjustment expenses													
Gross reinsurance recoverables													
Allowance for uncollectible reinsurance													
Net reinsurance recoverables													

Guaranty Funds and Other Insurance-related Assessments

As part of its risk management strategy, the Company regularly monitors the financial strength of other insurers and, in particular, activity by insurance regulators and various state guaranty associations in the U.S. relating to troubled insurers. In all states, insurers licensed to transact certain classes of insurance are required to become members of a guaranty fund.

area. ERM provides an enterprise-wide view of the Company's

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed internal processes and systems, human error, or from external events.

Sources of Operational Risk Operational risk is inherent in the Company's business and functional areas. Operational risks include: compliance with laws and regulations, cybersecurity, business disruption, technology failure, inadequate execution or process management, reliance on model and data analytics, internal fraud, external fraud, third party dependency and attraction and retention of talent.

Impact Operational risk can result in financial loss, disruption of our business, regulatory actions or damage to our reputation.

Management Responsibility for day-to-day management of operational risk lies within each business unit and functional

operational risk on an aggregate basis. ERM is responsible for establishing, maintaining and communicating the framework, principles and guidelines of the Company's operational risk management program. Operational risk mitigation strategies include the following:

- Establishing policies and monitoring risk tolerances and exceptions;
- Conducting business risk assessments and implementing action plans where necessary;
- Validating existing crisis management protocols;
- Identifying and monitoring emerging risks; and
- Purchasing insurance coverage.

Cybersecurity Risk

For information on the prevention, detection, mitigation and remediation of cybersecurity incidents, see Part I, Item 1C – Cybersecurity.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

FINANCIAL RISK

Financial risks include direct and indirect risks to the Company's financial objectives from events that impact financial market conditions and the value of financial assets. Some events may cause correlated movement in multiple risk factors. The primary sources of financial risks are the Company's invested assets.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Consistent with its risk appetite, the Company establishes financial risk limits to control potential loss on a U.S. GAAP, statutory, and economic basis. Exposures are actively monitored and managed, with risks mitigated where appropriate. The Company uses various risk management strategies, including limiting aggregation of risk, portfolio re-balancing and hedging with OTC and exchange-traded derivatives with counterparties meeting the appropriate regulatory and due diligence requirements. Derivatives may be used to achieve the following Company-approved objectives: (1) hedging risk arising from interest rate, equity market, commodity market, credit spread and issuer default, price or currency exchange rate risk or volatility; (2) managing liquidity; (3) controlling transaction costs; and (4) engaging in income generation covered call transactions and synthetic replication transactions. Derivative activities are monitored and evaluated by the Company's compliance and risk management teams and reviewed by senior management. The Company identifies different categories of financial risk, including liquidity, credit, interest rate, equity, and foreign currency exchange.

Liquidity Risk

Liquidity risk is the risk to current or prospective earnings or capital arising from the Company's inability or perceived inability to meet its contractual funding obligations as they come due.

Sources of Liquidity Risk Sources of liquidity risk include funding risk, company-specific liquidity risk and market liquidity risk resulting from differences in the amount and timing of sources and uses of cash as well as company-specific and general market conditions. Stressed market conditions may impact the ability to sell assets or otherwise transact business and may result in a significant loss in value of the investment portfolio.

Impact Inadequate capital resources and liquidity could negatively affect the Company's overall financial strength and its ability to generate cash flows from its businesses, borrow funds at competitive rates, and raise new capital to meet operating and growth needs.

Management The Company has defined ongoing monitoring and reporting requirements to assess liquidity across the enterprise under both current and stressed market conditions. The Company measures and manages liquidity risk exposures and funding needs within prescribed limits across legal entities, taking into account legal, regulatory and operational limitations to the transferability of liquid assets among legal entities. The Company also monitors internal and external conditions, and identifies material risk changes and emerging risks that may impact operating cash flows or liquid assets. The liquidity requirements of The Hartford Financial Services Insurance Group, Inc. ("HFSG HIG Holding Company") have been and will continue to be met by the HFSG HIG Holding Company's fixed maturities, short-term investments and cash, and dividends from

Boston ("FHLBB") for certain affiliates. The Company's CFO has primary responsibility for liquidity risk.

Credit Risk and Counterparty Risk

Credit risk is the risk to earnings or capital due to uncertainty of an obligor's or counterparty's ability or willingness to meet its obligations in accordance with contractually agreed upon terms. Credit risk is comprised of three major factors: the risk of change in credit quality, or credit migration risk; the risk of default; and the risk of a change in value due to changes in credit spreads.

Sources of Credit Risk The majority of the Company's credit risk is concentrated in its investment holdings and use of derivatives, but it is also present in the Company's ceded reinsurance activities, bond insurance, and various insurance certain aspects of Business Insurance products.

Impact A decline in creditworthiness is typically reflected as an increase in an investment's credit spread and an associated decline in the investment's fair value, potentially resulting in recording an ACL and an increased probability of a realized loss upon sale. In certain instances, counterparties may default on their obligations and the Company may realize a loss on default. Premiums receivable, including premiums for retrospectively rated plans, reinsurance recoverable and deductible losses recoverable are also subject to credit risk based on the counterparty's inability to pay.

Management The objective of the Company's enterprise credit risk management strategy is to identify, quantify, and manage credit risk in aggregate and to limit potential losses in accordance with the Company's credit risk management policy. The Company manages its credit risk by managing aggregations of risk, holding a diversified mix of issuers and counterparties across its investment, reinsurance, and insurance portfolios, and limiting exposure to any specific reinsurer or counterparty. Potential credit losses can be mitigated through diversification (e.g., geographic regions, asset types, industry sectors), hedging and the use of collateral to reduce net credit exposure.

its subsidiaries, principally from its insurance operations, as well as the issuance of common stock, debt or other capital securities and borrowings from its credit facilities as needed. The Company maintains multiple sources of contingent liquidity including a revolving credit facility, an intercompany liquidity agreement that allows for short-term advances of funds among the HFSG HIG Holding Company and certain affiliates, and access to collateralized advances from the Federal Home Loan Bank of

the use of collateral to reduce net credit exposure.

The Company manages credit risk through the use of various surveillance, analyses and governance processes. The investment and reinsurance areas have formal policies and procedures for counterparty approvals and authorizations, which establish criteria defining minimum levels of creditworthiness and financial stability for eligible counterparties. Potential investments are subject to underwriting reviews and **private securities are subject to** management approval. Mitigation strategies vary across the three sources of credit risk, but may include:

- Investing in a portfolio of high-quality and diverse securities;
- Selling investments subject to heightened credit risk;
- Hedging through use of credit default swaps;

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

- Clearing derivative transactions through central clearing houses that require daily variation margin;
- Entering into derivative and reinsurance contracts only with strong creditworthy institutions;
- Requiring collateral; and
- Non-renewing policies/contracts or reinsurance treaties.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company has developed credit exposure thresholds which are based upon counterparty ratings. Aggregate counterparty credit quality and exposure are monitored on a daily basis utilizing an enterprise-wide credit exposure information system that contains data on issuers, ratings, exposures, and credit limits. Exposures are tracked on a current and potential basis and aggregated by ultimate parent of the counterparty across investments, reinsurance receivables, insurance products with credit risk, and derivatives.

As of **December 31, 2023** **December 31, 2024**, the Company had no investment exposure to any credit concentration risk of a single issuer or counterparty greater than 10% of the Company's stockholders' equity, other than the U.S. government and certain U.S. government agencies. For further discussion of concentration of credit risk in the investment portfolio, see the Concentration of Credit Risk section in Note 5 - Investments of Notes to Consolidated Financial Statements.

Managing the Credit Risk of Counterparties to Derivative Instruments

The Company also has derivative counterparty exposure policies which limit the Company's exposure to credit risk. The Company monitors counterparty exposure on a monthly basis to ensure compliance with Company policies and statutory limitations. The Company's policies with respect to derivative counterparty exposure establishes market-based credit limits, favors long-term financial stability and creditworthiness of the

Assets and Liabilities Subject to Credit Risk

Investments Essentially all of the Company's invested assets are subject to credit risk. In **2024**, there were net credit losses on fixed maturities, AFS of \$2 and a net credit loss reversal on mortgage loans of \$3. In 2023, there were net credit losses on fixed maturities, AFS and an increase in the ACL on mortgage loans of \$14 and \$15, respectively. In **2022**, there were net credit losses on fixed maturities, AFS and an increase in the ACL on mortgage loans of \$18 and \$7 respectively. Refer to the Investment Portfolio Risk section of Financial Risk Management under "Credit Losses on Fixed Maturities, AFS and Intent-to-Sell Impairments" and "ACL on Mortgage Loans".

Reinsurance recoverables Reinsurance recoverables, net of an allowance for uncollectible reinsurance, were \$7,104 \$7,140 and \$6,964 \$7,104 as of **December 31, 2023** **December 31, 2024** and **2022** **2023** respectively. Refer to the Enterprise Risk Management section of the MD&A under "Reinsurance as a Risk Management Strategy." **Strategy**.

Bond insurance The Company collects premiums and holds reserves for risk exposures within the bond insurance business where the Company guarantees the completion of our insured's financial or performance obligations in the event of a default on their contractual obligations. The Company manages this risk through underwriting risk assessment, collateral requirements for insureds, claims management, and reinsurance.

Premiums receivable and agents' balances Premiums receivable and agents' balances, net of an ACL, were \$5,607 \$5,998 and \$4,949, \$5,607, as of **December 31, 2023** **December 31, 2024** and **2022**, **2023**, respectively. For a discussion regarding collectibility of these balances, see Note 7 - Premiums Receivable and Agents' Balances of Notes to Consolidated Financial Statements.

Credit Risk of Derivatives

The Company uses various derivative counterparties in executing its derivative transactions. The use of counterparties creates credit risk that the counterparty may not perform in accordance with the terms of the derivative transaction.

Downgrades to the credit ratings of the Company's insurance operating companies may have adverse implications for its use of derivatives. In some cases, downgrades may give derivative counterparties for OTC derivatives and clearing brokers for OTC-cleared derivatives the right to cancel and settle outstanding derivative trades or require additional collateral to be posted. In addition, downgrades may result in counterparties and clearing brokers becoming unwilling to engage in or clear additional derivatives or may require additional collateralization before entering into any new trades.

[Index to MD&A](#)

counterparty and typically requires credit enhancement/credit risk reducing agreements, which are monitored and evaluated by the Company's risk management team and reviewed by senior management.

The Company minimizes the credit risk of derivative instruments by entering into transactions with high quality counterparties primarily rated A or better. The Company also generally requires that OTC derivative contracts be governed by an International Swaps and Derivatives Association ("ISDA") Master Agreement, which is structured by legal entity and by counterparty and permits right of offset. The Company enters into credit support annexes in conjunction with the ISDA agreements, which require daily collateral settlement based upon agreed upon thresholds.

The Company's credit exposures are generally quantified based on the prior business day's net fair value, including income accruals, of all derivative positions transacted with a single counterparty for each separate legal entity. The notional amount of derivative contracts represents the basis upon which pay or receive amounts are calculated and are not necessarily reflective of credit risk. The Company enters into collateral arrangements in connection with its derivatives positions and collateral is pledged to or held by, or on behalf of, the Company to the extent the exposure is greater than zero, subject to minimum transfer thresholds, if applicable. In accordance with industry standards and the contractual requirements, collateral is typically settled on the same business day. For further discussion, see the Derivative Commitments section of Note 15 14 - Commitments and Contingencies of Notes to Consolidated Financial Statements.

Use of Credit Derivatives

The Company may also use credit default swaps to manage credit exposure or to assume credit risk to enhance yield.

Credit Risk Reduced Through Credit Derivatives

The Company uses credit derivatives to purchase credit protection with respect to a single entity or referenced index. The Company purchases credit protection through credit default swaps to economically hedge and manage credit risk of certain fixed maturity investments across multiple sectors of the investment portfolio. As of December 31, 2023 December 31, 2024 and 2023 the Company did not hold credit derivatives that purchase credit protection.

As of December 31, 2022, the notional amount and fair value related to credit derivatives that purchase credit protection was \$11 and less than \$1, respectively. These amounts do not include positions that are in offsetting relationships.

Credit Risk Assumed Through Credit Derivatives

The Company may also enter into credit default swaps that assume credit risk as part of replication transactions. Replication transactions are used as an economical means to synthetically replicate the characteristics and performance of assets that are permissible investments under the Company's investment policies. These swaps primarily reference investment grade

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

single corporate issuers and indexes. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company did not hold credit default swaps that assume credit risk.

For further information on credit derivatives, see Note 6 - Derivatives of Notes to Consolidated Financial Statements.

Credit Risk of Business Operations

A portion of the Company's Commercial Lines Business Insurance business is written with large deductibles or under retrospectively-rated plans. Under some commercial insurance contracts with a large deductible, the Company is obligated to pay the claimant the full amount of the claim and the Company is subsequently reimbursed by the policyholder for the deductible amount. As such, the Company is subject to credit risk until reimbursement

is made. Retrospectively-rated policies are utilized primarily for workers' compensation coverage, whereby the ultimate premium is adjusted based on actual losses incurred. Although the premium adjustment feature of a retrospectively-rated policy substantially reduces insurance risk for the Company, it presents credit risk to the Company. The Company's results of operations could be adversely affected if a significant portion of such policyholders failed to reimburse the Company for the deductible amount or the amount of additional premium owed under retrospectively-rated policies. The Company manages these credit risks through credit analysis, collateral requirements, and oversight. For more information, see Note 7- Premiums Receivable and Agents' Balances of Notes to Consolidated Financial Statements.

Interest Rate Risk

Interest rate risk is the risk of financial loss due to adverse changes in the value of assets and liabilities arising from movements in interest rates. Interest rate risk encompasses exposures with respect to changes in the level of interest rates, the shape of the term structure of rates and the volatility of interest rates. Interest rate risk does not include exposure to changes in credit spreads.

Sources of Interest Rate Risk The Company has exposure to interest rate risk arising from investments in fixed maturities and commercial mortgage loans, issuances by the Company of debt securities, preferred stock and similar securities, discount rate assumptions associated with the Company's claim reserves and pension and other postretirement benefit obligations, and assets that support the Company's pension and other postretirement benefit plans.

Impact Changes in interest rates from current levels can have both favorable and unfavorable effects for the Company.

Change in Interest Rates	Favorable Effects	Unfavorable Effects
Y	Additional net investment income due to reinvesting at higher yields and higher yields on variable rate securities	Decrease in the fair value of the fixed income investment portfolio
P	Increase in the fair value of the fixed income investment portfolio	- Lower net investment income due to reinvesting at lower yields and lower yields on variable rate securities - Acceleration in paydowns and prepayments or calls of certain mortgage-backed and municipal securities

Management The Company primarily manages its exposure to interest rate risk by constructing investment portfolios that seek to protect the Company from the economic impact associated with changes in interest rates by setting portfolio duration targets that are aligned with the duration of the

liabilities that they support. The Company analyzes interest rate risk using various models including parametric models and cash flow simulation under various market scenarios of the liabilities and their supporting investment portfolios. Key metrics that the Company uses to quantify its exposure to interest rate risk inherent in its invested assets and the associated liabilities include duration, convexity and key rate duration.

The Company may also use interest rate swaps and, to a lesser extent, futures to mitigate interest rate risk associated with its investment portfolio or liabilities and to manage portfolio duration. Interest rate swaps are primarily used to convert interest receipts or payments to a fixed or variable rate. The use of such swaps enables the Company to customize contract terms and conditions to desired objectives and manage the duration profile within established tolerances. As of **December 31, 2023** **December 31, 2024** and **2022, 2023**, notional amounts pertaining to derivatives utilized to manage interest rate risk, including offsetting positions, totaled **\$10.1 billion** **\$4.6 billion** and **\$9.4 billion** **\$10.1 billion**, respectively, and primarily relate to hedging invested assets. As of **December 31, 2023** **December 31, 2024** and **2022, 2023**, the fair value of these derivatives was **\$0** and **\$(6)** for both periods.

Following June 30, 2023, the publication of U.S. Dollar London Inter-Bank Offered Rate ("LIBOR") on a representative basis ceased. All previously identified investments and derivatives that the Company owns, as well as floating rate debt the Company has issued, have transitioned to a replacement rate and no material impacts associated with the discontinuance of LIBOR are expected, respectively.



[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Assets and Liabilities Subject to Interest Rate Risk
Fixed income investments The fair value of fixed income investments, which include fixed maturities, commercial mortgage loans, and short-term investments, was \$53.3 billion and \$50.1 billion at December 31, 2024 and \$46.4 billion at December 31, 2023 2023, respectively. As of December 31, 2024 and 2022, respectively. The 2023, the weighted average duration of the portfolio, including derivative instruments, was approximately 3.8 years and 4.0 years as of December 31, 2023 and 2022, respectively, for both periods. Changes in the fair value of fixed maturities due to changes in interest rates are reflected as a component of AOCI.

Long-term debt obligations The Company's variable rate debt obligations will generally result in increased interest expense as a result of higher interest rates; the inverse is true during a declining interest rate environment. However, as explained in Note 14 13 - Debt of Notes to Consolidated Financial Statements, the Company has entered into an interest-rate swap agreement to effectively convert variable interest rate payments on its \$500 junior subordinated debentures due 2067 to fixed interest payments. Changes in the value of fixed rate long-term debt as a result of changes in interest rates will impact the fair value of these instruments but not the carrying value in the Company's Consolidated Balance Sheets.

Group life and disability product liabilities The cash outflows associated with contracts issued by the Company's Group Employee Benefits segment, primarily group life and short and long-term disability policy liabilities, are not interest rate sensitive but vary based on timing. Though the aggregate cash flow payment streams are relatively predictable, these products rely upon actuarial pricing assumptions (including mortality and morbidity) and have an element of cash flow uncertainty. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company had \$8,586 \$8,496 and \$8,479, \$8,586, respectively of reserves for group life and disability contracts. For most Group Employee Benefits liabilities, changes in interest rates will impact the fair value but not the carrying value in the Company's Consolidated Balance Sheets. For long-duration insurance contracts, including paid-up life and life conversions, changes in interest rates will impact both the fair value and the carrying value in the Company's Consolidated Balance Sheets.

Pension and other postretirement benefit obligations The Company's pension and other postretirement benefit obligations are exposed to interest rate risk based upon the sensitivity of present value obligations to changes in liability discount rates as well as the sensitivity of the fair value of investments in the plan portfolios to changes in interest rates. The discount rate assumption is based upon an interest rate yield curve that reflects high-quality fixed income investments consistent with the maturity profile of the expected liability cash flows. The Company is exposed to the risk of having to make additional plan contributions if the plans' investment returns, including from investments in fixed maturities, are lower than expected. For further discussion of discounting pension and other postretirement benefit obligations, refer to Note 19 18 - Employee Benefit Plans of Notes to Consolidated Financial Statements.

Interest Rate Sensitivity
Group Life and Disability Reserves and Invested Assets Supporting Them

Included in the following table is the before tax change in the net economic value of contracts issued by the Company's Group Employee Benefits segment, primarily group life and disability, for which fixed valuation discount rate assumptions are established based upon investment returns assumed in pricing, along with the corresponding invested assets. For long-duration insurance contracts the discount rate is updated quarterly with an equivalent single rate that is based on a current market observable, upper-medium grade fixed maturity yield. This has been interpreted to represent a yield based on single-A credit

rated fixed maturity instruments with similar duration to the related liability. Also included in this analysis are the interest rate sensitive derivatives used by the Company to hedge its exposure to interest rate risk in the investment portfolios supporting these contracts. This analysis does not include the assets and corresponding liabilities of other insurance products such as automobile, property, workers' compensation and general liability insurance. Certain financial instruments, such as limited partnerships and other alternative investments, have been omitted from the analysis as the interest rate sensitivity of these investments is generally lower and less predictable than fixed income investments. The calculation of the estimated hypothetical change in net economic value below assumes a 100 basis point upward and downward parallel shift in the yield curve.

The selection of the 100 basis point parallel shift in the yield curve was made only as an illustration of the potential impact of such an event and should not be construed as a prediction of future market events. Actual results could differ materially from those illustrated below due to the nature of the estimates and assumptions used in the analysis. The Company's sensitivity analysis calculation assumes that the composition of invested assets and liabilities remain materially consistent throughout the year and that the current relationship between short-term and long-term interest rates will remain constant over time. As a result, these calculations may not fully capture the impact of portfolio re-allocations, significant product sales or non-parallel changes in interest rates.

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Interest Rate Sensitivity of Group Employee Benefits Reserves and Invested Assets Supporting Them

Change in Net Economic Value as of December 31,												
2023						2022						
2024												
2023												
Basis point shift	Basis point shift	-100	+100	+100	-100	+100	Basis point shift	-100	+100	+100	-100	+100

Increase (decrease)
in economic value,
before tax

The carrying value of assets related to supporting Group Employee Benefits, primarily long-term disability reserves, was \$10.3 billion \$10.0 billion and \$9.8 billion \$10.3 billion, as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively, and included fixed maturities, commercial mortgage loans and short-term investments. The assets are monitored and managed within set duration guidelines and are evaluated on a daily basis, as well as annually, using scenario simulation techniques in compliance with regulatory requirements.

Invested Assets not Supporting Group Life and Disability Reserves

The following table provides an analysis showing the estimated before tax change in the fair value of the Company's investments and related derivatives, excluding assets supporting group life and disability reserves which are included in the table above, assuming 100 basis point upward and downward parallel shifts in the yield curve as of December 31, 2023 December 31, 2024 and 2022, 2023. Certain financial instruments, such as limited partnerships and other alternative investments, have been omitted from the analysis as the interest rate sensitivity of these investments is generally lower and less predictable than fixed income investments.

Interest Rate Sensitivity of Invested Assets (Excluding Those Supporting Group Employee Benefits Reserves)

Change in Fair Value as of December 31,														
2023							2022							
2024							2023							
Basis point shift	Basis point shift	-100	+100	+100	-100	-100	+100	Basis point shift	-100	+100	+100	-100	-100	+100

Increase (decrease)
in fair value,
before tax

The carrying value of fixed maturities, commercial mortgage loans and short-term investments, excluding those related to supporting Group Employee Benefits short and long-term disability reserves, was \$39.8 billion \$43.3 billion and \$36.6 billion \$39.8 billion as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively.

Long-term Debt

A 100 basis point parallel decrease in the yield curve would result in an increase in the fair value of long-term debt by \$444 \$397 and \$426 \$444 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively. A 100 basis point parallel increase in the yield curve would result in a decrease in the fair value of long-term debt by \$373 \$336 and \$357 \$373 as of December 31,

2023 December 31, 2024 and 2022, 2023, respectively. Changes in the value of long-term debt as a result of changes in interest rates will not impact the carrying value in the Company's Consolidated Balance Sheets.

Pension and Other Postretirement Plan Obligations

A 100 basis point parallel decrease in the yield curve would impact both the value of the underlying pension assets and the value of the liabilities, resulting in an increase in the unfunded liabilities (or decrease in asset) for pension and other postretirement plan obligations of \$12 \$9 and \$22 \$12 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively. A 100 basis point parallel increase in the yield curve would have the inverse effect and result in a decrease in the unfunded liabilities (or increase in assets) for pension and other postretirement plan obligations of \$3 and \$10 \$3 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively. Gains or losses due to changes in the yield curve on the pension and postretirement plan obligations are recorded within AOCI and are amortized into the actuarial loss component of net periodic benefit cost when they exceed a threshold.

Equity Risk

Equity risk is the risk of financial loss due to changes in the value of global equities or equity indices.

Sources of Equity Risk The Company has exposure to equity risk from invested assets, assets that support the

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Company's pension and other postretirement benefit plans, and fee income derived from Hartford Funds AUM.

Impact The investment portfolio is exposed to losses from market declines affecting equity securities and derivatives, which could negatively impact the Company's reported earnings. In addition, investments in limited partnerships and other alternative investments generally have a level of correlation to domestic equity market levels and can expose the Company to losses in earnings if valuations decline; however, earnings impacts are recognized on a lag as results from private equity investments and other funds are generally reported on a three-month delay. For assets supporting pension and other postretirement benefit plans, the Company may be required to make additional plan contributions if equity investments in the plan portfolios decline in value. Hartford Funds earnings are also significantly influenced by the U.S. and other equity markets. Generally, declines in equity markets will reduce the value of average daily AUM and the amount of fee income generated from those assets. Increases in equity markets will generally have the inverse impact.

Management The Company uses various approaches in managing its equity exposure, including limits on the proportion of assets invested in equities, diversification of the equity portfolio, and, at times, hedging of changes in equity indices. During the first half of 2023, the Company reduced its exposure to equity securities through sales. For assets supporting pension and other postretirement benefit plans, the asset allocation mix is reviewed on a periodic basis. In order to minimize risk, the pension plans maintain a listing of permissible and prohibited investments and impose concentration limits and investment quality requirements on permissible investment options.

Assets and Liabilities Subject to Equity Risk

Investment portfolio The investment portfolio is exposed to losses from market declines affecting equity securities and derivatives, as well as limited partnerships and certain other alternative assets and limited partnerships, investments. Generally, declines in equity markets will

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

reduce the value of these types of investments and could negatively impact the Company's earnings while increases in equity will have the inverse impact. For equity securities, the changes in fair value are reported in net realized gains and losses. For **alternative assets and limited partnerships and other alternative investments**, the Company's share of earnings for the period is recorded in net investment income, though typically on a delay based on the availability of the underlying financial statements. For a discussion of equity sensitivity, see below.

Assets supporting pension and other postretirement benefit plans The Company may be required to make additional plan contributions if equity investments in the plan portfolios decline in value. For a discussion of equity sensitivity, see below.

Declines in value are recognized as unrealized losses in AOCI. Increases in equity markets are recognized as unrealized gains in AOCI. Unrealized gains and losses in AOCI are amortized into the actuarial loss component of net periodic benefit cost when they exceed a threshold. For further discussion of equity risk associated with the pension plans, see Note **19 18** - Employee Benefit Plans of Notes to Consolidated Financial Statements.

Assets under management AUM in Hartford Funds may decrease in value during equity market declines, which would result in lower earnings because fee income is earned based upon the value of AUM.

Equity Sensitivity

Investment portfolio and the assets supporting pension and other postretirement benefit plans

Included in the following tables are the estimated before tax change in the economic value of the Company's invested assets and assets supporting pension and other postretirement benefit plans with sensitivity to equity risk. The calculation of the hypothetical change in economic value below assumes a 20% upward and downward shock to the Standard & Poor's 500 Composite Price Index ("S&P 500"). For limited partnerships and other alternative investments, the movement in economic value is calculated using a beta analysis largely derived from historical experience relative to the S&P 500.

The selection of the 20% shock to the S&P 500 was made only as an illustration of the potential impact of such an event and should not be construed as a prediction of future market events. Actual results could differ materially from those illustrated below due to the nature of the estimates and assumptions used in the analysis. These calculations do not capture the impact of portfolio re-allocations.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Equity Sensitivity												
As of December 31, 2023					As of December 31, 2022							
As of December 31, 2024					As of December 31, 2023							
Shock to S&P 500					Shock to S&P 500		Shock to S&P 500		Shock to S&P 500		Shock to S&P 500	
(Before tax)	Fair Value	+20%	-20%		Fair Value	+20%	-20%	(Before tax)	Fair Value	+20%	-20%	
Investment Portfolio												
Assets supporting pension and other postretirement benefit plans												
Hartford Funds assets under management												

Hartford Funds earnings are significantly influenced by the U.S. and other equity markets. If equity markets were to hypothetically decline 20% and remain depressed for one year, the estimated before tax impact on reported Hartford Funds earnings for that one year period is approximately **\$55 \$70** as of **December 31, 2023 December 31, 2024**. The selection of the 20% shock to the S&P 500 was made only as an illustration of the potential impact of such an event and should not be construed as a prediction of future market events. Actual results could differ materially due to the nature of the estimates and assumptions used in the analysis.

Foreign Currency Exchange Risk

Foreign currency exchange risk is the risk of financial loss due to changes in the relative value between currencies.

Sources of Currency Risk The Company has foreign currency exchange risk in non-U.S. dollar denominated cash, fixed maturities, equities, and derivative instruments. In addition, the Company has non-U.S. subsidiaries, some with functional currencies other than U.S. dollar, and which transact business in

multiple currencies resulting in assets and liabilities denominated in foreign currencies.

Impact Changes in relative values between currencies can create variability in cash flows and realized or unrealized gains and losses on changes in the fair value of assets and liabilities. The impact on the fair value of fixed maturities, AFS due to changes in foreign currency exchange rates, in relation to functional currency, is reported in unrealized gains or losses as part of other comprehensive income ("OCI"). The realization of gains or losses resulting from investment sales or from changes in investments that record changes in fair value through the income statement due to changes in foreign currency exchange rates is reflected through net realized gains and losses.

In regard to insurance and reinsurance contracts that the Company enters into for which we are obligated to pay losses in a foreign currency, the impact of changes in foreign currency exchange rates on assets and liabilities related to these contracts is reflected through net realized gains and losses. These assets or liabilities include, but are not limited to, cash and cash equivalents, premiums receivable, reinsurance recoverables, and unpaid losses and loss adjustment expenses. Additionally, the Company translates the assets, liabilities, and income of non-U.S. dollar functional currency legal entities into

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

U.S. dollars. This translation amount is reported as a component of other comprehensive income.

Management The Company manages its foreign currency exchange risk primarily through asset-liability matching and through the use of derivative instruments. However, legal entity capital is invested in local currencies in order to satisfy regulatory requirements and to support local insurance operations. The foreign currency exposure of non-U.S. dollar denominated investments will most commonly be reduced through the sale of the assets or through hedges using foreign currency swaps and forwards.

Assets and Liabilities Subject to Foreign Currency Exchange Risk

Investment portfolio The Company is exposed to foreign exchange risk affecting non-U.S. dollar denominated cash, fixed maturities, equities, and derivative instruments. Changes in relative values between currencies can positively or negatively impact net realized gains and losses or unrealized gains (losses) as part of other comprehensive income.

Insurance contract related assets and liabilities The Company has non-U.S. dollar denominated insurance and reinsurance contracts and associated premiums receivable, reinsurance recoverables and unpaid losses and loss adjustment expenses, that are exposed to foreign exchange risk. For contracts that are within U.S dollar functional currency legal entities, changes in foreign currency exchange rates can positively or negatively impact net realized gains and losses. For contracts within non-U.S. dollar functional currency legal entities, changes in the functional currency relative to the U.S. dollar can positively or negatively impact other comprehensive income.

Foreign Currency Sensitivity

For the Company's primary currencies that create foreign exchange risk, the following table provides the estimated impact of a hypothetical 10% unfavorable change in exchange rates. Actual results could differ materially due to the nature of the estimates and assumptions used in the analysis. The amounts presented are in U.S. dollars and before tax.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Foreign Currency Sensitivity [1]						
	GBP	GBP	CAD	10% Unfavorable Change	GBP	CAD
				10% Unfavorable Change		
December 31, 2024						
Net assets (liabilities)						
Net assets (liabilities)						
Net assets (liabilities)						
December 31, 2023						
December 31, 2023						
December 31, 2023						
Net assets (liabilities)						
Net assets (liabilities)						
Net assets (liabilities)						
December 31, 2022						
December 31, 2022						
December 31, 2022						
Net assets (liabilities)						
Net assets (liabilities)						
Net assets (liabilities)						

[1]Table excludes currencies where the value of net assets in U.S. dollar equivalent is less than 1% of total net assets of the Company.

Financial Risk on U.S. Statutory Capital

U.S. Statutory surplus amounts and RBC ratios may increase or decrease in any period depending upon a variety of factors and may be compounded in extreme scenarios or if multiple factors occur at the same time. At times, the impact of changes in certain market factors or a combination of multiple factors on RBC ratios can be counterintuitive. Factors include:

- A decrease in the value of certain fixed-income and equity securities in our investment portfolio, due in part to credit spreads widening, an increase in interest rates, or a decline in equity market levels, may result in a decrease in statutory surplus and RBC ratios;
- A decline in investment yields may reduce our net investment income, which may result in a decrease in statutory surplus and RBC ratios;
- Decreases in the value of certain derivative instruments that do not get hedge accounting, may reduce statutory surplus and RBC ratios; and
- Non-market factors can also impact the amount and volatility of either our actual or potential obligation, as well as the related statutory surplus and RBC ratios.

Most of these factors are outside of the Company's control. Among other factors, rating agencies consider the level of

statutory capital and surplus of our U.S. insurance subsidiaries as well as the level of GAAP capital held by the Company in determining the Company's financial strength and credit ratings. Rating agencies may implement changes to their internal models that have the effect of increasing or decreasing the amount of capital we must hold in order to maintain our current ratings.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Investment Portfolio Risk

The following table presents the Company's fixed maturities, AFS, by credit quality. The credit ratings referenced throughout this section are based on availability and are generally the midpoint of the available ratings among Moody's, S&P, and Fitch. If no rating is available from a rating agency, then an

internally developed rating is used. Accrued investment income

related to fixed maturities is not included in the amortized cost or fair value of the fixed maturities. For further information refer to Note 5 - Investments of Notes to Consolidated Financial Statements.

Fixed Maturities, AFS by Credit Quality

		December 31, 2023						December 31, 2022							December 31, 2024						
						Percent of						Percent of							Percent of		
		Amortized		Fair Value		Total Fair		Amortized		Fair Value		Total Fair			Amortized		Fair Value		Total Fair		
		Cost	Fair Value			Value		Cost	Fair Value			Value		Cost	Fair Value			Value			A
United States	United States													United States							
Government/Government	Government/Government													Government/Government							
agencies	agencies	\$ 5,174	\$ 4,776	12.0	12.0	%		\$ 5,573	\$ 5,025	13.9	13.9	%		agencies	\$ 5,424	\$ 4,937	11.6	11.6	%		\$
AAA	AAA	7,277	7,055	7,055	17.7	17.7	%	6,171	5,824	5,824	16.1	16.1	%	AAA	7,340	7,166	7,166	16.8	16.8	%	
AA	AA	7,527	7,270	7,270	18.3	18.3	%	7,136	6,650	6,650	18.4	18.4	%	AA	7,762	7,484	7,484	17.6	17.6	%	
A	A	10,253	9,828	9,828	24.7	24.7	%	9,758	8,968	8,968	24.7	24.7	%	A	11,422	10,933	10,933	25.7	25.7	%	
BBB	BBB	9,710	9,198	9,198	23.1	23.1	%	8,918	7,973	7,973	22.0	22.0	%	BBB	10,227	9,722	9,722	22.8	22.8	%	
BB & below	BB & below	1,785	1,691	1,691	4.2	4.2	%	1,977	1,791	1,791	4.9	4.9	%	BB & below	2,363	2,325	2,325	5.5	5.5	%	
Total fixed maturities, AFS		\$ 41,726	\$ 39,818	100.0	100.0	%		\$ 39,533	\$ 36,231	100.0	100.0	%									
Total fixed maturities, AFS [1]		\$ 44,538	\$ 42,567	100.0	100.0	%		\$ 41,726	\$ 39,818	100.0	100.0	%									

The fair value of fixed maturities, AFS increased as compared to December 31, 2022, primarily due to net additions of corporate bonds and ABS, partially offset by net reductions to U.S. treasuries and tax-exempt municipal bonds. The increase was also due to higher valuations as a result of tighter credit

spreads. Fixed maturities, [1] Excludes FVO are not included in the preceding table, securities. For further discussion on FVO securities, see Note 4 - Fair Value Measurements of Notes to Consolidated Financial Statements.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Fixed Maturities, AFS by Type

		December 31, 2023							December 31, 2022								
		Amortized		Gross	Gross		Percent		Amortized		Gross	Gross		Percent			
		Cost	ACL	Unrealized	Unrealized	Fair Value	of Total Fair	Value	Cost	ACL	Unrealized	Unrealized	Fair Value	of Total Fair	Value	Amortiz	Cost
				Gains	Losses						Gains	Losses					
ABS																	
Consumer loans																	
Consumer loans																	
Consumer loans		\$ 2,414	\$ —	\$ 10	\$ (18)	\$ 2,406	6.0	6.0 %	\$ 1,538	\$ —	\$ —	\$ (41)	\$ 1,497	4.1	4.1 %	\$ 2,554	\$ —
Other																	
Other																	
Other		933	—	8	(27)	914	2.3	2.3 %	478	—	—	(34)	444	1.3	1.3 %	1,394	—
CLO		3,104	—	3	(17)	3,090	7.8	7.8 %	3,040	—	3	(102)	2,941	8.1	8.1 %		
CLOs		3,237	—	13	—	3,250	7.6	7.6 %	3,104	—	3	(17)	3,090	7.8	7.8 %		
Commercial Mortgage-Backed Securities ("CMBS")																	
CMBS																	
Commercial Mortgage-Backed Securities ("CMBS")																	
CMBS																	
Commercial Mortgage-Backed Securities ("CMBS")																	
CMBS																	
Agency [1]																	
Agency [1]																	
Agency [1]		1,179	(12)	14	(119)	1,062	2.7	2.7 %	1,268	(10)	14	(115)	1,157	3.2	3.2 %	1,284	(13)
Bonds		2,150	—	—	(219)	1,931	4.8	4.8 %	2,263	—	2	(228)	2,037	5.6	5.6 %	Bonds	1,597
Interest only	Interest only	137	—	5	(10)	132	0.3	0.3 %	184	—	5	(15)	174	0.5	0.5 %	Interest only	95
Corporate																	
Basic industry																	
Basic industry																	
Basic industry		967	—	7	(39)	935	2.3	2.3 %	797	—	1	(64)	734	2.0	2.0 %	1,100	—
Capital goods		1,630	—	19	(67)	1,582	4.0	4.0 %	1,380	—	2	(117)	1,265	3.5	3.5 %	Capital goods	1,769
Consumer cyclical	Consumer cyclical	1,331	(4)	20	(55)	1,292	3.2	3.2 %	1,100	—	—	(97)	1,003	2.8	2.8 %	Consumer cyclical	1,599
Consumer non-cyclical	Consumer non-cyclical	2,232	—	27	(123)	2,136	5.4	5.4 %	2,102	—	6	(188)	1,920	5.3	5.3 %	Consumer non-cyclical	2,641
Energy	Energy	1,261	—	13	(57)	1,217	3.1	3.1 %	1,076	—	3	(92)	987	2.7	2.7 %	Energy	1,395
Financial services	Financial services	5,434	—	30	(283)	5,181	13.0	13.0 %	4,923	—	8	(441)	4,490	12.4	12.4 %	Financial services	6,455
Tech./comm.	Tech./comm.	2,470	(2)	47	(143)	2,372	6.0	6.0 %	2,312	(2)	9	(249)	2,070	5.7	5.7 %	Tech./comm.	2,848
Transportation	Transportation	803	—	8	(60)	751	1.9	1.9 %	731	—	1	(81)	651	1.8	1.8 %	Transportation	930
Utilities	Utilities	2,155	(3)	25	(148)	2,029	5.1	5.1 %	1,871	—	3	(212)	1,662	4.6	4.6 %	Utilities	2,464
Other		408	—	1	(38)	371	0.9	0.9 %	502	—	—	(51)	451	1.2	1.2 %		
Real estate investment trusts ("REITs")		354	—	—	(21)	333	0.8	0.8 %	408	—	1	(38)	371	0.9	0.9 %		
Foreign govt./govt. agencies		583	—	6	(27)	562	1.4	1.4 %	596	—	—	(49)	547	1.5	1.5 %	Foreign govt./govt. agencies	500
Municipal bonds																	
Taxable																	
Taxable																	

Taxable		1,211	—	—	7	7	(113)	(113)	1,105	1,105	2.8	2.8 %	1,062	—	—	2	2	(148)	(148)	916	916	2.5	2.5 %	1,384	—
Tax-exempt	Tax-exempt	4,996	—	—	124	124	(186)	(186)	4,934	4,934	12.4	12.4 %	5,656	—	—	91	91	(367)	(367)	5,380	5,380	14.9	14.9 %	Tax-exempt	4,190
Residential Mortgage-Backed Securities ("RMBS")																									
RMBS																									
Agency																									
Agency																									
Agency		2,342	—	—	14	14	(171)	(171)	2,185	2,185	5.5	5.5 %	1,865	—	—	2	2	(196)	(196)	1,671	1,671	4.6	4.6 %	3,002	—
Non-agency	Non-agency	2,293	—	—	4	4	(235)	(235)	2,062	2,062	5.2	5.2 %	2,277	—	—	—	—	(312)	(312)	1,965	1,965	5.4	5.4 %	Non-agency	2,586
Sub-prime	Sub-prime	40	—	—	—	—	—	—	40	40	0.1	0.1 %	72	—	—	—	—	—	—	72	72	0.2	0.2 %	Sub-prime	22

U.S. Treasuries

U.S. Treasuries

U.S. Treasuries		1,653	—	—	26	26	(150)	(150)	1,529	1,529	3.8	3.8 %	2,440	—	—	—	—	(243)	(243)	2,197	2,197	6.1	6.1 %	1,138	—
Total fixed maturities, AFS	Total fixed maturities, AFS	\$ 41,726	\$ (21)	\$ 418	\$ (2,305)	\$ 39,818	100.0	100.0 %	\$ 39,533	\$ (12)	\$ 152	\$ (3,442)	\$ 36,231	100.0	100.0 %	AFS	\$44,538								
Fixed maturities, FVO																									
FVO securities																									

[1]Includes securities with pools of loans issued by the Small Business Administration which are backed by the full faith and credit of the U.S. government.

The fair value of fixed maturities, AFS increased as compared to **December 31, 2022** December 31, 2023, primarily due to net additions of corporate bonds, high-quality RMBS and ABS, partially offset by net reductions to U.S. treasuries and tax-exempt municipal bonds. The increase was also due to higher valuations as a result of tighter credit spreads. The Company primarily increased holdings of financial bonds, U.S. Treasuries, and CMBS.

services, utilities, capital goods, Commercial & Residential Real Estate

The following tables present the Company's exposure to CMBS and consumer cyclical corporate bonds as well as consumer loans. RMBS by credit quality included in the preceding Fixed Maturities, AFS by Type table.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Commercial & Residential Real Estate

The following tables present the Company's exposure Exposure to CMBS and RMBS by credit quality included in the preceding Fixed Maturities, AFS by Type table.

as of December 31, 2024

	AAA		AA		A		BBB		BB and Below		Total	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
CMBS												
Agency [1]	\$ 14	\$ 14	\$ 1,270	\$ 1,145	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,284	\$ 1,159
Bonds	609	578	407	376	267	240	147	137	167	153	1,597	1,484
Interest Only	53	51	31	31	6	6	5	5	—	—	95	93
Total CMBS	676	643	1,708	1,552	273	246	152	142	167	153	2,976	2,736
RMBS												
Agency	—	—	3,002	2,784	—	—	—	—	—	—	3,002	2,784
Non-Agency	1,564	1,467	746	697	203	193	65	61	8	6	2,586	2,424
Sub-Prime	1	1	5	5	2	2	7	7	7	7	22	22
Total RMBS	1,565	1,468	3,753	3,486	205	195	72	68	15	13	5,610	5,230
Total CMBS & RMBS	\$ 2,241	\$ 2,111	\$ 5,461	\$ 5,038	\$ 478	\$ 441	\$ 224	\$ 210	\$ 182	\$ 166	\$ 8,586	\$ 7,966

Exposure to CMBS and RMBS as of December 31, 2023

		AAA		AA		A		BBB		BB and Below		Total	
		Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
CMBS													
Agency [1]	\$	20	\$ 19	\$ 1,159	\$ 1,043	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 1,179	\$ 1,062
Bonds		852	795	545	485	371	317	147	119	235	215	2,150	1,931
Interest Only		76	72	54	53	—	—	7	7	—	—	137	132
Total CMBS		948	886	1,758	1,581	371	317	154	126	235	215	3,466	3,125
RMBS													
Agency		—	—	2,342	2,185	—	—	—	—	—	—	2,342	2,185
Non-Agency		1,263	1,144	526	477	300	260	189	169	15	12	2,293	2,062
Sub-Prime		1	1	12	12	5	5	10	10	12	12	40	40
Total RMBS		1,264	1,145	2,880	2,674	305	265	199	179	27	24	4,675	4,287
Total CMBS & RMBS	\$	2,212	\$ 2,031	\$ 4,638	\$ 4,255	\$ 676	\$ 582	\$ 353	\$ 305	\$ 262	\$ 239	\$ 8,141	\$ 7,412

Exposure to CMBS and RMBS as of December 31, 2022

AAA		AAA		AA		A		BBB		BB and Below		Total		AAA		AA		A		BBB		BB and E	
Amortized	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair	Amortized	Fair
Cost	Cost	Value	Cost	Value	Cost	Value	Cost	Value	Cost	Value	Cost	Value	Cost	Cost	Value	Cost	Value	Cost	Value	Cost	Value	Cost	Value
CMBS																							
Agency [1]																							
Agency [1]																							
Agency [1]																							
Bonds																							
Interest																							
Only																							
Total																							
CMBS																							
RMBS																							
Agency																							
Agency																							
Agency																							
Non-																							
Agency																							
Sub-																							
Prime																							
Total RMBS																							
Total RMBS																							
Total RMBS																							
Total																							
CMBS																							
&																							
RMBS																							

[1]Includes securities with pools of loans issued by the Small Business Administration which are backed by the full faith and credit of the U.S. government.

As of December 31, 2023, the credit quality of the majority of agency-backed CMBS and RMBS changed from AAA to AA+ due to a downgrade of U.S. government-sponsored enterprises by Fitch in August of 2023.

The Company also has exposure to commercial mortgage loans. These loans are collateralized by real estate properties that are diversified both geographically throughout the United States and by property type. These commercial loans are originated by the Company as high quality whole loans, and the Company may sell participation interests in one or more loans to third parties. A loan participation interest represents a pro-rata share in interest and principal payments generated by the

offs, improved economic scenarios, lower scenario forecasts and property valuations, and overall weaker real estate fundamentals. Specific reductions, partially offset by net additions of new loans.

The Company funded \$589 million \$601 million of commercial mortgage loans, primarily industrial properties, with a weighted average loan-to-value ("LTV") ratio of 57%

participated loan, and the relationship between the Company as loan originator, lead participant and servicer and the third party as a participant are governed by a participation agreement.

As of December 31, 2024, mortgage loans had an amortized cost of \$6.4 billion and carrying value of \$6.4 billion, with an ACL of \$44. As of December 31, 2023, mortgage loans had an amortized cost of \$6.1 billion and carrying value of \$6.1 billion, with an ACL of \$51. As of December 31, 2022, mortgage loans had an amortized cost of \$6.0 billion and carrying value of \$6.0 billion, with an ACL of \$36. The increase release in the allowance is primarily attributable to revised reflects write-

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

58% and a weighted average yield of 7.2% 7.1% during the twelve months ended December 31, 2023 December 31, 2024. The Company continues to originate commercial mortgage loans in high growth markets across the country focusing primarily on institutional-quality industrial and multi-family properties with strong LTV ratios. There were no mortgage loans held for sale as of December 31, 2023 December 31, 2024, or December 31, 2022 December 31, 2023.

Municipal Bonds

The following table presents the Company's exposure to municipal bonds by type and weighted average credit quality included in the preceding Securities by Type table.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Available For Sale Investments in Municipal Bonds																			
December 31, 2023										December 31, 2022									
December 31, 2024										December 31, 2023									
	Amortized Cost				Amortized Cost	Fair Value	Weighted Average Credit Quality			Amortized Cost		Fair Value	Weighted Average Credit Quality				Amortized Cost	Fair Value	Weighted Average Credit Quality
General Obligation	General Obligation	\$ 807	\$ 814	AA	AA			\$ 863	\$ 838	AA	AA	General Obligation	\$ 1,033	\$ 1,008	AA	AA			
Pre-refunded [1]	Pre-refunded [1]	155	158	158	AA+	AA+		235	242	242	AAA	AAA	Pre-refunded [1]	86	87	87	AA+	AA+	
Revenue																			
Transportation																			
Transportation																			
Transportation		1,325	1,298	1,298	A+	A+		1,435	1,342	1,342	A+	A+	1,134	1,084	1,084	A+	A+	1,325	1,298
Health Care	Health Care	974	902	902	A+	A+		1,132	1,012	1,012	A+	A+	Health Care	864	789	789	A+	A+	974
Leasing [2]	Leasing [2]	761	732	732	AA-	AA-		714	659	659	AA-	AA-	Leasing [2]	627	588	588	AA	AA	761
Education	Education	527	520	520	AA	AA		601	572	572	AA	AA	Education	402	385	385	AA	AA	527
Water & Sewer	Water & Sewer	362	347	347	AA+	AA+		411	384	384	AA	AA	Water & Sewer	308	289	289	AA	AA	362
Power	Power	275	271	271	A	A		280	268	268	A	A	Power	281	272	272	A	A	275
Housing		195		185	AA	AA		179		172	AA	AA							
Sales Tax	Sales Tax	231	237	237	AA	AA		304	295	295	AA	AA	Sales Tax	183	183	183	AA	AA	231
Housing		179		172	AA	AA		73		62	AA-	AA-							
Other	Other	611	588	588	A+	A+		670	622	622	A+	A+	Other	461	434	434	AA-	AA-	611

Total	Total									Total										
Revenue	Revenue	5,245	5,067	5,067	AA-	AA-				Revenue	4,455	4,209	4,209	AA-	AA-					5,245
Total	Total									Total										
Municipal	Municipal	\$ 6,207	\$ 6,039	AA-	AA-					Municipal	\$ 5,574	\$ 5,304	AA-	AA-						\$ 6,207

[1]Pre-refunded bonds are bonds for which an irrevocable trust containing sufficient U.S. treasury, agency, or other securities has been established to fund the remaining payments of principal and interest.

[2]Leasing revenue bonds are generally the obligations of a financing authority established by the municipality that leases facilities back to a municipality. The notes are typically secured by lease payments made by the municipality that is leasing the facilities financed by the issue. Lease payments may be subject to annual appropriation by the municipality or the municipality may be obligated to appropriate general tax revenues to make lease payments.

As of December 31, 2024, the largest issuer concentrations were the State of Illinois, the State of California, and the Metropolitan Transportation Authority, which each comprised less than 3% of the municipal bond portfolio and were primarily comprised of general obligation and revenue bonds. As of December 31, 2023, the largest issuer concentrations were the New York City Transitional Finance Authority, the State of Illinois, and the Metropolitan Transportation Authority, which each comprised less than 3% of the municipal bond portfolio and were primarily comprised of general obligation and revenue bonds. As of December 31, 2022, the largest issuer concentrations were the Grand Parkway Transportation Corporation of Texas, the New York City Transitional Finance Authority, and the New York City Municipal Water Finance Authority, which each comprised less than 3% of the municipal bond portfolio and were primarily comprised of general obligation and revenue bonds. In total, municipal bonds make up 11% 9% of the fair value of the Company's investment portfolio.

Limited Partnerships and Other Alternative Investments

The following table presents the Company's investments in limited partnerships and other alternative investments which include real estate joint ventures, real estate funds, private equity funds, other funds, and other alternative investments. Private equity funds primarily consist of investments in funds whose assets typically consist of a diversified pool of investments in small to mid-sized non-public businesses with high growth potential and strong owner sponsorship, as well as limited exposure to public markets.

Income or losses on investments in limited partnerships and other alternative investments are recognized on a lag as results from private equity investments and other funds are generally reported on a three-month delay.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Limited Partnerships and Other Alternative Investments - Net Investment Income

		Year Ended December 31,				Year Ended December 31,				Year Ended December 31,							
		2023		2022		2021				2024		2023		2022			
		Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]			Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]		
Real estate joint ventures and funds	Real estate joint ventures and funds	\$ (10)	(0.5)	\$ 316	21.9	\$ 149	18.4	Real estate joint ventures and funds	\$ (67)	(3.4)	(3.4)%	\$ (10)	(0.5)	\$ 316	21.9	Real estate joint ventures and funds	(0.5)%
Private equity funds	Private equity funds	161	9.9	186	14.2	456	51.3	Private equity funds	108	5.9	5.9 %	161	9.9	186	14.2	Private equity funds	14.2 %
Other funds	Other funds	29	6.6	32	10.5	33	17.7	Other funds	60	11.7	11.7 %	29	6.6	32	10.5	Other funds	10.5 %
Other alternative investments [2]	Other alternative investments [2]	32	6.6	(19)	(3.8)	94	22.6	Other alternative investments [2]	47	9.1	9.1 %	32	6.6	(19)	(3.8)	Other alternative investments [2]	(3.8)%
Total	Total	\$ 212	4.8	\$ 515	14.4	\$ 732	31.8	Total	\$ 148	3.0	3.0 %	\$ 212	4.8	\$ 515	14.4	Total	14.4 %

[1]Yields calculated using annualized net investment income divided by the monthly average invested assets.

[2]Consists of an insurer-owned life insurance policy which is primarily invested in private equity funds and fixed income.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Investments in Limited Partnerships and Other Alternative Investments

		December 31, 2023				December 31, 2022					
		December 31, 2024				December 31, 2023					
		Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
Real estate joint ventures and funds	Real estate joint ventures and funds	\$ 1,931	40.4	\$ 1,713	41.0	\$ 1,907	37.8	\$ 1,931	40.4	\$ 1,931	40.4 %
Private equity funds	Private equity funds	1,838	38.4	1,565	37.5	1,956	38.8	1,838	38.4	1,838	38.4 %
Other funds	Other funds	498	10.4	413	9.9	623	12.4	498	10.4	498	10.4 %

Other alternative investments [1]	Other alternative investments [1]							Other alternative investments [1]									
	518	10.8	10.8	%		486	11.6	11.6 %	556	11.0	11.0 %		518	10.8	10.8 %		
Total	Total	\$ 4,785	100.0	100.0	%	\$ 4,177	100.0	100.0 %	Total	\$ 5,042	100.0	100.0 %	\$	4,785	100.0	100.0 %	

[1]Consists of an insurer-owned life insurance policy which is primarily invested in private equity funds and fixed income.

Fixed Maturities, AFS — Unrealized Loss Aging

The total gross unrealized losses were **\$2.3 billion** **\$2.2 billion** as of **December 31, 2023** **December 31, 2024**, and have decreased **\$1.1 billion** from **December 31, 2022**, primarily due to tighter credit spreads, largely consistent with **December 31, 2023**. As of **December 31, 2023** **December 31, 2024**, **\$1.9 billion** **\$1.7 billion** of the gross unrealized losses were associated with fixed maturities, AFS depressed less than 20% of amortized cost. The remaining **\$417** **\$0.5 billion** of gross unrealized losses were associated with fixed maturities, AFS depressed greater than 20%. The fixed maturities, AFS depressed more than 20% primarily related to corporate fixed maturities, **CMBS, RMBS, U.S. Treasuries**, and municipal bonds, that are mainly depressed because current interest rates are higher and/or market spreads are wider than at the respective purchase dates.

As part of the Company's ongoing investment monitoring process, the Company has reviewed its fixed maturities, AFS in an unrealized loss position and concluded that these fixed maturities are temporarily depressed and are expected to recover in value as the investments approach maturity or as market spreads tighten. For these fixed maturities in an unrealized loss position where an ACL has not been recorded, the Company's best estimate of expected future cash flows are sufficient to recover the amortized cost basis of the investment. Furthermore, the Company neither has an intention to sell nor does it expect to be required to sell these investments. For further information regarding the Company's ACL analysis, see the Credit Losses on Fixed Maturities, AFS and Intent-to-Sell Impairments section below.

Unrealized Loss Aging for Fixed Maturities, AFS

Consecutive Months	December 31, 2023					December 31, 2022					December 31, 2024					December 31, 2023		
	Consecutive Months	Amortized Items	Cost	Unrealized ACL	Fair Loss Value	Amortized Items	Cost	Unrealized ACL	Fair Loss Value	Consecutive Months	Amortized Items	Cost	Unrealized ACL	Fair Loss Value	Amortized Items	Cost	Unrealized ACL	Loss
Three months or less																		
Greater than three to six months																		
Greater than six to nine months																		
Greater than nine to eleven months																		
Twelve months or more																		
Total																		

Unrealized Loss Aging for Fixed Maturities, AFS Continuously Depressed Over 20%

Consecutive Months	December 31, 2024					December 31, 2023				
	Items	Amortized Cost	ACL	Unrealized Loss	Fair Value	Items	Amortized Cost	ACL	Unrealized Loss	Fair Value
Three months or less	132	\$ 1,003	\$ (3)	\$ (224)	\$ 776	14	\$ 56	\$ (1)	\$ (13)	\$ 42
Greater than three to six months	3	3	—	(1)	2	10	19	(2)	(4)	13
Greater than six to nine months	4	24	(1)	(6)	17	31	148	—	(33)	115
Greater than nine to eleven months	4	44	—	(12)	32	22	163	—	(40)	123
Twelve months or more	93	811	(1)	(259)	551	143	1,216	—	(327)	889
Total	236	\$ 1,885	\$ (5)	\$ (502)	\$ 1,378	220	\$ 1,602	\$ (3)	\$ (417)	\$ 1,182

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Unrealized Loss Aging for Fixed Maturities, AFS Continuously Depressed Over 20%

Consecutive Months	December 31, 2023					December 31, 2022				
	Items	Amortized Cost	ACL	Unrealized Loss	Fair Value	Items	Amortized Cost	ACL	Unrealized Loss	Fair Value
Three months or less	14	\$ 56	\$ (1)	\$ (13)	42	98	\$ 543	\$ —	\$ (116)	427
Greater than three to six months	10	19	(2)	(4)	13	215	2,021	—	(490)	1,531
Greater than six to nine months	31	148	—	(33)	115	89	791	—	(253)	538
Greater than nine to eleven months	22	163	—	(40)	123	7	34	(2)	(14)	18
Twelve months or more	143	1,216	—	(327)	889	17	5	(1)	(2)	2
Total	220	\$ 1,602	\$ (3)	\$ (417)	1,182	426	\$ 3,394	\$ (3)	\$ (875)	2,516

Credit Losses on Fixed Maturities, AFS and Intent-to-Sell Impairments

For the year ended December 31, 2023 December 31, 2024

The Company recorded net credit losses of \$14, \$2, primarily attributable to increases in the ACL of \$12 related to three \$1 on CMBS and \$1 on a below investment grade corporate issuers and \$2 related to a CMBS that had an ACL in the prior period driven by prepayments, issuer. Unrealized losses on securities with an ACL recognized in other comprehensive income OCI were \$4, less than \$1. For further information, refer to Note 5 - Investments of Notes to Consolidated Financial Statements.

There were no intent-to-sell impairments, impairments

The Company incorporates its best estimate of future performance using internal assumptions and judgments that are informed by economic and industry specific trends, as well as our expectations with respect to security specific developments.

Future intent-to-sell impairments or credit losses may develop as the result of changes in our intent to sell specific securities that are in an unrealized loss position or if modeling assumptions, such as macroeconomic factors or security specific developments, change unfavorably from our current modeling assumptions, resulting in lower cash flow expectations.

For the year ended December 31, 2022 December 31, 2023

The Company recorded net credit losses of \$18, \$14, primarily attributable to increases in the allowance for credit losses ACL of \$10 on CMBS, \$3 on issuers with exposure to Russia, \$3 \$12 related to a private three below investment grade corporate utilities issuer, issuers and \$2 related to a public corporate cable satellite issuer, CMBS that had an ACL in the prior period driven by prepayments. Unrealized losses on securities with an ACL recognized in other comprehensive income were \$6 \$4.

Intent-to-sell impairments of \$6 related to two corporate issuers in the financial services and utilities sectors, and an issuer with exposure to Russia that had an ACL prior to disposal. There were no intent-to-sell impairments.

ACL on Mortgage Loans

For the year ended December 31, 2023 December 31, 2024

The Company reviews mortgage loans on a quarterly basis to estimate the ACL with changes in the ACL recorded in net realized gains and losses. Apart from an ACL recorded on individual mortgage loans where the borrower is experiencing financial difficulties, the Company records an ACL on the pool of mortgage loans based on lifetime expected credit losses. For further information, refer to Note 5 - Investments of Notes to Consolidated Financial Statements.

The Company recorded a credit loss reversal of \$3 primarily attributable to improved economic scenario forecasts and property specific improvements, partially offset by net additions of new loans.

For the year ended December 31, 2023

The Company recorded an increase in the ACL on mortgage loans of \$15. The increase is primarily attributable to revised economic scenarios, lower property valuations, and overall weaker real estate fundamentals. The Company did not record an ACL on any individual mortgage loans.

For the year ended December 31, 2022

The Company recorded an increase in the ACL on mortgage loans of \$7. The increase was primarily attributable to the deteriorating economic conditions and the potential impact on real estate property valuations, and to a lesser extent, net additions of new loans. The Company did not record an ACL on any individual mortgage loans.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

CAPITAL RESOURCES AND LIQUIDITY

The following section discusses the overall financial strength of The Hartford and its insurance operations including their ability to generate cash flows from each of their business segments, borrow funds at competitive rates and raise new capital to meet operating and growth needs.

SUMMARY OF CAPITAL RESOURCES AND LIQUIDITY

Capital available to the holding company as of December 31, 2023 December 31, 2024:

- **\$1.1 billion** Approximately **\$1.3 billion** in fixed maturities, short-term investments, investment sales receivable and cash at the **HFSG HIG Holding Company, Company,**
- A senior unsecured revolving credit facility that provides for borrowing capacity up to \$750 of unsecured credit through October 27, 2026. As of **December 31, 2023 December 31, 2024**, there were no borrowings **outstanding, outstanding; and**
- An intercompany liquidity agreement that allows for short-term advances of funds among the **HFSG HIG Holding Company** and certain affiliates of up to \$2.0 billion for liquidity and other general corporate purposes. As of **December 31, 2023 December 31, 2024**, **\$1.9 billion** was available, **\$100 \$105** was outstanding between certain affiliates, and there were no amounts outstanding at the **HFSG HIG Holding Company.**As of **February 20, 2025**, **\$1.85 billion** was available, **\$150** was outstanding between certain affiliates and there were no amounts outstanding at the **HIG Holding Company.**

20242025 expected dividends and other sources of capital:

The future payment of dividends from our subsidiaries is dependent on several factors including business results, capital position and liquidity of our subsidiaries.

- **P&C** - The Company's property and casualty insurance subsidiaries have regulatory dividend capacity of **\$1.8 billion \$2.0 billion** for **2024, 2025**. The **HFSG HIG Holding Company** expects to receive approximately **\$1.5 \$1.7 billion** of net dividends in **2024 2025** after considering state deposit and regulatory capital requirements to support growth in certain entities, dividends that are expected to be subsequently contributed to P&C subsidiaries and dividends related to interest on intercompany notes.
- **Group Employee Benefits** - Hartford Life and Accident Insurance Company ("HLA") has regulatory dividend capacity of **\$609 \$592** in **2024 2025** with approximately **\$600 \$590** of dividends expected in **2024, 2025**.
- **Hartford Funds** - **HFSG HIG Holding Company** expects to receive approximately **\$130 \$150** in dividends from Hartford Funds in **2024, 2025**.

Expected liquidity requirements for the next twelve months as of December 31, 2023 December 31, 2024:

- **\$194** of interest on debt, net of settlements on a related interest rate swap. See Note **14 13** - Debt of Notes to Consolidated Financial Statements;
- **\$21** dividends on preferred stock, subject to the discretion of the Board of Directors; and
- **\$570 605** of common stockholders' dividends, subject to the discretion of the Board of Directors and before share repurchases.

Expected liquidity requirements for beyond the next twelve months as of December 31, 2023 December 31, 2024:

- Interest on **debt** and **repayments** of debt, **repayments**, see Note **14 13** - Debt of Notes to Consolidated Financial Statements.
- Preferred stock and common stock dividends, subject to the discretion of the Board of Directors.

Equity repurchase program:

In **2023, 2024**, the Company repurchased **19.2 million 14.4 million** common shares for **\$1.4 billion \$1.5 billion** under **the \$3.0 billion two share repurchase program programs** authorized by the Board of **Directors, Directors**. The Company had a **\$3.0 billion** share repurchase authorization which was effective through December 31, 2024. In addition to this authorization, in July 2024, the Board of Directors approved a **\$3.3 billion** share repurchase authorization effective from August 1, 2024 to December 31, 2026. As of **December 31, 2023 December 31, 2024**, the Company has **\$1.35 billion \$3.15 billion** remaining for equity repurchases under the share repurchase **program, program** effective through 2026. During the period **January 1, 2024 January 1, 2025** through **February 22, 2024 February 20, 2025**, the Company repurchased approximately **2.3 million 2.2 million** common shares for **\$200, \$248**.

The timing of any repurchases is dependent on several factors, including the market price of the Company's securities, the Company's capital position, consideration of the effect of any repurchases on the Company's financial strength or credit ratings, the Company's blackout periods, and other considerations.

LIQUIDITY REQUIREMENTS AND SOURCES OF CAPITAL

The Hartford **Financial Services Insurance Group, Inc. ("HFSG HIG Holding Company")**

The liquidity requirements of the **HFSG HIG Holding Company** will primarily be met by **HFSG HIG Holding Company's** fixed maturities; short-term investments and cash; and dividends from its subsidiaries, principally its insurance operations. The Company **maintains sufficient liquidity and has a variety of contingent**

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

maintains sufficient liquidity and has a variety of contingent liquidity resources to manage liquidity across a range of economic scenarios.

The HFSG HIG Holding Company expects to continue to receive dividends from its operating subsidiaries in the future and manages capital in its operating subsidiaries to be sufficient under significant economic stress scenarios. Dividends from subsidiaries and other sources of funds at the holding company may be used to repurchase shares under the authorized share repurchase program at the discretion of management.

Under significant economic stress scenarios, the Company has the ability to meet short-term cash requirements, if needed, by borrowing under its revolving credit facility or by having its insurance subsidiaries take collateralized advances under a facility with the FHLBB. The Company could also choose to have its insurance subsidiaries sell certain highly liquid, high quality fixed maturities or the Company could issue debt in the public markets under its shelf registration.

Debt

In 2022, The Hartford redeemed at par \$600 aggregate principal amount of its 7.875% junior subordinated debentures due 2042 and recognized, in insurance operating costs and other expenses, a loss on extinguishment of debt of \$9, before tax, for unamortized debt issuance costs.

For additional information on Debt, see Note 14 - Debt of Notes to Consolidated Financial Statements.

DIVIDENDS

The Hartford's Board of Directors declared the following quarterly dividends since October 1, 2023 October 1, 2024:

Common Stock Dividends			
Declared	Record	Payable	Amount per share
October 26, 2023 24, 2024	December 1, 2023 2, 2024	January 3, 2024 2025	\$ 0.470 0.520
February 21, 2024 19, 2025	March 4, 2024 3, 2025	April 2, 2024 2025	\$ 0.470 0.520

Preferred Stock Dividends			
Declared	Record	Payable	Amount per share
December 13, 2023 18, 2024	February 1, 2024 2025	February 15, 2024 18, 2025	\$ 375.00
February 21, 2024 19, 2025	May 1, 2024 2025	May 15, 2024 2025	\$ 375.00

There are no current restrictions on HFSG HIG Holding Company's ability to pay dividends to its stockholders.

For a discussion of restrictions on dividends to HFSG HIG Holding Company from its insurance subsidiaries, see the following "Dividends from Subsidiaries" discussion. For a discussion of potential restrictions on the HFSG HIG Holding Company's ability to pay dividends, see Part I, Item 1A, — Risk Factors for the risk factor "Our ability to declare and pay dividends is subject to limitations."

The payment of dividends by Connecticut-domiciled insurers is limited under the insurance holding company laws of Connecticut. These laws require notice to and approval by the state insurance commissioner for the declaration or payment of any dividend, which, together with other dividends or distributions made within the preceding twelve months, exceeds the greater of (i) 10% of the insurer's statutory policyholder surplus as of December 31 of the preceding year or (ii) net income (or net gain from operations, if such company is a life insurance company) for the preceding year, in each case determined under statutory insurance accounting principles. In addition, if any dividend of a Connecticut-domiciled insurer exceeds the insurer's earned surplus, it requires the prior approval of the Connecticut Insurance Commissioner.

Property casualty insurers domiciled in New York, including NIC and Navigators Specialty Insurance Company ("NSIC"), generally may not, without notice to and approval by the state insurance commissioner, pay dividends out of earned surplus in any twelve-month period that exceeds the lesser of (i) 10% of the insurer's statutory policyholders' surplus as of the most recent financial statement on file, or (ii) 100% of its adjusted net investment income, as defined, for the same twelve month period.

The insurance holding company laws of the other jurisdictions in which The Hartford's insurance subsidiaries are incorporated (or deemed commercially domiciled) generally contain similar (although in certain instances more restrictive) limitations on the payment of dividends. In addition to statutory limitations on paying dividends, the Company also takes other items into consideration when determining dividends from subsidiaries. These considerations include, but are not limited to, expected earnings and capitalization, regulatory

DIVIDENDS FROM SUBSIDIARIES

Dividends to HFSG HIG Holding Company from its insurance subsidiaries are restricted by insurance regulation. The Company's principal insurance subsidiaries are domiciled in the United States and the United Kingdom.

considerations include, but are not limited to, expected earnings and capitalization, regulatory capital requirements, liquidity requirements and state deposit requirements of the individual subsidiary.

Corporate members of Lloyd's syndicates may pay dividends to its parent to the extent of available profits that have been distributed from the syndicate in excess of the FAL capital requirement and subject to restrictions imposed under UK Company Law. The FAL is determined based on the syndicate's SCR under the Solvency II capital adequacy model, the current regulatory framework governing UK domiciled insurers, plus a Lloyd's specific economic capital assessment.

Insurers domiciled in the United Kingdom may pay dividends to their parent out of their statutory profits subject to restrictions imposed under U.K. Company law and Solvency II.

In 2023, HFSG 2024, HIG Holding Company received \$408 \$608 of dividends from HLA and \$129 \$136 from Hartford Funds. Funds, and \$31 from other non-insurance subsidiaries. In addition, HFSG HIG Holding Company received \$1.5 billion of net dividends from P&C subsidiaries in 2023 2024 which excludes \$100 \$75 of P&C dividends that were subsequently contributed to P&C subsidiaries and \$50 of P&C dividends related to interest payments on an intercompany note owed by Hartford Holdings, Inc. ("HHI") to Hartford Fire Insurance Company. Refer to "2025 expected dividends and other sources of capital" for expected payments of dividends from our subsidiaries in 2025.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

payments on an intercompany note owed by Hartford Holdings, Inc. ("HHI") to Hartford Fire Insurance Company. Refer to "2024 expected dividends and other sources of capital" for expected payments of dividends from our subsidiaries in 2024.

Membership allows these subsidiaries access to collateralized advances, which may be short- or long-term with fixed or

OTHER SOURCES OF CAPITAL FOR THE HFSG HIG HOLDING COMPANY

The Hartford endeavors to maintain a capital structure that provides financial and operational flexibility to its insurance subsidiaries, ratings that support its competitive position in the financial services marketplace (see the "Ratings" section below for further discussion), and stockholder returns. As a result, the Company may from time to time raise capital from the issuance of debt, common equity, preferred stock, equity-related debt or other capital securities and is continuously evaluating strategic opportunities. The issuance of debt, common equity, equity-related debt or other capital securities could result in the dilution of stockholder interests or reduced net income to common stockholders due to additional interest expense or preferred stock dividends.

Shelf Registrations

The Hartford filed an automatic shelf registration statement with the Securities and Exchange Commission ("the SEC") on February 22, 2022 September 23, 2024 that permits it to offer and sell debt and equity securities during the three-year life of the registration statement.

For further information regarding Shelf Registrations, shelf registrations, see Note 14 13 - Debt of Notes to Consolidated Financial Statements.

Revolving Credit Facility

The Hartford has a senior unsecured revolving credit facility (the "Credit Facility") that provides up to \$750 of unsecured credit through October 27, 2026. As of December 31, 2023 December 31, 2024, no borrowings were outstanding and no letters of credit were issued under the Credit Facility and The Hartford was in compliance with all financial covenants. For further information regarding the Credit Facility, see Note 14 13 - Debt of Notes to Consolidated Financial Statements.

Intercompany Liquidity Agreements

The Company has \$2.0 billion available under an intercompany liquidity agreement that allows for short-term advances of funds among the HFSG HIG Holding Company and certain affiliates of up to \$2.0 billion for liquidity and other general corporate purposes. The Connecticut Department of Insurance ("CTDOI") granted approval for certain affiliated insurance companies that are parties to the agreement to treat receivables from a parent, including the HFSG HIG Holding Company, as admitted assets for statutory accounting purposes.

As of December 31, 2023 December 31, 2024, \$1.9 billion was available, \$100 \$105 was outstanding between certain affiliates and there were no amounts outstanding at the HFSG HIG Holding Company. As of February 20, 2025, \$1.85 billion was available, \$150 was outstanding between certain affiliates and there were no amounts outstanding at the HIG Holding Company.

Collateralized Advances with Federal Home Loan Bank of Boston

The Company's subsidiaries, Hartford Fire Insurance Company ("Hartford Fire") and HLA, are members of the FHLBB.

variable rates. Advances may be used to support general corporate purposes, which would be presented as short- or long-term debt, or to earn incremental investment income, which would be presented in other liabilities consistent with other collateralized financing transactions. As of December 31, 2023 December 31, 2024, there were no advances outstanding. The CTDOI permits Hartford Fire and HLA to pledge up to \$1.3 billion \$1.4 billion and \$0.7 billion \$0.6 billion in qualifying assets, respectively, without prior approval, to secure FHLBB advances in 2024, 2025. For further information regarding the Company's collateralized advances with Federal Home Loan Bank of Boston, see Note 14 13 - Debt of Notes to Consolidated Financial Statements.

Lloyd's Letter of Credit Facility

The Hartford has a committed credit facility agreement with a syndicate of lenders (the "Lloyd's Facility"). On October 21, 2024, The Hartford amended and restated its Lloyd's Facility agreement. The amended and restated Lloyd's Facility has two tranches with one tranche extending a \$74 commitment and the other tranche extending a £79 million (\$101 99 as of December 31, 2023 December 31, 2024) commitment. As of December 31, 2023 December 31, 2024, letters of credit with an aggregate face amount of \$74 and £79 million, or \$101, \$99, were outstanding under the Lloyd's Facility.

Among other covenants, the Lloyd's Facility contains financial covenants regarding The Hartford's consolidated net worth and financial leverage and that limit the amount of letters of credit that can support Funds at Lloyd's, consistent with Lloyd's requirements. leverage. As of December 31, 2023 December 31, 2024, The Hartford was in compliance with all financial covenants of the facility.

For further information regarding the Lloyd's Facility, see Note 14.13 - Debt of Notes to Consolidated Financial Statements.

PENSION PLANS AND OTHER POSTRETIREMENT BENEFITS

While the Company has significant discretion in making voluntary contributions to the U.S. qualified defined benefit pension plan, minimum contributions are mandated in certain circumstances pursuant to the Employee Retirement Income Security Act of 1974, as amended by the Pension Protection Act of 2006, the Worker, Retiree, and Employer Recovery Act of 2008, the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, the Moving Ahead for Progress in the 21st Century Act of 2012 (MAP-21) and Internal Revenue Code regulations. The Company did not make any contributions to the U.S. qualified defined benefit pension plan in 2024, 2023 2022 and 2021, 2022. In 2023, the Company funded \$3 to a rabbi trust that is designated for other defined benefit pension plans and contributed \$1 to the Canadian Pension Plan. There were no plan contributions in 2022 2024 or 2021 2022 for other defined benefit pension plans. The Company made direct benefit payments of \$5, \$6, \$5 and \$7 \$5 on behalf of the other postretirement plans in 2024, 2023 2022 and 2021, 2022, respectively. No other contributions were made to the other postretirement plans in 2024, 2023 2022 and 2021, 2022. The Company's 2024, 2023 2022 and 2021 2022 required minimum funding contributions were immaterial. The Company does not have a 2024 2025 required minimum funding contribution for the U.S. qualified defined benefit pension plan and the funding requirements for all pension plans are expected to be immaterial. The Company has not determined whether, and to what extent, contributions may be made to the U.S. qualified defined benefit pension plan in 2025. The Company will monitor the funded status of the U.S. qualified defined

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

qualified defined benefit pension plan in 2024. The Company will monitor the funded status of the U.S. qualified defined benefit pension plan during 2024 2025 to make this determination. As of December 31, 2023 December 31, 2024, the U.S. qualified defined benefit pension plan is fully funded and in an asset position. For further discussion of pension and other postretirement benefit obligations, see Note 19 18 - Employee Benefit Plans of Notes to Consolidated Financial Statements.

DERIVATIVE COMMITMENTS

Certain of the Company's derivative agreements contain provisions that are tied to the financial strength ratings, as set by nationally recognized statistical rating agencies, of the individual legal entity that entered into the derivative agreement. If the legal entity's financial strength were to fall below certain ratings, the counterparties to the derivative agreements could terminate agreements and demand immediate settlement of the outstanding net derivative positions transacted under each agreement. For further information, refer to Note 15 14 - Commitments and Contingencies of Notes to Consolidated Financial Statements.

As of December 31, 2023 December 31, 2024, no derivative positions would be subject to immediate termination in the event of a downgrade of one level below the current financial strength ratings. This could change as a result of changes in our hedging activities or to the extent changes in contractual terms are negotiated.

INSURANCE OPERATIONS

While subject to variability period to period, underwriting and investment cash flows continue to provide sufficient liquidity to meet anticipated demands.

The principal sources of operating funds are premiums, fees earned from insurance and administrative service agreements, and investment income, while investing cash flows primarily originate from maturities and sales of invested assets.

The Company's insurance operations consist of property and casualty insurance products (collectively referred to as "Property & Casualty Operations") and Group Employee Benefits products.

The Company's insurance operations hold fixed maturity securities, including a significant short-term investment position (securities with maturities of one year or less at the time of purchase), to meet liquidity needs. Liquidity requirements that are unable to be funded by the Company's insurance operations' short-term investments would be satisfied with current operating funds, including premiums or investing cash flows, which includes proceeds received through the sale of invested assets. A sale of invested assets could result in significant realized losses.

The following tables represent the fixed maturity holdings, including the aforementioned cash and short-term investments available to meet liquidity needs, for each of the Company's insurance operations.

Property & Casualty

		As of	
		December 31, 2023 2024	
Fixed maturities	\$	31,680	34,675
Short-term investments		2,127	2,075
Cash		106	148
Less: Derivative collateral		52	64
Total	\$	33,861	36,834

Property & Casualty operations invested assets also include \$456 \$212 in equity securities, \$4.5 billion \$4.8 billion in mortgage loans and \$3.8 billion \$4.0 billion in limited partnerships and other alternative investments.

Group Employee Benefits Operations

		As of	
		December 31, 2023 2024	
Fixed maturities	\$	8,277	8,013
Short-term investments		382	389
Cash		12	26
Less: Derivative collateral		14	16
Total	\$	8,657	8,412

Group Employee Benefits operations invested assets also include \$99 \$46 in equity securities, \$1.6 billion in mortgage loans and \$1.0 billion \$1.1 billion in limited partnerships and other alternative investments.

The primary uses of funds are to pay claims, claim adjustment expenses, commissions and other underwriting and insurance operating costs, to pay taxes, to purchase new investments and to make dividend payments to the HFSG HIG Holding Company.

Property & Casualty reserves for unpaid losses and loss adjustment expenses as of December 31, 2023 December 31, 2024 were \$34.0 billion \$36.4 billion and net of reinsurance and other recoverables were \$27.4 billion \$29.7 billion. Reserves for Property & Casualty unpaid losses and loss adjustment expenses include case reserves and IBNR reserves. The ultimate amount to be paid to settle both case and IBNR reserves is an estimate, subject to significant uncertainty. The actual amount to be paid is not finally determined until the Company reaches a settlement with the claimant. Final claim settlements may vary significantly from the present estimates, particularly since many claims will not be settled until well into the future. For a discussion of The Hartford's judgment in estimating reserves for Property & Casualty see Part II, Item 7, MD&A - Critical Accounting Estimates, Property & Casualty Insurance Product Reserves, Net of Reinsurance, and for historical payments by reserve line net of reinsurance, see Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements. The timing of future payments for the next twelve months and for beyond twelve months could vary materially from historical payment patterns due to, among other things, changes in claim reporting and payment patterns and large unanticipated settlements. In particular, there is significant uncertainty over the claim payment patterns of asbestos and environmental claims.

Group Employee Benefits reserves as of December 31, 2023 December 31, 2024 were \$9.0 \$8.9 billion and net of reinsurance were \$8.7 billion \$8.6 billion. Group life and disability obligations are estimated using assumptions based on the Company's historical experience, modified for recent observed trends. For a discussion of The Hartford's judgment in estimating LTD reserves for Group Employee Benefits see Part II, Item 7, MD&A - Critical Accounting Estimates, Group Employee

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Benefit LTD Reserves, Net of Reinsurance. For additional information about future policy benefits and other policyholder funds and benefits payable, see Note 12 11 - Reserve for Future Policy Benefits and Note 13 12 - Other Policyholder Funds and Benefits Payable of Notes to Consolidated Financial Statements. For historical payments by reserve line, net of reinsurance, see Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses of Notes to Consolidated Financial Statements. Due to the significance of the assumptions used, payments for the next twelve months and beyond twelve months could materially differ from historical patterns.

Corporate includes reserves of \$402 as of December 31, 2023 December 31, 2024 were \$371, and net of reinsurance were \$147. These reserves related to retained run-off liabilities of its former life and annuity business. For additional information about future policy benefits and other policyholder funds and benefits payable, see Note 12 11 - Reserve for Future Policy Benefits and Note 13 12 - Other Policyholder Funds and Benefits Payable of Notes to Consolidated Financial Statements.

Hartford Funds

Hartford Funds Funds' principal sources of operating funds are fees earned from basis points on assets under management with uses primarily for payments to subadvisors and other general operating expenses. As of December 31, 2023 December 31, 2024, Hartford Funds cash and short-term investments were \$250, \$300.

PURCHASE AND OTHER OBLIGATIONS

The Hartford's unfunded commitments to purchase investments in limited partnerships and other alternative investments, private placements, and mortgage loans, private debt and equity securities, as well as tax credits are disclosed in Note 15 14 - Commitments and Contingencies of Notes to Consolidated Financial Statements. It is anticipated that these unfunded commitments will be funded through the Company's normal operating and investing activities.

In the normal course of business, the Company enters into contractual commitments to purchase various goods and services such as maintenance, human resources, and information technology. The Company's operating lease commitments are disclosed in Note 21 20 - Leases of Notes to Consolidated Financial Statements. It is anticipated that these purchase commitments and operating lease obligations will be funded through the Company's normal operating and investing activities.

CAPITALIZATION

Capital Structure

				December 31, 2023		December 31, 2022		Change							
				December 31, 2024		December 31, 2023		Change							
Long-term debt															
Long-term debt															
Long-term debt				\$	4,362	\$	4,357	—%	—%	\$	4,366	\$	4,362	—%	—%
Total debt	Total debt	4,362	4,357	4,357	—%	—%	Total debt	4,366	4,362	4,362	—%	—%			
Common stockholders' equity, excluding AOCI, net of tax	Common stockholders' equity, excluding AOCI, net of tax	17,842	17,183	17,183	4%	4%	Common stockholders' equity, excluding AOCI, net of tax	18,999	17,842	17,842	6%	6%			
Preferred stock	Preferred stock	334	334	334	—%	—%	Preferred stock	334	334	334	—%	—%			
AOCI, net of tax	AOCI, net of tax	(2,849)	(3,841)	(3,841)	26%	26%	AOCI, net of tax	(2,886)	(2,849)	(2,849)	(1)%	(1)%			
Total stockholders' equity	Total stockholders' equity	\$ 15,327	\$	13,676	12%	12%	Total stockholders' equity	\$ 16,447	\$	15,327	7%	7%			
Total capitalization	Total capitalization	\$ 19,689	\$	18,033	9%	9%	Total capitalization	\$ 20,813	\$	19,689	6%	6%			

Debt to stockholders' equity
Debt to capitalization
Debt to capitalization
Debt to capitalization

Total capitalization increased \$1,656, 1,124, or 9% 6%, as of December 31, 2023 December 31, 2024 compared to December 31, 2022 December 31, 2023 primarily due to net income in excess of common stockholder dividends in the period and a decrease in net unrealized losses on fixed maturities, AFS, partially offset by share repurchases.

For additional information on AOCI, net of tax, including unrealized gains (losses) from securities, see Note 18 17 - Changes in and Reclassifications From Accumulated Other Comprehensive Income (Loss) and Note 5 - Investments of Notes to Consolidated Financial Statements. For additional information on debt, see Note 14 13 - Debt of Notes to Consolidated Financial Statements.

Index to MD&A

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

CASH FLOW [1]

	2023	2022	2021
Net cash provided by operating activities	\$ 4,220	\$ 4,008	\$ 4,093
Net cash used for investing activities	\$ (2,431)	\$ (1,277)	\$ (2,466)

Net cash used for financing activities	\$	(1,947)	\$	(2,710)	\$	(1,581)
Cash and restricted cash— end of year	\$	189	\$	344	\$	337

[1]Cash activities in 2021 include cash flows related to Continental Europe Operations classified as held for sale beginning in the third quarter of 2020 and sold on December 29, 2021. See Note 22 - Business Dispositions of Notes to Consolidated Financial Statements for discussion of this transaction.

	2024	2023	2022
Net cash provided by operating activities	\$ 5,909	\$ 4,220	\$ 4,008
Net cash used for investing activities	\$ (3,768)	\$ (2,431)	\$ (1,277)
Net cash used for financing activities	\$ (2,076)	\$ (1,947)	\$ (2,710)
Cash and restricted cash— end of year	\$ 234	\$ 189	\$ 344

Year ended December 31, 2023 December 31, 2024 compared to the year ended December 31, 2022 December 31, 2023

Net cash provided by operating activities increased in 2023 2024 as compared to the prior year period primarily driven by an increase in P&C and Group Employee Benefits premiums received, largely offset by an increase a decrease in P&C loss and loss adjustment expenses paid including due to the \$787 payment to the BSA on April 20, 2023, Boy Scouts of America in the prior year, and cash recoveries from NICO under the Navigators ADC, partially offset by higher operating expenses, including increased commissions and staffing costs, costs, an increase in Employee Benefits loss and loss adjustment expenses paid, and taxes paid.

Cash used for investing activities increased in 2023 2024 as compared to the prior year driven by an increase in net payments for fixed maturities available for sale, a result of a change from decrease in net proceeds from to equity securities at fair value, and an increase in net payments for both fixed maturities and derivatives, mortgage loans, partially offset by a decrease in net payments for partnerships and a change from net payments for to net proceeds from equity securities, a decrease in net payments for mortgage loans, a derivatives.

decrease in net payments for short-term investments, and a decrease in net payments for partnerships.

Cash used for financing activities decreased primarily due increased in 2024 as compared to the redemption of \$600 of 7.875% junior subordinated debentures prior year period primarily driven by an increase in the second quarter of 2022, treasury stock acquired, including excise tax paid, and a decrease an increase in share repurchases in 2023, dividends paid on common stock.

Operating cash flows for the year ended December 31, 2023 December 31, 2024 have been adequate to meet liquidity requirements.

EQUITY MARKETS

For a discussion of the potential impact of the equity markets on capital and liquidity, see the Financial Risk on U.S. Statutory Capital and Liquidity Risk section in this MD&A.

RATINGS

Ratings are an important factor in establishing a competitive position in the insurance marketplace and impact the Company's ability to access financing and its cost of borrowing. There can be no assurance that the Company's ratings will continue for any given period of time, or that they will not be changed. In the event the Company's ratings are downgraded, the Company's competitive position, ability to access financing, and its cost of borrowing, may be adversely impacted.

Insurance Financial Strength Ratings as of February 22, 2024

	A.M. Best	Standard & Poor's	Moody's
Hartford Fire Insurance Company	A+	A+	A1
Hartford Life and Accident Insurance Company	A+	A+	A1
Navigators Insurance Company	A+	A+	Not Rated
Other Ratings:			
The Hartford Financial Services Group, Inc.:			
Senior debt	a-	BBB+	Baa1

we must hold in order to maintain our current ratings. See Part I, Item 1A. Risk Factors — “Downgrades in our financial strength or credit ratings may make our products less attractive, increase our cost of capital and inhibit our ability to refinance our debt.”

Insurance Financial Strength Ratings as of February 20, 2025

	A.M. Best	Standard & Poor's	Moody's
Hartford Fire Insurance Company	A+	A+	A1
Hartford Life and Accident Insurance Company	A+	A+	A1
Navigators Insurance Company	A+	A+	Not Rated
Other Ratings:			
The Hartford Insurance Group, Inc.:			
Senior debt	a-	BBB+	Baa1

These ratings are not a recommendation to buy, sell or hold any of The Hartford's securities and they may be revised or withdrawn at any time at the discretion of the rating organization. Each agency's rating should be evaluated independently of any other agency's rating. The system and the number of rating categories can vary across rating agencies.

Among other factors, rating agencies consider the level of statutory capital and surplus of our U.S. insurance subsidiaries as well as the level of GAAP capital held by the Company in determining the Company's financial strength and credit ratings. Rating agencies may implement changes to their capital formulas that have the effect of increasing the amount of capital

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

STATUTORY CAPITAL

U.S. Statutory Capital Rollforward for the Company's Insurance Subsidiaries

	Property and Casualty Insurance Subsidiaries [1] [2]	Property and Casualty Insurance Subsidiaries [1] [2]	Group Benefits Insurance Subsidiary Total	Property and Casualty Insurance Subsidiaries [1] [2]	Employee Benefits Insurance Subsidiary Total
U.S. statutory capital at January 1, 2023					
U.S. statutory capital at January 1, 2024					
Statutory income					
Dividends to parent					
Other items					
Net change to U.S. statutory capital					
U.S. statutory capital at December 31, 2023					
U.S. statutory capital at December 31, 2024					

[1]The statutory capital for property and casualty insurance subsidiaries in this table does not include the value of an intercompany note owed by HHI to Hartford Fire Insurance Company.

[2]Excludes insurance operations in the U.K.

Stat to GAAP Differences

Significant differences between U.S. GAAP stockholders' equity and aggregate statutory capital prepared in accordance with U.S. STAT include the following:

- U.S. STAT excludes equity of non-insurance and foreign insurance subsidiaries not held by U.S. insurance subsidiaries.
- Costs incurred by the Company to acquire insurance policies are deferred under U.S. GAAP while those costs are expensed immediately under U.S. STAT.
- Temporary differences between the book and tax basis of an asset or liability which are recorded as deferred tax assets are evaluated for recoverability under U.S. GAAP while these amounts are then subject to further admissibility tests under U.S. STAT.
- The assumptions used in the determination of Group Employee Benefits reserves (i.e., for Group Employee Benefits contracts) are prescribed under U.S. STAT, while the assumptions used under U.S. GAAP are generally the Company's best estimates.
- The difference between the amortized cost and fair value of fixed maturity and other investments, net of tax, is recorded as an increase or decrease to the carrying value of the related asset and to equity under U.S. GAAP, while, under U.S. STAT, most investments are carried at amortized cost with only certain securities carried at fair value, such as equity securities and certain lower rated bonds required by the NAIC to be recorded at the lower of amortized cost or fair value.

- U.S. STAT for life insurance companies like HLA establishes a formula reserve for realized and unrealized losses due to default and equity risks associated with certain invested assets (the Asset Valuation Reserve), while U.S. GAAP does not. Also, for those realized gains and losses caused by changes in interest rates, U.S. STAT for life insurance companies defers and amortizes the gains and losses into income over the original life to maturity of the asset sold (the Interest Maintenance Reserve) while U.S. GAAP does not.
- Goodwill arising from the acquisition of a business is tested for recoverability on an annual basis (or more frequently, as necessary) for U.S. GAAP, while under U.S. STAT goodwill is amortized over a period not to exceed 10 years and the amount of goodwill admitted as an asset is limited.
- The deferred gain on retroactive reinsurance for losses ceded to the Navigators and A&E ADC agreements is recognized within a special category of surplus under U.S. STAT but is recognized within other liabilities under U.S. GAAP. In addition, the pattern of amortizing the deferred gain for GAAP and releasing special surplus for STAT is different. For GAAP the deferred gain is amortized in proportion of actual recoveries collected to total expected recoveries, while for STAT special surplus is released dollar for dollar once recoveries collected exceed the reinsurance premium.

In addition, certain assets, including a portion of premiums receivable and fixed assets, are non-admitted (recorded at zero value and charged against surplus) under U.S. STAT. U.S. GAAP generally evaluates assets based on their recoverability.

RISK BASED CAPITAL

The Company's U.S. insurance companies' states of domicile impose RBC requirements. The requirements provide a means of measuring the minimum amount of statutory capital appropriate for an insurance company to support its overall business operations based on its size and risk profile. Companies below specific trigger points or ratios are classified within certain levels, each of which requires specified corrective action. All of the Company's U.S. operating insurance

subsidiaries had RBC ratios in excess of the minimum levels required by the applicable insurance regulations.

Similar to the RBC ratios that are employed by U.S. insurance regulators, regulatory authorities in the international jurisdictions in which the Company operates generally establish minimum solvency requirements for insurance companies. All of the Company's international insurance subsidiaries expect to maintain capital levels in excess of the minimum levels required by the applicable regulatory authorities.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

SENSITIVITY

In any particular period, statutory capital amounts and RBC ratios may increase or decrease depending upon a variety of factors. The amount of change in the statutory capital or RBC ratios can vary based on individual factors and may be compounded in extreme scenarios or if multiple factors occur at the same time. At times the impact of changes in certain market factors or a combination of multiple factors on RBC ratios can be counterintuitive. For further discussion on these factors, see MD&A - Enterprise Risk Management, Financial Risk on Statutory Capital.

Statutory capital at the insurance subsidiaries has been maintained at capital levels commensurate with the Company's desired RBC ratios and ratings from rating agencies. The amount of statutory capital can increase or decrease depending on a number of factors affecting insurance results including, among other factors, the level of catastrophe claims incurred, the amount of reserve development, the effect of changes in interest rates on investment income and the discounting of loss reserves, and the effect of realized gains and losses on investments.

CONTINGENCIES

Legal Proceedings

For a discussion regarding The Hartford's legal proceedings, see the information contained in Note 15 14 - Commitments and Contingencies of the Notes to Consolidated Financial Statements and Part I, Item 3 — Legal Proceedings, which are incorporated herein by reference.

Legislative and Regulatory Developments

Inflation Reduction Act

On August 16, 2022, the U.S. enacted the Inflation Reduction Act of 2022 Securities and Exchange Commission ("IRA SEC") which is generally effective for years beginning after December 31, 2022. Notably, the bill created a 15% corporate alternative minimum tax ("CAMT") on corporations with three-year average financial statement income over \$1 billion. The Internal Revenue Service has issued some preliminary guidance final rules to enhance and is expected to release more detailed proposed regulations standardize climate-related disclosures for investors. The SEC rules are being challenged in the coming year. The Company has made certain interpretations courts, and assumptions on April 4, 2024 the SEC voluntarily stayed the rules pending judicial review. If they become operative in their current form, the rules will require extensive narrative and quantitative reporting on climate change and decarbonization in SEC filings and financial statements and pose potential compliance and regulatory risks to comply with the CAMT. While the Company's financial statement income is over \$1 billion, it is not expected the Company, would have a CAMT liability. If CAMT is paid beginning in fiscal year 2025. The State of California has enacted laws that impose similarly extensive compliance burdens on the future, Company, entailing like compliance and regulatory risks. Other jurisdictions may follow suit. However, the amount would be indefinitely available California laws are facing legal challenges as a credit carryforward that would reduce tax in future years well and would be treated as a temporary item reflected within deferred taxes.

the overall state of these types of climate related disclosure regimes, whether at the state or federal level, remains uncertain.

In addition, Congress may consider a variety of proposals including a possible increase in the corporate tax rate to offset the cost of

any new spending. Tax proposals and regulatory initiatives that may be considered by Congress and/or the U.S. Treasury Department could have a material effect on the Company and its insurance businesses. The nature and timing of any such Congressional or regulatory action with respect to any such efforts is unclear.

Guaranty Fund and Other Insurance-related Assessments

For a discussion regarding Guaranty Fund and Other Insurance-related Assessments, see Note 15 14 - Commitments and Contingencies of Notes to Consolidated Financial Statements.

IMPACT OF NEW ACCOUNTING STANDARDS

For a discussion of accounting standards, see Note 1 - Basis of Presentation and Significant Accounting Policies of Notes to Consolidated Financial Statements.

[Index to MD&A](#)

Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

ACRONYMS

A&E	Asbestos and Environmental	HIG	The Hartford Insurance Group, Inc.
ABS	Asset-Backed Securities	HIMCO	Hartford Investment Management Company
ABS ACL	Asset-Backed Securities Allowance for Credit Losses	HLA	Hartford Life and Accident Insurance Company
ACL ADC	Allowance for Credit Losses Adverse Development Cover	IBNR	Incurred But Not Reported
ADC AFS	Adverse Development Cover Available-For-Sale	IT	Information Technology
ALAE	Allocated Loss Adjustment Expenses	LAE	Loss Adjustment Expense
AFS AOCI	Available-For-Sale Accumulated Other Comprehensive Income	LCL	Liability for Credit Losses
ALAE AUM	Allocated Loss Adjustment Expenses	LIBOR	London Inter-Bank Offered Rate
AOCI	Accumulated Other Comprehensive Income Assets Under Management	LTD	Long-Term Disability
AUM BSA	Assets Under Management Boy Scouts of America	LTV	Loan-to-Value
BSA CAY	Boy Scouts of America Current Accident Year	MD&A	Management's Discussion and Analysis of Financial Conditions and Results of Operations
CAYCLOS	Current Accident Year Collateralized Loan Obligations	NAIC	National Association of Insurance Commissioners
CLO CMBS	Collateralized Loan Obligations Commercial Mortgage-Backed Securities	NIC	Navigators Insurance Company
CMBS CODM	Commercial Mortgage-Backed Securities Chief Operating Decision Maker	NICO	National Indemnity Company, a subsidiary of Berkshire Hathaway Inc. ("Berkshire")
CPRI	Credit and Political Risk Insurance	NM	Not Meaningful
DAC	Deferred Policy Acquisition Costs	NOLs	Net Operating Losses
DEI	Diversity, Equity and Inclusion	NSIC	Navigators Specialty Insurance Company
DLR	Disabled Life Reserve	OCI	Other Comprehensive Income
DSCR D&O	Debt Service Coverage Ratio Directors and Officers	OTC	Over-the-Counter
DSCR	Debt Service Coverage Ratio	P&C	Property and Casualty
ELR	Expected Loss Ratio	PV&T	Political Violence and Terrorism
ERCC	Enterprise Risk and Capital Committee	P&C PYD	Property and Casualty Prior Accident Year Development
ESPP	The Hartford Employee Stock Purchase Plan	PV&T RBC	Political Violence and Terrorism Risk-Based Capital
ETF	Exchange-Traded Funds	PYD RMBS	Prior Accident Year Development Residential Mortgage-Backed Securities
FAL	Funds at Lloyd's	RBC ROA	Risk-Based Capital Return on Assets
FASB	Financial Accounting Standards Board	RMBS ROE	Residential Mortgage-Backed Return on Equity
FHCF	Florida Hurricane Catastrophe Fund	SEC	Securities and Exchange Commission
FHLBB	Federal Home Loan Bank of Boston	ROA	Return on Assets
FVO	Fair Value Option	ROE	Return on Equity
GAAP	Generally Accepted Accounting Principles	SCR	Solvency Capital Requirement
HFSG FVO	Hartford Financial Services Group, Inc. Fair Value Option	SOFR	Secured Overnight Financing Rate
GAAP	Generally Accepted Accounting Principles	TRIPRA	Terrorism Risk Insurance Program Reauthorization Act
HHI	Hartford Holdings, Inc.	ULAE	Unallocated Loss Adjustment Expenses

Part II - Item 9A. Controls and Procedures

Item 9A.

CONTROLS AND PROCEDURES

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES

The Company's principal executive officer and its principal financial officer, based on their evaluation of the Company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) have concluded that the Company's disclosure controls and procedures are effective for the purposes set forth in the definition thereof in Exchange Act Rule 13a-15(e) as of **December 31, 2023** **December 31, 2024**.

MANAGEMENT'S ANNUAL REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of The Hartford **Financial Services Insurance** Group, Inc. and its subsidiaries ("The Hartford") is responsible for establishing and maintaining adequate internal control over financial reporting for The Hartford as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934.

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 accounting principles generally accepted in the United States. A company's internal control over financial reporting includes 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 accounting principles generally accepted in the United States, 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

The Hartford's management assessed its internal controls over financial reporting as of **December 31, 2023** **December 31, 2024** in relation to criteria for effective internal control over financial reporting described in "Internal Control-Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment under those criteria, The Hartford's management concluded that its internal control over financial reporting was effective as of **December 31, 2023** **December 31, 2024**.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting that occurred during the Company's fourth fiscal quarter of **2023** **2024** that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ATTESTATION REPORT OF THE COMPANY'S REGISTERED PUBLIC ACCOUNTING FIRM

The Hartford's independent registered public accounting firm, Deloitte & Touche LLP, has issued their attestation report on the Company's internal control over financial reporting which is set forth below.

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Part II - Item 9A. Controls and Procedures

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
The Hartford Financial Services Insurance Group, Inc.
Hartford, Connecticut

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of The Hartford Financial Services Insurance Group, Inc. and its subsidiaries (the "Company") (formerly The Hartford Financial Services Group, Inc.) as of December 31, 2023 December 31, 2024, 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 Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023 December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2023 December 31, 2024, of the Company and our report dated February 23, 2024 February 21, 2025, expressed an unqualified opinion on those financial statements and included an explanatory paragraph regarding the Company's adoption of a new accounting standard, statements.

Basis for Opinion

The Company's management is responsible 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 Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

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.

/s/ DELOITTE Deloitte & TOUCHE Touche LLP

Hartford, Connecticut
February 23, 2024 21, 2025

Part II - Item 9B. Other Information

Item 9B.

OTHER INFORMATION

On October 31, 2023 November 4, 2024, Adin M. Tooker, Christopher J. Swift, Chairman and Chief Executive Vice President, Middle & Large Commercial, Global Specialty and Sales and Distribution, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the potential sale of up to 7,643.967 shares of the Company's common stock on February 29, 2024. This 10b5-1 plan is effective through October 31, 2024.

On November 21, 2023, Michael R. Fisher, Executive Vice President and Property and Casualty Chief Underwriting Officer, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the potential exercise of vested stock options and associated sale of (i) up to 4,088 294,481 shares of the Company's common stock between March 1, 2024 March 4, 2025 and November 15, 2024 and (ii) up to 4,088 February 27, 2026 (or the date on which all shares of the Company's common stock between July 1, 2024 and November 15, 2024 have been sold), subject to certain conditions. This 10b5-1 The options covered by this trading plan is effective through November 15, 2024, were granted to Mr. Swift in 2016 and are scheduled to expire in March 2026.

Part III - Item 10. Directors, Executive Officers and Corporate Governance of The Hartford

Item 10.

DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE OF THE HARTFORD

Certain of the information called for by Item 10 will be set forth in the definitive proxy statement for the 2024 2025 annual meeting of stockholders (the "Proxy Statement") to be filed by The Hartford with the Securities and Exchange Commission within 120 days after the end of the fiscal year covered by this Form 10-K under the captions and subcaptions "Board and Governance Matters", "Matters," "Stock Ownership Requirements and Restrictions on Trading," "Insider Trading Policy," "Director Nominees" Nominees," and "Timing of Equity Grants" and is incorporated herein by reference.

The Company has adopted a Code of Ethics and Business Conduct, which is applicable to all employees of the Company, including the principal executive officer, the principal financial officer and the principal accounting officer. The Code of Ethics and Business Conduct is available on the investor relations section of the Company's website at:

<http://ir.thehartford.com>.

Any waiver of, or material amendment to, the Code of Ethics and Business Conduct will be posted promptly to our web site in accordance with applicable NYSE and SEC rules.

EXECUTIVE OFFICERS OF THE HARTFORD

Information about the executive officers of The Hartford who are also nominees for election as directors will be set forth in The Hartford's Proxy Statement. Set forth below is information about the other executive officers of the Company as of February 22, 2024 February 20, 2025:

Name	Age	Position with The Hartford and Business Experience For the Past Five Years
Stephanie C. Bush ^[1]	59	Executive Vice President and Head of Personal Lines (January 2018-present); Executive Vice President and Head of Small Commercial (July 2014-present)
Beth A. Costello	56 57	Executive Vice President and Chief Financial Officer (July 2014-present)
Michael R. Fisher Fish	59	Executive Vice President and Head of Employee Benefits (October 2024-present); Chief Operating Officer, Employee Benefits (June 2021-September 2024); Senior Vice President, Employee Benefits Operations & Program Delivery (January 2018-May 2021)
Donald C. Hunt	58 54	Executive Vice President and Property and Casualty Chief Underwriting Officer (May 2019-present) General Counsel (March 2024-present); Executive Senior Vice President, Deputy General Counsel and Head of Specialty Commercial (October 2014-April Corporate Secretary (December 2019-February 2024); Vice President, Deputy General Counsel and Corporate Secretary (April 2013-November 2019)
Allison G. Niderno	44 45	Senior Vice President and Controller (March 2023-present); Vice President Finance, Head of External Reporting and Investment Finance (June 2018 - March 2023); Vice President Finance (April 2016 - June 2018)
Robert W. Paiano	62 63	Executive Vice President and Chief Risk Officer (June 2017-present); Senior Vice President & Treasurer (July 2010-May 2017)
Lori A. Rodden	53 54	Executive Vice President and Chief Human Resources Officer (October 2019-present); and Senior Vice President and Lead Human Resources Business Partner for Property & Casualty, Group Employee Benefits, Claims and Actuarial (April 2016-October 2019)
Deepa Soni	54 55	Executive Vice President and Chief Information and Operations Officer (March 2024-present); Executive Vice President, Head of Technology, Data, Analytics & Information Security (August 2021-present) 2021-February 2024); Chief Information Officer (September 2019-August 2021); U.S. Chief Information Officer, BMO Financial Group (April 2016-September 2019)
Amy M. Stepnowski	55 56	Executive Vice President, Chief Investment Officer (August 2020-present); and President of Hartford Investment Management Company (August 2020-present); Managing Director and Head of Public Credit Research, Hartford Investment Management Company (September 2008-August (April 2018-August 2020)
Adin M. Tooker	54 55	President (February 2025-present); Executive Vice President, Head of Business Insurance (March 2024-January 2025); Executive Vice President, Middle & Large Commercial, Business, Global Specialty and Sales and Distribution (November 2022-present) 2022-February 2024); Executive Vice President and Head of Middle & Large Commercial Business (March 2019-October 2022); Executive Vice President and Head of Middle Market (March 2017-February 2019)

^[1]On November 29, 2023, the Company announced Ms. Bush's intent to retire as Executive Vice President and Head of Small Commercial and Personal Lines effective March 1, 2024.

^[2]On November 29, 2023, the Company announced Mr. Robinson's intent to retire as Executive Vice President and General Counsel effective March 1, 2024.

Part III - Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Item 12.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Certain of the information called for by Item 12 will be set forth in the Proxy Statement under the caption "Information on Stock Ownership" and is incorporated herein by reference.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of **December 31, 2023** **December 31, 2024** about the securities authorized for issuance under the Company's equity compensation plans, which consist of **The Hartford 2010 Incentive Stock Plan (the "2010 Stock Plan")**, **The Hartford 2014 Incentive Stock Plan (the "2014 Stock Plan")**, the 2020 Stock Incentive Plan (the "2020 Stock Plan") (collectively **referred to herein as the "Stock Plans"**) and The Hartford Employee Stock Purchase Plan (the "ESPP").

	(a)	(b)	(c)	(a)	(b)	(c)		
	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights [1]	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights [1]	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights [2]	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) [3]		Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights [1]	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights [2]	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) [3]
Equity compensation plans approved by stockholders								
Equity compensation plans not approved by stockholders								
Equity compensation plans not approved by stockholders								
Equity compensation plans not approved by stockholders								
Total								
Total								
Total								

[1]The amount shown in this column includes **6,071,595** outstanding options the following equity compensation awarded under the **2010 Stock Plan**, the **2014 Stock Plan** and the **2020 Stock Plan**. The amount shown in this column includes **3,258,731** Plans: **4,518,040** outstanding options; **2,677,935** outstanding restricted stock units, **582,651** **594,213** outstanding performance shares at 100% of target (which excludes **777,144** **567,394** shares that vested on **December 31, 2023** **December 31, 2024**, related to the **2021-2023** **2022-2024** performance period) and **173,114** **120,746** non-vested dividend equivalent shares as of **December 31, 2023** under the **2014 Stock Plan** and the **2020 Stock Plan**. **December 31, 2024**. The maximum number of performance shares that could be awarded is **1,165,302** **1,188,426** (200% of target) if the Company achieved the highest performance level. Under the **2014** and **2020 Stock Plans**, no more than **500,000** shares in the aggregate can be earned by an individual employee with respect to restricted stock unit and performance share awards made in a single calendar year. As a result, the number of shares ultimately distributed to an employee with respect to awards made in the same year will be reduced, if necessary, so that the number does not exceed this limit.

[2]The weighted-average exercise price reflects outstanding options and does not reflect outstanding restricted stock units or performance shares because they do not have exercise prices.

[3]Of these shares, **8,155,609** **3,014,109** remain available for purchase under the ESPP as of **December 31, 2023** **December 31, 2024**. **6,884,152** **6,253,061** shares remain available for issuance as options, restricted stock units, restricted stock awards or performance shares under the **2020 Stock Plan** as of **December 31, 2023** **December 31, 2024**.

Part IV. Item 15. Exhibits and Financial Statement Schedules

Item 15.

EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

- (a) Documents filed as a part of this report:
- (1) **Consolidated Financial Statements.** See Index to Consolidated Financial Statements and Schedules below.
 - (2) **Consolidated Financial Statement Schedules.** See Index to Consolidated Financial Statement and Schedules below.
 - (3) **Exhibits.** See Exhibit Index elsewhere herein.

THE HARTFORD **FINANCIAL SERVICES** **INSURANCE** GROUP, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SCHEDULES

DESCRIPTION	PAGE
Report of Independent Registered Public Accounting Firm [1]	123 122
FINANCIAL STATEMENTS	
Consolidated Statements of Operations — For the Years Ended December 31, 2022, 2023, 2024 and 2025	125 124
Consolidated Statements of Comprehensive Income (Loss) — For the Years Ended December 31, 2023, December 31, 2024, 2025 and 2026	126 125
Consolidated Balance Sheets — As of December 31, 2023, December 31, 2024 and 2025	127 126
Consolidated Statements of Changes in Stockholders' Equity — For the Years Ended December 31, 2023, December 31, 2024, 2025 and 2026	128 127
Consolidated Statements of Cash Flows — For the Years Ended December 31, 2023, December 31, 2024, 2025 and 2026	129 128
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS	
Note 1 - Basis of Presentation and Significant Accounting Policies	130 129
Note 2 - Earnings Per Common Share	139 136
Note 3 - Segment Information	139 137
Note 4 - Fair Value Measurements	142 141
Note 5 - Investments	150 149
Note 6 - Derivatives	157
Note 7 - Premiums Receivable and Agents' Balances	162
Note 8 - Reinsurance	163
Note 109 - Goodwill & Other Intangible Assets	166
Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses	167
Note 1211 - Reserve for Future Policy Benefits	192
Note 1312 - Other Policyholder Funds and Benefits Payable	193
Note 1413 - Debt	194
Note 1514 - Commitments and Contingencies	196
Note 1615 - Equity	199 198
Note 1716 - Income Taxes	201 200
Note 1817 - Changes in and Reclassifications From Accumulated Other Comprehensive Income (Loss)	202
Note 1918 - Employee Benefit Plans	204
Note 2019 - Stock Compensation Plans	211 210
Note 2120 - Leases	213
Note 21 - Restructuring and Other Costs	214
Note 22 - Business Dispositions Subsequent Events	215
Note 24 - Quarterly Results (Unaudited)	216
SCHEDULES	
Schedule I — Summary of Investments — Other Than Investments in Affiliates	217 216
Schedule II — Condensed Financial Information of The Hartford Financial Services Insurance Group, Inc.	218 217
Schedule III — Supplementary Insurance Information	221 220
Schedule IV — Reinsurance	223 222
Schedule V — Valuation and Qualifying Accounts	224 223
Schedule VI — Supplemental Information Concerning Property and Casualty Insurance Operations	[2]

[1]Deloitte & Touche LLP (PCAOB ID No. 34) is our principal accountant and an independent registered public accounting firm.

[2]Schedule has been omitted as information required is disclosed in the Notes to Consolidated Financial Statements or other Schedules.

Index to Consolidated Financial Statements and Schedules

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
The Hartford Financial Services Insurance Group, Inc.
Hartford, Connecticut

Opinion on the Financial Statements

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We have audited the accompanying consolidated balance sheets of The Hartford Financial Services Insurance Group, Inc. and its subsidiaries (the "Company") (formerly The Hartford Financial Services Group, Inc.) as of December 31, 2023, December 31, 2024 and 2022, 2023, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2023, December 31, 2024, and the related notes and the schedules listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023, December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, December 31, 2024, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2024, February 21, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective January 1, 2023, the Company adopted FASB ASU 2018-12, *Targeted Improvements to the Accounting for Long-Duration Contracts Issued by Insurance Companies*, using the modified retrospective approach.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the 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 audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that 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. We believe that our audits provide a reasonable basis for our opinion.

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.

Unpaid Losses and Loss Adjustment Expenses - Refer to Notes 1 and 11, 10 to the financial statements

Critical Audit Matter Description

For property and casualty and group life and disability insurance products, the Company establishes reserves for unpaid losses and loss adjustment expenses to provide for the estimated costs of paying claims under insurance policies written by the Company. These reserves include estimates for both claims that have been reported and claims that have been incurred but not reported and include estimates of all losses and loss adjustment expenses associated with processing and settling these claims. This estimation process is based significantly on the assumption that past developments are an appropriate predictor of future events and involves a variety of actuarial techniques that analyze experience, trends and other relevant factors.

Given the subjectivity of estimating the ultimate cost to settle the liabilities for reported and unreported claims due to uncertainties caused by various factors including frequency and severity of claims as well as changes in the legislative and regulatory environment, performing audit procedures to evaluate whether unpaid losses and loss adjustment expenses were appropriately recorded as of December 31, 2023, December 31, 2024, required a high degree of auditor judgment and an increased extent of effort, including the need to involve our actuarial specialists.

[Index to Consolidated Financial Statements and Schedules](#)

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the unpaid losses and loss adjustment expenses included the following, among others:

- We tested the effectiveness of controls related to the unpaid losses and loss adjustment expenses, including controls over inputs, methods, and assumptions used in the Company's estimation processes.
- We tested the underlying data that served as the basis for the Company's analysis, including historical claims.
- With the assistance of our actuarial specialists, we evaluated the methods and assumptions used by the Company to estimate the unpaid losses and loss adjustment expenses by:
 - Assessing the reasonableness of the Company's analysis and, for selected reserving lines, developing independent estimates of the unpaid losses and loss adjustment expenses and comparing such estimates to the Company's estimates.
 - Comparing the Company's prior year assumptions of expected development of ultimate loss to actual losses incurred during the current year to identify potential management bias in the determination of the unpaid losses and loss adjustment expenses.

Investments in Fixed Maturities Classified as Available-for-Sale - Refer to Notes 1, 4, and 5 to the financial statements

Critical Audit Matter Description

Investments in fixed maturities classified as available-for-sale are reported at fair value in the financial statements. The Certain investments without readily determinable fair values were valued using significant unobservable inputs, such as credit spreads and interest rates beyond the observable curve, that involved considerable judgment by the Company.

Given the Company used models and unobservable inputs to estimate the fair value of certain investments in fixed maturities classified as available-for-sale, performing audit procedures to evaluate these inputs required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the models and unobservable inputs used by the Company to estimate the fair value of certain investments in fixed maturities classified as available-for-sale included the following, among others:

- We tested the effectiveness of controls over the valuation of investments in fixed maturities classified as available-for-sale, including controls over inputs, methods, and assumptions used in the Company's estimation processes.
- On a sample basis, we tested the accuracy and completeness of the investments owned as of December 31, 2023 December 31, 2024, and the relevant security attributes used in the determination of their fair values.
- With the assistance of our fair value specialists, for a sample of investments, we tested the mathematical accuracy of the fair value calculation and developed independent estimates of the fair value and compared our estimates to the Company's estimates. In addition to developing independent estimates, we obtained an understanding of the models and inputs used by the Company and assessed those models and inputs for reasonableness. Such assessment included comparing inputs to external sources or developing independent inputs.

/s/ DELOITTE Deloitte & TOUCHE Touche LLP
Hartford, Connecticut
February 23, 2024 21, 2025

We have served as the Company's auditor since 2002.

Index to Consolidated Financial Statements and Schedules

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
Consolidated Statements of Operations

		For the years ended December				For the years ended December		
		31,				31,		
(in millions, except for per share data)	(in millions, except for per share data)	2023	2022	2021	(in millions, except for per share data)	2024	2023	2022
Revenues	Revenues				Revenues			
Earned premiums								
Fee income								
Net investment income								
Net realized gains (losses)								
Net realized losses								
Other revenues								
Total revenues								
Benefits, losses and expenses	Benefits, losses and expenses				Benefits, losses and expenses			
Benefits, losses and loss adjustment expenses								
Amortization of deferred policy acquisition costs ("DAC")								
Insurance operating costs and other expenses								
Interest expense								
Interest expense								
Interest expense								
Amortization of other intangible assets								
Restructuring and other costs								
Total benefits, losses and expenses								
Income before income taxes								
Income tax expense								
Net income								
Net income								
Net income								
Preferred stock dividends								
Net income available to common stockholders								
Net income available to common stockholders per common share								
Net income available to common stockholders per common share								

Net income available to common stockholders per common share

Basic
Basic
Basic
Diluted

See Notes to Consolidated Financial Statements.

[Index to Consolidated Financial Statements and Schedules](#)

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
Consolidated Statements of Comprehensive Income (Loss)

(in millions)	(in millions)	For the years ended December 31,			(in millions)	For the years ended December 31,		
		2023	2022	2021		2024	2023	2022
Net income								
Other comprehensive income (loss) ("OCI"):	Other comprehensive income (loss) ("OCI"):				Other comprehensive income (loss) ("OCI"):			
Change in net unrealized gain (loss) on fixed maturities, available-for-sale ("AFS")								
Change in unrealized losses on fixed maturities for which an allowance for credit losses ("ACL") has been recorded								
Change in unrealized losses on fixed maturities with an allowance for credit losses ("ACL")								
Change in net gain on cash flow hedging instruments								
Change in net gain on cash flow hedging instruments								
Change in net gain on cash flow hedging instruments								
Change in foreign currency translation adjustments								
Change in liability for future policy benefits adjustments								
Change in pension and other postretirement plan adjustments								
OCI, net of tax								
Comprehensive income (loss)								

See Notes to Consolidated Financial Statements

[Index to Consolidated Financial Statements and Schedules](#)

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
Consolidated Balance Sheets

(in millions, except for share and per share data)	(in millions, except for share and per share data)	As of December 31,		(in millions, except for share and per share data)	As of December 31,	
		2023	2022		2024	2023
Assets	Assets			Assets		
Investments:	Investments:			Investments:		
Fixed maturities, AFS, at fair value (amortized cost of \$41,726 and \$39,533, and ACL of \$21 and \$12)						
Fixed maturities, at fair value using the fair value option ("FVO")						
Fixed maturities, AFS, at fair value (amortized cost of \$44,538 and \$41,726, and ACL of \$16 and \$21)						
Fixed maturities, at fair value using the fair value option ("FVO Securities")						
Equity securities, at fair value						
Mortgage loans (net of ACL of \$51 and \$36)						
Mortgage loans (net of ACL of \$44 and \$51)						
Limited partnerships and other alternative investments						

Other investments		
Short-term investments		
Total investments		
Cash		
Restricted cash		
Accrued investment income		
Premiums receivable and agents' balances (net of ACL of \$109 and \$109)		
Reinsurance recoverables (net of allowance for uncollectible reinsurance of \$103 and \$105)		
Premiums receivable and agents' balances (net of ACL of \$117 and \$109)		
Reinsurance recoverables (net of allowance for uncollectible reinsurance of \$75 and \$103)		
Deferred policy acquisition costs		
Deferred income taxes, net		
Goodwill		
Property and equipment, net		
Other intangible assets, net		
Other assets		
Total assets		
Total assets		
Total assets		
Liabilities		
Unpaid losses and loss adjustment expenses		
Reserve for future policy benefits		
Other policyholder funds and benefits payable		
Unearned premiums		
Long-term debt		
Long-term debt		
Long-term debt		
Other liabilities		
Total liabilities		
Total liabilities		
Total liabilities		
Commitments and Contingencies (Note 15)		
Commitments and Contingencies (Note 14)		
Stockholders' Equity		
Stockholders' Equity		
Stockholders' Equity		
Preferred stock, \$0.01 par value — 50,000,000 shares authorized, 13,800 shares issued at December 31, 2023 and December 31, 2022, aggregate liquidation preference of \$345		
Common stock, \$0.01 par value — 1,500,000,000 shares authorized, 326,960,228 shares issued at December 31, 2023 and 344,960,228 shares issued at December 31, 2022		
Preferred stock, \$0.01 par value — 50,000,000 shares authorized, 13,800 shares issued at December 31, 2024 and December 31, 2023, aggregate liquidation preference of \$345		
Common stock, \$0.01 par value — 1,500,000,000 shares authorized, 326,960,228 shares issued at December 31, 2024 and 326,960,228 shares issued at December 31, 2023		
Additional paid-in capital		
Retained earnings		
Treasury stock, at cost — 28,488,130 and 29,848,980 shares		
Treasury stock, at cost — 39,404,003 and 28,488,130 shares		
Accumulated other comprehensive loss, net of tax		
Total stockholders' equity		
Total liabilities and stockholders' equity		

See Notes to Consolidated Financial Statements.

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
Consolidated Statements of Changes in Stockholders' Equity

	(in millions, except for share and per share data)	For the years ended December 31,			(in millions, except for share and per share data)	For the years ended December 31,		
		2023	2022	2021		2024	2023	2022
Preferred Stock								
Common Stock								
Common Stock								
Common Stock								
Common Stock, beginning of period								
Common Stock, beginning of period								
Common Stock, beginning of period								
Treasury stock retired								
Common Stock, end of period								
Additional Paid-in Capital								
Additional Paid-in Capital, beginning of period								
Additional Paid-in Capital, beginning of period								
Additional Paid-in Capital, beginning of period								
Issuance of shares under incentive and stock compensation plans and other								
Stock-based compensation plans expense								
Treasury stock retired								
Treasury stock retired								
Treasury stock retired								
Additional Paid-in Capital, end of period								
Retained Earnings								
Retained Earnings, beginning of period								
Retained Earnings, beginning of period								
Retained Earnings, beginning of period								
Net income								
Net income								
Net income								
Dividends declared on preferred stock								
Dividends declared on common stock								
Retained Earnings, end of period								
Treasury Stock, at cost								
Treasury Stock, at cost, beginning of period								
Treasury Stock, at cost, beginning of period								
Treasury Stock, at cost, beginning of period								
Treasury stock acquired								
Treasury stock retired								
Issuance of shares under incentive and stock compensation plans from treasury stock and other								
Net shares acquired related to employee incentive and stock compensation plans								
Treasury Stock, at cost, end of period								
Treasury Stock, at cost, end of period								
Treasury Stock, at cost, end of period								
Accumulated Other Comprehensive Income (Loss) ("AOCI"), net of tax								
Accumulated Other Comprehensive Income (Loss), net of tax, beginning of period								
Accumulated Other Comprehensive Income (Loss), net of tax, beginning of period								
Accumulated Other Comprehensive Income (Loss), net of tax, beginning of period								
Cumulative effect of accounting changes, net of tax								
Adjusted balance beginning of period								
Total other comprehensive income (loss)								
Total other comprehensive income (loss)								
Total other comprehensive income (loss)								

Accumulated Other Comprehensive Income (Loss), net of tax, end of period
Total Stockholders' Equity
Preferred Shares Outstanding
Preferred Shares Outstanding
Preferred Shares Outstanding
Common Shares Outstanding (in thousands)
Common Shares Outstanding (in thousands)
Common Shares Outstanding (in thousands)
Common Shares Outstanding, beginning of period
Common Shares Outstanding, beginning of period
Common Shares Outstanding, beginning of period
Treasury stock acquired
Issuance of shares under incentive and stock compensation plans and other
Return of shares under incentive and stock compensation plans to treasury stock
Common Shares Outstanding, end of period
Common Shares Outstanding, end of period
Common Shares Outstanding, end of period
Cash dividends declared per common share
Cash dividends declared per preferred share

See Notes to Consolidated Financial Statements.

[Index to Consolidated Financial Statements and Schedules](#)

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

Consolidated Statements of Cash Flows

		For the years ended				For the years ended		
		December 31,				December 31,		
(in millions)	(in millions)	2023	2022	2021	(in millions)	2024	2023	2022
Operating Activities	Operating Activities				Operating Activities			
Net income								
Adjustments to reconcile net income to net cash provided by operating activities	Adjustments to reconcile net income to net cash provided by operating activities				Adjustments to reconcile net income to net cash provided by operating activities			
Net realized losses (gains)								
Net realized losses								
Amortization of deferred policy acquisition costs								
Additions to deferred policy acquisition costs								
Depreciation and amortization								
Loss on extinguishment of debt								
Loss on extinguishment of debt								
Loss on extinguishment of debt								
Loss on sale of business								
Other operating activities, net								
Other operating activities, net								
Other operating activities, net								
Change in assets and liabilities:								
Increase in reinsurance recoverables								
Increase in reinsurance recoverables								
Increase in reinsurance recoverables								
Net change in accrued and deferred income taxes								
Increase in insurance liabilities								

Increase in insurance liabilities		
Increase in insurance liabilities		
Net change in premiums receivable and agents' balances		
Net change in premiums receivable and agents' balances		
Net change in premiums receivable and agents' balances		
Net change in other assets and other liabilities		
Net cash provided by operating activities		
Investing Activities	Investing Activities	Investing Activities
Proceeds from the sale/maturity/prepayment of:	Proceeds from the sale/maturity/prepayment of:	Proceeds from the sale/maturity/prepayment of:
Fixed maturities, AFS		
Fixed maturities, FVO		
Equity securities at fair value		
Mortgage loans		
Mortgage loans		
Mortgage loans		
Limited partnerships and other alternative investments		
Payments for the purchase of:	Payments for the purchase of:	Payments for the purchase of:
Fixed maturities, AFS		
Fixed maturities, FVO		
Equity securities at fair value		
Mortgage loans		
Mortgage loans		
Mortgage loans		
Limited partnerships and other alternative investments		
Net proceeds from (payments for) derivatives		
Net additions to property and equipment		
Net payments for short-term investments		
Other investing activities, net		
Proceeds from businesses sold, net of cash transferred		
Net cash used for investing activities		
Net cash used for investing activities		
Net cash used for investing activities		
Financing Activities	Financing Activities	Financing Activities
Deposits and other additions to investment and universal life-type contracts		
Withdrawals and other deductions from investment and universal life-type contracts		
Repayment of debt		
Repayment of debt		
Repayment of debt		
Proceeds from the issuance of debt		
Net issuance (return) of shares under incentive and stock compensation plans		
Net issuance (return) of shares under incentive and stock compensation plans		
Net issuance (return) of shares under incentive and stock compensation plans		
Treasury stock acquired		
Net issuance (return) of shares under incentive and stock compensation plans, including related excise tax benefit		
Net issuance (return) of shares under incentive and stock compensation plans, including related excise tax benefit		
Net issuance (return) of shares under incentive and stock compensation plans, including related excise tax benefit		
Treasury stock acquired, including related excise tax paid		
Dividends paid on preferred stock		
Dividends paid on common stock		

Net cash used for financing activities		
Foreign exchange rate effect on cash		
Net increase (decrease) in cash and restricted cash, including cash classified within assets held for sale		
Less: Net decrease in cash classified as assets held for sale		
Net increase (decrease) in cash and restricted cash		
Net increase (decrease) in cash and restricted cash		
Net increase (decrease) in cash and restricted cash		
Cash and restricted cash — beginning of period		
Cash and restricted cash — end of period		
Supplemental Disclosure of Cash Flow Information	Supplemental Disclosure of Cash Flow Information	Supplemental Disclosure of Cash Flow Information
Income tax paid		
Interest paid		

See Notes to Consolidated Financial Statements.

[Index to Consolidated Financial Statements and Schedules](#)

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollar amounts in millions, except for per share data, unless otherwise stated)

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

The Hartford Financial Services Insurance Group, Inc. ("HFSG" "HIG") is a holding company for insurance and financial services subsidiaries that provide property and casualty ("P&C") insurance, employee group life benefits insurance and disability products services and mutual funds and exchange-traded funds ("ETF") to individual and business customers in the United States as well as in the United Kingdom and other international locations (collectively, "The Hartford", the "Company", "we" or "our").

On December 29, 2021, Previously known as The Hartford Financial Services Group, Inc., the Company completed the sale of all of Navigators Holdings (Europe) N.V. changed its name to The Hartford Insurance Group, Inc. on February 6, 2025.

The Hartford conducts business principally in five reportable segments including Business Insurance (formerly "Commercial Lines"), Personal Insurance (formerly "Personal Lines"), Property & Casualty Other Operations, Employee Benefits (formerly "Group Benefits") and Hartford Funds, as well as a Belgium holding company, and its subsidiaries, Bracht, Deckers & Mackelbert N.V. and Assurances Continentales Contintale Verzekeringen N.V., collectively referred to as "Continental Europe Operations". For further discussion of this transaction, see Note 22 - Business Dispositions. Corporate category.

The Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. Generally Accepted Accounting Principles" "GAAP") which differ materially from the accounting practices prescribed by various insurance regulatory authorities.

Consolidation

The Consolidated Financial Statements include the accounts of The Hartford Financial Services Insurance Group, Inc., and entities in which the Company directly or indirectly has a controlling financial interest. Entities in which the Company has significant influence over the operating and financing decisions but does not control are reported using the equity method. Intercompany transactions and balances between The Hartford and its subsidiaries and affiliates have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The most significant estimates include those used in determining property and casualty and group long-term disability ("LTD") insurance product reserves, net of reinsurance; evaluation of goodwill for impairment; valuation of investments and derivative instruments; and contingencies relating to corporate litigation and regulatory matters.

Reclassifications

Certain reclassifications have been made to prior year financial information to conform to the current year presentation.

Adoption of New Accounting Standards

Reference Rate Reform Segment Disclosures

On March 12, 2020 On December 31, 2024, the Company adopted the Financial Accounting Standard Board's ("FASB" Standards Board's ("FASB") temporary guidance, which allows The Hartford to account for contract modifications made solely due to rate reform (such as replacing London Inter-Bank Offered Rate ("LIBOR") with another reference rate) as continuations of existing contracts and to maintain hedge accounting when the hedging effectiveness between a financial instrument and its hedge is only affected by the change to a replacement rate. As a result, The Hartford did not recognize gains and losses during the transition period of LIBOR to an alternative reference rate that would otherwise have arisen from accounting assessments and remeasurements. On December 21, 2022, the FASB extended the effective date for the temporary guidance and the temporary guidance now expires for contract modifications made and hedge relationships entered into or evaluated after December 31, 2024. The Company is not required to measure the effect of adoption on its financial position, cash flows or net income because the guidance provides relief from accounting for the effects of the change to a replacement rate.

Reserve for Future Policy Benefits

On January 1, 2023, the Company adopted the FASB's updated new guidance on accounting for long duration insurance contracts, which Segment Reporting, that was applied on a modified retrospective basis as of January 1, 2021.

for all periods presented. The new guidance requires enhanced disclosures on an annual and quarterly basis about significant segment expenses that are regularly provided to the discount rate assumption to be updated, chief operating decision maker ("CODM") and included within the reported measure of segment profit or loss, as well as disclosure of the transition date title and position of the CODM and a description of how the reported measure of profit or loss is used to assess segment performance and allocate resources. The Company has included the new disclosures in Note 3 - Segment Information of Notes to Consolidated Financial Statements. The Company will also provide the quarterly going forward, to a current upper-medium grade fixed-income investment yield, which has been interpreted to represent a yield based on single-A credit rated fixed maturity instruments disclosures beginning with similar duration to the liability. March 31, 2025 interim condensed consolidated financial statements. The new guidance also eliminated did not have an impact on the requirement to adjust the reserve for future policy benefits for unrealized gains and losses on fixed maturity

investments as if those unrealized gains and losses were realized (referred to as shadow reserves). The change in the reserve estimate resulting from updating the discount rate assumptions and eliminating shadow reserves was recognized as a net cumulative effect adjustment that increased the reserve for future policy benefits by \$85 and decreased AOCI by \$65, net consolidated financial position, results of deferred tax effects, as of January 1, 2021, operations, or cash flows.

Index to Consolidated Financial Statements and Schedules

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The new guidance also requires that underlying cash flow assumptions (i.e., mortality, lapse and expense) in the reserve for future policy benefits be based on best estimate assumptions. The adjustments to the reserve for future policy benefits at adoption resulted in establishing a deferred profit liability on limited pay contracts of \$18 representing the estimated profits based on best estimate cash flow assumptions.

The effect of adopting this guidance on the Company's reserve for future policy benefits was as follows:

Impact of Adoption on Reserve for Future Policy Benefits						
	Payout		Deferred Profit			
	Annuities	Life Conversions	Paid-up Life	Liability	Other	Total
Reserve for Future Policy Benefits as of December 31, 2020	\$ 189	\$ 94	\$ 267	\$ —	\$ 88	\$ 638
Adjustments:						
Removal of shadow reserve [1]	(26)	—	—	—	—	(26)
Update cash flow assumptions and establish deferred profit liability	(16)	—	(2)	18	—	—
Effect of measurement at current single-A rate [1]	59	21	29	—	2	111
Total Adjustments	17	21	27	18	2	85
Reserve for Future Policy Benefits as of January 1, 2021	206	115	294	18	90	723
Change in reserves due to changes in the single-A rate	(11)	(7)	(15)	—	—	(33)
Other changes in reserves	(7)	(14)	(17)	2	(8)	(44)
Reserve for Future Policy Benefits as of December 31, 2021	\$ 188	\$ 94	\$ 262	\$ 20	\$ 82	\$ 646

[1] These changes were reflected as an adjustment to opening AOCI as of January 1, 2021, with a corresponding deferred tax benefit and increase in reinsurance recoverables of \$18 and \$2, respectively, resulting in a net decrease to AOCI of \$65.

The effect of adopting this guidance on the Company's Consolidated Balance Sheets as of January 1, 2021 as well as December 31, 2022 and 2021, and Consolidated Statements of Operations and Consolidated Statements of Comprehensive

Income for the years ended December 31, 2022 and 2021 was as follows:

Impact of Adoption on Consolidated Balance Sheets									
	As of December 31, 2022			As of December 31, 2021			As of January 1, 2021		
	As previously reported	Effect of change	As currently reported	As previously reported	Effect of change	As currently reported	Balance prior to adoption	Effect of change	As currently reported
Reinsurance recoverables	\$ 6,966	\$ (2)	\$ 6,964	\$ 6,523	\$ 1	\$ 6,524	\$ 6,011	\$ 2	\$ 6,013
Deferred income taxes, net	\$ 1,449	\$ (12)	\$ 1,437	\$ 270	\$ 11	\$ 281	\$ 46	\$ 18	\$ 64
Reserve for future policy benefits	\$ 561	\$ (59)	\$ 502	\$ 596	\$ 50	\$ 646	\$ 638	\$ 85	\$ 723
Retained earnings	\$ 17,048	\$ 10	\$ 17,058	\$ 15,764	\$ 6	\$ 15,770	\$ 13,918	\$ —	\$ 13,918
AOCI	\$ (3,876)	\$ 35	\$ (3,841)	\$ 172	\$ (44)	\$ 128	\$ 1,170	\$ (65)	\$ 1,105
Total stockholders' equity	\$ 13,631	\$ 45	\$ 13,676	\$ 17,843	\$ (38)	\$ 17,805	\$ 18,556	\$ (65)	\$ 18,491

Index to Consolidated Financial Statements and Schedules

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Impact of Adoption on Consolidated Statements of Operations							
	Year Ended December 31, 2022			Year Ended December 31, 2021			
	As previously reported	Effect of	As currently reported	As previously reported	Effect of	As currently reported	
		change			change		
Benefits, losses and loss adjustment expenses	\$ 13,142	\$ (4)	\$ 13,138	\$ 12,729	\$ (9)	\$ 12,720	
Income before income taxes	\$ 2,258	\$ 4	\$ 2,262	\$ 2,896	\$ 9	\$ 2,905	
Income tax expense	\$ 443	\$ —	\$ 443	\$ 531	\$ 3	\$ 534	
Net income	\$ 1,815	\$ 4	\$ 1,819	\$ 2,365	\$ 6	\$ 2,371	
Net income available to common stockholders	\$ 1,794	\$ 4	\$ 1,798	\$ 2,344	\$ 6	\$ 2,350	
Net income available to common stockholders per common share							
Basic	\$ 5.52	\$ 0.02	\$ 5.54	\$ 6.71	\$ 0.02	\$ 6.73	
Diluted	\$ 5.44	\$ 0.02	\$ 5.46	\$ 6.62	\$ 0.02	\$ 6.64	

Impact of Adoption on Consolidated Statements of Comprehensive Income						
	Year Ended December 31, 2022			Year Ended December 31, 2021		
	As previously reported	Effect of	As currently reported	As previously reported	Effect of	As currently reported
		change			change	
Change in net unrealized gain (loss) on fixed maturities, AFS	\$ (4,210)	\$ (15)	\$ (4,225)	\$ (1,218)	\$ (6)	\$ (1,224)
Change in liability for future policy benefits adjustments	\$ —	\$ 94	\$ 94	\$ —	\$ 27	\$ 27
Other comprehensive loss, net of tax	\$ (4,048)	\$ 79	\$ (3,969)	\$ (998)	\$ 21	\$ (977)
Comprehensive income (loss)	\$ (2,233)	\$ 83	\$ (2,150)	\$ 1,367	\$ 27	\$ 1,394

Future Adoption of New Accounting Standards

Segment Disclosures

The FASB issued new guidance on Segment Reporting that requires enhanced disclosures on an annual and quarterly basis about significant segment expenses that are regularly provided to the chief operating decision maker ("CODM") and included within the reported measure of segment profit or loss. The new guidance also requires disclosure of the title and position of the CODM as well as a description of how the reported measure of profit or loss is used to assess segment performance and allocate resources. The Company is required to provide the new disclosures beginning with the December 31, 2024 consolidated financial statements and on a quarterly basis beginning with the March 31, 2025 interim condensed consolidated financial statements. The new guidance will be applied on a retrospective basis for all periods presented. The Company is evaluating the disclosure impact of the new guidance; however, the new guidance will not have an impact on the consolidated financial position, results of operations, or cash flows.

Income Tax Disclosures

The FASB issued new disclosure requirements for income taxes primarily for the income tax rate reconciliation and income taxes paid. The income tax rate reconciliation within the income taxes note will present reconciling items based on specified categories with further disaggregation of items above a prescribed threshold. Disclosure of income taxes paid (net of refunds received) in the consolidated statement of cash flows will be disaggregated by federal (national), state, and foreign taxes with further disaggregation by individual jurisdictions subject to a

represent the premiums applicable to the unexpired terms of policies in force, or period of risk.

Group life, disability and accident premiums are generally due from policyholders, and recognized as revenue, on a pro rata basis over the period of the contracts.

An estimated ACL is recorded on the basis of periodic evaluations of balances due from insureds and considering

prescribed threshold. The Company is required to provide the new disclosure annually beginning with the December 31, 2025 consolidated financial statements. Disclosures are required to be provided on a prospective basis. Early adoption in an annual period and basis with retrospective application is permitted. The Company is evaluating the disclosure impact of the new guidance; however, the new guidance will not have an impact on the consolidated financial position, results of operations, or cash flows.

Disaggregated Income Statement Expenses

The FASB issued new guidance on disclosures of disaggregated income statement expenses. The new guidance requires footnote disclosures that will disaggregate expenses included in relevant expense captions into prescribed categories, as well as narrative disclosures about selling expenses. The Company is required to provide the new disclosures beginning with the December 31, 2027 consolidated financial statements and on a quarterly basis beginning with the March 31, 2028 interim condensed consolidated financial statements. The new guidance will be applied on a prospective basis, with retrospective application or early adoption permitted. The Company is evaluating the disclosure impact of the new guidance; however, it will not have an impact on the consolidated financial position, results of operations, or cash flows.

Significant Accounting Policies

The Company's significant accounting policies are as follows:

Revenue Recognition

Premium Revenue from Direct Insurance and Assumed Reinsurance

Property and casualty premiums are earned on a pro rata basis over the policy period and include accruals for policies that have been written by agents but not yet reported to us, as well as ultimate premium revenue anticipated under auditable and retrospectively rated policies. We estimate the amount of premium not yet reported based on current and historical trends of the business being written. Such estimates are regularly reviewed and updated and any resulting adjustments are included in the current year's results. Unearned premiums

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

historical credit loss information, adjusted for current economic conditions as well as reasonable and supportable forecasts when appropriate. The Company records total credit loss expenses related to premiums receivable in insurance operating costs and other expenses. Write-offs of premiums receivable and agents' balances and any related ACL are recorded in the period in which the balance is deemed uncollectible. Refer to Note 7 - Premiums Receivable and Agents' Balances for further discussion regarding the allowance for doubtful accounts included in premiums receivable and agents' balances.

Non-Insurance Revenue from Contracts with Customers

Installment fees are charged on property and casualty insurance contracts for billing the insurance customer in installments over the policy term. These fees are recognized in fee income as earned on collection.

Insurance servicing revenues within Personal Lines Insurance consist of up-front commissions earned for collecting premiums and processing claims on insurance policies for which The Hartford does not assume underwriting risk, predominantly related to the National Flood Insurance Plan program. These insurance servicing revenues are recognized in other revenues over the period of the flood program's policy terms.

Group Employee Benefits earns fee income from employers for the administration of underwriting, implementation and claims processing for employer self-funded plans and for leave management services. Fees are recognized as services are provided and collected monthly.

Hartford Funds provides investment management, administrative and distribution services to mutual funds and exchange-traded funds. The Company assesses investment advisory, distribution and other asset management fees primarily based on the average daily net asset values from mutual funds and exchange-traded funds, which are recorded in the period in which the services are provided and are collected monthly. Fluctuations in domestic and international markets and related investment performance, volume and mix of sales and redemptions of mutual funds or exchange-traded funds, and other changes to the composition of assets under management ("AUM") are all factors that ultimately have a direct effect on fee income earned.

Corporate investment management and other fees are primarily for managing third party invested assets, including management of a portion of the invested assets of The Hartford's former life and annuity business, assets. These fees, calculated based on the average quarterly net asset values, are recorded in the period in which the services are provided and are collected quarterly. Fluctuations in markets and interest rates and other changes to the composition of assets under management are all factors that ultimately have a direct effect on fee income earned.

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Dividends to Policyholders

Policyholder dividends are paid to certain property and casualty policyholders. Policies that receive dividends are referred to as participating policies. Participating dividends to policyholders are accrued and reported in insurance operating costs and other expenses and other liabilities using an estimate of the amount to

be paid based on underlying contractual obligations under policies and applicable state laws.

Net written premiums for participating property and casualty insurance policies represented 6%, 7% 6%, and 7% of total net written premiums for each of the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively. Participating dividends to property and casualty policyholders were \$39, \$29 \$39 and \$24 \$29 for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively.

There were no additional amounts of income allocated to participating policyholders.

Investments

Overview

The Company's investments in fixed maturities consist of bonds, including structured securities, and redeemable preferred stock. Most of these investments are classified as AFS and are carried at fair value. The after tax difference between fair value and cost or amortized cost is reflected in stockholders' equity as a component of AOCI. Fixed maturities for which the Company elected the fair value option are classified as FVO and are carried at fair value with changes in value recorded in net realized gains and losses. These investments represent certain investments in residual interests of securitizations and other securities that contain embedded credit derivatives. Equity securities are measured at fair value with any changes in valuation reported in net realized gains and losses. Mortgage loans are recorded at the outstanding principal balance adjusted for amortization of premiums or discounts and net of an ACL. Short-term investments are carried at amortized cost, which approximates fair value. Limited partnerships and other alternative investments are reported at their carrying value and are primarily accounted for under the equity method with the Company's share of earnings included in net investment income. Recognition of income related to limited partnerships and other alternative investments is delayed due to the availability of the related financial information, as private equity and other funds are generally received on a three-month delay. Accordingly, income for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 may not include the full impact of current year changes in valuation of the underlying assets and liabilities of the funds, which are generally obtained from the limited partnerships. Other investments primarily consist of equity fund investments measured at fair value, overseas deposits which are measured at fair value using the net asset value as a practical expedient, consolidated investment funds for which the Company has provided seed money and reports the underlying investments at fair value with changes in the fair value recognized in income consistent with accounting requirements

for investment companies, and derivative instruments which are carried at fair value.

Net Realized Gains and Losses

Net realized gains and losses from investment sales are reported as a component of revenues and are determined on a specific identification basis. Net realized gains and losses also result from fair value changes in equity securities, fixed maturities, FVO securities, and derivatives contracts that do not qualify, or are not designated, as a hedge for accounting purposes. The Company records net credit losses on fixed maturities, AFS and

Index to Consolidated Financial Statements and Schedules

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

changes in the ACL on mortgage loans as a component of net realized gains and losses. Future changes in the ACL resulting from improvements in expected future cash flows are recorded through net realized gains and losses.

Net Investment Income

Interest income from fixed maturities and mortgage loans is recognized when earned on the constant effective yield method based on the estimated timing of cash flows. Most premiums and discounts on fixed maturities are amortized to the maturity date. Premiums on callable bonds may be amortized to call dates based on call prices. For structured financial assets subject to prepayment risk, yields are recalculated and adjusted periodically to reflect historical and/or estimated future prepayments using the retrospective method. For certain other structured securities, including securities that previously had an ACL and interest only securities, any yield adjustments are made using the prospective method. Prepayment fees and make-whole payments on fixed maturities and mortgage loans are recorded in net investment income when earned. For equity securities, dividends are recognized as investment income on the ex-dividend date. Limited partnerships and other alternative investments primarily use the equity method of accounting to recognize the Company's share of earnings. For fixed maturities with an ACL, net investment income is recognized at the original effective rate and accretion of the ACL is recognized through net realized gains and losses. The Company's non-income producing investments were not material for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021 2022.

Accrued Investment Income

Accrued investment income primarily includes accruals of interest and dividend income from investments that have been earned but not yet received.

Derivative Instruments

Overview

The Company utilizes a variety of over-the-counter ("OTC") derivatives, derivatives cleared through central clearing houses ("OTC-cleared") and exchange traded derivative instruments as part of its overall risk management strategy as well as to engage in income generation covered call transactions and replication transactions. The types of instruments may include swaps,

[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

caps, floors, forwards, futures and options to achieve the following Company-approved objectives:

- to hedge risk arising from interest rate, equity market, commodity market, credit spread and issuer default, price or currency exchange rates or volatility;
- to manage liquidity;
- to control transaction costs; and
- to enter into income generation covered call transactions and synthetic replication transactions.

Interest rate and credit default swaps involve the periodic exchange of cash flows with other parties, at specified intervals, calculated using agreed upon rates or other financial variables and notional principal amounts. Generally, little to no cash or principal payments are exchanged at the inception of the contract. Typically, at the time a swap is entered into, the cash

flow streams exchanged by the counterparties are equal in value.

The Company clears certain interest rate swap and credit default swap derivative transactions through central clearing houses. OTC-cleared derivatives require initial collateral at the inception of the trade in the form of cash or highly liquid securities, such as U.S. Treasuries and government agency investments. Central clearing houses also require additional cash as variation margin based on daily market value movements. For information on collateral, see the Derivative Collateral Arrangements section in Note 6 - Derivatives. In addition, OTC-cleared transactions include price alignment amounts either received or paid on the variation margin, which is characterized as interest and reflected in net investment income.

Forward contracts are customized commitments that specify a rate of interest or currency exchange rate to be paid or received on an obligation beginning on a future start date and are typically settled in cash.

Financial futures are standardized commitments to either purchase or sell designated financial instruments, at a future date, for a specified price and may be settled in cash or through delivery of the underlying instrument. Futures contracts trade on organized exchanges. Margin requirements for futures are met by pledging securities or cash, and changes in the futures' contract values are settled daily in cash.

Option contracts grant the purchaser, for a premium payment, the right to either purchase from or sell to the issuer a financial instrument at a specified price, within a specified period or on a stated date. The contracts may reference commodities, which grant the purchaser the right to either purchase from or sell to the issuer commodities at a specified price, within a specified period or on a stated date. Option contracts are typically settled in cash.

Foreign currency swaps exchange an initial principal amount in two currencies, agreeing to re-exchange the currencies at a future date, at an agreed upon exchange rate. There may also be a periodic exchange of payments at specified intervals calculated using the agreed upon rates and exchanged principal amounts.

The Company's derivative transactions conducted in insurance company subsidiaries are used in strategies permitted under the

derivative use plans required by the State of Connecticut, the State of Illinois and the State of New York insurance regulators.

Accounting and Financial Statement Presentation of Derivative Instruments and Hedging Activities

Derivative instruments are recognized on the Consolidated Balance Sheets at fair value and are reported in Other Investments and Other Liabilities. For balance sheet presentation purposes, the Company has elected to offset the fair value amounts, income accruals, and related cash collateral receivables and payables of OTC derivative instruments executed in a legal entity and with the same counterparty or

Index to Consolidated Financial Statements and Schedules

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

under a master netting agreement, which provides the Company with the legal right of offset.

On the date the derivative contract is entered into, the Company designates the derivative as (1) a hedge of the fair value of a recognized asset or liability ("fair value" hedge), (2) a hedge of the variability in cash flows of a forecasted transaction or of amounts to be received or paid related to a recognized asset or liability ("cash flow" hedge), (3) a hedge of a net investment in a foreign operation ("net investment" hedge) or (4) held for other investment and/or risk management purposes, which primarily involve managing asset or liability related risks and do not qualify for hedge accounting. The Company currently does not designate any derivatives as fair value or net investment hedges.

Cash Flow Hedges - Changes in the fair value of a derivative that is designated and qualifies as a cash flow hedge, including foreign-currency cash flow hedges, are recorded in AOCI and are reclassified into earnings when the variability of the cash flow of the hedged item impacts earnings. Gains and losses on derivative contracts that are reclassified from AOCI to current period earnings are included in the line item in the Consolidated Statements of Operations in which the cash flows of the hedged item are recorded. Periodic derivative net coupon settlements are recorded in the line item of the Consolidated Statements of Operations in which the cash flows of the hedged item are recorded. Cash flows from cash flow hedges are presented in the same category as the cash flows from the items being hedged in the Consolidated Statement of Cash Flows.

Other Investment and/or Risk Management Activities - The Company's other investment and/or risk management activities primarily relate to strategies used to reduce economic risk or replicate permitted investments and do not receive hedge accounting treatment. Changes in the fair value, including periodic derivative net coupon settlements, of derivative instruments held for other investment and/or risk management purposes are reported in current period earnings as net realized gains and losses.

Hedge Documentation and Effectiveness Testing

To qualify for hedge accounting treatment, a derivative must be highly effective in mitigating the designated changes in fair value or cash flows of the hedged item. At hedge inception, the Company formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objective and strategy for undertaking each hedge transaction. The documentation process includes linking derivatives that are designated as fair value, cash flow, or net investment hedges to

[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

specific assets or liabilities on the balance sheet or to specific forecasted transactions and defining the effectiveness testing methods to be used. The Company also formally assesses both at the hedge's inception and ongoing on a quarterly basis, whether the derivatives that are used in hedging transactions have been and are expected to continue to be highly effective in offsetting changes in fair values, cash flows or net investment in foreign operations of hedged items. Hedge effectiveness is assessed primarily using quantitative methods as well as using qualitative methods. Quantitative methods include regression or other statistical analysis of changes in fair value or cash flows associated with the hedge relationship. Qualitative methods may

include comparison of critical terms of the derivative to the hedged item.

Discontinuance of Hedge Accounting

The Company discontinues hedge accounting prospectively when (1) it is determined that the qualifying criteria are no longer met; (2) the derivative is no longer designated as a hedging instrument; or (3) the derivative expires or is sold, terminated or exercised.

When cash flow hedge accounting is discontinued because the Company becomes aware that it is not probable that the forecasted transaction will occur, the derivative continues to be carried on the balance sheet at its fair value, and gains and losses that were accumulated in AOCI are recognized immediately in earnings.

In other situations in which hedge accounting is discontinued, including those where the derivative is sold, terminated or exercised, amounts previously deferred in AOCI are reclassified into earnings when earnings are impacted by the hedged item.

Embedded Derivatives

The Company may purchase investments that contain embedded derivative instruments. When it is determined that (1) the embedded derivative possesses economic characteristics that are not clearly and closely related to the economic characteristics of the host contract and (2) a separate instrument with the same terms would qualify as a derivative instrument, the embedded derivative is bifurcated from the host for measurement purposes. The embedded derivative, which is reported with the host instrument in the Consolidated Balance Sheets, is carried at fair value with changes in fair value reported in net realized gains and losses.

Credit Risk of Derivative Instruments

Credit risk is defined as the risk of financial loss due to uncertainty of an obligor's or counterparty's ability or willingness to meet its obligations in accordance with agreed upon terms. Credit exposures are measured using the market value of the derivatives, resulting in amounts owed to the Company by its counterparties or potential payment obligations from the Company to its counterparties. The Company generally requires that OTC derivative contracts, other than certain forward contracts, be governed by International Swaps and Derivatives Association agreements which are structured by legal entity and by counterparty, and permit right of offset. Some agreements require daily collateral settlement based upon agreed upon thresholds. For purposes of daily derivative collateral maintenance, credit exposures are generally quantified based on the prior business day's market value and collateral is

pledged to and held by, or on behalf of, the Company to the extent the current value of the derivatives is greater than zero, subject to minimum transfer thresholds, if applicable. The Company also minimizes the credit risk of derivative instruments by entering into transactions with high quality counterparties primarily rated A or better, which are monitored and evaluated by the Company's risk management team and reviewed by senior management. OTC-cleared derivatives are governed by clearing house rules. Transactions cleared through a central clearing house reduce risk due to their ability to require daily variation margin and act as an independent valuation source. In addition, the Company monitors counterparty credit exposure on

[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

a monthly basis to ensure compliance with Company policies and statutory limitations.

Cash and Restricted Cash

Cash represents cash on hand and demand deposits with banks or other financial institutions. Restrictions on cash primarily relate to funds that are held to support regulatory and contractual obligations.

Reinsurance

The Company cedes insurance to affiliated and unaffiliated other insurers in order to limit its maximum losses, and to diversify its exposures and provide statutory surplus relief. Such arrangements do not relieve the Company of its primary liability to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company also assumes reinsurance from other insurers and is a member of and participates in reinsurance pools and associations. Assumed reinsurance refers to the Company's acceptance of certain insurance risks that other insurance companies or pools have underwritten.

Reinsurance accounting is followed for ceded and assumed transactions that provide indemnification against loss or liability relating to insurance risk (i.e., risk transfer). To meet risk transfer requirements, a reinsurance agreement must include insurance risk, consisting of underwriting and timing risk, and a reasonable possibility of a significant loss to the reinsurer. If the ceded and assumed transactions do not meet risk transfer requirements, the Company accounts for these transactions as deposit transactions. The Company had no deposit liability as of December 31, 2023 December 31, 2024 or and 2022, 2023 reported in other liabilities.

Premiums, benefits, losses and loss adjustment expenses reflect the net effects of ceded and assumed reinsurance transactions. Included in other assets are prepaid reinsurance premiums, which represent the portion of premiums ceded to reinsurers applicable to the unexpired terms of the reinsurance contracts. Reinsurance recoverables are balances due from reinsurers for ceded paid and unpaid losses and loss adjustment expenses and are presented net of an allowance for uncollectible reinsurance. Changes in the allowance for uncollectible reinsurance are reported in benefits, losses and loss adjustment expenses in the Company's Consolidated Statements of Operations.

The Company periodically evaluates the recoverability of its reinsurance recoverable assets and establishes an allowance for uncollectible reinsurance. The allowance for uncollectible reinsurance reflects management's best estimate of reinsurance cessions that may be uncollectible in the future due to reinsurers' unwillingness or inability to pay. The allowance for



[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

uncollectible reinsurance comprises an ACL and an allowance for disputed balances. Based on this analysis, the Company may adjust the allowance for uncollectible reinsurance or charge off reinsurer balances that are determined to be uncollectible. The Company records credit losses related to reinsurance recoverables in benefits, losses and loss adjustment expenses. Write-offs of reinsurance recoverables and any related ACL are recorded in the period in which the balance is deemed

uncollectible. Expected recoveries are included in the estimate of the ACL.

Retroactive reinsurance agreements, including adverse development covers ("ADC"), are reinsurance agreements under which our reinsurer agrees to reimburse us as a result of loss development related to past insurable events. For these agreements, the consideration paid in excess of the estimated ultimate losses to be recovered under the agreement at inception is recognized as a loss on reinsurance transaction. The benefit of subsequent adverse development ceded up to the total consideration paid is recognized as ceded losses, which are a reduction of incurred losses and loss adjustment expenses. The excess of the estimated amounts ultimately to be recovered under the agreement over the consideration paid is recognized as a deferred gain liability and amortized into income over the period the ceded losses are recovered in cash from the reinsurer. The amount of the deferred gain liability is recalculated each period based on cumulative recoveries not yet collected relative to the latest estimate of ultimate losses to be recovered. Ceded loss reserves under retroactive agreements were \$1.7 billion, \$1.6 billion and \$1.5 billion, and the deferred gain liability reported in other liabilities was \$997, \$914 and \$803, as of December 31, 2023, 2024 and 2022, respectively. In any given period, the change in deferred gain included in net income includes amortization of the deferred gain based on the percentage of ultimate ceded losses collected plus any change in the deferred gain liability due to changes in the estimated ultimate losses to be recovered. The effect on income from change in the deferred gain was a net charge or (benefit) to earnings of \$(83), \$194 and \$246 before tax for the years ended December 31, 2023, 2024, 2022, and 2021 respectively.

Deferred Policy Acquisition Costs

DAC represents costs that are directly related to the acquisition of new and renewal insurance contracts and incremental direct costs of contract acquisition that are incurred in transactions with independent third parties or in compensation to employees. Such costs primarily include commissions, premium taxes, costs and certain other expenses that are directly related to successfully issued contracts, including a portion of policy issuance and underwriting costs.

For P&C insurance products and group life, disability and accident contracts, costs are deferred and amortized ratably over the period the related premiums are earned. Deferred acquisition costs are reviewed to determine if they are recoverable from future income, and if not, are charged to expense. Anticipated investment income is considered in the determination of the recoverability of DAC.

Income Taxes

The Company recognizes taxes payable or refundable for the current year and deferred taxes for the tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years the temporary differences are expected to reverse. A deferred tax provision is recorded for the tax effects of temporary differences between the Company's current taxable income and its income before tax under generally accepted accounting principles in the Consolidated

[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Statements of Operations. For deferred tax assets, the Company records a valuation allowance that is adequate to reduce the total deferred tax asset to an amount that will more likely than not be realized.

Goodwill

Goodwill represents the excess of the cost to acquire a business over the acquisition date fair value of net assets acquired. Goodwill is not amortized but is reviewed for impairment at least annually or more frequently if events occur or circumstances change that would indicate that a triggering event for a potential impairment has occurred. Goodwill is tested for impairment by comparing the fair value of a reporting unit to its carrying value. Goodwill is impaired up to the amount that the carrying value of the reporting unit exceeds the fair value. A reporting unit is defined as an operating segment or one level below an operating segment. The Company's reporting units, for which goodwill has been allocated consist of Commercial Lines, Business Insurance, Personal Lines, Group Insurance, Employee Benefits, and Hartford Funds.

Management's determination of the fair value of each reporting unit incorporates multiple inputs into discounted cash flow calculations, including assumptions that market participants would make in valuing the reporting unit. Assumptions include levels of economic capital required to support the business, future business growth, earnings projections, the weighted average cost of capital used for purposes of discounting and, for the Hartford Funds segment, assets under management. Decreases in business growth, decreases in earnings projections and increases in the weighted average cost of capital will all cause a reporting unit's fair value to decrease, increasing the possibility of impairments.

Intangible Assets

Acquired intangible assets on the Consolidated Balance Sheets include purchased customer relationship and agency or other distribution rights and licenses measured at fair value at acquisition. The Company amortizes finite-lived other intangible assets over their useful lives generally on a straight-line basis over the period of expected benefit, ranging from 1 to 15 years. Management revises amortization periods if it believes there has been a change in the length of time that an intangible asset will continue to have value. Indefinite-lived intangible assets are not subject to amortization. Intangible assets are assessed for impairment generally when events or circumstances indicate a potential impairment and at least annually for indefinite-lived intangibles. Finite-lived intangible assets are impaired if the carrying amount is not recoverable from undiscounted cash flows. Indefinite-lived intangible assets are impaired if the



[Index to Consolidated Financial Statements and Schedules](#)
[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

carrying amount exceeds fair value. Impaired intangible assets are written down to fair value.

Property and Equipment

Property and equipment, which includes capitalized software and right-of-use lease assets, is carried at cost net of accumulated depreciation. Depreciation is based on the estimated useful lives of the various classes of property and equipment and is recognized principally on the straight-line method. Accumulated depreciation was \$2.4 billion \$2.5 billion and \$2.3 billion \$2.4 billion as of December 31, 2023 December 31, 2024 and 2022 2023, respectively. Depreciation expense was \$177, \$204, \$213, and \$282 \$213 for the years

ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively, and is reported in insurance operating costs and other expenses. The costs to access and develop hosted software arrangements, where The Hartford has the right to access and use the software, but not take possession, and the cost of certain software licenses are reported in other assets on a straight-line basis over the service period. Amortization of hosted software and certain software licenses was \$108, \$85, \$78, and \$60 \$78 for the years ended December 31, 2023 December 31, 2024, 2022 2023, and 2021 2022, respectively, and is reported in insurance operating costs and other expenses.

Leases

Leases are classified as financing or operating leases. Where the lease is economically similar to a purchase because The Hartford obtains control of the underlying asset, the lease is classified as a financing lease and the Company recognizes amortization of the right of use asset and interest expense on the liability. Where the lease is not economically similar to a purchase as the lease provides The Hartford with only the right to control the use of the underlying asset over the lease term and the lease term is greater than one year, the lease is an operating lease and the lease cost is recognized as rental expense over the lease term on a straight-line basis. Leases with a term of one year or less are also expensed over the lease term but not recognized on the Consolidated Balance Sheets.

Unpaid Losses and Loss Adjustment Expenses

For property and casualty and group life, disability and accident insurance and assumed reinsurance products, the Company establishes reserves for unpaid losses and loss adjustment expenses to provide for the estimated costs of paying claims under insurance policies written by the Company. These reserves include estimates for both claims that have been reported and those that have not yet been reported, and include estimates of all losses and loss adjustment expenses associated with processing and settling these claims. Estimating the ultimate cost of future losses and loss adjustment expenses is an uncertain and complex process. This estimation process is based significantly on the assumption that past developments are an appropriate predictor of future events, and involves a variety of actuarial techniques that analyze experience, trends and other relevant factors. The effects of inflation are implicitly considered in the reserving process. In addition, a number of complex factors influence the uncertainties involved with the reserving process including social and economic trends and changes in the concepts of legal liability and damage awards. Accordingly, final claim settlements may vary from the present estimates, particularly when those payments may not occur until

well into the future. The Company regularly reviews the adequacy of its estimated losses and loss adjustment expense reserves by reserve line within the various reporting reportable segments. Adjustments to previously established reserves are reflected in the operating results of the period in which the adjustment is determined to be necessary. Such adjustments could possibly be significant, reflecting any variety of new and adverse or favorable trends.

Most of the Company's property and casualty insurance products reserves are not discounted. However, the Company

Index to Consolidated Financial Statements and Schedules

Note 1 - Basis of Presentation and Significant Accounting Policies

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

has discounted to present value certain reserves for indemnity payments that are due to claimants under workers' compensation policies because the payment pattern and the ultimate costs are reasonably fixed and determinable on an individual claim basis. The discount rate is based on the risk free rate for the expected claim duration as determined in the year the claims were incurred. The Company also has discounted liabilities for structured settlement agreements that provide fixed periodic payments to claimants. These structured settlements include annuities purchased to fund unpaid losses for permanently disabled claimants. These structured settlement liabilities are discounted to present value using the rate implicit in the purchased annuities and the purchased annuities are accounted for within reinsurance recoverables.

Group life and disability contracts with long-tail claim liabilities are discounted because the payment pattern and the ultimate costs are reasonably fixed and determinable on an individual claim basis. The discount rates are estimated based on investment yields expected to be earned on the cash flows net of investment expenses and expected credit losses. The Company establishes discount rates for these reserves in the year the claims are incurred (the incurrence year) which is when the estimated settlement pattern is determined. The discount rate for life and disability reserves acquired from Aetna's U.S. group life and disability business were based on interest rates in effect at the acquisition date of November 1, 2017.

For further information about how unpaid losses and loss adjustment expenses are established, see Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses.

Reserve for Future Policy Benefits

The Company's reserves for future policy benefits includes paid-up life insurance and whole-life policies resulting from conversion from group life policies included within the Group Employee Benefits segment and reserves for run-off structured settlement and terminal funding agreement liabilities, which are reported in the Corporate category.

Contracts are grouped into cohorts by contract type and issue year. The Company establishes reserves for future policy benefits using the net premium approach, which represents the present value of future policyholder benefits and related expenses less the present value of future net premiums. Net premiums are calculated by multiplying gross premiums for the contracts in a specific cohort by a net premium ratio. The net premium ratio is determined for the lifetime of a given cohort as the present value of net benefits divided by the present value of gross premiums. Related expenses include termination and settlement costs and exclude acquisition costs and non-claim related costs, such as costs relating to investments, general administration, policy maintenance, product development,

[Index to Consolidated Financial Statements and Schedules](#)

[Note 1 - Basis of Presentation and Significant Accounting Policies](#)

market research and general overhead or any other costs, which are expensed as incurred.

The Company estimates premiums, benefits and related expense cash flows using methods that include assumptions, such as estimates of mortality, lapse, and claim-related expenses, and the possible impact of inflation on those expenses. Benefits include all guaranteed cash flows to be paid to the policyholder.

The discount rate assumption is an equivalent single rate that is based on a current market observable, upper-medium grade fixed maturity yield. This has been interpreted to represent a yield based on single-A credit rated fixed maturity instruments with similar duration to the liability. The Company uses the yield of a market observable index of single-A credit rated fixed maturities as the basis for setting the discount rate. The discount rate assumption is updated quarterly and the change in the reserve estimate resulting from updating the discount rate assumption is recognized in other comprehensive income.

Treasury Stock

Treasury stock is the cost of common stock repurchased, which includes the purchase price of shares acquired and direct costs to acquire shares, including commissions and excise taxes. Issuance and retirement of treasury stock is recognized at the average cost of shares held in treasury.

Foreign Currency

Foreign currency translation gains and losses are reflected in stockholders' equity as a component of AOCI. The Company's foreign subsidiaries' balance sheet accounts are translated at the exchange rates in effect at each year end and income statement accounts are translated at the average rates of exchange prevailing during the year. The national currencies of the international operations are generally their functional currencies; however, the U.S. dollar is the functional currency of Lloyd's Syndicate 1221 ("Lloyd's Syndicate"), for which the Company is the sole corporate member. Gains and losses resulting from the remeasurement of foreign currency transactions are reflected in earnings in net realized gains (losses) in the period in which they occur.

The reserve for future policy benefits is adjusted for differences between actual and expected experience. Each quarter, the Company updates its estimates of cash flows expected over the life of a group of contracts using actual historical experience. These updated cash flows are used to calculate the revised net premiums and net premium ratio, which are used to derive an updated reserve for future policy benefits. In subsequent periods, the revised net premiums are used to measure the reserve for future policy benefits, subject to future revisions. Future cash flow assumptions, including mortality, lapse and expense are reviewed and, if a change is indicated, updated at least annually in the third quarter.

The difference between the newly calculated reserve balance and the reserve balance before updating for actual experience and/or future cash flow assumptions is the remeasurement gain or loss, which is immaterial for each of the years ended **December 31, 2023** **December 31, 2024**, **2023** and 2022, and **2021** is presented in benefits losses and loss adjustments expense in the Consolidated Statements of Operations. Changes to the reserve due to updates to cash flow assumptions, discounted at the discount rate used **immediately prior to transition when each annual cohort was established**, are recognized on a catch-up basis in the Consolidated Statement of Operations.

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. EARNINGS PER COMMON SHARE

Computation of Basic and Diluted Earnings per Common Share

(In millions, except for per share data)
(In millions, except for per share data)
(In millions, except for per share data)
Earnings
Earnings
Earnings
Net income
Net income
Net income
Less: Preferred stock dividends
Less: Preferred stock dividends
Less: Preferred stock dividends
Net income available to common stockholders
Net income available to common stockholders

Net income available to common stockholders	
Shares	
Shares	
Shares	
Weighted average common shares outstanding, basic	
Weighted average common shares outstanding, basic	
Weighted average common shares outstanding, basic	
Dilutive effect of stock-based awards under compensation plans	
Dilutive effect of stock-based awards under compensation plans	
Dilutive effect of stock-based awards under compensation plans	
Weighted average common shares outstanding and dilutive potential common shares [1]	
Weighted average common shares outstanding and dilutive potential common shares [1]	
Weighted average common shares outstanding and dilutive potential common shares [1]	
Net income available to common stockholders per common share	
Net income available to common stockholders per common share	
Net income available to common stockholders per common share	
Basic	
Basic	
Basic	
Diluted	
Diluted	
Diluted	

[1]For additional information, see Note 16 15 - Equity and Note 20 19 - Stock Compensation Plans.

Basic earnings per common share is computed based on the weighted average number of common shares outstanding during the year. Diluted earnings per common share includes the dilutive effect of stock-based awards under compensation plans.

Under the treasury stock method, for stock-based awards, shares are assumed to be issued and then reduced for the number of shares repurchasable with theoretical proceeds at the average market price for the period. Contingently issuable shares are included for the number of shares issuable assuming the end of the reporting period was the end of the contingency period, if dilutive.

3. SEGMENT INFORMATION

The Company currently conducts business principally in five reporting reportable segments including Commercial Lines, Business Insurance, Personal Lines, Insurance, Property & Casualty Other Operations, Group Employee Benefits and Hartford Funds, as well as a Corporate category.

The reportable segments are described below and align with the Company's key product and service offerings. Over 95% of the Company's revenues are generated in the United States ("U.S."). The remaining revenues are generated in the U.K. and other international locations.

We report our results of operations consistent with the manner in which our chief operating decision maker ("CODM") CODM reviews the business to assess business, assesses performance, make and makes operating decisions on the allocation of resources to each reportable segment. The CODM considers actual results and allocate resources, budget-to-actual variances when assessing segment performance and making decisions on the allocation of resources to each segment. The Company's reporting CODM is the Chairman and Chief Executive Officer.

The accounting policies of the segments are the same as those described in Note 1 - Basis of Presentation and Significant Accounting Policies of the Notes to Consolidated Financial Statements. The Company has identified GAAP net income as the reported measure of segment profit or loss.

The Company's reportable segments, as well as the Corporate category, are as follows:

Commercial Lines Business Insurance

Commercial Lines Business Insurance provides a variety of insurance products and risk management services in the U.S. and internationally to commercial enterprises of varying sizes, with insurance coverages including workers' compensation, property, automobile, general liability, umbrella, package business, professional liability, bond, marine, livestock, accident and health, and assumed reinsurance.

Personal Lines Insurance

Personal Lines Insurance provides standard automobile, homeowners and personal umbrella coverages to individuals across the U.S., including a special program designed exclusively for members of AARP. This AARP through an agreement provides an important competitive advantage given the size of the 50 plus population and the

writing new business and includes substantially all of the Company's asbestos and environmental ("A&E") exposures.

Group Employee Benefits

Group Employee Benefits provides employers and associations with group life, accident and disability coverage, along with other products and services, including voluntary benefits, and group retiree health.

Hartford Funds

Hartford Funds offers investment products for retail and retirement accounts and provides investment management, distribution and administrative services such as product design, implementation and oversight. This business also manages a portion of the mutual funds which support third-party life and annuity separate accounts.

strength of the AARP brand, and that is in place through December 31, 2032.

Property & Casualty Other Operations

Property & Casualty P&C Other Operations includes certain property and casualty operations, managed by the Company, that have discontinued

[Index to Consolidated Financial Statements and Schedules](#)

[Note 3 - Segment Information](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Corporate

The Company includes in the Corporate category capital raising activities (including equity financing, debt financing and related interest expense), purchase accounting adjustments related to goodwill, reserves for run-off structured settlement and terminal funding agreement liabilities, restructuring costs, capital raising activities (including equity financing, debt financing and related interest expense), transaction expenses incurred in connection with an acquisition, certain M&A costs, purchase accounting adjustments related to goodwill and other expenses not allocated to the reporting reportable segments. Interest expense of \$199, \$213 \$199 and \$234, \$213, on debt for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively, is included in the Corporate category for segment reporting. category. Corporate also includes investment management fees and expenses related to managing third party assets. Talcott Resolution Life, Inc. is the holding company of the life and annuity business that we sold in May 2018. Up until June 30, 2021, Corporate included a 9.7% ownership interest in Hopmeadow Holdings LP, the legal entity that acquired Talcott Resolution in May 2018 (Hopmeadow Holdings, LP, Talcott Resolution Life Inc., and its subsidiaries are collectively referred to as "Talcott Resolution"). Refer to Note 5 - Investments for additional information.

Financial Measures and Other Segment Information

Certain transactions between segments occur during the year that primarily relate to tax settlements, insurance coverage, expense reimbursements, services provided, investment transfers and capital contributions. In addition, certain inter-segment transactions occur that relate to interest income on allocated surplus. Consolidated net income is unaffected by such transactions.

Revenues

	For the years ended December 31,		
	2023	2022	2021
Earned premiums and fee income:			
Commercial Lines			
Workers' compensation	\$ 3,670	\$ 3,499	\$ 3,172
General liability	1,977	1,836	1,622
Marine	256	235	228
Package business	2,076	1,844	1,665
Property	1,053	845	829
Professional liability	787	737	655
Bond	321	303	287
Assumed reinsurance	615	467	328
Automobile	927	844	789
Total Commercial Lines	11,682	10,610	9,575
Personal Lines			
Automobile	2,156	2,047	2,059
Homeowners	961	932	927
Total Personal Lines [1]	3,117	2,979	2,986
Property & Casualty Other Operations			
Group Benefits			
Group disability	3,530	3,310	2,983
Group life	2,583	2,393	2,388
Other	402	354	316
Total Group Benefits	6,515	6,057	5,687
Hartford Funds			
Mutual fund and ETF	900	964	1,094
Third-party life and annuity separate accounts [2]	73	80	95
Total Hartford Funds	973	1,044	1,189
Corporate	39	49	50
Total earned premiums and fee income	22,326	20,739	19,487
Total net investment income	2,305	2,177	2,313
Net realized gains (losses)	(188)	(627)	509
Other revenues	84	73	81
Total revenues	\$ 24,527	\$ 22,362	\$ 22,390

[1]For 2023, 2022 and 2021, AARP members accounted for earned premiums of \$2.9 billion, \$2.7 billion and \$2.7 billion, respectively.

[2]Represents revenues earned for investment advisory services on third party life and annuity separate account AUM by the Company's Hartford Funds segment.

Index to Consolidated Financial Statements and Schedules

Note 3 - Segment Information

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

	Net Income (Loss) Segment Revenues		
	For the years ended December 31,		
	2023	2022	2021
Commercial Lines	\$ 2,085	\$ 1,624	\$ 1,757
Personal Lines	(39)	91	385
Property & Casualty Other Operations	(130)	(190)	(95)

	Amortization of Other Intangible Assets		
	For the years ended December 31,		
	2023	2022	2021
Commercial Lines	\$ 29	\$ 29	\$ 29
Personal Lines	2	2	2
Group Benefits	40	40	40

Group Benefits	535	327	256
Hartford Funds	174	162	217
Corporate	(121)	(195)	(149)
Net income	2,504	1,819	2,371
Preferred stock dividends	21	21	21
Net income available to common stockholders	\$ 2,483	\$ 1,798	\$ 2,350

	For the years ended December 31,		
	2024	2023	2022
Business Insurance			
Workers' compensation	\$ 3,691	\$ 3,670	\$ 3,499
General liability	2,218	1,977	1,836
Marine	278	256	235
Package business	2,331	2,076	1,844
Commercial property	1,258	1,053	845
Professional Liability	824	787	737
Bond	327	321	303
Assumed reinsurance	758	615	467
Commercial automobile	1,079	927	844
Business Insurance earned premium and fee income	12,764	11,682	10,610
Net investment income	1,714	1,532	1,415
Net realized losses	(73)	(156)	(385)
Other revenue [1]	1	1	(1)
Total Business Insurance	14,406	13,059	11,639
Personal Insurance			
Personal automobile	2,425	2,156	2,047
Homeowners	1,061	961	932
Personal Insurance earned premium and fee income [2]	3,486	3,117	2,979
Net investment income	222	171	140
Net realized losses	(14)	(16)	(35)
Other revenue	85	81	73
Total Personal Insurance	3,779	3,353	3,157
P&C Other Operations			
Net investment income	74	69	63
Net realized losses	(4)	(7)	(16)
Total P&C Other Operations	70	62	47
Employee Benefits			
Group disability	3,576	3,530	3,310
Group life	2,617	2,583	2,393
Other	422	402	354
Employee Benefits premium and other considerations	6,615	6,515	6,057
Net investment income	475	469	524
Net realized losses	(24)	(45)	(122)
Total Employee Benefits	7,066	6,939	6,459
Hartford Funds			
Mutual fund and ETF	960	900	964
Third-party life and annuity separate accounts [3]	75	73	80
Hartford Funds fee income	1,035	973	1,044
Net investment income	20	17	9

Total amortization of other intangible assets	\$ 71	\$ 71	\$ 71

Income Tax Expense (Benefit)

	For the years ended December 31,		
	2023	2022	2021
Commercial Lines	\$ 502	\$ 426	\$ 402
Personal Lines	(15)	22	95
Property & Casualty Other Operations	(36)	(52)	(28)
Group Benefits	133	75	56
Hartford Funds	45	41	56
Corporate	(45)	(69)	(47)
Total income tax expense	\$ 584	\$ 443	\$ 534

Assets

	As of December 31,	
	2023	2022
Commercial Lines	\$ 49,711	\$ 47,234
Personal Lines	5,579	5,130
Property & Casualty Other Operations	4,235	3,897
Group Benefits	13,697	13,278
Hartford Funds	684	635
Corporate	2,874	2,834
Total assets	\$ 76,780	\$ 73,008

[3]Represents revenues earned for investment advisory services on third party life and annuity separate account

AUM by the Company's Hartford Funds segment.

Net realized gains (losses)	12	10	(24)
Total Hartford Funds	1,067	1,000	1,029
Total segment revenues	\$ 26,388	\$ 24,413	\$ 22,331

Net Investment Income^[1]Other revenues for Business Insurance includes revenues from equity method investments that are not considered revenues from contracts with customers in the table below.

	For the years ended December 31,		
	2023	2022	2021
Commercial Lines	\$ 1,532	\$ 1,415	\$ 1,502
Personal Lines	171	140	157
Property & Casualty Other Operations	69	63	75
Group Benefits	469	524	550
Hartford Funds	17	9	5
Corporate	47	26	24
Net investment income	\$ 2,305	\$ 2,177	\$ 2,313

^[2]For 2024, 2023 and 2022, AARP members accounted for earned premiums of \$3.2 billion, \$2.9 billion and \$2.7 billion, respectively.

Amortization of DAC

	For the years ended December 31,		
	2023	2022	2021
Commercial Lines	\$ 1,779	\$ 1,563	\$ 1,398
Personal Lines	231	228	230
Group Benefits	34	33	40
Total amortization of DAC	\$ 2,044	\$ 1,824	\$ 1,668

Index to Consolidated Financial Statements and Schedules

Note 3 - Segment Information

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Significant Segment Expenses

	For the years ended December 31,		
	2024	2023	2022
Business Insurance			
Current accident year losses and loss adjustment expenses ("LAE") before catastrophes	\$ 7,186	\$ 6,575	\$ 5,959
Current accident year catastrophe losses and LAE	486	436	441
Prior accident year development of losses and LAE	(231)	(225)	(231)
Amortization of DAC	1,993	1,779	1,563
Insurance operating costs	1,973	1,837	1,788
Amortization of other intangible assets	29	29	29
Dividends to policyholders	39	39	29
Total Business Insurance	11,475	10,470	9,578
Personal Insurance			
Current accident year losses and LAE before catastrophes	2,351	2,287	1,969
Current accident year catastrophe losses and LAE	282	240	208
Prior accident year development of losses and LAE	(108)	11	(13)
Amortization of DAC	255	231	228
Insurance operating costs	673	576	594
Amortization of other intangible assets	2	2	2
Total Personal Insurance	3,455	3,347	2,988
P&C Other Operations			
Prior accident year development of losses and LAE	219	224	280

Insurance operating costs	9	4	9
Total P&C Other Operations	228	228	289
Employee Benefits			
Group disability losses	2,432	2,370	2,263
Group life losses	2,060	2,157	2,091
Group losses - other	189	156	163
Amortization of DAC	34	34	33
Insurance operating costs and other expenses	1,609	1,514	1,467
Amortization of other intangible assets	40	40	40
Total Employee Benefits	6,364	6,271	6,057
Hartford Funds			
Sub-advisory expense	289	265	282
Employee compensation and benefits	131	121	123
Distribution and service	299	289	315
General, administrative and other	105	106	106
Total Hartford Funds	824	781	826
Total significant segment expenses	\$ 22,346	\$ 21,097	\$ 19,738

[Index to Consolidated Financial Statements and Schedules](#)

[Note 3 - Segment Information](#)

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Segment/Category Summary For the Year Ended December 31, 2024								
	Reportable Segments						Corporate	Consolidated
	Business Insurance	Personal Insurance	P&C Other Operations	Employee Benefits	Hartford Funds	Total Reportable Segments		
Earned premium and fee income from external customers	\$ 12,764	\$ 3,486	\$ —	\$ 6,615	\$ 1,035	\$ 23,900	\$ 40	\$ 23,940
Net investment income	1,714	222	74	475	20	2,505	63	2,568
Net realized gains/(losses)	(73)	(14)	(4)	(24)	12	(103)	42	(61)
Other revenue [1]	1	85	—	—	—	86	2	88
Total Revenues	14,406	3,779	70	7,066	1,067	26,388	147	26,535
Significant segment expenses	11,475	3,455	228	6,364	824	22,346		22,346
Other segment expenses [2]	6	67	4	—	—	77		77
Corporate expenses							263	263
Income tax expense/(benefit)	576	49	(35)	141	51	782	(44)	738
Net income (loss)	\$ 2,349	\$ 208	\$ (127)	\$ 561	\$ 192	\$ 3,183	\$ (72)	\$ 3,111
Other segment disclosures:								
Amortization of DAC	\$ 1,993	\$ 255	\$ —	\$ 34	\$ —	\$ 2,282	\$ —	\$ 2,282
Amortization of other intangibles	\$ 29	\$ 2	\$ —	\$ 40	\$ —	\$ 71	\$ —	\$ 71
Total Assets	\$ 53,296	\$ 6,034	\$ 4,312	\$ 13,502	\$ 761	\$ 77,905	\$ 3,012	\$ 80,917
Segment/Category Summary For the Year Ended December 31, 2023								
	Reportable Segments						Corporate	Consolidated
	Business Insurance	Personal Insurance	P&C Other Operations	Employee Benefits	Hartford Funds	Total Reportable Segments		
Earned premium and fee income from external customers	\$ 11,682	\$ 3,117	\$ —	\$ 6,515	\$ 973	\$ 22,287	\$ 39	\$ 22,326
Net investment income	1,532	171	69	469	17	2,258	47	2,305
Net realized gains/(losses)	(156)	(16)	(7)	(45)	10	(214)	26	(188)
Other revenue [1]	1	81	—	—	—	82	2	84

Total Revenues	13,059	3,353	62	6,939	1,000	24,413	114	24,527
Significant segment expenses	10,470	3,347	228	6,271	781	21,097		21,097
Other segment expenses [2]	2	60	—	—	—	62		62
Corporate expenses							280	280
Income tax expense/(benefit)	502	(15)	(36)	133	45	629	(45)	584
Net income (loss)	\$ 2,085	\$ (39)	\$ (130)	\$ 535	\$ 174	\$ 2,625	\$ (121)	\$ 2,504
Other segment disclosures:								
Amortization of DAC	\$ 1,779	\$ 231	\$ —	\$ 34	\$ —	\$ 2,044	\$ —	\$ 2,044
Amortization of other intangibles	\$ 29	\$ 2	\$ —	\$ 40	\$ —	\$ 71	\$ —	\$ 71
Total Assets	\$ 49,711	\$ 5,579	\$ 4,235	\$ 13,697	\$ 684	\$ 73,906	\$ 2,874	\$ 76,780

[Index to Consolidated Financial Statements and Schedules](#)

Note 3 - Segment Information

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Segment/Category Summary For the Year Ended December 31, 2022								
	Reportable Segments					Total Reportable Segments	Corporate	Consolidated
	Business Insurance	Personal Insurance	P&C Other Operations	Employee Benefits	Hartford Funds			
Earned premium and fee income from external customers	\$ 10,610	\$ 2,979	\$ —	\$ 6,057	\$ 1,044	\$ 20,690	\$ 49	\$ 20,739
Net investment income	1,415	140	63	524	9	2,151	26	2,177
Net realized losses	(385)	(35)	(16)	(122)	(24)	(582)	(45)	(627)
Other revenue/(loss) [1]	(1)	73	—	—	—	72	1	73
Total Revenues	11,639	3,157	47	6,459	1,029	22,331	31	22,362
Significant segment expenses	9,578	2,988	289	6,057	826	19,738		19,738
Other segment expenses [2]	11	56	—	—	—	67		67
Corporate expenses							295	295
Income tax expense/(benefit)	426	22	(52)	75	41	512	(69)	443
Net income (loss)	\$ 1,624	\$ 91	\$ (190)	\$ 327	\$ 162	\$ 2,014	\$ (195)	\$ 1,819
Other segment disclosures:								
Amortization of DAC	\$ 1,563	\$ 228	\$ —	\$ 33	\$ —	\$ 1,824	\$ —	\$ 1,824
Amortization of other intangibles	\$ 29	\$ 2	\$ —	\$ 40	\$ —	\$ 71	\$ —	\$ 71

[1] Other revenues for Business Insurance and Corporate includes revenues from equity method investments that are not considered revenues from contracts with customers in the table below.

[2] Other segment expenses primarily consists of integration costs associated with the 2019 acquisition of Navigators Group for Business Insurance and servicing expenses for Personal Insurance.

Non-Insurance Revenue from Contracts with Customers

	For the years ended December 31,
	For the years ended December 31,
	For the years ended December 31,
Revenue Line Item	
Revenue Line Item	
Revenue Line Item	

Commercial Lines
Commercial Lines
Commercial Lines
Business Insurance
Business Insurance
Business Insurance

Installment billing fees

Installment billing fees

Installment billing fees

Personal Lines

Personal Lines

Personal Lines

Personal Insurance

Personal Insurance

Personal Insurance

Installment billing fees

Installment billing fees

Installment billing fees

Insurance servicing revenues

Insurance servicing revenues

Insurance servicing revenues

Group Benefits

Group Benefits

Group Benefits

Employee Benefits

Employee Benefits

Employee Benefits

Administrative services

Administrative services

Administrative services

Hartford Funds

Hartford Funds

Hartford Funds

Advisory, servicing and distribution fees

Advisory, servicing and distribution fees

Advisory, servicing and distribution fees

Corporate

Corporate

Corporate

Investment management and other fees

Investment management and other fees

Investment management and other fees

Other

Other

Other

Total non-insurance revenues with customers

Total non-insurance revenues with customers

Total non-insurance revenues with customers

4. FAIR VALUE MEASUREMENTS

The Company carries certain financial assets and liabilities at estimated fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants. Our fair value framework includes a hierarchy that gives the highest priority to the use of quoted prices in active markets, followed by the use of market observable inputs, followed by the use of unobservable inputs.

The fair value hierarchy levels are as follows:

- Level 1 Fair values based primarily on unadjusted quoted prices for identical assets or liabilities, in active markets that the Company has the ability to access at the measurement date.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 4 - Fair Value Measurements](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Level 2 Fair values primarily based on observable inputs, other than quoted prices included in Level 1, or based on prices for similar assets and liabilities.

Level 3 Fair values derived when one or more of the significant inputs are unobservable (including assumptions about risk). With little or no observable market, the determination of fair values uses considerable judgment and represents the Company's best estimate of an amount that could be realized in a market exchange for the asset or liability. Also included are securities that are traded within illiquid markets and/or priced by independent brokers.

The Company will classify the financial asset or liability by level based upon the lowest level input that is significant to the determination of the fair value. In most cases, both observable inputs (e.g., changes in interest rates) and unobservable inputs (e.g., changes in risk assumptions) are used to determine fair values that the Company has classified within Level 3.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 4 - Fair Value Measurements](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

**Assets and (Liabilities) Carried at Fair Value by Hierarchy Level as of
December 31, 2023**

**Assets and (Liabilities) Carried at Fair Value by
Hierarchy Level as of December 31, 2024**

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets accounted for at fair value on a recurring basis	Assets accounted for at fair value on a recurring basis	Assets accounted for at fair value on a recurring basis						
Fixed maturities, AFS	Fixed maturities, AFS	Fixed maturities, AFS						
Asset-backed securities ("ABS")								
Collateralized loan obligations ("CLO")								
Collateralized loan obligations ("CLOs")								
Commercial mortgage-backed securities ("CMBS")								
Corporate								
Foreign government/government agencies								
Municipal								
Residential mortgage-backed securities ("RMBS")								
U.S. Treasuries								
Total fixed maturities, AFS								
Fixed maturities, FVO								
Equity securities, at fair value								
FVO securities								
Equity securities, at fair value [1]								
Derivative assets								
Credit derivatives								
Credit derivatives								
Credit derivatives								
Foreign exchange derivatives								
Foreign exchange derivatives								
Equity derivatives								
Foreign exchange derivatives								

Total derivative assets [1]		
Total derivative assets [1]		
Total derivative assets [1]		
Total derivative assets [2]		
Total derivative assets [2]		
Total derivative assets [2]		
Short-term investments		
Short-term investments		
Short-term investments		
Total assets accounted for at fair value on a recurring basis		
Liabilities accounted for at fair value on a recurring basis	Liabilities accounted for at fair value on a recurring basis	Liabilities accounted for at fair value on a recurring basis
Derivative liabilities	Derivative liabilities	Derivative liabilities
Credit derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Interest rate derivatives		
Total derivative liabilities [2]		
Total derivative liabilities [3]		
Total derivative liabilities [3]		
Total derivative liabilities [3]		
Total liabilities accounted for at fair value on a recurring basis		
Total liabilities accounted for at fair value on a recurring basis		
Total liabilities accounted for at fair value on a recurring basis		

[Index to Consolidated Financial Statements and Schedules](#)

Note 4 - Fair Value Measurements

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Assets and (Liabilities) Carried at Fair Value by Hierarchy Level as of
December 31, 2022

Assets and (Liabilities) Carried at Fair Value by
Hierarchy Level as of December 31, 2023

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets accounted for at fair value on a recurring basis	Assets accounted for at fair value on a recurring basis	Assets accounted for at fair value on a recurring basis						
Fixed maturities, AFS	Fixed maturities, AFS	Fixed maturities, AFS						
ABS								
CLO								
CLOs								
CMBS								
Corporate								
Foreign government/government agencies								
Municipal								
RMBS								

U.S. Treasuries		
Total fixed maturities, AFS		
Fixed maturities, FVO		
Equity securities, at fair value		
FVO securities		
Equity securities, at fair value [1]		
Derivative assets		
Credit derivatives		
Credit derivatives		
Credit derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Total derivative assets [1]		
Total derivative assets [1]		
Total derivative assets [1]		
Total derivative assets [2]		
Total derivative assets [2]		
Total derivative assets [2]		
Short-term investments		
Total assets accounted for at fair value on a recurring basis		
Liabilities accounted for at fair value on a recurring basis	Liabilities accounted for at fair value on a recurring basis	Liabilities accounted for at fair value on a recurring basis
Derivative liabilities	Derivative liabilities	Derivative liabilities
Credit derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Foreign exchange derivatives		
Interest rate derivatives		
Total derivative liabilities [2]		
Total derivative liabilities [3]		
Total liabilities accounted for at fair value on a recurring basis		
Total liabilities accounted for at fair value on a recurring basis		
Total liabilities accounted for at fair value on a recurring basis		

[1]Level 3 includes investments that have contractual sales restrictions that require consent to sell and are in place for the duration that the securities are held by the Company.

[2]Includes derivative instruments in a net positive fair value position after consideration of the accrued interest and impact of collateral posting requirements which may be imposed by agreements and applicable law. See footnote 23 to this table for derivative liabilities.

[2] 3]Includes derivative instruments in a net negative fair value position (derivative liability) after consideration of the accrued interest and impact of collateral posting requirements which may be imposed by agreements and applicable law.

The Company has overseas deposits included in other investments of \$75 \$61 and \$62 \$75 as of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, respectively, which are measured at fair value using the net asset value as a practical expedient.

Fixed Maturities, Equity Securities, Short-term Investments, and Derivatives

Valuation Techniques

The Company generally determines fair values using valuation techniques that use prices, rates, and other relevant information

appropriate, estimates of future cash flows that are converted into a single discounted amount using current market expectations. The Company uses a "waterfall" approach comprised of the following pricing sources and techniques, which are listed in priority order:

- Quoted prices, unadjusted, for identical assets or liabilities in active markets, which are classified as Level 1.
- Prices from third-party pricing services, which primarily utilize a combination of techniques. These services utilize recently reported trades of identical, similar, or benchmark securities making adjustments for market observable inputs available through the reporting date. If there are no recently reported trades, they may use a discounted cash flow technique to develop a price using expected cash flows based upon the anticipated future performance of the

evident from market transactions involving identical or similar instruments. Valuation techniques also include, where

[Index to Consolidated Financial Statements and Schedules](#)

Note 4 - Fair Value Measurements

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

available through the reporting date. If there are no recently reported trades, they may use a discounted cash flow technique to develop a price using expected cash flows based upon the anticipated future performance of the underlying collateral discounted at an estimated market rate. Both techniques develop prices that consider the time value of future cash flows and provide a margin for risk, including liquidity and credit risk. Most prices provided by third-party pricing services are classified as Level 2 because the inputs used in pricing the securities are observable. However, some securities that are less liquid or trade less actively are classified as Level 3. Additionally, certain long-dated securities such as municipal securities and bank loans, include benchmark interest rate or credit spread assumptions that are not observable in the marketplace and are thus classified as Level 3.

market prices for exchange-traded and OTC cleared derivatives may be used and in other cases independent broker quotes may

- Internal matrix pricing is a valuation process internally developed for private placement securities for which the Company is unable to obtain a price from a third-party pricing service. Internal pricing matrices determine credit spreads that, when combined with risk-free rates, are applied to contractual cash flows to develop a price. The Company develops credit spreads using market based data for public securities adjusted for credit spread differentials between public and private securities, which are obtained from a survey of multiple private placement brokers. The market-based reference credit spread considers the issuer's sector, financial strength, and term to maturity, using an independent public security index, while the credit spread differential considers the non-public nature of the security. Securities priced using internal matrix pricing are classified as Level 2 because the significant inputs are observable or can be corroborated with observable data.
- Independent broker quotes, which are typically non-binding, use inputs that can be difficult to corroborate with observable market based data. Brokers may use present value techniques using assumptions specific to the security types, or they may use recent transactions of similar securities. Due to the lack of transparency in the process that brokers use to develop prices, valuations that are based on independent broker quotes are classified as Level 3.

The fair value of derivative instruments is determined primarily using a discounted cash flow model or option model technique and incorporates counterparty credit risk. In some cases, quoted

be used. The pricing valuation models primarily use inputs that are observable in the market or can be corroborated by observable market data. The valuation of certain derivatives may include significant inputs that are unobservable, such as volatility levels, and reflect the Company's view of what other market participants would use when pricing such instruments.

Valuation Controls

The process for determining the fair value of investments is monitored by the Valuation Committee, which is a cross-functional group of senior management within the Company. The purpose of the Valuation Committee is to provide oversight of the pricing policy, procedures and controls, including approval of valuation methodologies and pricing sources. The Valuation Committee reviews market data trends, pricing statistics and trading statistics to ensure that prices are reasonable and consistent with our fair value framework. Controls and procedures used to assess third-party pricing services are reviewed by the Valuation Committee, including the results of annual due-diligence reviews. Controls include, but are not limited to, reviewing daily and monthly price changes, stale prices, and missing prices and comparing new trade prices to third-party pricing services, weekly price changes to published bond index prices, and daily OTC derivative market valuations to counterparty valuations. The Company has a dedicated pricing group that works with trading and investment professionals to challenge prices received by a third party pricing source if the Company believes that the valuation received does not accurately reflect the fair value. New valuation models and changes to current models require approval by the Valuation Committee. In addition, the Company's enterprise-wide Operational Risk Management function provides an independent review of the suitability and reliability of model inputs, as well as an analysis of significant changes to current models.

Valuation Inputs

Quoted prices for identical assets in active markets are considered Level 1 and consist of on-the-run U.S. Treasuries, money market funds, exchange-traded equity securities, open-ended mutual funds, certain short-term investments, and exchange traded derivative instruments.

[Index to Consolidated Financial Statements and Schedules](#)

Note 4 - Fair Value Measurements

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Valuation Inputs Used in Levels 2 and 3 Measurements for Securities and Derivatives

Level 2 Primary Observable Inputs	Level 3 Primary Unobservable Inputs
Fixed Maturity Investments	
Structured securities (includes ABS, CLO, CLOs, CMBS and RMBS)	
- Benchmark yields and spreads - Monthly payment information - Collateral performance, which varies by vintage year and includes delinquency rates, loss severity rates and refinancing assumptions - Credit default swap indices Other inputs for ABS, CLO, CLOs, and RMBS: - Estimate of future principal prepayments, derived from the characteristics of the underlying structure - Prepayment speeds previously experienced at the interest rate levels projected for the collateral	- Independent broker quotes - Credit spreads beyond observable curve - Interest rates beyond observable curve Other inputs for less liquid securities or those that trade less actively, including subprime RMBS: - Estimated cash flows - Credit spreads, which include illiquidity premium - Constant prepayment rates - Constant default rates - Loss severity
Corporates	
- Benchmark yields and spreads - Reported trades, bids, offers of the same or similar securities - Issuer spreads and credit default swap curves Other inputs for investment grade privately placed securities that utilize internal matrix pricing: - Credit spreads for public securities of similar quality, maturity, and sector, adjusted for non-public nature	- Independent broker quotes - Credit spreads beyond observable curve - Interest rates beyond observable curve Other inputs for below investment grade privately placed securities and private bank loans: - Credit spreads for public securities of similar quality, maturity, and sector, adjusted for non-public nature
U.S. Treasuries, Municipals, and Foreign government/government agencies	
- Benchmark yields and spreads - Issuer credit default swap curves - Political events in emerging market economies - Municipal Securities Rulemaking Board reported trades and material event notices - Issuer financial statements	- Credit spreads beyond observable curve - Interest rates beyond observable curve
Equity Securities	
Quoted prices in markets that are not active	For privately traded equity securities, internal discounted cash flow models utilizing earnings multiples or other cash flow assumptions that are not observable
Short-term Investments	
- Benchmark yields and spreads - Reported trades, bids, offers - Issuer spreads and credit default swap curves - Material event notices and new issue money market rates	- Independent broker quotes - For privately traded investments, credit spreads for public securities of similar quality, maturity, and sector, adjusted for non-public nature
Derivatives	
Credit derivatives	
- Swap yield curve - Credit default swap curves	Not applicable
Foreign exchange derivatives	
- Swap yield curve - Currency spot and forward rates - Cross currency basis curves	Not applicable
Interest rate derivatives	
Swap yield curve	Not applicable
Equity derivatives	
Equity index levels	Not applicable

[Index to Consolidated Financial Statements and Schedules](#)

Note 4 - Fair Value Measurements

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Significant Unobservable Inputs for Level 3 - Securities

Significant Unobservable Inputs for Level 3 - Securities

Assets accounted for at fair value on a recurring basis	Assets accounted for at fair value on a recurring basis	Fair Value	Predominant Valuation Technique	Significant Unobservable Input	Minimum	Maximum	Weighted Average [1]	Impact of Increase in Input on Fair Value [2]	Assets accounted for at fair value on a recurring basis	Fair Value	Predominant Valuation Technique	Significant Unobservable Input							
As of December 31, 2024																			
CMBS [3]																			
CMBS [3]																			
Spread (encompasses prepayment, default risk and loss severity)																			
CMBS [3]	\$ 166	Discounted cash flows			200 bps	1,221 bps	418 bps	Decrease											
Corporate [4]	\$2,166	Discounted cash flows		Spread	81 bps	794 bps	286 bps	Decrease											
RMBS [3]	\$ 19	Discounted cash flows		Spread [6]	100 bps	372 bps	181 bps	Decrease											
									Constant prepayment rate [6]	1%	6%	4%	Decrease [5]						
									Constant default rate [6]	1%	4%	2%	Decrease						
									Loss severity [6]	30%	50%	41%	Decrease						
Short-term investments	\$ 98	Discounted cash flows		Spread		266 bps		Decrease											
As of December 31, 2023																			
CLO [3]	\$ 98	Discounted cash flows		Spread	268 bps	270 bps	269 bps	Decrease											
As of December 31, 2023																			
As of December 31, 2023																			
CLOs [3]	\$ 98	Discounted cash flows		Spread	268 bps	270 bps	269 bps	Decrease											
CMBS [3]	CMBS [3]	\$ 226	Discounted cash flows	Discounted cash flows	Spread (encompasses prepayment, default risk and loss severity)				365 bps	1,315 bps	509 bps	Decrease	CMBS [3]	\$ 226	Discounted cash flows	Discounted cash flows	Spread (encompasses prepayment, default risk and loss severity)		
Corporate [4]	Corporate [4]	\$1,741	Discounted cash flows	Discounted cash flows	Spread				49 bps	743 bps	323 bps	Decrease	Corporate [4]	\$1,741	Discounted cash flows	Discounted cash flows	Spread		
RMBS	RMBS	\$ 36	Discounted cash flows	Discounted cash flows	Spread [6]				32 bps	298 bps	161 bps	Decrease	RMBS	\$ 36	Discounted cash flows	Discounted cash flows	Spread		
				Constant prepayment rate [6]								Constant prepayment rate [6]				1%		5%	
				Constant default rate [6]								Constant default rate [6]				1%		5%	
				Loss severity [6]								Loss severity [6]				10 bps		70 bps	
Short-term investments	Short-term investments		Discounted cash flows	Discounted cash flows	Spread				579 bps	1,254 bps	1,225 bps	Decrease	Short-term investments		Discounted cash flows	Discounted cash flows	Spread		
[3]	[3]	\$ 15	cash flows	cash flows	Spread				579 bps	1,254 bps	1,225 bps	Decrease	[3]	\$ 15	cash flows	cash flows	Spread		
As of December 31, 2022																			
As of December 31, 2022																			
As of December 31, 2022																			
CLO	\$ 115	Discounted cash flows		Spread		337 bps		Decrease											
Spread (encompasses prepayment, default risk and loss severity)																			
CMBS [3]	\$ 219	Discounted cash flows			419 bps	1,307 bps	527 bps	Decrease											
Corporate [4]	\$1,541	Discounted cash flows		Spread	77 bps	642 bps	360 bps	Decrease											
RMBS [3]	\$ 65	Discounted cash flows		Spread [6]	62 bps	249 bps	160 bps	Decrease											
									Constant prepayment rate [6]				1%	10%	7%	Decrease [5]			

Constant default rate [6]	1%	4%	2%	Decrease
Loss severity [6]	10%	100%	38%	Decrease

[1]The weighted average is determined based on the fair value of the securities.

[2]Conversely, the impact of a decrease in input would have the opposite impact to the fair value as that presented in the table.

[3]Excludes securities for which the Company bases fair value on broker quotations.

[4]Excludes securities for which the Company bases fair value on broker quotations; however, included are broker priced lower-rated private placement securities for which the Company receives spread and yield information to corroborate the fair value.

[5]Decrease for above market rate coupons and increase for below market rate coupons.

[6]Generally, a change in the assumption used for the constant default rate would have been accompanied by a directionally similar change in the assumption used for the loss severity and a directionally opposite change in the assumption used for constant prepayment rate and would have resulted in wider spreads.

As of December 31, 2023 December 31, 2024 and 2022, 2023, the fair values of the Company's level 3 derivatives were less than \$1 for both periods.

The table above excludes certain securities for which fair values are predominately based on independent broker quotes. While the Company does not have access to the significant unobservable inputs that independent brokers may use in their pricing process, the Company believes brokers likely use inputs similar to those used by the Company and third-party pricing services to price similar instruments. As such, in their pricing models, brokers likely use estimated loss severity rates, prepayment rates, constant default rates and credit spreads. Therefore, similar to non-broker priced securities, increases in these inputs would generally cause fair values to decrease. As

of December 31, 2023 December 31, 2024, no significant adjustments were made by the Company to broker prices received.

Level 3 Assets and Liabilities Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs

The Company uses derivative instruments to manage the risk associated with certain assets and liabilities. However, the derivative instrument may not be classified within the same fair value hierarchy level as the associated asset or liability.

Index to Consolidated Financial Statements and Schedules

Note 4 - Fair Value Measurements

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2023

Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2024

Total realized/unrealized gains (losses)									
	Fair value as of January 1, 2023								
	Fair value as of January 1, 2023								
	Fair value as of January 1, 2023	Included in net income [1]	Included in OCI [2]	Purchases	Settlements	Sales	Transfers into Level 3 [3]	Transfers out of Level 3 [3]	Fair value as of December 31, 2023
	Fair value as of January 1, 2024								
	Fair value as of January 1, 2024								
	Fair value as of January 1, 2024	Included in net income [1]	Included in OCI [2]	Purchases	Settlements	Sales	Transfers into Level 3 [3]	Transfers out of Level 3 [3]	Fair value as of December 31, 2024
Assets									
Fixed maturities, AFS									
Fixed maturities, AFS									
Fixed maturities, AFS									
ABS									
ABS									
ABS									
CLO									
CLOs									

CMBS
Corporate
RMBS
RMBS
RMBS

Total fixed maturities, AFS

Fixed maturities, FVO

FVO securities

Equity securities, at fair value

Short-term investments

Short-term investments

Short-term investments

Total Assets

	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2022
	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2022
	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2022
	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2023
	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2023
	Fair Value Rollforwards for Financial Instruments Classified as Level 3 for the Year Ended December 31, 2023

	Total realized/unrealized gains (losses)
	Total realized/unrealized gains (losses)
	Total realized/unrealized gains (losses)

	Fair value as of January 1, 2022
	Fair value as of January 1, 2022
	Fair value as of January 1, 2022
	Fair value as of January 1, 2023
	Fair value as of January 1, 2023
	Fair value as of January 1, 2023

Assets
Assets
Assets

Fixed maturities, AFS

Fixed maturities, AFS

Fixed maturities, AFS

ABS
ABS
ABS
CLO
CLO
CLO
CLOs
CLOs
CLOs

CMBS
CMBS
CMBS
Corporate
Corporate
Corporate
Foreign Govt./Govt. Agencies
Foreign Govt./Govt. Agencies
Foreign Govt./Govt. Agencies
RMBS
RMBS
RMBS
Total fixed maturities, AFS
Total fixed maturities, AFS
Total fixed maturities, AFS
Fixed maturities, FVO
Fixed maturities, FVO
Fixed maturities, FVO
FVO securities
FVO securities
FVO securities
Equity securities, at fair value
Equity securities, at fair value
Equity securities, at fair value
Short-term investments
Short-term investments
Short-term investments
Total Assets
Total Assets
Total Assets

[1]Amounts in these columns are generally reported in net realized gains (losses). All amounts are before income taxes.

[2]All amounts are before income taxes.

[3]Transfers into and/or (out of) off Level 3 are primarily attributable to the availability of market observable information and the re-evaluation of the observability of pricing inputs.

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Changes in Unrealized Gains (Losses) for Financial Instruments Classified as Level 3 Still Held at Year End

December 31, 2023 December 31, 2022									
December 31, 2024 December 31, 2023									
	Changes in Unrealized Gain/(Loss) included in Net Income [1] [2]	Changes in Unrealized Gain/(Loss) included in Net Income [1] [2]	Changes in Unrealized Gain/(Loss) included in OCI [3]	Changes in Unrealized Gain/(Loss) included in Net Income [1] [2]	Changes in Unrealized Gain/(Loss) included in OCI [3]	Changes in Unrealized Gain/(Loss) included in Net Income [1] [2]	Changes in Unrealized Gain/(Loss) included in OCI [3]	Changes in Unrealized Gain/(Loss) included in Net Income [1] [2]	Changes in Unrealized Gain/(Loss) included in OCI [3]

Assets

Fixed maturities, AFS

Fixed maturities, AFS

Fixed maturities, AFS
CLO
CLOs
CLO
CLOs
CLO
CLOs
CMBS
Corporate
RMBS
RMBS
Total fixed maturities, AFS
RMBS
Total fixed maturities, AFS
Fixed maturities, FVO
Total fixed maturities, AFS
FVO securities
Equity securities, at fair value
Total Assets
Total Assets
Total Assets

[1]All amounts in these rows are reported in net realized gains (losses). All amounts are before income taxes.

[2]Amounts presented are for Level 3 only and therefore may not agree to other disclosures included herein.

[3]Changes in unrealized gains (losses) on fixed maturities, AFS are reported in changes in net unrealized gain (loss) on fixed maturities in the Consolidated Statements of Comprehensive Income. Income (Loss).

Fair Value Option

The Company has elected the fair value option for certain investments in residual interests of securitizations and other securities that contain embedded credit derivatives with underlying credit risk related to residential real estate in order to reflect changes in fair value in earnings. These instruments are included within fixed maturities, FVO securities on the Consolidated Balance Sheets and changes in the fair value of these investments are reported in net realized gains and losses.

As of December 31, 2023 December 31, 2024 and 2022, 2023, the fair value of assets using the fair value option was \$327 \$308 and \$333, \$327, respectively, of which \$167 \$197 and \$178, \$167, respectively, were residual interests of securitizations.

For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, net realized gains (losses) related to the change in fair value of assets using the fair value option were \$(5), \$5, \$(28), and \$(6) \$(28), respectively.

Financial Instruments Not Carried at Fair Value

Financial Assets and Liabilities Not Carried at Fair Value												
December 31, 2023						December 31, 2022						
December 31, 2024						December 31, 2023						
	Fair Value Hierarchy Level	Carrying Amount [1]	Fair Value	Fair Value Hierarchy Level	Carrying Amount [1]	Fair Value	Fair Value Hierarchy Level	Carrying Amount [1]	Fair Value	Fair Value Hierarchy Level	Carrying Amount [1]	Fair Value
Assets												
Mortgage loans												
Mortgage loans												
Mortgage loans												
Liabilities												
Other policyholder funds and benefits payable												

Other policyholder funds
and benefits payable
Other policyholder funds
and benefits payable

Senior notes [2]

Junior subordinated
debentures [2]

[1]As of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, the carrying amount of mortgage loans is net of ACL of \$51 \$44 and \$36, \$51, respectively

[2]Included in long-term debt in the Consolidated Balance Sheets, except for any current maturities, which are included in short-term debt when applicable.

[Index to Consolidated Financial Statements and Schedules](#)

Note 5 - Investments

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. INVESTMENTS

Net Investment Income

		For the years ended December 31,					For the years ended December 31,			
		(Before tax)	2023	2022	2021		(Before tax)	2024	2023	2022
(Before tax)										
Fixed maturities [1]										
Equity securities										
Mortgage loans										
Limited partnerships and other alternative investments										
Other investments [2]										
Gross investment income										
Investment expenses										
Total net investment income										

[1]Includes net investment income on short-term investments.

[2]Primarily includes changes in fair value of certain equity fund investments and income from derivatives that qualify for hedge accounting and are used to hedge fixed maturities.

Net Realized Gains (Losses)

		For the years ended December 31,					For the years ended December 31,			
		(Before tax)	2023	2022	2021		(Before tax)	2024	2023	2022
(Before tax)										
Gross gains on sales of fixed maturities										
Gross losses on sales of fixed maturities										
Equity securities [1]										
Net realized gains (losses) on sales of equity securities										
Net realized gains (losses) on sales of equity securities										
Net realized gains (losses) on sales of equity securities										
Change in net unrealized gains (losses) of equity securities										
Net realized and unrealized gains (losses) on equity securities										
Net credit losses on fixed maturities, AFS										
Change in ACL on mortgage loans										
Intent-to-sell impairments										
Other, net [2]										
Net realized gains (losses)										
Net realized (losses)										

[1]The change in net unrealized gains (losses) on equity securities still held as of the end of the period and included in net realized gains (losses) were \$68, \$17, \$(108), and \$155 \$(108) for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively.

[2]Includes gains (losses) on non-qualifying derivatives for the years ended December 31, 2024, 2023, and 2022 and 2021 of \$13, \$(108), \$46, and \$12, \$46, respectively, and gains (losses) from transactional foreign currency revaluation of \$20, \$(15), and \$28, and \$(1), respectively. Also included for the year ended December 31, 2021, is a loss of \$21 on the sale of the Continental Europe Operations and a gain of \$46 on the sale of the Company's previously owned interest in Talcott Resolution.

Proceeds from the sales of fixed maturities, AFS totaled \$3.8 billion \$5.7 billion, \$11.4 billion \$3.8 billion, and \$15.9 billion \$11.4 billion for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively. Sales of fixed maturities, AFS securities in 2023 2024 were primarily a result of tactical changes to the portfolio driven by changing market conditions, in addition to duration and liquidity management. Non-cash investing activities for the year ended December 31, 2024, included \$18 related to the exchange of short-term investments for equity securities. Non-cash investing activities for the year ended December 31, 2023, included \$80 \$80, related to the exchange of short-term investments for mortgage loans.

investment income related to mortgage loans of \$20 \$22 and \$18, \$20, respectively. These amounts are not included in the carrying value of the fixed maturities or mortgage loans. Investment income on fixed maturities and mortgage loans is accrued unless it is past due over 90 days or management deems the interest uncollectible. The Company does not include the current accrued investment income balance when estimating the ACL. The Company has a policy to write-off accrued investment income balances that are more than 90 days past due. Write-offs of accrued investment income are recorded as a credit loss component of net realized gains and losses.

Investment income on fixed maturities and mortgage loans is accrued unless it is past due over 90 days or management deems the interest uncollectible. Write-

Accrued Investment Income on Fixed Maturities, AFS and Mortgage Loans

As of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, the Company reported accrued investment income related to fixed maturities, AFS of \$371 \$412 and \$338, \$371, respectively, and accrued

[Index to Consolidated Financial Statements and Schedules](#)

Note 5 - Investments

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

offs of accrued investment income are recorded as a credit loss component of net realized gains and losses.

portion of the related fixed maturity is determined to be uncollectible.

Recognition and Presentation of Intent-to-Sell Impairments and ACL on Fixed Maturities, AFS

The Company will record an "intent-to-sell impairment" as a reduction to the amortized cost of fixed maturities, AFS in an unrealized loss position if the Company intends to sell or it is more likely than not that the Company will be required to sell the fixed maturity before a recovery in value. A corresponding charge is recorded in net realized losses equal to the difference between the fair value on the impairment date and the amortized cost basis of the fixed maturity before recognizing the impairment.

For fixed maturities where a credit loss has been identified and no intent-to-sell impairment has been recorded, the Company will record an ACL for the portion of the unrealized loss related to the credit loss. Any remaining unrealized loss on a fixed maturity after recording an ACL is the non-credit amount and is recorded in OCI. The ACL is the excess of the amortized cost over the greater of the Company's best estimate of the present value of expected future cash flows or the security's fair value. Cash flows are discounted at the effective yield that is used to record interest income. The ACL cannot exceed the unrealized loss and, therefore, it may fluctuate with changes in the fair value of the fixed maturity if the fair value is greater than the Company's best estimate of the present value of expected future cash flows. The initial ACL and any subsequent changes are recorded in net realized gains and losses. The ACL is written off against the amortized cost in the period in which all or a

Developing the Company's best estimate of expected future cash flows is a quantitative and qualitative process that incorporates information received from third-party sources along with certain internal assumptions regarding the future performance. The Company's considerations include, but are not limited to, (a) changes in the financial condition of the issuer and/or the underlying collateral, (b) whether the issuer is current on contractually obligated interest and principal payments, (c) credit ratings, (d) payment structure of the security and (e) the extent to which the fair value has been less than the amortized cost of the security.

For non-structured securities, assumptions include, but are not limited to, economic and industry-specific trends and fundamentals, instrument-specific developments including changes in credit ratings, industry earnings multiples and the issuer's ability to restructure, access capital markets, and execute asset sales.

For structured securities, assumptions include, but are not limited to, various performance indicators such as historical and projected default and recovery rates, credit ratings, current and projected delinquency rates, loan-to-value ("LTV") ratios, average cumulative collateral loss rates that vary by vintage year, prepayment speeds, and property value declines. These assumptions require the use of significant management judgment and include the probability of issuer default and estimates regarding timing and amount of expected recoveries which may include estimating the underlying collateral value.

ACL on Fixed Maturities, AFS by Type

ACL on Fixed Maturities, AFS by Type

ACL on Fixed Maturities, AFS by Type

For the years ended December 31,										For the years ended December 31,										For the years ended December 31,									
2023										2022										2021									
2024										2023										2022									
(Before tax)										(Before tax)										(Before tax)									
CMBS Corporate Total										CMBS Corporate agencies Total										CMBS Corporate Total									
Foreign govt./govt.										Foreign govt./govt.										Foreign govt./govt.									
Balance as of beginning of period																													
Credit losses on fixed maturities where an allowance was not previously recorded																													

Reduction due to sales
Reduction due to intent to sell
Net increases (decreases) on fixed maturities where an allowance was previously recorded
Write-offs charged against the allowance
Balance as of end of period

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Fixed Maturities, AFS

Fixed Maturities, AFS, by Type		
Fixed Maturities, AFS, by Type		
Fixed Maturities, AFS, by Type		
	December 31, 2023	December 31, 2022
	December 31, 2024	December 31, 2023
Amortized Cost		
ABS		
ABS		
ABS		
CLO		
CLO		
CLO		
CLOs		
CLOs		
CLOs		
CMBS		
CMBS		
CMBS		
Corporate		
Corporate		
Corporate		
Foreign govt./govt. agencies		
Foreign govt./govt. agencies		
Foreign govt./govt. agencies		
Municipal		
Municipal		
Municipal		
RMBS		
RMBS		

RMBS
U.S. Treasuries
U.S. Treasuries
U.S. Treasuries
Total fixed maturities, AFS
Total fixed maturities, AFS
Total fixed maturities, AFS

Fixed Maturities, AFS, by Contractual Maturity Year

	December 31, 2023			December 31, 2022	December 31, 2024			December 31, 2023	
	Amortized Cost	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value	Amortized Cost	Fair Value
One year or less									
Over one year through five years									
Over five years through ten years									
Over ten years									
Subtotal									
Mortgage-backed and asset-backed securities									
Total fixed maturities, AFS									

Estimated maturities may differ from contractual maturities due to call or prepayment provisions. Due to the potential for variability in payment speeds (i.e., prepayments or extensions), mortgage-backed and asset-backed securities are not categorized by contractual maturity.

Concentration of Credit Risk

The Company aims to maintain a diversified investment portfolio including issuer, sector and geographic stratification, where applicable, and has established certain exposure limits, diversification standards and review procedures to mitigate credit risk. The Company had no investment exposure to any credit concentration risk of a single issuer greater than 10% of the Company's stockholders' equity as of December 31, 2023 December 31, 2024, or December 31, 2022 December 31, 2023, other than U.S. government securities and certain U.S. government agencies.

As of December 31, 2023 December 31, 2024, other than U.S. government securities and certain U.S. government agencies, the

Company's three largest exposures by issuer were NextEra Energy Inc., Morgan Stanley, and the Government of Canada, each of which comprised less than 1% of total invested assets. As of December 31, 2023, other than U.S. government securities and certain U.S. government agencies, the Company's three largest exposures by issuer were NextEra Energy Inc., the Government of Canada, and Morgan Stanley, each of which comprised less than 1% of total invested assets. As of December 31, 2022, other than U.S. government securities and certain U.S. government agencies, the Company's three largest exposures by issuer sector as of December 31, 2024, were the Toronto Dominion Bank, Morgan Stanley, financial services sector, the municipal sector, and the Mitsubishi UFJ Financial Group Inc. each of RMBS sector, which comprised less than 1% approximately 11%, 9%, and 9%, respectively, of total invested assets. The Company's three largest exposures by sector as of December 31, 2023, were the municipal sector, the financial services sector, and the RMBS sector, which comprised approximately 11%, 9%, and 8%, respectively, of total invested assets. The Company's three largest exposures by sector as of December 31, 2022, were the municipal sector, the financial services sector, and the RMBS sector which comprised approximately 12%, 9%, and 7%, respectively, of total invested assets.

Index to Consolidated Financial Statements and Schedules

Note 5 - Investments

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Unrealized Losses on Fixed Maturities, AFS

Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023							
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023							
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023							
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2024							
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2024							
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2024							
Less Than 12 Months							
Less Than 12 Months							
Less Than 12 Months			Less Than 12 Months		12 Months or More		Total
Fair Value		Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Fair Value							
Fair Value							

ABS
CLO
ABS
ABS
CLOs
CLOs
CLOs
CMBS
CMBS
CMBS
Corporate
Corporate
Corporate
Foreign govt./govt. agencies
Foreign govt./govt. agencies
Foreign govt./govt. agencies
Municipal
Municipal
Municipal
RMBS
RMBS
RMBS
U.S. Treasuries
U.S. Treasuries
U.S. Treasuries
Total fixed maturities, AFS in an unrealized loss position
Total fixed maturities, AFS in an unrealized loss position
Total fixed maturities, AFS in an unrealized loss position

Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2022
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2022
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2022
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023
Unrealized Loss Aging for Fixed Maturities, AFS by Type and Length of Time as of December 31, 2023

	Less Than 12 Months		Less Than 12 Months		12 Months or More		Total		Less Than 12 Months		12 Months or More		Total
	Fair Value	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
ABS													
CLO													
CLOs													
CMBS													
Corporate													
Foreign govt./govt. agencies													
Municipal													

RMBS
U.S. Treasuries
Total fixed maturities, AFS in an unrealized loss position

As of December 31, 2023 December 31, 2024, fixed maturities, AFS in an unrealized loss position consisted of 3,850 3,933 instruments and were primarily depressed due to higher interest rates and/or wider credit spreads since the purchase date. As of December 31, 2023 December 31, 2024, 94% of these fixed maturities were depressed less than 20% of cost or amortized cost. The decrease in total gross unrealized losses during 2023, was primarily due to an increase in valuations as a result of tighter credit spreads. December 31, 2024 are largely consistent with year-end 2023.

Most of the fixed maturities depressed for twelve months or more relate to the corporate sector, RMBS, CMBS, municipal bonds, and municipal bonds, CMBS, which were primarily depressed because current rates are higher and/or market spreads are wider than at the respective purchase dates. The Company neither has an intention to sell nor does it expect to be required to sell the fixed maturities outlined in the preceding discussion. The decision to record credit losses on fixed maturities, AFS in the form of an ACL requires us to make qualitative and quantitative estimates of expected future cash flows.

[Index to Consolidated Financial Statements and Schedules](#)

Note 5 - Investments

Mortgage Loans

ACL on Mortgage Loans

The Company reviews mortgage loans on a quarterly basis to estimate the ACL with changes in the ACL recorded in net realized gains and losses. Apart from an ACL recorded on individual mortgage loans where the borrower is experiencing financial difficulties, the Company records an ACL on the pool of mortgage loans based on lifetime expected credit losses. The Company utilizes a third-party forecasting model to estimate lifetime expected credit losses at a loan level under multiple economic scenarios. The scenarios use macroeconomic data provided by an internationally recognized economics firm that generates forecasts of varying economic factors such as GDP growth, unemployment and interest rates. The economic scenarios are projected over 10 years. The first two to four years of the 10-year period assume a specific modeled economic scenario (including moderate upside, moderate recession and severe recession scenarios) and then revert to historical long-term assumptions over the remaining period. Using these economic scenarios, the forecasting model projects property-specific operating income and capitalization rates used to estimate the value of a future operating income stream. The operating income and the property valuations derived from capitalization rates are compared to loan payment and principal amounts to create debt service coverage ratios ("DSCRs") and LTVs over the forecast period. The Company's process also considers qualitative factors. The model overlays historical data about mortgage loan performance based on DSCRs and LTVs and projects the probability of default, amount of loss given a default and resulting expected loss through maturity for each loan under each economic scenario. Economic scenarios are probability-weighted based on a statistical analysis of the forecasted economic factors and qualitative analysis. The Company records the change in the ACL on mortgage loans based on the weighted-average expected credit losses across the selected economic scenarios.

When a borrower is experiencing financial difficulty, including when foreclosure is probable, the Company measures an ACL on individual mortgage loans. The ACL is established for any shortfall between the amortized cost of the loan and the fair value of the collateral less costs to sell. Estimates of collectibility from an individual borrower require the use of significant management judgment and include the probability and timing of

the borrower's ability to pay and/or the value of underlying collateral such as changes in projected property value estimates. **As During the period in which all or a portion of December 31, 2023, the Company did not have any mortgage loans for which an loan is determined to be uncollectible, the ACL was established on an individual basis, is written off against the amortized cost.**

There were no mortgage loans held-for-sale as of **December 31, 2023** December 31, 2024 or **December 31, 2022** December 31, 2023. **In addition, as For the year ended December 31, 2024, one office property mortgage loan with an amortized cost of December 31, 2023 \$9 was granted a term extension of three years at the original rate, which is a below-market rate, with a borrower experiencing financial difficulties. The modified loan represents less than 1% of the mortgage loan portfolio and December 31, 2022 is current and performing in conjunction with the modified terms. For the year ended December 31, 2023, the Company had no mortgage loans that have had extensions or restructurings other than what is allowable under the original terms of the contract or with borrowers experiencing financial difficulties.**

ACL on Mortgage Loans				
For the years ended December 31,				
	2023	2022	2021	
ACL as of beginning of period	\$ 36	\$ 29	\$ 38	
Current period provision (release)	15	7	(9)	
ACL as of December 31,	\$ 51	\$ 36	\$ 29	

The increase in the allowance for the 2023 period is primarily attributable to revised economic scenarios, lower property valuations, and overall weaker real estate fundamentals. During 2022, the Company increased the estimate of the ACL primarily attributable to the deteriorating economic conditions and the potential impact on real estate property valuations and, to a lesser extent, net additions of new loans. During 2021, the Company decreased the estimate of the ACL in response improved economic scenarios, including improved GDP growth and unemployment, and higher property valuations.

ACL on Mortgage Loans				
For the years ended December 31,				
	2024	2023	2022	
ACL as of beginning of period	\$ 51	\$ 36	\$ 29	
Current period provision (release)	(3)	15	7	
Current period gross write-offs	(4)	—	—	
ACL as of December 31,	\$ 44	\$ 51	\$ 36	

borrower default and loss severity estimates. In addition, cash flow projections may change based upon new information about

The weighted-average LTV ratio of the Company's mortgage loan portfolio was 55% 56% as of December 31, 2023 December 31, 2024, while the weighted-average LTV ratio at origination of these loans was 59%. LTV ratios compare the loan amount to the value of the underlying property collateralizing the loan with property values based on appraisals updated no less than annually. Factors considered in estimating property values include, among other things, actual and expected property cash flows, geographic market data and the ratio of the property's net operating income to its value. DSCR compares a property's net operating income to the borrower's principal and interest payments and are updated no less than annually through reviews of underlying properties.

Mortgage Loans LTV & DSCR by Origination Year as of December 31, 2023

2023										2022					2021					2020					2019					2018 & Prior					Total		
Mortgage Loans LTV & DSCR by Origination Year as of December 31, 2024																																					
2024										2023					2022					2021					2020					2019 & Prior					Total		
Loan-to-value	Loan-to-value	Amortized Cost	Amortized Avg. DSCR			Cost	Amortized Avg. DSCR			Cost	Amortized Avg. DSCR			Cost	Amortized Avg. DSCR			Cost	Amortized Avg. DSCR			Cost	Amortized Avg. DSCR			Cost	Amortized	Loan-to-value	Amortized Cost	Avg. DSCR							
Greater than 80%	Greater than 80%	\$ —	—x	—x	\$ 16	1.09x	1.09x	\$ 38	1.05x	1.05x	\$ —	—x	—x	\$ —	—x	—x	\$ 105	1.41x	1.41x	\$ 159	1.29x	1.29x	\$ 159	1.41x	1.41x	\$ 159	1.29x	1.29x	Greater than 80%	\$ 25	0.63x	0.63x					
65% - 80%	65% - 80%	—	—x	—x	189	2.13x	2.13x	457	2.42x	2.42x	95	3.47x	3.47x	98	1.77x	1.77x	252	1.77x	1.77x	1,091	2.25x	2.25x	80%	89	1.42x	1.42x	80%	89	1.42x	1.42x							
Less than 65%	Less than 65%	400	1.47x	1.47x	724	2.75x	2.75x	1,105	2.99x	2.99x	527	2.92x	2.92x	679	2.90x	2.90x	1,453	2.67x	2.67x	4,888	2.72x	2.72x	65%	357	1.62x	1.62x	65%	357	1.62x	1.62x							
Total mortgage loans	Total mortgage loans	\$ 400	1.47x	1.47x	\$ 929	2.60x	2.60x	\$ 1,600	2.78x	2.78x	\$ 622	3.00x	3.00x	\$ 777	2.76x	2.76x	\$ 1,810	2.47x	2.47x	\$ 6,138	2.60x	2.60x	Total mortgage loans	\$ 471	1.52x	1.52x	Total mortgage loans	\$ 471	1.52x	1.52x							

Mortgage Loans by Region

December 31, 2023										December 31, 2022											
December 31, 2024										December 31, 2023											
	Amortized Cost				Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			
East	East								East												
North	North								North												
Central	Central	\$ 368	6.0	6.0	%		\$ 317	5.3	5.3 %	Central	\$ 362	5.6	5.6 %		\$ 368	6.0	6.0 %				
Middle	Middle								Middle												
Atlantic	Atlantic	238	3.9	3.9	%		316	5.2	5.2 %	Atlantic	259	4.0	4.0 %		238	3.9	3.9 %				
Mountain	Mountain	699	11.4	11.4	%		707	11.7	11.7 %	Mountain	764	11.9	11.9 %		699	11.4	11.4 %				
New	New								New												
England	England	351	5.7	5.7	%		395	6.5	6.5 %	England	356	5.5	5.5 %		351	5.7	5.7 %				
Pacific	Pacific	1,326	21.6	21.6	%		1,299	21.5	21.5 %	Pacific	1,400	21.8	21.8 %		1,326	21.6	21.6 %				
South	South								South												
Atlantic	Atlantic	1,776	28.9	28.9	%		1,670	27.7	27.7 %	Atlantic	1,821	28.3	28.3 %		1,776	28.9	28.9 %				
West	West								West												
North	North								North												
Central	Central	103	1.7	1.7	%		105	1.7	1.7 %	Central	97	1.5	1.5 %		103	1.7	1.7 %				
West	West								West												
South	South								South												
Central	Central	445	7.2	7.2	%		421	7.0	7.0 %	Central	588	9.1	9.1 %		445	7.2	7.2 %				
Other [1]	Other [1]	832	13.6	13.6	%		806	13.4	13.4 %	Other [1]	793	12.3	12.3 %		832	13.6	13.6 %				
Total	Total								Total												
mortgage	mortgage	6,138	100.0	100.0	%		6,036	100.0	100.0 %	mortgage	6,440	100.0	100.0 %		6,138	100.0	100.0 %				
loans	loans								loans												

ACL

Total mortgage loans, net of ACL

Total mortgage loans, net of ACL

Total mortgage loans, net of ACL

[1]Primarily represents loans collateralized by multiple properties in various regions.

Mortgage Loans by Property Type

December 31, 2023												December 31, 2022											
December 31, 2024												December 31, 2023											
	Amortized Cost			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total			Amortized Cost	Percent of Total		
Commercial																							
Industrial																							
Industrial																							
Industrial		\$2,363	38.5	38.5	%		\$2,217	36.7	36.7 %	\$ 2,737	42.5	42.5 %		\$2,363	38.5	38.5 %							
Multifamily	Multifamily	2,200	35.9	35.9	%		2,247	37.2	37.2 %	Multifamily	2,161	33.5	33.5 %		2,200	35.9	35.9 %						
Office	Office	578	9.4	9.4	%		585	9.7	9.7 %	Office	507	7.9	7.9 %		578	9.4	9.4 %						
Retail [1]	Retail [1]	917	14.9	14.9	%		947	15.7	15.7 %	Retail [1]	957	14.9	14.9 %		917	14.9	14.9 %						
Single	Single									Single Family													
Family	Family	80	1.3	1.3	%		—	—	— %		78	1.2	1.2 %		80	1.3	1.3 %						
Other		—	—	—	%		40	0.7	0.7 %														
Total mortgage loans																							
Total mortgage loans																							

Total mortgage loans	Total mortgage loans	6,138	100.0	100.0	%	6,036	100.0	100.0	%	6,440	100.0	100.0	%	6,138	100.0	100.0	%

ACL

Total mortgage loans, net of ACL

Total mortgage loans, net of ACL

Total mortgage loans, net of ACL

[1]Primarily comprised of grocery-anchored retail centers, with no exposure to regional shopping malls.

Past-Due Mortgage Loans

Mortgage loans are considered past due if a payment of principal or interest is not received according to the contractual terms of the loan agreement, which typically includes a grace period. As of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, the Company held no mortgage loans considered past due.

Mortgage Servicing

The Company originates, sells, and services commercial mortgage loans on behalf of third parties and recognizes servicing fee income over the period that services are performed. As of December 31, 2023 December 31, 2024, under this program, the Company serviced mortgage loans with a total outstanding principal of \$9.4 billion \$10.0 billion, of which \$4.4 billion \$4.8 billion was serviced on behalf of third parties and \$5.0 billion \$5.2 billion was retained and reported in total investments on the Company's Consolidated Balance Sheets. As of December 31, 2022 December 31, 2023, the Company serviced mortgage loans with a total outstanding principal balance of \$9.3 billion \$9.4 billion, of which \$4.4 billion was serviced on behalf of third parties and \$4.9 billion \$5.0 billion was retained and reported in total investments on the Company's Consolidated Balance Sheets. Servicing rights are carried at the lower of cost or fair value and were \$0 as of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, because servicing fees were market-level fees at origination and remain adequate to compensate the Company for servicing the loans.

Variable Interest Entities

The Company is engaged with various special purpose entities and other entities that are deemed to be VIEs primarily as an investor through normal investment activities or, at times, as an investment manager.

A VIE is an entity that either has investors that lack certain essential characteristics of a controlling financial interest, such as simple majority kick-out rights, or lacks sufficient funds to finance its own activities without financial support provided by other entities. The Company performs ongoing qualitative assessments of its VIEs to determine whether the Company has a controlling financial interest in the VIE and therefore is the primary beneficiary. The Company is deemed to have a controlling financial interest when it has both the ability to direct the activities that most significantly impact the economic performance of the VIE and the obligation to absorb losses or right to receive benefits from the VIE that could potentially be significant to the VIE. Based on the Company's assessment, if it determines it is the primary beneficiary, the Company

determines it is the primary beneficiary, the Company consolidates the VIE in the Company's Consolidated Financial Statements.

Consolidated VIEs

As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company did not hold any securities for which it is the primary beneficiary.

Non-Consolidated VIEs

The Company, through normal investment activities, makes passive investments in limited partnerships and other alternative investments. For these non-consolidated VIEs, the Company has determined it is not the primary beneficiary as it has no ability to direct activities that could significantly affect the economic performance of the investments. The Company's maximum exposure to loss as of December 31, 2023 December 31, 2024 and 2022 2023 is limited to the total carrying value of \$3.0 billion \$3.2 billion and \$2.6 billion \$3.0 billion, respectively, which are a portion of the investments in limited partnerships and other alternative investments in the Company's Consolidated Balance Sheets that are primarily recorded using the equity method of accounting. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company has outstanding commitments totaling \$1.7 billion \$2.0 billion and \$1.8 billion \$1.7 billion, respectively, whereby the Company is committed to fund these investments and may be called by the partnership during the commitment period to fund the purchase of new investments and partnership expenses. These investments are generally of a passive nature in that the Company does not take an active role in management.

Furthermore, the Company makes investments in entities that sponsor affordable housing projects. Similarly, for these non-consolidated VIEs, the Company has determined it is not the primary beneficiary as it has no ability to direct activities that could significantly affect the economic performance of the investments. The Company applies the proportional amortization method to subsequently measure its investments in such qualified affordable housing projects, where costs are amortized over the period in which the investor expects to receive tax credits and the resulting amortization is recognized as a component of income tax expense on the Company's Consolidated Statements of Operations. For the years ended December 31, 2024, 2023, and 2022, the Company recognized amortization of \$2, \$1, and \$0 respectively, and related tax benefits of \$8, \$1, and \$0, respectively. The income tax credits and other income tax benefits are recognized in operating activities in the Consolidated Statement of Cash Flows. The carrying value of these investments, which are reported in other assets on the Company's Consolidated Balance Sheets was \$51 and \$20 as of December 31, 2024, and December 31, 2023, respectively. As of December 31, 2024 and December 31, 2023, the Company has outstanding commitments related to affordable housing projects of \$267 and \$180, respectively, that are contingent on various conditions precedent to funding.

In addition, the Company makes passive investments in structured securities issued by VIEs for which the Company is not the manager. These investments are included in ABS, CLO, CLOs, CMBS, and RMBS and are reported in fixed maturities, AFS, and fixed maturities, FVO securities, on the Company's Consolidated Balance Sheets. The Company has not provided financial or other support with respect to these investments other than its

agreements as collateralized financing. As of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, the Company reported \$10 \$0 and \$41, \$10, respectively, within short-term investments on the Consolidated Balance Sheets representing a receivable for the amount of cash transferred to purchase the securities.

Other Collateral Transactions

As of December 31, 2023 December 31, 2024 and December 31, 2022 December 31, 2023, the Company pledged collateral of \$7 \$1 and \$7, respectively, of U.S. government securities or cash primarily related to certain bank loan participations committed to through a limited partnership agreement.

For disclosure of collateral in support of derivative transactions, refer to the Derivative Collateral Arrangements section in Note 6 - Derivatives of Notes to Consolidated Financial Statements.

Other Restricted Investments

The Company is required by law to deposit securities with government agencies in certain states in which it conducts business. In addition, the Company is required to hold fixed maturities and short-term investments in trust for the benefit of

original investment. For these investments, the Company determined it is not the primary beneficiary due to the relative size of the Company's investment in comparison to the principal amount of the structured securities issued by the VIEs, the Company's inability to direct the activities that most significantly impact the economic performance of the VIEs, and, where applicable, the level of credit subordination which reduces the Company's obligation to absorb losses or right to receive benefits. The Company's maximum exposure to loss on these investments is limited to the amount of the Company's investment.

For the year ended December 31, 2024, the Company sold \$86 of fixed maturities, AFS for a net realized loss of less than \$1 to a CLO issued by a VIE. The Company then purchased \$24 of fixed maturities, AFS and \$50 of FVO securities from the VIE issuer. These investments are valued based on unobservable inputs and are classified within Level 3 of the fair value hierarchy. In addition, the Company is committed to fund an additional \$426 of fixed maturities, AFS in this CLO. The Company has determined it is not the primary beneficiary of the VIE issuer as it has no ability to direct the activities that could significantly affect the economic performance of the securitization.

Reverse Repurchase Agreements, Other Collateral Transactions and Restricted Investments

Reverse Repurchase Agreements

From time to time, the Company enters into reverse repurchase agreements where the Company purchases securities and simultaneously agrees to resell the same or substantially the same securities. The maturity of these transactions is generally within one year. The agreements require additional collateral to be transferred to the Company under specified conditions and the Company has the right to sell or re-pledge the securities received. The Company accounts for reverse repurchase

[Index to Consolidated Financial Statements and Schedules](#)

Note 5 - Investments

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

syndicate policyholders, hold fixed maturities in a Lloyd's of London ("Lloyd's") trust account to provide a portion of the required capital, and maintain other investments primarily consisting of overseas deposits in various countries with Lloyd's to support underwriting activities in those countries. Lloyd's is an insurance market-place operating worldwide. Lloyd's does not underwrite risks. The Company accepts risks as the sole member of Lloyd's Syndicate 1221 ("Lloyd's Syndicate").

The following table presents the components of the Company's exposure to other restricted investments.

	December				
	31, 2023				
	December				
	31, 2023				
	December				
	31, 2023				
	December				
	31, 2023				
	December				
	31, 2023				
	December				
	31, 2023				
	December	December			
	31, 2023	31, 2022			
	December				
	31, 2024				
	December				
	31, 2024				
	December				
	31, 2024				
	December				
	31, 2024				
	December				
	31, 2024				
	December				
	31, 2024				
	December				
	31, 2024				
	December	December			
	31, 2024	31, 2023			
	Fair	Fair Value	Fair	Fair	Fair
	Value		Value	Value	Value
Securities on deposit with government agencies					
Fixed maturities in trust for benefit of Lloyd's Syndicate policyholders					
Short-term investments in trust for benefit of Lloyd's Syndicate policyholders					
Fixed maturities in Lloyd's trust account					
Other investments					
Total Other Restricted Investments					

Fairity Method Investments

Equity method investments

The majority of the Company's investments in limited partnerships and other alternative investments, including real estate joint ventures, real estate funds, private equity funds, and other funds (collectively, "limited partnerships"), are accounted for under the equity method of accounting. The remainder of investments in limited partnerships and other alternative investments consists of investments in insurer-owned life insurance accounted for at cash surrender value. Prior to June 30, 2021, the Company also had a retained 9.7% investment in Hopmeadow Holdings LP, the legal entity that acquired Talcott Resolution in May 2018 (collectively referred to as "Talcott Resolution"), which was accounted for under the equity method

Index to Consolidated Financial Statements and Schedules

Note 5 - Investments

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

of accounting and was reported in other assets on the Company's Consolidated Balance Sheets. On June 30, 2021, the Company sold its 9.7% ownership interest in Talcott Resolution and received a total \$217 in connection with the sale, resulting in a realized gain on sale of \$46 before tax during 2021.

The Company recognized total equity method income of \$181, \$533, and \$630 for the years ended December 31, 2023, 2022 and 2021, respectively. Equity method income is reported in net investment income, except amounts related to strategic investments classified in other assets which are reported in other revenues. For investments accounted for under the equity method, the Company's maximum exposure to loss as of December 31, 2023 December 31, 2024 is limited to the total carrying value of \$4.3 billion \$4.6 billion. In addition, the Company has outstanding commitments totaling \$1.9 billion \$2.1 billion to fund limited partnership investments as of December 31, 2023 December 31, 2024. The Company's investments accounted for under the equity method are generally of a passive nature in that the Company does not take an active role in the management.

In 2023, For the period ended December 31, 2024, aggregate investment income from investments accounted for under the equity method did not exceed 10% of the Company's before tax consolidated net income. For the periods ended December 31, 2023 and 2022, aggregate investment income from investments accounted for under the equity method exceeded 10% of the

Company's before tax consolidated net income. Accordingly, the Company is disclosing aggregated, summarized financial data for the Company's investments accounted for under the equity method based on the most recently available information. This aggregated, summarized financial data does not represent the Company's proportionate share of investees' assets or earnings. Aggregate total assets of the investees totaled \$308.3 billion and \$289.9 billion as of December 31, 2023 and 2022, respectively. Aggregate total liabilities of the investees totaled \$44.0 billion and \$46.8 billion as of December 31, 2023 and 2022, respectively. Aggregate net investment loss of the investees totaled \$1.2 billion for the period ended December 31, 2023. Aggregate total investment income of the investees totaled \$1.6 billion, and \$2.1 billion for the periods ended December 31, 2022 and 2021, respectively. Aggregate net income excluding net investment income of the investees totaled \$13.0 billion, \$11.9 billion and \$46.7 billion for the periods ended December 31, 2023, 2022 and 2021, respectively. As of, and for the period ended, December 31, 2023, the aggregated summarized financial data reflects the latest available financial information.

Aggregated summarized financial information of the Company's equity method investees:				
		As of December 31,		
		2024		2023
Balance sheet:				
Total assets	\$	356,430	\$	308,259
Total liabilities	\$	57,017	\$	44,950
The Company's carrying value	\$	4,552	\$	4,328
		For the years ended December 31,		
		2024	2023	2022
Operating results:				
Net investment income (loss)	\$	(1,002)	\$ (1,240)	\$ 1,604
Net income excluding net investment income	\$	14,778	\$ 13,000	\$ 11,885
The Company's share of equity method income	\$	103	\$ 181	\$ 533

Index to Consolidated Financial Statements and Schedules

Note 6 - Derivatives

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

6. DERIVATIVES

The Company utilizes a variety of OTC, OTC-cleared and exchange traded derivative instruments as a part of its overall risk management strategy as well as to enter into replication transactions or income generation covered call transactions. Derivative instruments are used to manage risk associated with interest rate, equity market, commodity market, credit spread, issuer default, price, and currency exchange rate or volatility. Replication transactions are used as an economical means to synthetically replicate the characteristics and performance of assets that are permissible investments under the Company's investment policies.

Strategies that Qualify for Hedge Accounting

Some of the Company's derivatives satisfy hedge accounting requirements as outlined in Note 1 - Basis of Presentation and Significant Accounting Policies. Typically, these hedging instruments include interest rate swaps and, to a lesser extent, foreign currency swaps where the terms or expected cash flows of the hedged item closely match the terms of the swap. The interest rate swaps are typically used to manage interest rate duration of certain fixed maturity securities or debt instruments issued.

Cash Flow Hedges

Interest rate swaps are predominantly used to manage portfolio duration and better match cash receipts from assets with cash disbursements required to fund liabilities. These derivatives primarily convert interest receipts on variable-rate fixed maturity securities to fixed rates. The Company has also entered into interest rate swaps to convert the variable interest payments on the \$500 junior subordinated debentures due 2067 to fixed interest payments. For further information, see the Junior Subordinated Debentures section within Note 14 13 - Debt.

exchange for compensation from the counterparty or the Company should the referenced security issuers experience a credit event, as defined in the contract. The Company also enters into credit default swaps to terminate existing credit default swaps, thereby offsetting the changes in value of the original swap going forward.

Interest Rate Swaps and Futures

The Company uses interest rate swaps and, to a lesser extent, futures to manage interest rate duration between assets and liabilities. In addition, the Company enters into interest rate swaps to terminate existing swaps, thereby offsetting the changes in value of the original swap going forward. As of December 31, 2024 and December 31, 2023 and

Foreign currency swaps are used to convert foreign currency-denominated cash flows related to certain investment receipts to U.S. dollars in order to reduce cash flow fluctuations due to changes in currency rates.

Non-qualifying Strategies

Derivative relationships that do not qualify for hedge accounting ("non-qualifying strategies") primarily include hedges of interest rate, foreign currency, equity, and commodity risk of certain fixed maturities and equities. In addition, hedging and replication strategies that utilize credit default swaps do not qualify for hedge accounting. The non-qualifying strategies include:

Credit Contracts

Credit default swaps are used to purchase credit protection on an individual entity or referenced index to economically hedge against default risk and credit-related changes in the value of fixed maturity securities. Credit default swaps are also used to assume credit risk related to an individual entity or referenced index as a part of replication transactions. These contracts require the Company to pay or receive a periodic fee in

[Index to Consolidated Financial Statements and Schedules](#)

[Note 6 - Derivatives](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

December 31, 2022, the notional amount of interest rate swaps in offsetting relationships was \$344 and \$6.6 billion for both periods, respectively.

Foreign Currency Swaps and Forwards

The Company enters into foreign currency swaps to convert the foreign currency exposures of certain foreign currency-denominated fixed maturity investments to U.S. dollars.

Equity Index Options

The Company may enter enters into equity index options to hedge the impact of a decline in the equity markets on the investment portfolio. The Company has also previously entered into covered call options on equity securities to generate additional return.

Commodity Options

The Company previously purchased call option contracts on oil futures in order to partially offset potential changes in value related to certain fixed maturity securities that could arise if oil prices increased substantially.

Derivative Balance Sheet Classification

For reporting purposes, the Company has elected to offset within assets or liabilities based upon the net of the fair value amounts, income accruals, and related cash collateral receivables and payables of OTC derivative instruments executed in a legal entity and with the same counterparty under a master netting agreement, which provides the Company with the legal right of offset. The following fair value amounts do not include income accruals or related cash collateral receivables and payables, which are netted with derivative fair value amounts to determine balance sheet presentation. The Company's derivative instruments are held for risk management purposes, unless otherwise noted in the following table. The notional amount of derivative contracts represents the basis upon which pay or receive amounts are calculated and is presented in the table to quantify the volume of the Company's derivative activity. Notional amounts are not necessarily reflective of credit risk.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 6 - Derivatives](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Derivative Balance Sheet Presentation

Net Derivatives			Net Derivatives		
Asset Derivatives			Asset Derivatives		
Liability Derivatives			Liability Derivatives		

Hedge Designation/ Derivative Type	Hedge Designation/ Derivative Type	Notional Amount								Hedge Designation/ Derivative Type	Notional Amount							
		Fair Value									Fair Value							
		Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022		Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	Dec 31, 2023	Dec 31, 2024	
Cash flow hedges																		
Interest rate swaps																		
Interest rate swaps																		
Interest rate swaps																		
Foreign currency swaps																		
Total cash flow hedges																		
Non-qualifying strategies																		
Interest rate contracts																		
Interest rate contracts																		
Interest rate contracts																		
Interest rate swaps and futures																		
Interest rate swaps and futures																		
Interest rate swaps and futures																		
Foreign exchange contracts																		
Foreign currency swaps and forwards																		
Foreign currency swaps and forwards																		
Foreign currency swaps and forwards																		
Credit contracts																		
Credit derivatives that purchase credit protection																		
Credit derivatives that purchase credit protection																		
Credit derivatives that purchase credit protection																		
Credit derivatives in offsetting positions																		
Credit derivatives in offsetting positions																		
Credit derivatives in offsetting positions																		
Credit derivatives in offsetting positions																		
Credit derivatives in offsetting positions																		
Equity contracts																		
Equity index options																		
Equity index options																		
Equity index options																		
Total non-qualifying strategies																		
Total non-qualifying strategies																		
Total non-qualifying strategies																		
Total cash flow hedges and non-qualifying strategies																		
Balance Sheet Location																		
Fixed maturities, AFS																		
Fixed maturities, AFS																		
Fixed maturities, AFS																		
Other investments																		
Other liabilities																		
Total derivatives																		
Total derivatives																		

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Offsetting of Derivative Assets/Liabilities

The following tables present the gross fair value amounts, the amounts offset, and net position of derivative instruments eligible for offset in the Company's Consolidated Balance Sheets. Offsetting amounts include fair value amounts, income accruals

and related cash collateral receivables and payables associated with derivative instruments that are traded under a common master netting agreement, as described in the preceding discussion. Also included in the tables are financial collateral receivables and payables, which are contractually permitted to be offset upon an event of default, although are disallowed for offsetting under U.S. GAAP.

Offsetting Derivative Assets and Liabilities

										(iii)	(v)
										=	=
										(i)	(iii)
										-	-
(i)		(i)	(ii)	(iii) = (i) - (ii)	(iv)	(v) = (iii) - (iv)		(i)	(ii)	(ii)	(iv) (iv)
Net Amounts Presented in the Statement of Financial Position											
Gross Amounts of Recognized Assets (Liabilities)											
Gross Amounts of Recognized Assets (Liabilities)											
Gross Amounts of Recognized Assets (Liabilities)	Gross Amounts	Derivative Assets [1]	Accrued Interest and Cash Collateral (Received) [3]	Financial Collateral (Received) [4]	Net Amount	Gross Amounts	Derivative Assets [1]	Accrued Interest and Cash Collateral (Received) [3]	Financial Collateral (Received) [4]	Net Amount	
(Liabilities)	Offset in the Statement of Financial Position	(Liabilities) [2]	Pledged [2]	Pledged [4]		Offset in the Statement of Financial Position	(Liabilities) [2]	Pledged [2]	Pledged [4]		
As of December 31, 2024											
Other investments											
Other investments											
Other investments											
Other liabilities											
As of December 31, 2023											
Other investments											
Other investments											
Other investments											
Other liabilities											

As of
December 31,
2022

Other
investments

Other
investments

Other
investments

Other
liabilities

[1]Included in other investments in the Company's Consolidated Balance Sheets.

[2]Included in other liabilities in the Company's Consolidated Balance Sheets and is limited to the net derivative payable associated with each counterparty.

[3]Included in other investments in the Company's Consolidated Balance Sheets and is limited to the net derivative receivable associated with each counterparty.

[4]Excludes collateral associated with exchange-traded derivative instruments.

Cash Flow Hedges

as a component of OCI and reclassified into earnings in the

For derivative instruments that are designated and qualify as cash flow hedges, the gain or loss on the derivative is reported

same period or periods during which the hedged transaction affects earnings. All components of each derivative's gain or loss were included in the assessment of hedge effectiveness.

Gain (Loss) Recognized in OCI				Year Ended December 31,	
	2023	2022	2021		
	2024	2023	2022		
Interest rate swaps					
Foreign currency swaps					
Total					

Gain (Loss) Reclassified from AOCI into Income							
	Year Ended December 31,						
	2024		2023		2022		
	Net Investment		Net Investment		Net Investment		
	Income	Interest Expense	Income	Interest Expense	Income	Interest Expense	
Interest rate swaps	\$	(25)	\$	16	\$	(26)	\$ 15
Foreign currency swaps		12		—		10	—
Total	\$	(13)	\$	16	\$	(16)	\$ 15
Total amounts presented on the Consolidated Statement of Operations	\$	2,568	\$	199	\$	2,305	\$ 199

[Index to Consolidated Financial Statements and Schedules](#)

Note 6 - Derivatives

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Gain (Loss) Reclassified from AOCI into Income									
	Year Ended December 31,								
	2023			2022			2021		
	Net Realized	Net Investment		Net Realized	Net Investment		Net Realized	Net Investment	
	Gain/(Loss)	Income	Interest Expense	Gain/(Loss)	Income	Interest Expense	Gain/(Loss)	Income	Interest Expense
Interest rate swaps	\$ —	\$ (26)	\$ 15	\$ —	\$ 6	\$ (2)	\$ —	\$ 41	\$ (10)
Foreign currency swaps	—	10	—	—	9	—	—	5	—
Total	\$ —	\$ (16)	\$ 15	\$ —	\$ 15	\$ (2)	\$ —	\$ 46	\$ (10)

Total amounts presented on the Consolidated									
Statement of Operations	\$	(188) \$	2,305 \$	199 \$	(627) \$	2,177 \$	213 \$	509 \$	2,313 \$ 234

As of December 31, 2023 December 31, 2024, the before tax deferred net gains on derivative instruments recorded in AOCI that are expected to be reclassified to earnings during the next twelve months are \$18. \$40. This expectation is based on the anticipated interest payments on hedged investments in fixed maturity securities and long-term debt that will occur over the next twelve months. Over that time, the Company will recognize the deferred net gains (losses) as an adjustment to net investment income or interest expense, as applicable, over the term of the hedged instrument cash flows.

During the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, the Company had no net reclassifications from AOCI to earnings

resulting from the discontinuance of cash-flow hedges due to forecasted transactions that were no longer probable of occurring.

Non-qualifying Strategies

For non-qualifying strategies, including embedded derivatives that are required to be bifurcated from their host contracts and accounted for as derivatives, the gain or loss on the derivative is recognized currently in earnings within net realized gains (losses).

Non-Qualifying Strategies Recognized within Net Realized Gains (Losses)			
For the Year Ended December 31,			
	2023	2022	2021
	2024	2023	2022
Foreign exchange contracts			
Foreign currency swaps and forwards			
Foreign currency swaps and forwards			
Foreign currency swaps and forwards			
Interest rate contracts			
Interest rate swaps, swaptions and futures			
Interest rate swaps, swaptions and futures			
Interest rate swaps, swaptions and futures			
Interest rate swaps and futures			
Interest rate swaps and futures			
Interest rate swaps and futures			
Credit contracts			
Credit derivatives that purchase credit protection			
Credit derivatives that purchase credit protection			
Credit derivatives that purchase credit protection			
Credit derivatives that assume credit risk			
Equity contracts			
Equity options			
Equity options			
Equity options			
Equity contracts			
Equity contracts			
Equity index options			
Equity index options			
Equity index options			
Commodity contracts			
Commodity options			
Commodity options			
Commodity options			
Total [1]			
Total [1]			
Total [1]			

[1]Excludes investments that contain an embedded credit derivative for which the Company has elected the fair value option. For further discussion, see the Fair Value Option section in Note 4 - Fair Value Measurements.

Credit Risk Assumed through Credit Derivatives

The Company enters into credit default swaps that assume credit risk of a single entity or referenced index in order to synthetically replicate investment transactions that are permissible under the Company's investment policies. The Company will receive periodic payments based on an agreed upon rate and notional amount and will only make a payment if there is a credit event. A credit event payment will typically be

equal to the notional value of the swap contract less the value of the referenced security issuer's debt obligation after the occurrence of the credit event. A credit event is generally defined as a default on contractually obligated interest or principal payments or bankruptcy of the referenced entity. The credit default swaps in which the Company assumes credit risk may reference investment grade single corporate issuers and baskets, which include standard diversified portfolios of corporate and CMBS issuers.

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Credit Risk Assumed Derivatives by Type

Underlying Referenced Credit Obligation(s) [1]												
Notional Amount [2]												
Notional Amount [2]												
Notional Amount [2]	Weighted			Average	Offsetting	Offsetting	Weighted			Average	Offsetting	Offsetting
	Fair	Average Years to		Credit	Notional	Fair Value	Fair	Average Years to		Credit	Notional	Fair Value
[2]	Value	Maturity	Type	Rating	Amount [3]	[3]	Value	Maturity	Type	Rating	Amount [3]	[3]
As of December 31, 2024												
Basket credit default swaps [4]												
Basket credit default swaps [4]												
Basket credit default swaps [4]												
Investment grade risk exposure												
Investment grade risk exposure												
Investment grade risk exposure												
Below investment grade risk exposure												
Below investment grade risk exposure												
Total [5]												

As of December 31, 2023												
Basket credit default swaps [4]												
Basket credit default swaps [4]												
Basket credit default swaps [4]												
Investment grade risk exposure												
Investment grade risk exposure												

Investment grade risk exposure
Below investment grade risk exposure
Below investment grade risk exposure
Total [5]

As of December 31, 2022

Basket credit default swaps [4]
Investment grade risk exposure
Investment grade risk exposure
Investment grade risk exposure
Below investment grade risk exposure
Total [5]
Total [5]
Total [5]

[1]The average credit ratings are based on availability and are generally the midpoint of the available ratings among Moody's, S&P, and Fitch. If no rating is available from a rating agency, then an internally developed rating is used.

[2]Notional amount is equal to the maximum potential future loss amount. These derivatives are governed by agreements and applicable law which include collateral posting requirements. There is no additional specific collateral related to these contracts or recourse provisions included in the contracts to offset losses.

[3]The Company has entered into offsetting credit default swaps to terminate certain existing credit default swaps, thereby offsetting the future changes in value of, or losses paid related to, the original swap.

[4]Comprised of swaps of standard market indices of diversified portfolios of corporate and CMBS issuers referenced through credit default swaps. These swaps are subsequently valued based upon the observable standard market index.

[5]Excludes investments that contain an embedded credit derivative for which the Company has elected the fair value option. For further discussion, see the Fair Value Option section in Note 4 - Fair Value Measurements.

Derivative Collateral Arrangements

The Company enters into various collateral arrangements in connection with its derivative instruments, which require both the pledging and accepting of collateral. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company has pledged cash collateral associated with derivative instruments of \$25 \$31 and less than \$1, \$25, respectively. In general, collateral receivable is recorded in other assets or other liabilities on the Company's Consolidated Balance Sheets as determined by the Company's election to offset on the balance sheet. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company pledged securities collateral associated with derivative instruments with a fair value of \$14 \$1 and \$8, \$14, respectively, which have been included in fixed maturities on the Consolidated Balance Sheets. The counterparties have the right to sell or re-pledge these securities.

In addition, as of December 31, 2023 December 31, 2024 and 2022, 2023, the Company has pledged initial margin of cash related to OTC-cleared and exchange traded derivatives with a fair value of \$10 and \$16 for both periods, respectively, which is recorded in other investments or other assets on the Company's Consolidated Balance Sheets. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company has pledged initial margin of securities related to OTC-cleared and exchange traded derivatives with a fair value of \$112 \$103 and \$57, \$112, respectively, which are included within fixed maturities on the Company's Consolidated Balance Sheets.

As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company accepted cash collateral associated with derivative instruments of \$49 \$78 and \$56, \$49, respectively, which was invested and recorded in the Consolidated Balance Sheets in fixed maturities and short-term investments with corresponding amounts recorded in other investments or other liabilities as determined by the Company's election to offset on the balance sheet. The Company also accepted securities collateral Also as of December 31, 2023 December 31, 2024 and 2022 with a fair value of \$0 and \$1, respectively, which 2023, the Company has the right to repledge or sell. As of December 31, 2023 and 2022, the Company had no repledged securities. In addition, as of December 31, 2023 and 2022, non-cash collateral accepted was held in separate custodial accounts and was did not included in the Company's Consolidated Balance Sheets. hold securities collateral.

7. PREMIUMS RECEIVABLE AND AGENTS' BALANCES

Premiums Receivable and Agents' Balances	As of	
	December	
	31,	
	2023	2022
	2024	2023
Premiums receivable, excluding receivables for losses within a deductible and retrospectively-rated policy premiums ("loss sensitive business")		
Receivables for loss sensitive business, by credit quality:		
AA		
AA		
AA		
A		
BBB		
BB		
Below BB		
Total receivables for loss sensitive business		
Total Premiums Receivable and Agents' Balances, Gross		
Total Premiums Receivable and Agents' Balances, Gross		
Total Premiums Receivable and Agents' Balances, Gross		
ACL		
Total Premiums Receivable and Agents' Balances, Net of ACL		

ACL on Premiums Receivable and Agents' Balances

Premiums receivable and agents' balances, excluding receivables for loss sensitive business, are primarily comprised of premiums due from policyholders, which are typically collectible within one year or less. For these balances, the ACL is estimated based on an aging of receivables and recent historical credit loss and collection experience, adjusted for current economic conditions and reasonable and supportable forecasts, when appropriate. Balances are considered past due when amounts that have been billed are not collected within contractually stipulated time periods.

A portion of the Company's **Commercial Lines Business Insurance** business is written with large deductibles or under retrospectively-rated plans (referred to as "loss sensitive business"). Under some commercial insurance contracts with a large deductible, the

Company is obligated to pay the claimant the full amount of the claim and the Company is subsequently reimbursed by the policyholder for the deductible amount. As such, the Company is subject to credit risk until reimbursement is made. Retrospectively-rated policies are utilized primarily for workers' compensation coverage, whereby the ultimate premium is adjusted based on actual losses incurred. Although the premium adjustment feature of a retrospectively-rated policy substantially reduces insurance risk for the Company, it presents credit risk to the Company. The Company's results of operations could be adversely affected if a significant portion of such policyholders failed to reimburse the Company for the deductible amount or the amount of additional premium owed under retrospectively-rated policies. The Company manages these credit risks through credit analysis, collateral requirements, and oversight.

The ACL for receivables for loss sensitive business is estimated as the amount of the receivable exposed to loss multiplied by estimated factors for probability of default and the amount of loss given a default. The probability of default is assigned based on each policyholder's credit rating, or a rating is estimated if no external rating is available. Credit ratings are reviewed and updated at least annually. The exposure amount is estimated net of collateral and other credit enhancement, considering the nature of the collateral, potential future changes in collateral values, and historical loss information for the type of collateral obtained. The probability of default factors are historical corporate defaults for receivables with similar durations estimated through multiple economic cycles. Credit ratings are forward-looking and consider a variety of economic outcomes. The loss given default factors are based on a study of historical recovery rates for general creditors through multiple economic cycles. The Company's evaluation of the required ACL for receivables for loss sensitive business considers the current economic environment as well as the probability-weighted macroeconomic scenarios similar to the approach used for estimating the ACL for mortgage loans. See Note 5 - Investments.

During 2021, the ACL on premiums receivable decreased as the provision required on premiums written during the year was more than offset by write-offs and a reduction in the provision, primarily reflecting lessening expected impacts of COVID-19 relative to prior assumptions in certain lines of business.

Rollforward of ACL on Premiums Receivable and Agents' Balances for the Year Ended

	December 31, 2024			December 31, 2023			December 31, 2022		
	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total
Beginning ACL	\$ 89	\$ 20	\$ 109	\$ 85	\$ 24	\$ 109	\$ 83	\$ 22	\$ 105
Current period provision (release)	64	1	65	52	(2)	50	48	3	51
Current period gross write-offs	(62)	(1)	(63)	(55)	(2)	(57)	(56)	(1)	(57)
Current period gross recoveries	6	—	6	7	—	7	10	—	10
Ending ACL	\$ 97	\$ 20	\$ 117	\$ 89	\$ 20	\$ 109	\$ 85	\$ 24	\$ 109

[Index to Consolidated Financial Statements and Schedules](#)

Note 78 - **Premiums Receivable and Agents' Balances** Reinsurance

THE HARTFORD **FINANCIAL SERVICES INSURANCE** GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Rollforward of ACL on Premiums Receivable and Agents' Balances for the Year Ended

	December 31, 2023			December 31, 2022			December 31, 2021		
	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total	Receivables Excluding Receivables for Loss Sensitive Business	Receivables for Loss Sensitive Business	Total
Beginning ACL	\$ 85	\$ 24	\$ 109	\$ 83	\$ 22	\$ 105	\$ 117	\$ 35	\$ 152
Current period provision (release)	52	(2)	50	48	3	51	17	(13)	4
Current period gross write-offs	(55)	(2)	(57)	(56)	(1)	(57)	(59)	—	(59)
Current period gross recoveries	7	—	7	10	—	10	8	—	8
Ending ACL	\$ 89	\$ 20	\$ 109	\$ 85	\$ 24	\$ 109	\$ 83	\$ 22	\$ 105

8. REINSURANCE

The Company cedes insurance risk to reinsurers to enable the Company to manage capital and risk exposure. Such arrangements do not relieve the Company of its primary liability to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company's procedures include carefully selecting its reinsurers, structuring agreements to provide collateral funds where necessary, and regularly monitoring the financial condition and ratings of its reinsurers.

The Company has two ADC reinsurance agreements in place, both of which are accounted for as retroactive reinsurance, reinsurance and have exhausted their treaty limit. One agreement covers covered substantially all A&E reserve development for 2016 and prior accident years ("A&E ADC") up to an aggregate limit of \$1.5 billion and the other covered substantially all reserve development of Navigators Insurance Company ("NIC") and certain of its affiliates for 2018 and prior accident years (the "Navigators ADC") up to an aggregate limit of \$300. As the Company has ceded all of the \$300 and \$1.5 billion available limit, limits under the Navigators ADC and the A&E ADC, respectively, there is no remaining limit available under the Navigators ADC, either agreement as of December 31, 2024. For more information on ADC agreements, see Note 1 - Basis of Presentation and Significant Accounting Policies, and Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses.

Property and Casualty ceded losses, which reduce losses and loss adjustment expenses incurred, were \$1,241, \$1,043 \$1,338 and \$1,243

Group Employee Benefits ceded losses, which reduce losses and loss adjustment expenses incurred, were \$120, \$93 \$81 and \$85 \$81 for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively.

Reinsurance Recoverables

Reinsurance recoverables include balances due from reinsurance companies and are presented net of an allowance for uncollectible reinsurance. Reinsurance recoverables include an estimate of the amount of gross losses and loss adjustment expense reserves that may be ceded under the terms of the reinsurance agreements, including incurred but not reported ("IBNR") unpaid losses. The Company's estimate of losses and loss adjustment expense reserves ceded to reinsurers is based on assumptions that are consistent with those used in establishing the gross reserves for amounts the Company owes to its claimants. The Company estimates its ceded reinsurance recoverables based on the terms of any applicable facultative and treaty reinsurance, including an estimate of how incurred but not reported IBNR unpaid losses will ultimately be ceded under reinsurance agreements. Accordingly, the Company's estimate of reinsurance recoverables is subject to similar risks and uncertainties as the estimate of the gross reserve for unpaid losses and loss adjustment expenses.

Index to Consolidated Financial Statements and Schedules
Note 8 - Reinsurance

THE HARTFORD FINANCIAL SERVICES GROUP, INC.													
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)													
Reinsurance Recoverables by Credit Quality Indicator													
As of December 31, 2023						As of December 31, 2022							
As of December 31, 2024						As of December 31, 2023							
	P&C	P&C	Group Benefits	Corporate Total	P&C	Group Benefits	Corporate Total	P&C	Employee Benefits	Corporate Total	P&C	Employee Benefits	Corporate Total
AM Best Financial Strength Rating													
A++													
A++													
A++													
A+													
A													
A-													
B++													
Below B++													
Total Rated by AM Best													

Mandatory (Assigned) and Voluntary Risk Pools
Captives
Other not rated companies
Gross Reinsurance Recoverables
Allowance for uncollectible reinsurance

Net Reinsurance Recoverables

Balances are considered past due when amounts that have been billed are not collected within contractually stipulated time periods, generally 30, 60 or 90 days. To manage reinsurer credit risk, a reinsurance security review committee evaluates the credit standing, financial performance, management and operational quality of each potential reinsurer. In placing

reinsurance, the Company considers the nature of the risk reinsured, including the expected liability payout duration, and establishes limits tiered by reinsurer credit rating. Where its contracts permit, the Company secures future claim obligations with various forms of collateral or other credit enhancement, including irrevocable letters of credit, secured

[Index to Consolidated Financial Statements and Schedules](#)
[Note 8 - Reinsurance](#)

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

trusts, funds held accounts and group wide offsets. As part of its reinsurance recoverable review, the Company analyzes recent developments in commutation activity between reinsurers and cedants, recent trends in arbitration and litigation outcomes in disputes between cedants and reinsurers and the overall credit quality of the Company's reinsurers.

Due to the inherent uncertainties as to collection and the length of time before reinsurance recoverables become due, it is possible that future adjustments to the Company's reinsurance recoverables, net of the allowance, could be required, which could have a material adverse effect on the Company's consolidated results of operations or cash flows in a particular quarter or annual period.

The allowance for uncollectible reinsurance comprises an ACL and an allowance for disputed balances. The ACL is estimated as the amount of reinsurance recoverables exposed to loss multiplied by estimated factors for the probability of default and the amount of loss given a default. The probability of default is assigned based on each reinsurer's credit rating, or a rating is estimated if no external rating is available. Credit ratings are reviewed on a quarterly basis and any significant changes are reflected in an updated estimate. The probability of default

factors are historical insurer and reinsurer defaults for liabilities with similar durations to the reinsured liabilities as estimated through multiple economic cycles. Credit ratings are forward-looking and consider a variety of economic outcomes. The loss given default factors are based on a study of historical recovery rates for general creditors of corporations through multiple

economic cycles or, in the case of purchased annuities funding structured settlements accounted for as reinsurance, historical recovery rates for annuity contract holders.

As shown in the table above, a portion of the total gross reinsurance recoverable balance relates to the Company's participation in various mandatory (assigned) and voluntary risk pools. Reinsurance recoverables due from pools are backed by the financial position of all insurance companies participating in the pools and the credit backing the reinsurance recoverable is not limited to the financial strength of each pool. The mandatory pools generally are funded through policy assessments or surcharges and if any participant in the pool defaults, remaining liabilities are apportioned among the other members.

The Company's evaluation of the required ACL for reinsurance recoverables considers the current economic environment as well as macroeconomic scenarios similar to the approach used to estimate the ACL for mortgage loans. See Note 5 - Investments. Insurance companies, including reinsurers, are regulated and hold risk-based capital ("RBC") to mitigate the risk of loss due to economic factors and other risks. Non-U.S. reinsurers are either subject to a capital regime substantively equivalent to domestic insurers or we hold collateral to support collection of reinsurance recoverables. As a result, there is limited history of losses from insurer defaults. The decrease in In 2024, the ACL in 2021 was primarily reduced due to a higher than expected recovery from one decrease in a previously established reserve for an A&E reinsurer on which the Company had recognized an ACL, that entered liquidation proceedings.

Allowance for Uncollectible Reinsurance						
	As of December 31, 2024		As of December 31, 2023		As of December 31, 2022	
P&C beginning allowance for uncollectible reinsurance	\$	100	\$	102	\$	96
Beginning allowance for disputed amounts		57		60		54
P&C beginning ACL		43		42		42
Current period provision		(6)		3		—
Current period gross write-offs		(13)		(2)		—
P&C ending ACL		24		43		42

Ending allowance for disputed amounts	48	57	60
P&C ending allowance for uncollectible reinsurance	72	100	102
Employee Benefits allowance for uncollectible reinsurance	1	1	1
Corporate allowance for uncollectible reinsurance	2	2	2
Total allowance for uncollectible reinsurance	\$ 75	\$ 103	\$ 105

[Index to Consolidated Financial Statements and Schedules](#)

Note 8 - Reinsurance

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Allowance for Uncollectible Reinsurance				
	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021	
P&C beginning allowance for uncollectible reinsurance	\$ 102	\$ 96	\$ 105	
Beginning allowance for disputed amounts	60	54	53	
P&C beginning ACL	42	42	52	
Current period provision (release)	3	—	(9)	
Current period gross write-offs	(2)	—	(1)	
P&C ending ACL	43	42	42	
Ending allowance for disputed amounts	57	60	54	
P&C ending allowance for uncollectible reinsurance	100	102	96	
Group Benefits allowance for uncollectible reinsurance	1	1	1	
Corporate allowance for uncollectible reinsurance	2	2	2	
Total allowance for uncollectible reinsurance	\$ 103	\$ 105	\$ 99	

Insurance Revenues

Property and Casualty Insurance Revenue

Premiums Written

Premiums Written

Premiums Written

Direct
Direct
Direct

Assumed

Assumed

Assumed

Ceded
Ceded
Ceded

Net

Net

Net

Premiums Earned

Premiums Earned

Premiums Earned

Direct

Direct
Direct
Assumed
Assumed
Assumed
Ceded
Ceded
Ceded
Net
Net
Net

	Group Employee Benefits Revenue					
	For the years ended December 31,			For the years ended December 31,		
	2023	2022	2021	2024	2023	2022
Gross earned premiums, fees and other considerations						
Reinsurance assumed						
Reinsurance ceded						
Net earned premiums, fees and other considerations						

For its **group benefits** **Employee Benefits** products, the Company reinsures certain of its risks to other reinsurers under yearly renewable term and coinsurance arrangements and variations thereto. Yearly renewable term and coinsurance arrangements result in passing

a portion of the risk to the reinsurer. Generally, the reinsurer receives a proportionate amount of the premiums less an allowance for commissions and expenses and is liable for a corresponding proportionate amount of all benefit payments.

[Index to Consolidated Financial Statements and Schedules](#)

Note 9 - **Deferred Policy Acquisition Costs** **Goodwill & Other Intangible Assets**

THE HARTFORD **FINANCIAL SERVICES** **INSURANCE** GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. **DEFERRED POLICY ACQUISITION COSTS**

	Changes in DAC		
	For the years ended December 31,		
	2023	2022	2021
Balance, beginning of period	\$ 998	\$ 874	\$ 782
Deferred costs	2,159	1,939	1,739
Amortization — DAC	(2,044)	(1,824)	(1,668)
Add back amortization of value of business acquired [1]	—	9	21
Balance, end of period	\$ 1,113	\$ 998	\$ 874

[1]While the value of in-force contracts acquired from the Navigators Group acquisition is included in other intangible assets, the amortization of that asset is recorded as DAC amortization.

10. **GOODWILL & OTHER INTANGIBLE ASSETS**

The carrying value of goodwill allocated to **reporting reportable** segments **and the corporate category** as of **December 31, 2023** **both December 31, 2024** and **2022** **2023** was as follows:

	Carrying Value
Commercial Lines Business Insurance	\$ 659
Personal Lines Insurance	119
Hartford Funds	180
Group Employee Benefits	723
Corporate [1]	230
Total	\$ 1,911

[1]The Corporate category includes goodwill that was acquired at a holding company level and not pushed down to a subsidiary within a reportable segment. Carrying value of goodwill within Corporate as of **December 31, 2023** **December 31, 2024** and **2022** **2023** includes \$138 and \$92 for the **Group Employee** Benefits and Hartford Funds reporting units, respectively.

The annual goodwill assessment for The Hartford's reporting units was completed as of **October 31, 2023**, **October 31, 2024** and **2022; 2023**; all reporting units passed their annual impairment test with a

significant margin and as a result there were no write-downs of goodwill.

Other Intangible Assets

As of December 31, 2023				As of December 31, 2022			
As of December 31, 2024				As of December 31, 2023			
	Gross Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized Intangible Assets:							
Customer relationships							
Customer relationships							
Customer relationships							
Marketing agreement with Aetna							
Distribution Agreement							
Distribution and Agency relationships & Other							
Total Finite Life Intangibles							
Total Indefinite Life Intangible Assets							
Total Other Intangible Assets							

Expected Before Tax Amortization Expense for Acquired Intangibles as of December 31, 2024

Other Intangible Assets	
2025	\$ 71
2026	\$ 70
2027	\$ 68
2028	\$ 64
2029	\$ 62

Index to Consolidated Financial Statements and Schedules

Note 10 - **Goodwill & Other Intangible Assets** **Reserve for Unpaid Losses and Loss Adjustment Expenses**

THE HARTFORD **FINANCIAL SERVICES INSURANCE** GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Expected Before Tax Amortization Expense for Acquired Intangibles as of December 31, 2023

Other Intangible Assets	
2024	\$ 71
2025	\$ 71
2026	\$ 70
2027	\$ 68
2028	\$ 64

11.10. RESERVE FOR UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

PROPERTY & CASUALTY INSURANCE PRODUCT RESERVES, NET OF REINSURANCE

Rollforward of Liabilities for Unpaid Losses and Loss Adjustment Expenses

	For the years ended December 31,			For the years ended December 31,		
	2023	2022	2021	2024	2023	2022
Beginning liabilities for unpaid losses and loss adjustment expenses, gross						
Reinsurance and other recoverables						
Beginning liabilities for unpaid losses and loss adjustment expenses, net						
Provision for unpaid losses and loss adjustment expenses	Provision for unpaid losses and loss adjustment expenses			Provision for unpaid losses and loss adjustment expenses		
Current accident year						
Prior accident year development [1]						
Total provision for unpaid losses and loss adjustment expenses						
Change in deferred gain on retroactive reinsurance included in other liabilities [1]						
Payments	Payments			Payments		
Current accident year						
Prior accident years						
Total payments						
Foreign currency adjustment						
Foreign currency adjustment						
Foreign currency adjustment						
Ending liabilities for unpaid losses and loss adjustment expenses, net						
Reinsurance and other recoverables						
Ending liabilities for unpaid losses and loss adjustment expenses, gross						

[1] Prior accident year development for the year ended December 31, 2024 includes a \$145 benefit for amortization of a deferred gain under retroactive reinsurance accounting related to the Navigator's ADC as the Company began collecting recoveries of the ceded losses from National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc, during the period. Prior accident year development does not include the benefit of a portion of losses ceded under the Navigators and A&E ADC, which, under retroactive reinsurance accounting, is deferred and is recognized over the period the ceded losses are recovered in cash from National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc, NICO. For additional information regarding the two adverse development cover reinsurance agreements, refer to Adverse Development Covers discussion below.

Index to Consolidated Financial Statements and Schedules

Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Property and Casualty Insurance Products Reserves, Net of Reinsurance, that are Discounted

		For the years ended December 31,						
		2023	2022	2021				
		2024	2023	2022				
Liability for unpaid losses and loss adjustment expenses, at undiscounted amounts								
Amount of discount								
Carrying value of liability for unpaid losses and loss adjustment expenses								
Discount accretion included in losses and loss adjustment expenses								
Weighted average discount rate	Weighted average discount rate	2.74 %	2.71 %	2.54 %	Weighted average discount rate	2.80 %	2.74 %	2.71 %
Range of discount rates	Range of discount rates	0.83 % - 14.03 %	0.83 % - 14.03 %	0.83 % - 14.03 %	Range of discount rates	0.83 % - 14.03 %	0.83 % - 14.03 %	0.83 % - 14.03 %

Reserves are discounted at rates in effect at the time claims were incurred, ranging from 0.83% for accident year 2020 to 14.03% for accident year 1981.

The reserves recorded for the Company's property and casualty insurance products at **December 31, 2023** **December 31, 2024** represent the Company's best estimate of its ultimate liability for losses and

loss adjustment expenses related to losses covered by policies written by the Company. However, because of the significant uncertainties surrounding reserves it is possible that management's estimate of the ultimate liabilities for these claims may change and that the required adjustment to recorded reserves could exceed the currently recorded reserves by an

Index to Consolidated Financial Statements and Schedules

Note 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

amount that could be material to the Company's results of operations or cash flows.

Losses and loss adjustment expenses are also impacted by trends including frequency and severity as well as changes in the legislative and regulatory environment. In the case of the reserves for asbestos exposures, factors contributing to the high degree of uncertainty in the ultimate settlement of the liabilities gross of reinsurance include inadequate loss development patterns, plaintiffs' expanding theories of liability, the risks inherent in major litigation, and inconsistent emerging legal doctrines. In the case of the reserves for environmental exposures before reinsurance, factors contributing to the high degree of uncertainty in gross reserves include expanding theories of liabilities and damages, the risks inherent in major litigation, inconsistent decisions concerning the existence and scope of coverage for environmental claims, and uncertainty as to the monetary amount being sought by the claimant from the insured.

(Favorable) Unfavorable Prior Accident Year Development			
	For the years ended		
	December 31,		
	2023	2022	2021
	2024	2023	2022
Workers' compensation			
Workers' compensation discount accretion			
General liability			
Marine			
Package business			
Commercial property			
Professional liability			
Bond			
Assumed reinsurance			
Automobile liability - Commercial Lines			
Automobile liability - Personal Lines			
Commercial automobile liability			
Personal automobile liability			
Homeowners			
Net asbestos and environmental reserves			
Net asbestos and environmental reserves			
Net asbestos and environmental reserves			
Catastrophes			
Uncollectible reinsurance			
Other reserve re-estimates, net			
Prior accident year development, including full benefit for the ADC cession			
Change in deferred gain on retroactive reinsurance included in other liabilities [1]			
Total prior accident year development			

[1] The change in deferred gain on retroactive reinsurance for the year ended December 31, 2024, included a benefit for amortization of the Navigators ADC deferred gain of \$145. The change in deferred gain for the years ended **December 31, 2023** **December 31, 2024**, **2023** and **2022** also included \$62, \$194 and **2021** included \$194, \$229, and \$155, respectively of adverse development on A&E reserves in excess of ceded premium **paid and included \$0, \$0 and \$91** respectively, of adverse development on Navigators 2018 and prior accident year reserves ceded to NICO, primarily within professional liability, general liability and marine.**paid.**

2023

2024 re-estimates of prior accident year reserves

Workers' compensation reserves were decreased within the 2014 2016 to 2020 accident years primarily in small commercial, business (formerly "small commercial"), driven by lower than previously estimated anticipated claim severity. In addition, the 2020 accident year includes a \$48 reduction of COVID-19 related reserves driven by favorable claim count emergence.

General liability reserves were increased primarily in response to a higher frequency of large losses in the 2015 to 2019 accident years. In addition, the incurred but not reported reserves for more recent accident years were increased as management has observed an increase in severity on reported claims above expectations and anticipates a higher claim severity trend on unreported claims. Reserves for sexual molestation and sexual abuse claims were increased for older accident years. Lastly, reserves for extra contractual liability claims and other miscellaneous run-off lines were reduced in response to recent favorable loss activity.

Professional liability reserves decreased due to favorable development on directors and officers ("D&O") claims driven by the 2020 to 2022 accident years combined with favorable errors and omissions experience in the 2018 accident year, partially offset by deterioration in older accident years.

Bond reserves decreased due to favorable development on commercial and contract surety and fidelity bonds, driven by accident years 2019 and prior.

Assumed reinsurance reserves were increased due to higher reserve estimates in the Latin America surety and Latin America P&C businesses related to the 2020 to 2023 accident years.

Commercial automobile liability reserves increased primarily due to adverse loss development within accident years 2022 and 2023, driven by higher severity than estimated.

Personal automobile liability reserves were decreased primarily in response to better than anticipated accident years 2021 to 2023 severity for bodily injury liability claims and property damage liability.

Homeowners reserves were decreased primarily due to favorable severity impacting accident years 2022 and 2023.

Asbestos and environmental reserves were reviewed in fourth quarter 2024 resulting in a \$203 increase in reserves before ADC reinsurance, including \$167 for asbestos and \$36 for environmental. The Company ceded to the A&E ADC \$62, which is accounted for as a deferred gain on retroactive reinsurance, representing the amount of losses ceded to the ADC in excess of ceded premium paid. For additional information related to the adverse development cover with NICO, see the Adverse Development Covers section below and Note 14 - Commitments and Contingencies.

Catastrophes reserves were decreased primarily within Business Insurance driven by a reduction in reserves in accident years 2020 to 2022 related to favorable emergence related to various hail events, as well as favorable development in both

[Index to Consolidated Financial Statements and Schedules](#)

Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Business Insurance and Personal Insurance in accident year 2022 related to Hurricane Ian.

Uncollectible reinsurance was decreased due to a reduction in a previously established reserve for an A&E reinsurer that entered into liquidation proceedings.

Other reserve re-estimates, net, were increased primarily due to an increase in unallocated loss adjustment expenses ("ULAE") reserves within P&C Other Operations driven by an increase in gross asbestos and environmental reserves and an increase in reserves related to unfavorable development from participation in involuntary market pools environmental reserves, partially offset by a decrease in reserves due to lower severity than expected on personal automobile physical damage for accident year 2023.

2023 re-estimates of prior accident year reserves

Workers' compensation reserves were decreased within the 2014 to 2020 accident years primarily in small business, driven by lower than previously estimated claim severity. In addition, the majority of the 2020 accident year relates to a \$38 reduction of COVID-19 related reserves.

General liability reserves were increased driven by higher frequency and estimated cost to settle large individual claims for the 2016 to 2019 accident years, partially offset by a decrease in reserves for the 2020 accident year due to favorable experience. In addition, reserves for sexual molestation and sexual abuse claims were increased for older accident years. Also included was a decrease in reserves for extra contractual liability claims and other miscellaneous run-off lines.

Package business reserves decreased primarily due to lower than previously estimated property severity for accident year 2019 and 2021. Package liability is flat overall with reserve increases related to higher severity across multiple accident years offset by improvement in accident year 2020 due to favorable claim count emergence.

Commercial property reserves decreased primarily due to favorable development for accident years 2018 and 2021. In accident year 2022, unfavorable development in middle & large commercial business (formerly "middle & large commercial") was offset by favorable development in global specialty.

Professional liability reserves decreased modestly due to favorable development on directors' directors and officers' ("D&O") officers claims driven by the 2020 and 2021 accident years, partially offset by deterioration in 2019 and prior accident years experience across errors and omissions and other claims.

Bond reserves decreased primarily due to improvement in fidelity in 2013 and prior accident years, as well as improvement in contract surety in 2019 and prior accident years, partially offset by unfavorable development for 2013 and prior accident years related to customs bonds.

Assumed reinsurance reserves were increased due to higher reserve estimates in the Latin America casualty and surety business.

Other reserve re-estimates, net, were increased primarily due to an increase in unallocated loss adjustment expense ("ULAE") reserves within P&C Other Operations driven by an increase in gross asbestos and environmental reserves, as well as an increase in accident year 2022 Personal Lines automobile physical damage severity.

Asbestos and environmental reserves were reviewed in fourth quarter 2023 resulting in a \$194 increase in reserves before ADC reinsurance, including \$156 for asbestos and \$38 for environmental. The Company recognized a \$194 deferred gain on retroactive reinsurance, representing the amount of losses ceded to the ADC in excess of ceded premium paid. For additional information related to the adverse development cover with NICO, see the Adverse Development Covers section below and Note 15 14 - Commitments and Contingencies.

Catastrophes reserves were decreased primarily within Business Insurance driven by a reduction in reserves in accident year 2022 for Hurricane Ian and accident year 2021 for Hurricane Ida.

Uncollectible reinsurance was increased primarily in Business Insurance related to a captive reinsurer and, to a lesser extent, an increase in reserves for potential collection disputes and credit concerns.

Other reserve re-estimates, net

Automobile Commercial automobile liability reserves - Commercial Lines increased primarily due to adverse loss development from elevated large loss frequency and severity pressures within middle & large commercial business for accident year 2022, as well as unfavorable experience in accident year 2019, partly offset by favorable development in accident years 2020 and 2021.

Automobile Personal automobile liability reserves - Personal Lines were flat as increases for accident year 2022 from higher estimated severity and increasing attorney representation rates were fully offset by decreases, primarily within accident years 2019 to 2021, due to lower estimated severity.

Catastrophe reserves were decreased primarily within Commercial Lines driven by a reduction in reserves in accident year 2022 for Hurricane Ian and accident year 2021 for Hurricane Ida.

Uncollectible reinsurance was increased primarily in Commercial Lines related to a captive reinsurer and, to a lesser extent, an increase in reserves for potential collection disputes and credit concerns.

Other reserve re-estimates, net, were increased primarily due to an increase in ULAE reserves within P&C Other Operations driven by an increase in gross asbestos and environmental reserves, as well as unfavorable development from participation in involuntary market pools, and increased automobile physical damage severity.

2022 re-estimates of prior accident year reserves

Workers' compensation reserves were decreased for the 2014 through 2018 accident years, predominately within small commercial, business, and to a lesser extent in middle & large commercial, business, driven by lower than previously estimated claim severity and, to a lesser extent, a \$14 reduction of COVID-19 related claims from 2020.

General liability reserves were increased, driven by an increase in the estimated cost to settle large individual claims in middle & large commercial business for the 2016 to 2019 accident years, an increase in excess casualty and environmental in recent accident years, and increases in primary construction on older accident years, partially offset by a decrease in reserves for other mass torts.

Package business reserves decreased due to lower estimated severity and lower estimated loss adjustment expenses for accident years 2018 and prior, and a reduction in property reserves for the 2020 and 2021 accident years.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Commercial property reserves were decreased primarily due to favorable development for the 2020 accident year in middle & large commercial business related to COVID-19 claims.

Professional liability reserves were decreased primarily due to favorable development on D&O claims for the 2018 to 2020 accident years and on errors and omissions claims for the 2013 to 2017 accident years, partially offset by large losses related to 2018 and prior accident years for primary and excess D&O claims.

Bond reserves were decreased primarily in contract surety due to favorable development on older accident years.

Assumed reinsurance reserves were increased primarily due to higher reserve estimates for syndicate property claims, including higher expected COVID-19 property losses in the 2020 accident year and increased reserves for international agriculture related to drought claims. Also contributing were reserve increases for Latin America P&C and specialty casualty business in recent accident years.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Automobile liability reserves were decreased in Personal Lines Insurance principally due to lower estimated severity on AARP Direct claims, primarily within accident years 2015 to 2020 and were increased in Commercial Lines Business Insurance principally due to a higher number of large claims in accident years 2017 to 2019, along with decreasing settlement rates and increasing attorney rep rates.

Catastrophes reserves were decreased in both Commercial and Personal Lines with the largest reduction related to 2019 and 2020 wind and hail events.

Asbestos and environmental reserves were reviewed in fourth quarter 2022 resulting in a \$229 increase in reserves before ADC reinsurance, including \$162 for asbestos and \$67 for environmental. The Company recognized a \$229 deferred gain on retroactive reinsurance, representing the amount of losses ceded to the ADC in excess of ceded premium paid. For additional information related to the adverse development cover with NICO, see the Adverse Development Covers section below and Note 15 14 - Commitments and Contingencies.

Catastrophes reserves were decreased in both Business Insurance and Personal Insurance with the largest reduction related to 2019 and 2020 wind and hail events.

Other reserve re-estimates, net, were increased primarily due to an increase in ULAE reserves within P&C Other Operations driven by an increase in gross asbestos and environmental reserves, as well as unfavorable development from participation in involuntary market pools, and increased automobile physical damage severity.

2021 re-estimates of prior accident year reserves

Workers' compensation reserves were decreased within small commercial and middle & large commercial for the 2013 through 2018 accident years driven by lower than previously estimated claim severity.

General liability reserves were increased including an increase for sexual molestation and sexual abuse claims above the amount of reserves previously recorded for this exposure, primarily to reflect an increase in reserves for claims made against the Boy Scouts of America ("BSA") as discussed further below, partially offset by reserve decreases for other mass torts and extra contractual liability claims. In addition, the Company recognized reserve increases on Navigators' wholesale construction business for 2018 and prior accident years, largely included within the change in deferred gain on retroactive reinsurance in the above table.

Package business reserves decreased largely due to lower estimated loss adjustment expenses for accident years 2014 to 2018 and a reduction in estimated reserves for extra contractual liability claims.

Commercial property reserves were decreased primarily due to favorable development for the 2020 accident year in both middle & large commercial and global specialty.

Professional liability reserves were decreased due to lower estimated severity in both large and middle market D&O insurance for older accident years. More than offsetting this favorable reserve development were reserve increases on legacy Navigators public company D&O insurance for 2019 and

well as an injunction against further abuse claims involving BSA. All conditions precedent to the Settlement have been satisfied, including approval by the bankruptcy court and the district court, and on April 20, 2023, The Hartford paid the Settlement amount of \$787. Certain objecting parties have appealed the district court's ruling and that appeal is pending before the Third Circuit. If the court approvals for the BSA's plan of reorganization are not affirmed on appeal, it is possible that adverse outcomes, if any, could have a material adverse effect on the Company's operating results.

prior accident years, a portion of which is reflected within the change in deferred gain on retroactive reinsurance in the above table.

Bond reserves were reduced mostly due to favorable emergence on contract surety claims driven by higher than previously anticipated recoveries, largely for the 2016 to 2017 accident years.

Automobile liability reserves were decreased in Personal Lines principally due to lower estimated severity on AARP Direct and Agency claims, primarily within accident years 2017 to 2020, and a reduction in estimated reserves for extra contractual liability claims.

Catastrophes reserves were decreased in both Commercial and Personal Lines primarily driven by a reduction in reserves for 2018 and 2019 wind and hail events, lower estimated losses from 2018 and 2020 hurricanes, a reduction in estimated losses from the 2017 and 2018 California wildfires, including an expected recovery of subrogation from a utility related to the 2018 Woolsey wildfire in California, and a reduction in losses relating to the 2020 civil unrest.

Asbestos and environmental reserves were reviewed in fourth quarter 2021 resulting in a \$155 increase in reserves before ADC reinsurance, including \$106 for asbestos and \$49 for environmental. The Company recognized a \$155 deferred gain on retroactive reinsurance, representing the amount of losses ceded to the ADC in excess of ceded premium paid. For additional information related to the adverse development cover with NICO, see the Adverse Development Covers section below and Note 15 - Commitments and Contingencies.

Other reserve re-estimates, net, were increased primarily due to an increase in reserves for sexual molestation and sexual abuse claims within P&C Other Operations, principally on assumed reinsurance, as well as an increase in ULAE reserves within P&C Other Operations driven by an increase in gross asbestos and environmental reserves.

Settlement Agreement with Boy Scouts of America

On February 14, 2022, the Company executed a final settlement agreement (the "Settlement") with the BSA, Boy Scouts of America ("BSA"), the Local Councils, and the attorneys representing a majority of the alleged victims, pursuant to which The Hartford agreed to pay \$787 for sexual molestation and sexual abuse claims associated with liability policies issued by various Hartford Writing Companies in the 1970s and early 1980s. In exchange for its payment, the Company receives a complete release of its policies issued to BSA and the Local Councils, as

Index to Consolidated Financial Statements and Schedules

Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Adverse Development Covers

The Company has an adverse development cover reinsurance agreement with NICO, a subsidiary of Berkshire Hathaway Inc., to reinsure loss development after 2016 on substantially all of the Company's asbestos and environmental reserves (the "A&E ADC"). Under the A&E ADC, the Company paid a reinsurance premium of \$650 for NICO to assume adverse net loss reserve development up to \$1.5 billion above the Company's existing net A&E reserves as of December 31, 2016 of approximately \$1.7 billion including reserves for A&E exposure for accident years prior to 1986 that are reported in Property & Casualty Other Operations ("Run-off A&E") and reserves for A&E exposure for accident years 1986 and subsequent from policies underwritten prior to 2016 that are reported in ongoing Commercial Lines Business Insurance and Personal Lines, Insurance. The \$650 reinsurance premium was placed into a collateral trust account as security for NICO's claim payment obligations to the Company. The Company has retained the risk of collection on amounts due from other third-party reinsurers and continues to be responsible for claims handling and other administrative services, subject to certain conditions. The A&E ADC covers covered substantially all the Company's A&E reserve development up to the reinsurance limit.

Under retroactive reinsurance accounting, net adverse A&E reserve development after December 31, 2016 results in an offsetting reinsurance recoverable up to the \$1.5 billion limit. Cumulative ceded losses up to the \$650 reinsurance premium paid have been recognized as a dollar-for-dollar offset to direct losses incurred. Cumulative ceded losses exceeding the \$650 reinsurance premium paid result in a deferred gain. As of December 31, 2023 December 31, 2024, the Company has incurred \$1,438 \$1.5 billion in cumulative adverse development on asbestos and environmental reserves that have been ceded under the A&E ADC treaty with NICO with \$62 of no available limit remaining. As such, no remaining under the A&E ADC. As a result, the coverage is available for any future adverse net reserve development, which may be significant. The Company has recorded a

\$788 \$850 deferred gain within other liabilities, representing the difference between the reinsurance recoverable of \$1,438 \$1.5 billion and ceded premium paid of \$650. The Recoveries from NICO will be collected once the Company has paid cumulative losses in excess of the \$1.7 billion attachment point. The deferred gain is will be recognized over the claim settlement period in the proportion of the amount of cumulative ceded losses collected from the reinsurer to the estimated ultimate reinsurance recoveries. Consequently, until periods when the deferred gain is recognized as a benefit to earnings, cumulative adverse development of asbestos and environmental claims will result in charges against earnings which may be significant.

Immediately after closing on the acquisition of Navigators Group, effective May 23, 2019, the Company purchased the Navigators ADC, an aggregate excess of loss reinsurance agreement covering adverse reserve development, from NICO on behalf of Navigators Insurance Company and certain of its

Index to Consolidated Financial Statements and Schedules

Note 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

affiliates (collectively, "Navigators Insurers"). Under the Navigators ADC, the Navigators Insurers paid NICO a reinsurance premium of \$91 in exchange for reinsurance coverage of \$300 of adverse net loss reserve development that attaches \$100 above the Navigators Insurers' existing net loss and allocated loss adjustment reserves as of December 31, 2018 subject to the treaty of \$1.816 billion for accidents and losses prior to December 31, 2018. As of December 31, 2023 December 31, 2024, the Company has recorded a reinsurance recoverable under the Navigators ADC of \$300 \$91 as estimated cumulative loss development on the 2018 and prior accident year reserves has exhausted the treaty limit. While the reinsurance recoverable is \$300, \$91, the Company has previously

recorded a \$209 cumulative deferred gain within other liabilities since, under retroactive reinsurance accounting, ceded losses in excess of the \$91 of ceded premium paid must be recognized as a deferred gain. Of During 2024, the Company collected recoveries from NICO under the Navigators ADC and as a result amortized \$145 of the \$209 deferred gain within benefits, losses and loss adjustment expenses in the Consolidated Statements of cumulative ceded losses in excess of ceded premium paid, \$0, \$0 Operations. As there were no collected recoveries during the years ended December 31, 2023, and \$91 December 31, 2022, there were recognized as no changes in to the deferred gain in 2023, 2022 those years. As of December 31, 2024, and 2021, respectively, December 31, 2023, the deferred gain on the Navigators ADC was \$64 and \$209, respectively, and is included in other liabilities on the Consolidated Balance Sheets.

Index to Consolidated Financial Statements and Schedules

Note 11 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Reconciliation of Loss Development to Liability for Unpaid Losses and Loss Adjustment Expenses As of December 31, 2023 December 31, 2024	
Losses and Allocated Loss	
Adjustment Expenses, Net of	
Reinsurance	
Losses and Allocated Loss	
Adjustment Expenses, Net of	
Reinsurance	
Losses and Allocated Loss	
Adjustment Expenses, Net of	
Reinsurance	
Reserve Line	
Reserve Line	

	Cumulative Incurred for Accident Years Displayed in Triangles	Cumulative Paid for Accident Years Displayed in Triangles	Unpaid for Accident Years not Displayed in Triangles	Unpaid Unallocated Loss Adjustment Expenses, Net of Reinsurance Discount	Unpaid Losses and Loss Adjustment Expenses, Net of Reinsurance	Liability for Unpaid Losses and Loss Adjustment Expenses Recoverables	Cumulative Incurred for Accident Years Displayed in Triangles	Cumulative Paid for Accident Years Displayed in Triangles	Unpaid for Accident Years not Displayed in Triangles	Unpaid Unallocated Loss Adjustment Expenses, Net of Reinsurance Discount	Unpaid Losses and Loss Adjustment Expenses, Net of Reinsurance	Liability for Unpaid Losses and Loss Adjustment Expenses Recoverables
Reserve Line												
Workers' compensation												
General liability												
Marine												
Package business												
Commercial property												
Commercial automobile liability												
Commercial automobile physical damage												
Professional liability												
Bond												
Assumed Reinsurance												
Personal automobile liability												
Personal automobile physical damage												
Homeowners												
Other ongoing business												
Asbestos and environmental [1]												
Other operations [1]												
Total P&C												

[1]Asbestos and environmental and other operations include asbestos, environmental and other latent exposures not foreseen when coverages were written, including, but not limited to, potential liability for pharmaceutical products, silica, talcum powder, head injuries, lead paint, construction defects, sexual molestation and sexual abuse and other long-tail liabilities. These reserve lines do not have significant paid or incurred loss development for the most recent ten accident years and therefore do not have loss development displayed in triangles.

The reserve lines in the above table and the loss triangles that follow represent the significant lines of business for which the Company regularly reviews the appropriateness of reserve levels. These reserve lines differ from the reserve lines reported on a statutory basis, as prescribed by the National Association of Insurance Commissioners ("NAIC"). The cumulative incurred losses displayed in the above table include the full reinsurance benefit of ceding \$300 of losses to the Navigators ADC even though \$209 \$64 of that benefit has been recorded as a deferred gain within other liabilities. The \$300 of Navigators Insurers losses ceded to the Navigators ADC and reflected in the following triangles include \$95 for professional liability, \$105 for general liability, \$38 for marine, \$27 for assumed reinsurance, \$14 for commercial automobile, \$3 for commercial property, and \$1 for bond. The triangles do not include \$17 of losses ceded to the Navigators ADC related to older accident years and lines of business not in the triangles.

The following loss triangles present historical loss development for incurred and paid claims by accident year, including loss development on Navigators Insurers reserves prior to and after the May 23, 2019 acquisition date. Because the loss triangles include pre-acquisition date changes in ultimate incurred loss

estimates for Navigators Insurers' reserves, changes in reserve development evident in the incurred loss triangles may differ from prior accident year development ("PYD") recorded by the Company as shown in the (Favorable) Unfavorable Prior Accident Year Development table above as that only includes changes in Navigators Insurers' reserves post acquisition. In addition, the incurred loss triangles include reserve development on both catastrophe and non-catastrophe claims whereas the (Favorable) Unfavorable Prior Accident Year Development table above shows the total amount of catastrophe reserve development across all lines of business on a single line.

Triangles are limited to the number of years for which claims incurred typically remain outstanding, not exceeding ten years. Short-tail lines, which represent claims generally expected to be paid within a few years, have three years of claim development displayed. IBNR reserves shown in loss triangles include reserves for incurred but not reported claims as well as reserves for expected development on reported claims. Incurred and cumulative paid losses in currencies other than the U.S. dollar have been converted into U.S. dollars using the exchange rates as of December 31, 2023 December 31, 2024.

Index to Consolidated Financial Statements and Schedules

Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Workers' Compensation

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance												
Accident Year	For the years ended December 31,											IBNR Reserves
	(Unaudited)											
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
2014	\$1,869	\$1,838	\$1,789	\$1,761	\$1,713	\$1,692	\$1,679	\$1,654	\$1,637	\$1,615	\$	327
2015		1,873	1,835	1,801	1,724	1,714	1,699	1,667	1,645	1,625		344
2016			1,772	1,772	1,780	1,767	1,748	1,708	1,670	1,634		375
2017				1,862	1,869	1,840	1,822	1,757	1,665	1,635		442
2018					1,916	1,917	1,915	1,904	1,870	1,836		524
2019						1,937	1,935	1,934	1,934	1,899		606
2020							1,865	1,864	1,849	1,808		766
2021								1,831	1,832	1,831		791
2022									2,000	2,001		1,049
2023										2,166		1,575
Total										\$18,050		

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance												
Accident Year	For the years ended December 31,										IBNR Reserves	Claims Reported
	(Unaudited)											
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		
2015	\$ 1,873	\$ 1,835	\$ 1,801	\$ 1,724	\$ 1,714	\$ 1,699	\$ 1,667	\$ 1,645	\$ 1,625	\$ 1,625	329	114,700
2016		1,772	1,772	1,780	1,767	1,748	1,708	1,670	1,634	1,621	331	112,747
2017			1,862	1,869	1,840	1,822	1,757	1,665	1,635	1,597	392	112,274
2018				1,916	1,917	1,915	1,904	1,870	1,836	1,798	464	120,076
2019					1,937	1,935	1,934	1,934	1,899	1,864	528	121,158
2020						1,865	1,864	1,849	1,808	1,712	601	92,347
2021							1,831	1,832	1,831	1,831	675	103,229
2022								2,000	2,001	2,001	819	114,189
2023									2,166	2,166	1,171	117,297
2024										2,174	1,536	109,521
Total										\$ 18,389		

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended December 31,

(Unaudited)																							
Accident Year																							
Accident Year																							
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
2014																							
2015																							
2016																							
2017																							
2018																							
2019																							
2020																							
2021																							
2022																							
2023																							
2024																							
Total																							

[Index to Consolidated Financial Statements and Schedules](#)

Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

General Liability

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																							
For the years ended December 31,																							
(Unaudited)																							
(Unaudited)																							
(Unaudited)																							
Accident Year																							
Accident Year													IBNR		Claims								
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			Reserves	Reported			2015	2016	2017	2018	2019	2020	2021
2014																							
2015																							
2016																							
2017																							
2018																							
2019																							
2020																							
2021																							
2022																							
2023																							
2024																							
Total																							

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																						For the years ended December 31,	
(Unaudited)																							
Accident Year																							
Accident Year																							
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
2014																							

2019
2020
2021
2022
2023
2024
Total

[Index to Consolidated Financial Statements and Schedules](#)

Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Package Business

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																								
For the years ended December 31,																								
(Unaudited)																								
(Unaudited)																								
(Unaudited)																								
Accident Year											IBNR	Claims									IBNR	Claims		
Accident Year											Reserves	Reported									Reserves	Reported		
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Reserves	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported
2014																								
2015																								
2016																								
2017																								
2018																								
2019																								
2020																								
2021																								
2022																								
2023																								
2024																								
Total																								

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																								For the years ended December 31,	
(Unaudited)																									
Accident Year																									
Accident Year																									
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024					
2014																									
2015																									
2016																									
2017																									
2018																									
2019																									
2020																									
2021																									
2022																									
2023																									

For the years ended December 31,																												
(Unaudited)																												
(Unaudited)																												
(Unaudited)																												
Accident Year													IBNR	Claims													IBNR	Claims
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Reserves	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported				
2014																												
2015																												
2016																												
2017																												
2018																												
2019																												
2020																												
2021																												
2022																												
2023																												
2024																												
Total																												

For the years ended December 31

Accident Year	
Accident Year	
Accident Year	2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024
2014	
2015	
2016	
2017	
2018	
2019	
2020	
2021	
2022	
2023	
2024	
Total	

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended December 31,										
(Unaudited)										
(Unaudited)										
(Unaudited)										
Accident Year										
Accident Year										
Accident Year	2021	2022	2023	IBNR Reserves	Claims Reported	2022	2023	2024	IBNR Reserves	Claims Reported
2021										
2022										
2021										
2022										
2021										
2022										
2023										
2024										
Total										

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance									
Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance									
Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance									
For the years ended December 31,									
(Unaudited)									
Accident Year									
Accident Year									
Accident Year	2021	2022	2023	2022	2023	2024			
2021									
2022									
2021									
2022									
2021									
2022									
2023									
2024									
Total									

Professional Liability

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance													
For the years ended December 31,													
(Unaudited)													
Claims Made											IBNR Reserves [1]	Claims Reported	
Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023			
2014 \$	187 \$	183 \$	181 \$	178 \$	179 \$	182 \$	183 \$	174 \$	169 \$	167 \$	6		6,751
2015		164	174	180	190	214	207	200	197	198	(3)		7,266
2016			183	176	203	197	195	196	194	192	2		8,443
2017				205	203	231	226	239	242	217	5		9,514

2018	244	275	271	271	267	326	47	9,863
2019		295	313	330	347	355	77	9,921
2020			369	363	336	325	156	7,994
2021				339	343	327	207	6,698
2022					349	355	265	7,033
2023						384	338	6,725
Total						\$ 2,846		

[1]Contributing to the negative IBNR reserves for some accident years is a lag in the timing of expected reinsurance recoveries under the Navigators ADC with NICO. Recoveries from NICO will not be collected until the Company has cumulative loss payments for all covered lines of more than the attachment point.

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance												
For the years ended December 31,												
(Unaudited)												
Claims Made											IBNR	Claims
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported
2015 \$	164 \$	174 \$	179 \$	190 \$	213 \$	206 \$	198 \$	196 \$	197 \$	192 \$	1	7,279
2016		183	176	203	196	194	195	193	191	202	20	8,462
2017			205	203	231	225	239	242	217	227	14	9,555
2018				243	274	270	271	265	324	312	18	9,910
2019					295	313	330	347	354	385	81	9,972
2020						369	363	336	324	298	106	8,034
2021							339	343	327	306	149	6,761
2022								349	355	338	214	7,177
2023									384	388	260	8,049
2024										394	337	7,546
Total										\$ 3,042		

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance												
(Unaudited)												
Claims Made Year											For the years ended December 31,	
Claims Made Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016
2014												
2015												
2016												
2017												
2018												
2019												
2020												
2021												
2022												
2023												
2024												
Total												

[Index to Consolidated Financial Statements and Schedules](#)

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Bond

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended December 31,
(Unaudited)
(Unaudited)
(Unaudited)

Accident Year

Accident Year

												IBNR	Claims												IBNR	Claims
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Reserves	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported		
2014																										
2015																										
2016																										
2017																										
2018																										
2019																										
2020																										
2021																										
2022																										
2023																										
2024																										
Total																										

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																						For the years ended December 31,	
(Unaudited)																							
Accident Year																							
Accident Year																							
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
2014																							
2015																							
2016																							
2017																							
2018																							
2019																							
2020																							
2021																							
2022																							
2023																							
2024																							
Total																							

[Index to Consolidated Financial Statements and Schedules](#)
 Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Assumed Reinsurance

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance											
For the years ended December 31,											
(Unaudited)											
(Unaudited)											
(Unaudited)											
Accident Year											

Accident Year												IBNR	Claims												IBNR	Claims
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		Reserves [1]	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024		Reserves [1]	Reported
2014																										
2015																										
2016																										
2017																										
2018																										
2019																										
2020																										
2021																										
2022																										
2023																										
2024																										
Total																										

[1]Contributing to the negative IBNR reserves for some accident years is a lag in the timing of expected reinsurance recoveries under the Navigators ADC with NICO. Recoveries from NICO will not be collected until the Company has cumulative loss payments for all covered lines of more than the attachment point.

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance														For the years ended December 31,									
(Unaudited)																							
Accident Year																							
Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023				2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014																							
2015																							
2016																							
2017																							
2018																							
2019																							
2020																							
2021																							
2022																							
2023																							
2024																							
Total																							

Index to Consolidated Financial Statements and Schedules

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Personal Automobile Liability

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																															
		For the years ended December 31,																													
		(Unaudited)																													
		(Unaudited)																													
		(Unaudited)																													
Accident Year																															
Accident Year																															
Accident Year													IBNR		Claims													IBNR		Claims	
Accident Year		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Reserves	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported						
2014																															
2015																															

2016
2017
2018
2019
2020
2021
2022
2023
2024
Total

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																					For the years ended December 31,	
(Unaudited)																						
Accident Year																						
Accident Year																						
Accident Year		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
	2014																					
	2015																					
	2016																					
	2017																					
	2018																					
	2019																					
	2020																					
	2021																					
	2022																					
	2023																					
	2024																					
	Total																					

[Index to Consolidated Financial Statements and Schedules](#)

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Personal Automobile Physical Damage

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance										
Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance										
Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance										
For the years ended December 31,										
(Unaudited)										
(Unaudited)										
(Unaudited)										
Accident Year										
Accident Year										
Accident Year	2021	2022	2023	IBNR Reserves	Claims Reported	2022	2023	2024	IBNR Reserves	Claims Reported
2021										
2022										
2021										
2022										
2021										

2022
2023
2024
Total

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance
Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance
Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

	For the years ended December 31,						
	(Unaudited)						
Accident Year							
Accident Year							
Accident Year	2021	2022	2023	2022	2023	2024	
2021							
2022							
2021							
2022							
2021							
2022							
2023							
2024							
Total							

[Index to Consolidated Financial Statements and Schedules](#)

|
[Note 11](#)
[10](#) - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Homeowners

Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																									
		For the years ended December 31,																							
		(Unaudited)																							
		(Unaudited)																							
		(Unaudited)																							
Accident Year												IBNR	Claims											IBNR	Claims
Accident Year		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Reserves	Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Reserves	Reported
	2014																								
	2015																								
	2016																								
	2017																								
	2018																								
	2019																								
	2020																								
	2021																								
	2022																								
	2023																								
	2024																								
	Total																								

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended December 31,

(Unaudited)

Accident Year

Accident Year

Accident Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014																				
2015																				
2016																				
2017																				
2018																				
2019																				
2020																				
2021																				
2022																				
2023																				
2024																				
Total																				

Property and casualty reserves, including IBNR

The Company estimates ultimate losses and allocated loss adjustment expenses ("ALAE") by accident year. IBNR represents the excess of estimated ultimate loss reserves over case reserves. The process to estimate ultimate losses and loss adjustment expenses is an integral part of the Company's reserve setting. Reserves for ALAE and ULAE are generally established separate from the reserves for losses.

Reserves for losses are set by line of business within the reporting reportable segments. Case reserves are established by a claims handler on each individual claim and are adjusted as new information becomes known during the course of handling the claim. Lines of business for which reported losses emerge over a long period of time are referred to as long-tail lines of business. Lines of business for which reported losses emerge

more quickly are referred to as short-tail lines of business. The Company's shortest tail lines of business are homeowners, commercial property and automobile physical damage. The longest tail lines of business include workers' compensation, general liability and professional liability. For short-tail lines of business, emergence of paid loss and case reserves is credible and likely indicative of ultimate losses. For long-tail lines of business, emergence of paid losses and case reserves is less credible in the early periods after a given accident year and, accordingly, may not be indicative of ultimate losses.

The Company's reserving actuaries regularly review reserves for both current and prior accident years using the most current claim data. A variety of actuarial methods and judgments are used for most lines of business to arrive at selections of estimated ultimate losses and loss adjustment expenses. The

[Index to Consolidated Financial Statements and Schedules](#)

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

reserve selections incorporate input, as appropriate, from claims personnel, pricing actuaries and operating management about reported loss cost trends and other factors that could affect the reserve estimates.

For both short-tail and long-tail lines of business, an expected loss ratio ("ELR") is used to record initial reserves. This ELR is determined by starting with the average loss ratio of recent prior accident years and adjusting that ratio for the effect of expected changes to earned pricing, loss frequency and severity, mix of business, ceded reinsurance and other factors. For short-tail lines, IBNR for the current accident year ("CAY") is initially recorded as gives weight to both the product of the initial ELR for the period, multiplied by earned premium for the period and the proportion of approach as well as a loss development approach, given early reported losses expected to be reported are more credible than in future calendar periods for the current accident period, long-tailed lines. For long-tailed lines, IBNR reserves for the current accident year are initially recorded as the product of the ELR for the period and the earned premium for the period, less reported losses for the period. For certain short-tailed lines of business, including commercial property, homeowners, and automobile physical damage, IBNR amounts in the above loss development triangles are negative in certain accident years due to anticipated salvage and subrogation recoveries on paid losses.

As losses for a given accident year emerge or develop in subsequent periods, reserving actuaries use other methods to estimate ultimate unpaid losses in addition to the ELR method. These primarily include paid and reported loss development methods, frequency/severity techniques and the Bornhuetter-Ferguson method (a combination of the ELR and paid development or reported development method). Within any one line of business, the methods that are given more weight vary based primarily on the maturity of the accident year, the mix of business and the particular internal and external influences impacting the claims experience or the methods. The output of the reserve reviews are reserve estimates that are referred to as actuarial indications.

Paid development and reported development techniques are used for most lines of business though more weight is given to the reported development method for some of the long-tailed lines like general liability. In addition, for long-tailed lines of business, the Company relies on the ELR method for immature accident years. Frequency/severity techniques are used predominantly for professional liability and are also used for automobile liability. The Berquist-Sherman technique is also

used for automobile liability, marine and assumed reinsurance. For most lines, reserves for ALAE, or those expenses related to specific claims claims, are analyzed using paid development techniques and an analysis of the relationship between ALAE and loss payments. For most of the lines acquired through the Navigators Group book of business, loss and ALAE are reviewed on a combined basis. Reserves for ULAE are determined using the expected cost per claim year and the anticipated claim closure pattern as well as the ratio of paid ULAE to paid losses.

The recorded reserve for losses and loss adjustment expenses represents the Company's best estimate of the ultimate settlement amount of unpaid losses and loss adjustment expenses. In applying judgment, the best estimate is selected after considering the estimates derived from a number of actuarial methods, giving more weight to those methods deemed more predictive of ultimate unpaid losses and loss adjustment expenses. The Company does not produce a statistical range or confidence interval of reserve estimates and, since reserving methods with more credibility are given greater weight, the selected best estimate may differ from the mid-point of the various estimates produced by the actuarial methods used.

Cumulative number of reported claims

For most property and casualty lines, claim counts represent the number of claim features on a reported claim where a claim feature is each separate coverage for each claimant affected by the claim event. For example, one car accident that results in two bodily injury claims and one automobile damage liability claim would be counted as three claims within the personal automobile liability triangle. Similarly, a fire that impacts one commercial building may result in multiple claim features due to the potential for claims related to business interruption, structural damage, and loss of the physical contents of the building. Claim features that result in no paid losses are included in the reported claim counts. For some property and casualty lines, such as marine and assumed reinsurance, a claim count represents each reported claim regardless of the number of features. For assumed bordereau business and business written on binders, one claim count is posted for each bordereau received, which could account for multiple claims.

[Index to Consolidated Financial Statements and Schedules](#)

Note 11 10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance [1]

		(Unaudited)																				
Reserve Line																						
Reserve Line																						
		1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Year	9th Year	10th Year									7th Year	8th Year	9th Year
Reserve Line		Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	Year	Year	Year		
Workers' compensation	Workers' compensation	14.9 %	18.4 %	12.0 %	8.2 %	5.6 %	3.8 %	2.8 %	2.1 %	1.6 %	1.0 %	Workers' compensation	14.8 %	18.4 %	12.1 %	8.1 %	5.7 %	4.0 %	2.9 %	2.1 %	1.0 %	
General liability	General liability	2.7 %	7.6 %	12.7 %	16.7 %	16.6 %	12.3 %	9.0 %	5.1 %	2.7 %	3.9 %	General liability	2.5 %	7.8 %	11.8 %	16.6 %	15.5 %	12.3 %	9.1 %	5.9 %	3.9 %	
Marine	Marine	23.1 %	31.8 %	18.0 %	7.2 %	6.7 %	6.0 %	2.3 %	1.5 %	0.8 %	0.4 %	Marine	22.8 %	32.0 %	16.8 %	7.5 %	6.7 %	6.2 %	0.8 %	0.4 %	(1.0 %)	
Package business	Package business	36.7 %	22.3 %	10.0 %	9.1 %	6.6 %	3.9 %	2.2 %	1.7 %	1.3 %	1.1 %	Package business	35.8 %	22.4 %	9.6 %	9.3 %	6.4 %	4.3 %	3.3 %	2.1 %	1.1 %	
Commercial property	Commercial property	50.9 %	32.1 %	7.2 %	3.5 %	1.2 %	0.6 %	0.1 %	0.1 %	— %	— %	Commercial property	49.9 %	31.9 %	7.5 %	3.3 %	1.5 %	0.8 %	— %	0.2 %	(0.1 %)	
Commercial automobile liability	Commercial automobile liability	14.7 %	19.9 %	19.6 %	16.9 %	12.3 %	6.0 %	3.8 %	1.1 %	1.0 %	0.9 %	Commercial automobile liability	14.1 %	19.4 %	20.1 %	17.0 %	12.2 %	6.8 %	4.2 %	1.2 %	0.9 %	
Commercial automobile physical damage																						
Professional liability																						
Professional liability																						

Professional liability		5.0 %	16.5 %	18.1 %	13.2 %	10.7 %	9.7 %	8.5 %	3.5 %	4.2 %	3.7 %		5.3 %	16.1 %	16.5 %	11.8 %	9.6 %	10.3 %	8.9 %	3.4 %	2.4 %	
Bond	Bond	11.7 %	24.9 %	9.4 %	6.8 %	0.3 %	(0.4 %)	(0.5 %)	(5.5 %)	4.0 %	— %		Bond	11.1 %	26.4 %	11.0 %	8.6 %	1.2 %	(1.1 %)	(1.6 %)	(7.8 %)	(0.0 %)
Assumed	Assumed												Assumed									
Reinsurance	Reinsurance	30.4 %	35.4 %	10.8 %	5.5 %	4.6 %	1.8 %	1.3 %	1.1 %	0.5 %	0.3 %		Reinsurance	26.1 %	33.0 %	14.2 %	6.8 %	5.9 %	2.4 %	(1.0 %)	0.8 %	0.0 %
Personal automobile liability	Personal automobile liability	33.2 %	34.2 %	16.4 %	8.0 %	3.5 %	1.4 %	0.5 %	0.3 %	0.2 %	0.1 %		Personal automobile liability	32.7 %	34.4 %	16.3 %	8.0 %	3.6 %	1.4 %	0.6 %	0.2 %	0.0 %
Personal automobile physical damage																						
Homeowners																						
Homeowners																						
Homeowners		68.7 %	25.7 %	1.8 %	0.5 %	0.7 %	0.1 %	0.1 %	— %	— %	— %		Homeowners	67.7 %	26.2 %	2.0 %	0.6 %	0.8 %	0.2 %	0.1 %	0.1 %	0.1 %

[1]Negative percentages are generally due to salvage, subrogation or other recoveries.

GROUP LIFE, DISABILITY AND ACCIDENT PRODUCTS

Rollforward of Liabilities for Unpaid Losses and Loss Adjustment Expenses

	For the years ended December 31,		
	2023	2022	2021
	2024	2023	2022
Beginning liabilities for unpaid losses and loss adjustment expenses, gross			
Reinsurance recoverables			
Beginning liabilities for unpaid losses and loss adjustment expenses, net			
Provision for unpaid losses and loss adjustment expenses			
Current incurral year			
Current incurral year			
Current incurral year			
Prior year's discount accretion			
Prior incurral year development [1]			
Total provision for unpaid losses and loss adjustment expenses [2]			
Payments			
Current incurral year			
Current incurral year			
Current incurral year			
Prior incurral years			
Total payments			
Ending liabilities for unpaid losses and loss adjustment expenses, net			
Reinsurance recoverables			
Ending liabilities for unpaid losses and loss adjustment expenses, gross			

[1]Prior incurral year development represents the change in estimated ultimate incurred losses and loss adjustment expenses for prior incurral years on a discounted basis.

[2]Includes unallocated loss adjustment expenses of \$175, \$182, \$185 and \$179, \$185 for the years ended December 31, 2023, December 31, 2024, 2022, 2023 and 2021, 2022, respectively, that are recorded in insurance operating costs and other expenses in the Consolidated Statements of Operations.

Index to Consolidated Financial Statements and Schedules

Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Group Life, Disability and Accident Products Reserves, Net of Reinsurance, that are Discounted

	For the years ended December 31,		
	2023	2022	2021
	2024	2023	2022

Liability for unpaid losses and loss adjustment expenses, at undiscounted amounts								
Amount of discount								
Carrying value of liability for unpaid losses and loss adjustment expenses								
Weighted average discount rate	Weighted average discount rate	3.2 %	3.2 %	3.3 %	Weighted average discount rate	3.3 %	3.2 %	3.2 %
Range of discount rate	Range of discount rate	2.1 % - 8.0 %	2.1 % - 8.0 %	2.1 % - 8.0 %	Range of discount rate	2.1 % - 8.0 %	2.1 % - 8.0 %	2.1 % - 8.0 %

Reserves are discounted at rates in effect at the time claims were incurred, ranging from 2.1% for life and disability reserves acquired from Aetna based on interest rates in effect at the acquisition date of November 1, 2017, to 8.0% for the Company's pre-acquisition reserves for incurral year 1990, and vary by product. Prior year's discount accretion has been calculated as the average reserve balance of discounted reserves for the year times the weighted average discount rate.

2024 re-estimates of prior incurral year reserves

Group disability- Prior period reserve estimates decreased by approximately \$483 largely driven by long-term disability claim incidence lower than prior assumptions and favorable recoveries on prior incurral year claims, as well as a favorable change in the recovery rate assumption.

Group life and accident (including group life premium waiver)- Prior period reserve estimates decreased by approximately \$80 largely driven by favorable mortality emergence and continued low incidence in group life premium waiver.

2023 re-estimates of prior incurral year reserves

Group disability- Prior period reserve estimates decreased by approximately \$457 largely driven by group long-term disability claim incidence lower than prior assumptions and strong recoveries on prior incurral year claims.

Group life and accident (including group life premium waiver)- Prior period reserve estimates decreased by approximately \$50\$50 largely driven by continued low incidence in group life premium waiver as well as a reduction in the estimation of high level of mortality losses incurred in fourth quarter 2021.

Supplemental Accident & Health- Prior period reserve estimates decreased by approximately \$6 driven by lower-than-previously lower than previously expected claim incidence.

2021 re-estimates of prior incurral year reserves

Group disability- Prior period reserve estimates decreased by approximately \$380 largely driven by group long-term disability claim incidence lower than prior assumptions together with strong recoveries on prior incurral year claims, and by a New York Paid Family Leave risk adjustment benefit.

Group life and accident (including group life premium waiver)- Prior period reserve estimates decreased by approximately \$65 largely driven by lower-than-previously expected claim incidence in both group life premium waiver and group accidental loss of life and severe injury benefits.

Supplemental Accident & Health- Prior period reserve estimates decreased by approximately \$10 driven by lower-than-expected emergence of prior year claims, especially for voluntary critical illness and voluntary accident products.

Group life and accident (including group life premium waiver)- Prior period reserve estimates decreased by approximately \$36 largely driven by continued low incidence in group life premium waiver.

Supplemental Accident & Health- Prior period reserve estimates decreased by approximately \$9 driven by lower than previously expected claim incidence.

2022 re-estimates of prior incurral year reserves

Group disability- Prior period reserve estimates decreased by approximately \$325 largely driven by group long-term disability claim incidence lower than prior assumptions, strong recoveries on prior incurral year claims and higher estimated claim termination rates.

Index to Consolidated Financial Statements and Schedules

Note 1110 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Reconciliation of Loss Development to Liability for Unpaid Losses and Loss Adjustment Expenses as of December 31, 2023 December 31, 2024

Losses and Allocated Loss Adjustment Expenses, Net of Reinsurance															
Reserve Line															
Reserve Line															
	Cumulative Incurred for Incurred Years Displayed in Triangles	Cumulative Paid for Incurral Years Displayed in Triangles	Unpaid for Incurral Years not Displayed in Triangles	Unpaid Unallocated Loss Adjustment Expenses, Net of Reinsurance Discount	Unpaid Losses and Loss Adjustment Expenses, Net of Reinsurance Recoverables	Liability for Unpaid Losses and Reinsurance Expenses		Cumulative Incurred for Incurred Years Displayed in Triangles	Cumulative Paid for Incurral Years Displayed in Triangles	Unpaid for Incurral Years not Displayed in Triangles	Unpaid Unallocated Loss Adjustment Expenses, Net of Reinsurance Discount	Unpaid Losses and Loss Adjustment Expenses, Net of Reinsurance Recoverables	Liability for Unpaid Losses and Reinsurance Expenses		
Reserve Line	Triangles	Triangles	Triangles	Reinsurance Discount	Reinsurance Recoverables	Expenses		Triangles	Triangles	Triangles	Reinsurance Discount	Reinsurance Recoverables	Expenses		
Group long-term disability															
Group life and accident, excluding premium waiver															
Group short-term disability															
Group life premium waiver															
Group supplemental health															
Total Group Benefits															
Total Employee Benefits															

The following loss triangles present historical loss development for incurred and paid claims by the year the insured claim occurred, referred to as the incurral year. Triangles are limited to the number of years for which claims incurred typically remain outstanding, not exceeding ten years. Short-tail lines, which represent claims generally expected to be paid within a few years, have three years of claim development displayed.

Changes in reserve development evident in the incurred loss triangles differ from prior accident year development recorded by the Company as shown in the reserve rollforward above as the triangles are presented on an undiscounted basis and exclude ULAE.

Group Long-Term Disability

Undiscounted Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																												
For the years ended December 31,																												
(Unaudited)																												
(Unaudited)																												
(Unaudited)																												
Incurral Year																												
Incurral Year																												
Incurral Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	IBNR Reserves	Claims Reported	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	IBNR Reserves	Claims Reported				
2014																												
2015																												
2016																												
2017																												

2018
2019
2020
2021
2022
2023
2024
Total

[Index to Consolidated Financial Statements and Schedules](#)

Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance																		For the years ended December 31,		
(Unaudited)																				
Incurral Year																				
Incurral Year																				
Incurral Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014																				
2015																				
2016																				
2017																				
2018																				
2019																				
2020																				
2021																				
2022																				
2023																				
2024																				
Total																				

Group Life and Accident, excluding Premium Waiver

Undiscounted Incurred Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended																					
December 31,																					
(Unaudited)																					
(Unaudited)																					
(Unaudited)																					
Incurral Year																					
Incurral Year																					
Incurral Year	2021	2022	2023	IBNR Reserves		Claims Reported		2022	2023	2024	IBNR Reserves		Claims Reported								
2021																					
2022																					
2023																					
2024																					
Total																					

Cumulative Paid Losses & Allocated Loss Adjustment Expenses, Net of Reinsurance

For the years ended December 31,

(Unaudited)						
Incurral Year						
Incurral Year						
Incurral Year	2021	2022	2023	2022	2023	2024
2021						
2022						
2023						
2024						
Total						

Group life, disability and accident reserves, including IBNR

The majority of Group Employee Benefits' reserves are for LTD claimants who are known to be disabled and are currently receiving benefits. A Disabled Life Reserve ("DLR") is calculated for each LTD claim. The DLR for each claim is the expected present value of all estimated future benefit payments and includes estimates of claim recovery, investment yield, and offsets from other income, including offsets from Social Security benefits and workers' compensation. Estimated future benefit payments represent the monthly income benefit that is paid until recovery, death or expiration of benefits. Claim recoveries are estimated based on claim characteristics such as age and diagnosis and represent an estimate of benefits that will terminate, generally as a result of the claimant returning to work or being deemed able to return to work. The DLR also includes a liability for payments to claimants who have not yet been approved for LTD. In these cases, the present value of future benefits is reduced for the likelihood of claim denial based on Company experience. For claims recently closed due to recovery, a portion of the DLR is retained for the possibility that the claim reopens upon further evidence of disability. In addition, a reserve for estimated unpaid claim expenses is included in the DLR.

For incurral years with IBNR claims, estimates of ultimate losses are made by applying completion factors to the dollar amount of claims reported or expected depending on the market segment. IBNR represents estimated ultimate losses less both DLR and cumulative paid amounts for all reported claims. Completion factors are derived using standard actuarial techniques using triangles that display historical claim count emergence by incurral month. These estimates are reviewed for reasonableness and are adjusted for current trends and other factors expected to cause a change in claim emergence. The IBNR includes an estimate of unpaid claim expenses, including a provision for the cost of initial set-up of the claim once reported.

Index to Consolidated Financial Statements and Schedules

Note 11.10 - Reserve for Unpaid Losses and Loss Adjustment Expenses

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

For all products, including LTD, there is a period generally ranging from two to twelve months, depending on the product and market segment, where emerged claim information for an incurral year is not yet credible enough to be a basis for an IBNR projection. In these cases, the ultimate losses and allocated loss adjustment expenses are estimated using earned premium multiplied by an expected loss ratio.

The Company also records reserves for future death benefits under group term life policies that provide for premiums to be waived in the event the insured is unable to work due to disability and has satisfied an elimination period, which is typically nine months (premium waiver reserves). The death benefit reserve for these group life premium waiver claims is estimated for a known disabled claimant equal to the present value of expected future cash outflows (typically a lump sum face amount payable at death plus claim expenses) with separate estimates for claimant recovery (when no death benefit is payable) and for death before recovery or benefit expiry (when death benefit is payable). The IBNR for premium waiver death benefits is estimated with standard actuarial development methods.

In addition, the Company also records reserves for group term life, accidental loss of life and severe injury, short-term disability, and other group products that have short claim payout periods. For these products, reserves are determined using paid or reported actuarial development methods. The resulting claim triangles produce a completion pattern and estimate of ultimate loss. IBNR for these lines of business equals the estimated ultimate losses and loss adjustment expenses less the amount of paid or reported claims depending on whether the paid or reported development method was used. Estimates are reviewed for reasonableness and are adjusted for current trends or other factors that affect the development pattern.

Cumulative number of reported claims

For group life, disability and accident coverages, claim counts include claims that are approved, pending approval and terminated and exclude denied claims. Due to the nature of the claims, one claimant represents one event.

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance

Average Annual Percentage Payout of Incurred Claims by Age, Net of Reinsurance

(Unaudited)

(Unaudited)

(Unaudited)

	1st Year
	1st Year
	1st Year
Group long-term disability	
Group long-term disability	
Group long-term disability	
Group life and accident, excluding premium waiver	
Group life and accident, excluding premium waiver	
Group life and accident, excluding premium waiver	

[Index to Consolidated Financial Statements and Schedules](#)

Note [12.11](#) - Reserve for Future Policy Benefits

THE HARTFORD **FINANCIAL SERVICES** **INSURANCE** GROUP, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

12.11. RESERVE FOR FUTURE POLICY BENEFITS

Rollforward of Reserve for Future Policy Benefits	
Rollforward of Reserve for Future Policy Benefits	
Rollforward of Reserve for Future Policy Benefits	
	For the year ended December 31,
	For the year ended December 31,
	For the year ended December 31,
	2023
	2023
	2023
	2024
	2024
	2024
	Payout Annuities
	Payout Annuities
	Payout Annuities

Present Value of Expected Net Premiums
Present Value of Expected Net Premiums
Present Value of Expected Net Premiums
Balance, beginning of the period
Balance, beginning of the period
Balance, beginning of the period
Balance, ending of the period
Balance, ending of the period
Balance, ending of the period
Present Value of Expected Future Policy Benefits
Present Value of Expected Future Policy Benefits
Present Value of Expected Future Policy Benefits
Beginning balance at single-A rate
Beginning balance at single-A rate
Beginning balance at single-A rate
Beginning adjustment for changes in single-A rate
Beginning adjustment for changes in single-A rate
Beginning adjustment for changes in single-A rate
Beginning balance at original discount rate

Beginning balance at original discount rate
Beginning balance at original discount rate
Effect of changes in cash flow assumptions
Effect of changes in cash flow assumptions
Effect of changes in cash flow assumptions
Effect of actual variances from expected experience
Effect of actual variances from expected experience
Effect of actual variances from expected experience
Adjusted beginning balance
Adjusted beginning balance
Adjusted beginning balance
Interest accrual and other
Interest accrual and other
Interest accrual and other
Benefit Payments
Benefit Payments
Benefit Payments
Ending balance at original discount rate
Ending balance at original discount rate
Ending balance at original discount rate
Ending adjustment for changes in single-A rate
Ending adjustment for changes in single-A rate
Ending adjustment for changes in single-A rate
Ending balance at single-A rate
Ending balance at single-A rate
Ending balance at single-A rate
Net reserve for future policy benefits
Net reserve for future policy benefits
Net reserve for future policy benefits
Weighted-average duration of the reserve for future policy benefits (years)
Weighted-average duration of the reserve for future policy benefits (years)
Weighted-average duration of the reserve for future policy benefits (years)

Net Reserve for Future Policy Benefits
Net Reserve for Future Policy Benefits
Net Reserve for Future Policy Benefits

As of December 31,

	2023
	2023
	2023
	2024
	2024
	2024
Payout Annuities	
Payout Annuities	
Payout Annuities	
Life Conversions	
Life Conversions	
Life Conversions	
Paid-up Life	
Paid-up Life	

Paid-up Life
Deferred Profit Liability
Deferred Profit Liability
Deferred Profit Liability
Other
Other
Other
Total
Total
Total

[Index to Consolidated Financial Statements and Schedules](#)

Note 12 11 - Reserve for Future Policy Benefits

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Undiscounted Expected Future Gross Premiums and Benefit Payments

As of December 31,

	2023	2022	2021
	2024	2023	2022
Payout Annuities [1]			
Expected future benefit payments			
Expected future benefit payments			
Expected future benefit payments			
Life Conversions			
Expected future gross premiums			
Expected future gross premiums			
Expected future gross premiums			
Expected future benefit payments			
Paid-up Life [1]			
Expected future benefit payments			
Expected future benefit payments			
Expected future benefit payments			

[1]Payout Annuities and Paid-up Life have no expected future gross premiums.

Weighted-Average Interest Rates

For the year ended December 31,

	2023	2022	2021
	2024	2023	2022
Payout Annuities			
Interest accretion rate			
Interest accretion rate			
Interest accretion rate	5.6 %	5.6 %	5.6 %
Current discount rate	5.0 %	5.3 %	2.8 %
Life Conversions			
Interest accretion rate			
Interest accretion rate			
Interest accretion rate	4.2 %	4.1 %	4.1 %
Current discount rate	5.1 %	5.3 %	2.9 %
Paid-up Life			
Interest accretion rate			
Interest accretion rate			
Interest accretion rate	2.9 %	2.9 %	2.9 %
Current discount rate	5.0 %	5.2 %	2.1 %

The Company completed a review of cash flow assumptions in the third quarter 2024 and 2023, resulting in immaterial changes to the reserve for future policy benefits. For payout annuities, the net effect of updating cash flow assumptions was partially offset by a

corresponding impact to the deferred profit liability. Gross premiums and interest accretion recognized on long-duration insurance policies for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021 2022 were immaterial.

13.12. OTHER POLICYHOLDER FUNDS AND BENEFITS PAYABLE

Other policyholder funds and benefits payable of \$614, \$638 \$658 and \$687 \$658 as of December 31, 2023 December 31, 2024, 2022 2023 and 2021 2022, respectively, included universal life long-duration contracts of \$206, \$223 \$232 and \$253 \$232 as well as policyholder balances related to short-duration contracts of \$408, \$415 \$426, and \$434. \$426. The universal

life long-duration contracts presented in the table below were economically ceded to Prudential as part of the sale of the Company's former individual life business, which closed in 2013.

Universal Life Long Duration Contracts Rollforward					For the year ended December 31,			
					2023	2022	2021	
					2024	2023	2022	
Balance, beginning of year								
Premiums Received								
Policy Charges								
Surrenders and Withdrawals								
Benefit Payments								
Interest Credited								
Balance, End of Year								
Weighted-average crediting rate	Weighted-average crediting rate	4.2 %	4.2 %	4.2 %	Weighted-average crediting rate	4.3 %	4.2 %	4.2 %
Net Amount at Risk [1]								
Cash Surrender Value								

[1]Net amount at risk is defined as the current death benefit in excess of the current account value as of the balance sheet date.

As of December 31, 2023, 2022 and 2021, universal life contracts of \$222, \$230 and \$251, respectively, had crediting rates at their guaranteed minimums ranging from 4%-5%.

[Index to Consolidated Financial Statements and Schedules](#)

Note 14 12 - DebtOther Policyholder Funds and Benefits Payable

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

14. As of December 31, 2024, 2023 and 2022, universal life contracts of \$205, \$222 and \$230, respectively, had crediting rates at their guaranteed minimums ranging from 4%-5%.

13. DEBT

The Company's long-term debt securities are issued by Hartford Financial Services Insurance Group, Inc. ("HFSG HIG Holding Company"), are unsecured obligations of HFSG HIG Holding Company, and rank on a parity with all other unsecured and unsubordinated indebtedness of HFSG HIG Holding Company.

Debt is carried net of discount and issuance cost.

Long-term Debt by Issuance	
	As of December 31,
	As of December 31,
	As of December 31,
	2023
	2023
	2023
	2024
	2024
	2024
Revolving Credit Facilities	
Revolving Credit Facilities	

Revolving Credit Facilities

Senior Notes and Debentures

Senior Notes and Debentures

Senior Notes and Debentures

2.8% Notes, due 2029
2.8% Notes, due 2029
2.8% Notes, due 2029
5.95% Notes, due 2036
5.95% Notes, due 2036
5.95% Notes, due 2036
6.625% Notes, due 2040
6.625% Notes, due 2040
6.625% Notes, due 2040
6.1% Notes, due 2041
6.1% Notes, due 2041
6.1% Notes, due 2041
6.625% Notes, due 2042
6.625% Notes, due 2042
6.625% Notes, due 2042
4.3% Notes, due 2043
4.3% Notes, due 2043
4.3% Notes, due 2043
4.4% Notes, due 2048
4.4% Notes, due 2048
4.4% Notes, due 2048
3.6% Notes, due 2049
3.6% Notes, due 2049
3.6% Notes, due 2049
2.9% Notes, due 2051
2.9% Notes, due 2051
2.9% Notes, due 2051

Junior Subordinated Debentures

Junior Subordinated Debentures

Junior Subordinated Debentures

3-Month term SOFR + 0.26161% + 2.125% Notes, due 2067 [1]
3-Month term SOFR + 0.26161% + 2.125% Notes, due 2067 [1]
3-Month term SOFR + 0.26161% + 2.125% Notes, due 2067 [1]
Total Notes and Debentures
Total Notes and Debentures
Total Notes and Debentures

Unamortized discount and debt issuance cost [2]
Unamortized discount and debt issuance cost [2]
Unamortized discount and debt issuance cost [2]

Total Debt

Total Debt

Total Debt

Less: Current maturities
Less: Current maturities
Less: Current maturities

Long-Term Debt

Long-Term Debt

Long-Term Debt

[1]The Company has an interest rate swap agreement expiring February 15, 2027 to effectively convert the variable interest payments based on 3-month term Secured Overnight Financing Rate ("SOFR") plus a spread adjustment of 0.26161% plus 2.125 for this debenture into fixed interest payments of approximately 4.39%. See Junior Subordinated Debentures section below for further discussion of interest rate terms for the periods ended December 31, 2023 and 2022, respectively, debenture.

[2]This amount includes unamortized discount of \$70 \$68 and \$72 \$70 as of December 31, 2023 December 31, 2024 and 2022 2023, respectively, on the 6.1% Notes, due 2041.

The effective interest rate on the 6.1% senior notes due 2041 is 7.9%. The effective interest rate on the remaining notes does not differ materially from the stated rate.

Shelf Registrations

On February 22, 2022 September 23, 2024, the Company filed with the Securities and Exchange Commission an automatic shelf registration statement (Registration No. 333-262879 333-282288) for the potential offering and sale of debt and equity securities. The registration statement allows for the following types of securities to be offered: debt securities, junior subordinated debt securities, guarantees, preferred stock, common stock, depositary shares,

warrants, stock purchase contracts, and stock purchase units. In that Because The Hartford is a well-known seasoned issuer, as defined in Rule 405 under the Securities Act of 1933, the registration

statement went became effective immediately upon filing and The Hartford may offer and sell an unlimited amount of securities under the registration statement during the three-year life of the registration statement.

Senior Notes

On September 21, 2021, The Hartford issued \$600 of 2.9% senior notes ("2.9% Notes") due September 15, 2051 for net proceeds of approximately \$588, after deducting underwriting discounts and expenses from the offering. Interest is payable semi-annually in arrears on March 15 and September 15, commencing March 15, 2022. The Hartford, at its option, can redeem the 2.9% Notes at any time, in whole or part, at a redemption price equal to the greater of 100% of the principal amount being redeemed or a make-whole amount based on a comparable maturity US Treasury plus 20 basis points, plus any accrued and unpaid interest, except the 2.9% Notes may be redeemed at par within six months of maturity.

Junior Subordinated Debentures

As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company has outstanding \$500 of callable junior subordinated debentures with a final maturity on February 12, 2067. Interest is payable quarterly in arrears at a variable rate that resets quarterly.

Prior to July 1, 2023, the Company's \$500 junior subordinated debentures due 2067 paid interest at a rate of LIBOR plus 2.125%. The U.K. Financial Conduct Authority ("FCA") ceased publication of U.S. dollar LIBOR on a representative basis immediately after June 30, 2023. Effective July 1, 2023, the interest rate on the \$500 junior subordinated debentures due 2067 is determined based on a reference rate of 3-month term Secured Overnight Financing Rate ("SOFR") plus a spread adjustment of 0.26161% plus 2.125%.

The Company's interest rate swap agreements that converted the LIBOR variable interest payments on the \$500 junior subordinated debentures to fixed interest payments of approximately 4.39% were terminated and new interest rate swap agreements expiring February 15, 2027 were entered into that reference SOFR so that interest rate swaps continue to effectively convert the variable interest payments to fixed interest payments of approximately 4.39%.

The \$500 junior subordinated debentures due 2067 are unsecured, subordinated and junior in right of payment and upon liquidation to all of the Company's existing and future senior indebtedness. In addition, the debentures are effectively subordinated to all of the Company's subsidiaries' existing and future indebtedness and other liabilities, including obligations to policyholders. The debentures do not limit the Company's or the Company's subsidiaries' ability to incur additional debt, including debt that ranks senior in right of payment and upon liquidation to the debentures.

The Company has the right to defer interest payments for up to a consecutive ten years without giving rise to an event of default. Deferred interest will continue to accrue and will accrue additional interest at the then applicable interest rate. If the Company defers interest payments, the Company generally may

[Index to Consolidated Financial Statements and Schedules](#)

Note 14 - Debt

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

not make payments on or redeem or purchase any shares of its capital stock or any of its debt securities or guarantees that rank upon liquidation, dissolution or winding up equally with or junior to the debentures, subject to certain limited exceptions.

The Company may elect to redeem the \$500 junior subordinated debentures due 2067 in whole or in part for the principal amount being redeemed plus accrued and unpaid interest to the date of redemption.

In connection with the offering of this debenture, the Company entered into a Replacement Capital Covenant ("RCC") for the benefit of holders of one or more designated series of the Company's indebtedness, initially the Company's 4.3% notes due 2043. Under the terms of the RCC, if the Company redeems the debenture any time prior to February 12, 2047 (or such earlier date on which the RCC terminates by its terms) it can only do so with the proceeds from the sale of certain qualifying replacement securities.

On April 15, 2022, The Hartford redeemed at par \$600 aggregate principal amount of its 7.875% junior subordinated debentures due 2042 and recognized, in insurance operating costs and other expenses, a loss on extinguishment of debt of \$9, before tax, for unamortized debt issuance costs.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 13 - Debt](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Long-Term Debt

Long-term Debt Maturities (at par value) as of **December 31, 2023****December 31, 2024**

2024 - Current maturities	\$	—
2025	\$	—
2026	\$	—
2027	\$	—
2028	\$	—
Thereafter	\$	4,482

2024 - Current maturities	\$	—
2026	\$	—
2027	\$	—
2028	\$	—
2029	\$	600
Thereafter	\$	3,882

Revolving Credit Facility

The Hartford has a \$750 senior unsecured revolving credit facility, including \$100 available to support letters of credit (the "Credit Facility"), with an expiration date of October 27, 2026. Under the Credit Facility:

- Revolving loans may be in multiple currencies.
- U.S. dollar loans will bear interest at a floating rate equivalent to an indexed rate that varies depending on the type of borrowing plus a basis point spread based on The Hartford's credit rating and will mature no later than October 27, 2026.
- Letters of credit bear a fee based on The Hartford's credit rating and expire no later than October 27, 2027.

The Credit Facility requires the Company to maintain a minimum consolidated net worth financial covenant to **\$11.25 billion**, **\$11.25 billion**, excluding AOCI, limits the ratio of senior debt to capitalization, excluding AOCI, at 35% and includes other customary covenants. The Credit Facility is for general corporate purposes.

As of **December 31, 2023** **December 31, 2024** and **2022**, **2023**, no borrowings were outstanding, no letters of credit were issued under the Credit

financial leverage and that limit the amount of letters of credit that can support FAL's, consistent with Lloyd's requirements. leverage. As of **December 31, 2023** **December 31, 2024**, The Hartford was in compliance with all financial covenants of the facility.

Collateralized Advances with Federal Home Loan Bank of Boston

The Company's subsidiaries, Hartford Fire Insurance Company ("Hartford Fire") and Hartford Life and Accident Insurance Company ("HLA"), are members of the Federal Home Loan Bank of Boston ("FHLBB"). Membership allows these subsidiaries access to collateralized advances, which may be short- or long-term with fixed or variable rates. FHLBB membership required the purchase of member stock and requires additional member stock ownership of 3% or 4% of any amount borrowed. The amount of advances that can be taken is limited to a percentage of the fair value of the assets considered eligible collateral, for example, **94%** **96%** for U.S. government-backed fixed maturities maturing within 3 years and **70%** **75%** for AA-rated commercial mortgage-backed fixed maturities maturing in 5 years or more. In its consolidated balance sheets, The Hartford presents the liability for advances taken based on use of the funds with advances for general corporate purposes presented in short- or long-term debt and advances to earn incremental investment income presented in other liabilities, consistent with other collateralized financing transactions such as securities lending and repurchase agreements. The Connecticut Department of Insurance permits Hartford Fire and HLA to pledge up to **\$1.3 billion** **\$1.4 billion** and **\$0.7 billion** **\$0.6 billion** in qualifying assets, respectively, without prior approval, to secure FHLBB advances in 2024. The pledge limit is determined quarterly based on statutory admitted assets and capital and surplus of Hartford Fire and HLA, respectively.

As of **December 31, 2023** **December 31, 2024** and **2022**, **2023**, there were no advances outstanding under the FHLBB facility.

Facility and the Company was in compliance with all financial covenants.

Lloyd's Letter of Credit Facility

The Hartford has a committed credit facility agreement with a syndicate of lenders (the "Lloyd's Facility"). On October 21, 2024, The Hartford amended and restated the Lloyd's Facility. The purpose of this facility is to issue letters of credit that may be treated as Funds at Lloyd's to support underwriting capacity provided by The Hartford Corporate Underwriters Limited to the Lloyd's syndicate 1221 for the 2025 and 2026 underwriting years of account (and prior open years). The amended and restated Lloyd's Facility has two tranches, with one tranche extending a \$74 commitment and the other tranche extending a £79 million (**\$101** **99** as of December 31, 2023) commitment. **December 31, 2024**). The term of the facility is two years. The purpose of this facility is to issue letters of credit that may be treated as Funds at Lloyd's ("FAL") to support underwriting capacity provided by the Navigators Corporate Underwriters Limited to the Lloyd's Syndicate 1221 for the 2023 and 2024 underwriting years of account (and prior open years). As of **December 31, 2022** **December 31, 2024**, letters of credit with an aggregate face amount of \$74 and £79 million, or **\$95**, **\$99**, were outstanding under the Lloyd's Facility. As of December 31, 2023, letters of credit with an aggregate face amount of \$74 and £79 million, or **\$101**, were outstanding under the Lloyd's Facility.

Among other covenants, the Lloyd's Facility contains financial covenants regarding The Hartford's consolidated net worth and

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

15.

14. COMMITMENTS AND CONTINGENCIES

Management evaluates each contingent matter separately. A loss is recorded if probable and reasonably estimable. Management establishes liabilities for these contingencies at its "best estimate," or, if no one number within the range of possible losses is more probable than any other, the Company records an estimated liability at the low end of the range of losses.

Litigation

The Hartford is involved in claims litigation arising in the ordinary course of business, both as a liability insurer defending or providing indemnity for third-party claims brought against insureds and as an insurer defending coverage claims brought against it. The Hartford accounts for such activity through the establishment of unpaid loss and loss adjustment expense reserves. Subject to the uncertainties related to sexual molestation and sexual abuse claims, including those discussed in Note 11, 10, Reserve for Unpaid Losses and Loss Adjustment Expenses, and in the following discussion under the caption "COVID-19 Pandemic Business Income Insurance Litigation" and under the caption "Run-off Asbestos and Environmental Claims," management expects that the ultimate liability, if any, with respect to such ordinary-course claims litigation, after consideration of provisions made for potential losses and costs of defense, will not be material to the consolidated financial condition, results of operations or cash flows of The Hartford.

The Hartford is also involved in other kinds of legal actions, some of which assert claims for substantial amounts. In addition to the matter described below, these actions include putative class actions seeking certification of a state or national class. Such putative class actions have alleged, for example, underpayment of claims or improper sales or underwriting practices in connection with various kinds of insurance policies, such as personal and commercial automobile and property. The Hartford also is involved in individual actions in which punitive damages are sought, such as claims alleging bad faith in the handling of insurance claims or other allegedly unfair or improper business practices. Like many other insurers, The Hartford also has been joined in actions by asbestos plaintiffs asserting, among other things, that insurers had a duty to protect the public from the dangers of asbestos and that insurers committed unfair trade practices by asserting defenses on behalf of their policyholders in the underlying asbestos cases. Management expects that the ultimate liability, if any, with respect to such lawsuits, after consideration of provisions made for estimated losses, will not be material to the consolidated financial condition of The Hartford. Nonetheless, given the large or indeterminate amounts sought in certain of these actions, and the inherent unpredictability of litigation, the outcome in certain matters could, from time to time, have a material adverse effect on the Company's results of operations or cash flows in particular quarterly or annual periods.

COVID-19 Pandemic Business Income Insurance

Litigation

Like many others in the property and casualty insurance industry, beginning in April 2020, various direct and indirect subsidiaries of the Company (collectively the "Hartford Writing

Companies"), and in some instances the Company itself, have been served as defendants in lawsuits seeking insurance coverage under commercial insurance policies issued by the Hartford Writing Companies for alleged losses resulting from the shutdown or suspension of their businesses due to the spread of COVID-19. More than 300 such lawsuits have been filed, of which more than 60 purport to be filed on behalf of broad nationwide or statewide classes of policyholders. These lawsuits have been filed in state and federal courts in roughly 35 states. Although the allegations vary, the plaintiffs generally seek a declaration of insurance coverage, damages for breach of contract in unspecified amounts, interest, and attorneys' fees. Many of the lawsuits also allege that the insurance claims were denied in bad faith or otherwise in violation of state laws and seek extra-contractual or punitive damages. Some of the lawsuits also allege that the Hartford Writing Companies engaged in unfair business practices by collecting or retaining excess premium.

The Company and its subsidiaries deny the allegations and continue to vigorously defend these suits. The Hartford Writing Companies maintain that they have no coverage obligations with respect to these suits for business income allegedly lost by the plaintiffs due to the COVID-19 pandemic based on the clear terms of the applicable insurance policies. Although the policy terms vary depending, among other things, upon the size, nature, and location of the policyholder's business, in general, the claims at issue in these lawsuits were denied because the claimant identified no direct physical damage or loss to property at the insured premises, and the governmental orders that led to the complete or partial shutdown of the business were not due to the existence of any direct physical damage or loss in the immediate vicinity of the insured premises and did not prohibit access to the insured premises, as required by the terms of the insurance policies. In addition, the vast majority of the policies at issue expressly exclude from coverage any loss caused directly or indirectly by the presence, growth, proliferation, spread or activity of a virus, subject to a narrow set of exceptions not applicable in connection with this pandemic, and contain a pollution and contamination exclusion that, among other things, expressly excludes from coverage any loss caused by material that threatens human health or welfare.

In addition to the inherent difficulty in predicting litigation outcomes, the COVID-19 pandemic business income coverage lawsuits still present uncertainties and contingencies that are not yet fully known, including whether additional claims or lawsuits could be filed, the extent to which any state or nationwide classes will be certified, and the size and scope of any such classes. The legal theories advocated by plaintiffs vary significantly by case as do the state laws that govern the policy interpretation. These lawsuits are at various stages of litigation: some are in the earliest stages of litigation, some are in discovery, and many have been dismissed through rulings in favor of the Hartford Writing Companies. Moreover, dozens of policyholders have appealed dismissals in favor of the Hartford Writing Companies. The Hartford Writing Companies have received numerous favorable rulings on appeal, with a few adverse appellate rulings to date. The remainder of the Hartford Writing Companies' appeals are at various stages of the

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

appellate process and have not yet been decided. In addition, business income calculations depend upon a wide range of factors that are particular to the circumstances of each individual policyholder and, here, almost none of the plaintiffs have submitted proofs of loss or otherwise quantified or factually supported any allegedly covered loss, and, in any event, the Company's experience shows that demands for damages often bear little relation to a reasonable estimate of potential loss. Accordingly, management cannot now reasonably estimate the possible loss or range of loss, if any. Nonetheless, despite the high percentage of favorable outcomes to date in both the trial and appellate courts, given the large number of claims and potential claims, the indeterminate amounts sought, and the inherent unpredictability of litigation, it is possible that adverse outcomes, if any, in the aggregate, could have a material adverse effect on the Company's consolidated operating results or liquidity.

Run-off Asbestos and Environmental Claims

The Company continues to receive A&E claims. Asbestos claims relate primarily to bodily injuries asserted by people who came in contact with asbestos or products containing asbestos. Environmental claims relate primarily to pollution and related clean-up costs.

"packaged" "pre-packaged" bankruptcies, to accelerate and increase loss payments by insurers. In addition, some policyholders have asserted new classes of claims for coverages to which an aggregate limit of liability may not apply. Further uncertainties include insolvencies of other carriers, insolvencies of insureds and unanticipated developments pertaining to the Company's ability to recover reinsurance for A&E claims. Management believes these issues are not likely to be resolved in the near future.

In the case of the reserves for environmental exposures, factors contributing to the high degree of uncertainty include expanding theories of liability and damages against insureds, emerging risks from products and substances alleged to cause damage, such as per- and polyfluoroalkyl substances ("PFAS"), the risks inherent in major litigation, inconsistent and emerging legal doctrines concerning the existence and scope of coverage for environmental claims, and the scope and level of complexity of the remediation required by regulators.

The reporting pattern for assumed reinsurance claims, including those related to A&E claims, is much longer than for direct claims. In many instances, it takes months or years to determine

The vast majority of the Company's exposure to A&E relates to accident years prior to 1986 that are reported in Property & Casualty Other Operations ("Run-off A&E"). In addition, since 1986, the Company has written asbestos and environmental exposures under general liability policies and pollution liability under homeowners policies, which are reported in the Commercial Lines Business Insurance and Personal Lines Insurance segments, respectively.

Prior to 1986, the Company wrote several different categories of insurance contracts that may cover A&E claims. First, the Company wrote primary policies providing the first layer of coverage in an insured's liability program. Second, the Company wrote excess and umbrella policies providing higher layers of coverage for losses that exhaust the limits of underlying coverage. Third, the Company acted as a reinsurer assuming a portion of those risks assumed by other insurers writing primary, excess, umbrella and reinsurance coverages.

Significant uncertainty limits the ability of insurers and reinsurers to estimate the ultimate reserves necessary for unpaid gross losses and expenses related to environmental and asbestos claims. The degree of variability of gross reserve estimates for these exposures is significantly greater than for other more traditional exposures.

In the case of the reserves for asbestos exposures, factors contributing to the high degree of uncertainty include inadequate loss development patterns, plaintiffs' expanding theories of liability, the risks inherent in major litigation, and inconsistent and emerging legal doctrines with respect to the underlying claims and with respect to the Company's coverage obligations. Furthermore, over time, insurers, including the Company, have experienced significant changes in the rate at which asbestos claims are brought, the claims experience of particular insureds, and the value of claims, making predictions of future exposure from past experience uncertain. Plaintiffs and insureds also have sought to use bankruptcy proceedings, including "pre-

[Index to Consolidated Financial Statements and Schedules](#)

[Note 14 - Commitments and Contingencies](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

that the policyholder's own obligations have been met and how the reinsurance in question may apply to such claims. The delay in reporting reinsurance claims and exposures adds to the uncertainty of estimating the related reserves.

It is also not possible to predict changes in the legal and legislative environment and their effect on the future development of A&E claims.

Given the factors described above, the Company believes the actuarial tools and other techniques it employs to estimate the ultimate cost of claims for more traditional kinds of insurance exposure are less precise in estimating reserves for A&E exposures. For this reason, the Company principally relies on exposure-based analysis to estimate the ultimate costs of these claims, both gross and net of reinsurance, and regularly evaluates new account information in assessing its potential A&E exposures. The Company supplements this exposure-based analysis with evaluations of the Company's historical direct net loss and expense paid and reported experience, and net loss and expense paid and reported experience by calendar and/or report year, to assess any emerging trends, fluctuations or characteristics suggested by the aggregate paid and reported activity.

While the Company believes that its current Run-off A&E reserves are appropriate, significant uncertainties limit the ability of insurers and reinsurers to estimate the ultimate reserves necessary for unpaid losses and related expenses. The ultimate liabilities, thus, could exceed the currently recorded reserves, and any such additional liability, while not estimable now, could be material to The Hartford's consolidated operating results or liquidity.

For its Run-off A&E claims, as of December 31, 2023 December 31, 2024, the Company reported \$248 \$224 of net asbestos and environmental reserves, including the benefit of losses ceded to an the A&E ADC with NICO. In addition, the Company has recorded \$850, including \$62 in 2024, of a \$788 deferred gain within other liabilities for losses economically ceded to NICO but for which the benefit is not recognized in earnings until later periods. While the Company believes that its current run-off Run-off A&E reserves are appropriate, significant uncertainties limit our ability to estimate the ultimate reserves

[Index to Consolidated Financial Statements and Schedules](#)

[Note 15 - Commitments and Contingencies](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

necessary for unpaid losses and related expenses. The ultimate liabilities, thus, could exceed the currently recorded reserves, and any such additional liability, while not reasonably estimable now, could be material to The Hartford's consolidated operating results or liquidity.

The Company's A&E ADC reinsurance agreement reinsures substantially all A&E reserve development for 2016 and prior accident years, including Run-off A&E and A&E reserves included in Commercial Lines Business Insurance and Personal Lines Insurance. The A&E ADC has a coverage limit of \$1.5 billion above the Company's existing net A&E reserves as of December 31, 2016 of approximately \$1.7 billion. As of December 31, 2023 December 31, 2024, the Company has incurred \$1,438 \$1.5 billion in cumulative adverse development on A&E reserves that have been ceded under the A&E ADC treaty, leaving \$62 of no remaining coverage available for future adverse net reserve development, if any. Cumulative adverse development of A&E claims for accident years 2016 and prior could ultimately exceed the \$1.5 billion treaty limit in which case any adverse development in excess of the treaty limit, would be including \$141 recognized in 2024, are absorbed as a charge to earnings by the Company. In these scenarios, the The effect of these future charges could be material to the Company's consolidated operating results or liquidity. For more information on the A&E ADC, refer to Note 11, 10, Reserve for Unpaid Losses and Loss Adjustment Expenses.

Liabilities for guaranty fund and other insurance-related assessments are accrued when an assessment is probable, when it can be reasonably estimated, and when the event obligating the Company to pay an imposed or probable assessment has occurred. Liabilities for guaranty funds and other insurance-related assessments are not discounted and are included as part of other liabilities in the Consolidated Balance Sheets. As of December 31, 2023 December 31, 2024 and 2022 2023 the liability balance was \$77 \$70 and \$82, \$77, respectively. As of December 31, 2023 December 31, 2024 and 2022 2023, there were \$0 and \$1 of premium tax offsets related to guaranty fund or other insurance-related assessments. assessments for both periods.

Derivative Commitments

Certain of the Company's derivative agreements contain provisions that are tied to the financial strength ratings, as set by nationally recognized statistical agencies, of the individual legal entity that entered into the derivative agreement. If the legal entity's financial strength were to fall below certain ratings, the counterparties to the derivative agreements could, in certain instances, terminate the agreements and demand immediate settlement of all outstanding derivative positions traded under each impacted bilateral agreement.

Unfunded Commitments

As of December 31, 2023 December 31, 2024, the Company has outstanding commitments totaling \$2.6 billion \$3.8 billion, of which \$1.9 billion \$2.1 billion is primarily committed to fund limited partnerships and other alternative investments, which may be called by the partnership during the commitment period to fund the purchase of new investments and partnership expenses. The funding of purchase investments in limited partnerships and other alternative investments are at the discretion of the general partner or manager and may be called at any time. Additionally, \$313 \$1.0 billion of the outstanding commitments relate to various funding obligations primarily associated with private debt and equity securities, as well as tax credits and private debt credits. The remaining outstanding commitments of \$376 \$636 relate to mortgage loans. Of the \$2.6 billion \$3.8 billion in total outstanding commitments, \$84 \$53 are related to mortgage loan commitments which the Company can cancel unconditionally.

Guaranty Funds and Other Insurance-related Assessments

In all states, insurers licensed to transact certain classes of insurance are required to become members of a guaranty fund. In most states, in the event of the insolvency of an insurer writing any such class of insurance in the state, a guaranty fund may assess its members to pay covered claims of the insolvent insurers. Assessments are based on each member's proportionate share of written premiums in the state for the classes of insurance in which the insolvent insurer was engaged. Assessments are generally limited for any year to one or two percent of the premiums written per year depending on the state. Some states permit member insurers to recover assessments paid through surcharges on policyholders or through full or partial premium tax offsets, while other states permit recovery of assessments through the rate filing process.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 14 - Commitments and Contingencies](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The settlement amount is determined by netting the derivative positions transacted under each agreement. If the termination rights were to be exercised by the counterparties, it could impact the legal entity's ability to conduct hedging activities by increasing the associated costs and decreasing the willingness of counterparties to transact with the legal entity. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a net liability position as of **December 31, 2023** **December 31, 2024** was **\$43** **\$33** for which the legal entities have posted collateral of **\$39** **\$31** in the normal course of business. Based on derivative contractual terms as of **December 31, 2023** **December 31, 2024**, a downgrade of the current financial strength ratings by either Moody's or S&P would not require additional assets to be posted as collateral. This requirement could change as a result of changes in our hedging activities or to the extent changes in contractual terms are negotiated. The nature of the additional collateral that we would post, if required, would be primarily in the form of U.S. Treasury bills, U.S. Treasury notes and government agency securities.

Guarantees

In the ordinary course of selling businesses or entities to third parties, the Company has agreed to indemnify purchasers for losses arising subsequent to the closing due to breaches of representations and warranties with respect to the business or entity being sold or with respect to covenants and obligations of the Company and/or its subsidiaries. These obligations are typically subject to various time limitations, defined by the contract or by operation of law, such as statutes of limitation. In some cases, the maximum potential obligation is subject to contractual limitations, while in other cases such limitations are not specified or applicable. The Company does not expect to make any material payments on these guarantees and is not carrying any material liabilities associated with these guarantees.

The Hartford has guaranteed the timely payment of contractual claims under certain life, accident and health and annuity

Index to Consolidated Financial Statements and Schedules

Note 15 - Commitments and Contingencies

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

contracts issued by its former life and annuity business with most of the guaranteed contracts issued between 1990 and 1997 (the "Talcott Guarantees"). Upon the sale of the life and annuity business in May 2018, the purchaser indemnified the Company for any liability arising under the guarantees. The Talcott Guarantees cover contractual obligations only but otherwise have no limitation as to maximum potential future payments.

The liability for credit losses ("LCL") for Talcott Guarantees is calculated for the estimated amount payable under guaranteed contracts multiplied by the probability of default and the amount of loss given a default. The probability of default is assigned by credit rating of the applicable insurance company that issued the contract and is based on historical insurance industry defaults for liabilities with similar durations estimated through multiple economic cycles. Credit ratings are current and forward-looking and consider a variety of economic outcomes. Because annuities represent the majority of the contracts issued, the loss given default factors are based on a historical study of annuity

policyholder recoveries from insolvent estate assets. The Company's exposure is expected to run off over a period that will include more than one economic cycle.

The Company's evaluation of the required LCL for the Talcott Guarantees considers the current economic environment as well as macroeconomic scenarios similar to the approach used to estimate the ACL for mortgage loans. See Note 5 - Investments. In **2021, 2022**, the LCL decreased from **\$26 to \$25 primarily reflecting a decrease in the estimated amount payable under guaranteed contracts** as well as lessening expected impacts of COVID-19 relative to prior assumptions. In **2022**, the LCL decreased to \$22 primarily reflecting a decrease in the estimated amount payable under guaranteed contracts. **During In 2023**, the LCL decreased to \$9 primarily due to an upgrade of Talcott's credit rating, as well as a decrease in the estimated amount payable under guaranteed contracts. **During 2024**, the LCL decreased to \$7 primarily due to an improvement of Talcott's assumed liquidation rate, as well as a decrease in the estimated amount payable under guaranteed contracts. The Company has never experienced a loss on financial guarantees similar to the Talcott Guarantees and we believe the risk of loss is remote.

16.15. EQUITY

Equity Repurchase Program

In July, **2022, 2024**, the Board of Directors approved a share repurchase authorization for up to **\$3.0** **\$3.3** billion effective from **August 1, 2022** **August 1, 2024 to December 31, 2024** **December 31, 2026**. As of **December 31, 2023** **December 31, 2024**, the Company has **\$1.35** **billion** **\$3.15** **billion** remaining for equity repurchases under this share repurchase program. **During the year ended December 31, 2023 the Company repurchased \$1.4**

The Hartford's \$3.0 billion (19.2 million shares) under this equity repurchase program authorized by its Board of Directors in August 2022, expired on **December 31, 2024**. The Hartford's **previous** \$3.0 billion equity repurchase program authorized by its Board of Directors in December 2020 expired on December 31, 2022.

During the **years** **year** ended **December 31, 2022** **December 31, 2024, 2023**, and **2021, 2022** the Company repurchased **\$1.6** **\$1.5** billion (14.4 million shares), **\$1.4** **billion** **(22.3** (19.2 million shares) and **\$1.7** **\$1.6** billion **(25.9** (22.3 million shares), respectively, of common stock under these repurchase programs.

During the period from **January 1, 2024** **January 1, 2025** through **February 22, 2024** **February 20, 2025**, the Company repurchased **\$200** (2.3 **\$248** (2.2 million shares)

under the \$3.3 billion repurchase program effective from August 1, 2024 to December 31, 2026.

The timing of any repurchases of shares **under the remaining equity repurchase authorization** is dependent **upon on** several factors, including the market price of the Company's securities, the Company's capital position, consideration of the effect of any repurchases on the Company's financial strength or credit ratings, the Company's blackout periods, and other considerations.

As of December 31, 2023, the **The** Company accrued \$12 in excise taxes on share repurchases **as of December 31, 2024 and 2023**, partially reduced by share issuances, which are reported in other liabilities on the Company's Consolidated Balance Sheets.

Preferred Stock

The Company has outstanding 13.8 million depositary shares each representing 1/1000th interest in a share of the Company's 6.0% Series G non-cumulative perpetual preferred stock ("Preferred Stock") with a liquidation preference of \$25,000 per share (equivalent to \$25.00 per depositary share). The

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Preferred Stock is perpetual and has no maturity date.

Dividends are recorded when declared. Dividends are payable, if declared, quarterly in arrears on the 15th day of February, May, August and November of each year. If a dividend is not declared and paid or made payable on all outstanding shares of the Preferred Stock for the latest completed dividend period, no dividends may be paid or declared on The Hartford's common stock and The Hartford may not purchase, redeem, or otherwise acquire its common stock.

The Preferred Stock is redeemable at the Company's option in whole or in part, at a redemption price of \$25,000 per share, plus unpaid dividends attributable to the current dividend period.

Statutory Results

The U.S. domestic insurance subsidiaries of The Hartford prepare their statutory financial statements in conformity with statutory accounting practices prescribed or permitted by the applicable state insurance department, which vary materially from U.S. GAAP. Prescribed statutory accounting practices include publications of the NAIC, as well as state laws, regulations and general administrative rules. The differences between statutory financial statements and financial statements prepared in accordance with U.S. GAAP vary between domestic and foreign jurisdictions. The principal differences are that statutory financial statements do not reflect deferred policy acquisition costs and limit deferred income taxes, recognize a deferred gain on retroactive reinsurance within a special surplus account rather than as other liabilities, predominately use interest rate and mortality assumptions prescribed by the NAIC for life benefit reserves, generally carry investments in bonds at amortized cost, and present insurance assets and liabilities net of reinsurance. For reporting purposes, statutory capital and surplus is referred to collectively as "statutory capital".

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

U.S. Statutory Net Income

	For the years ended December 31,		For the years ended December 31,
	2023	2022	2021
Group Benefits Insurance Subsidiary			
	2024	2023	2022
Employee Benefits Insurance Subsidiary			
Property and Casualty Insurance Subsidiaries			
Total			

U.S. Statutory Capital

	As of December 31,	As of December 31,
	2023	2022
Group Benefits Insurance Subsidiary		
	2024	2023
Employee Benefits Insurance Subsidiary		
Property and Casualty Insurance Subsidiaries		
Total		

Regulatory Capital Requirements

The Company's U.S. insurance companies' states of domicile impose RBC requirements. The requirements provide a means of measuring the minimum amount of statutory capital

appropriate for an insurance company to support its overall business operations based on its size and risk profile. Companies below specific trigger points or ratios are classified within certain levels, each of which requires specified corrective action. All of the Company's operating insurance subsidiaries had RBC ratios in excess of the minimum levels required by the applicable insurance regulations.

Similar to the RBC ratios that are employed by U.S. insurance regulators, regulatory authorities in the international jurisdictions in which the Company operates generally establish minimum solvency requirements for insurance companies. All of the Company's international insurance subsidiaries expect to maintain capital levels in excess of the minimum levels required by the applicable regulatory authorities.

Dividend Restrictions

Dividends to HFSG HIG Holding Company from its insurance subsidiaries are restricted by insurance regulation. The Company's principal insurance subsidiaries are domiciled in the United States and the United Kingdom.

The payment of dividends by Connecticut-domiciled insurers is limited under the insurance holding company laws of Connecticut. These laws require notice to and approval by the state insurance commissioner for the declaration or payment of any dividend, which, together with other dividends or distributions made within the preceding twelve months, exceeds the greater of (i) 10% of the insurer's statutory policyholder surplus as of December 31 of the preceding year or (ii) net income (or net gain from operations, if such company is a life insurance company) for the preceding year, in each case determined under statutory insurance accounting principles. In addition, if any dividend of a Connecticut-domiciled insurer exceeds the insurer's earned surplus, it requires the prior approval of the Connecticut Insurance Commissioner.

Property casualty insurers domiciled in New York, including NIC and Navigators Specialty Insurance Company ("NSIC"), generally may not, without notice to and approval by the state insurance commissioner, pay dividends out of earned surplus in any twelve-month period that exceeds the lesser of (i) 10% of the insurer's statutory policyholders' surplus as of the most recent financial statement on file, or (ii) 100% of its adjusted net investment income, as defined, for the same twelve month period.

Corporate members of Lloyd's Syndicates may pay dividends to its parent to the extent of available profits that have been distributed from the syndicate in excess of the Funds at Lloyd's ("FAL") capital requirement and subject to restrictions imposed under UK Company Law. The FAL is determined based on the syndicate's solvency capital requirement ("SCR") of the syndicate under the Solvency II capital adequacy model, the current regulatory framework governing UK domiciled insurers, plus a Lloyd's specific economic capital assessment. Insurers domiciled in the United Kingdom may pay dividends to its parent out of its statutory profits subject to restrictions imposed under U.K. Company law and Solvency II.

The insurance holding company laws of the other jurisdictions in which The Hartford's insurance subsidiaries are incorporated (or deemed commercially domiciled) generally contain similar (although in certain instances more restrictive) limitations on the

Index to Consolidated Financial Statements and Schedules

Note 15 - Equity

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

payment of dividends. In addition to statutory limitations on paying dividends, the Company also takes other items into consideration when determining dividends from subsidiaries. These considerations include, but are not limited to, expected earnings and capitalization of the subsidiaries, regulatory capital requirements, liquidity requirements and state deposit requirements of the individual operating company.

In 2023, HFSG 2024, HIG Holding Company received \$408 \$608 of dividends from HLA, and \$129 \$136 from Hartford Funds. Funds and \$31 from other non-insurance subsidiaries. In addition, HFSG HIG Holding Company received \$1.5 billion of net dividends from P&C subsidiaries in 2023, 2024, which excludes \$100 \$75 of P&C dividends that were subsequently contributed to P&C subsidiaries and \$50 of P&C dividends related to interest payments on an intercompany note owed by Hartford Holdings, Inc. ("HHI") to Hartford Fire Insurance Company.

The Company's property and casualty insurance subsidiaries have regulatory dividend capacity of \$1.8 billion \$2.0 billion for 2024, 2025. The HFSG

HIG Holding Company expects to receive approximately \$1.5 \$1.7 billion of net dividends after considering state deposit and regulatory capital requirements to support growth in certain entities, dividends that are expected to be subsequently contributed to P&C subsidiaries and dividends related to interest on intercompany notes.

HLA has regulatory dividend capacity of \$609 \$592 in 2024 2025 with approximately \$600 \$590 of dividends expected in 2024, 2025.

There are no current restrictions on HFSG HIG Holding Company's ability to pay dividends to its stockholders.

Restricted Net Assets

As of December 31, 2023 December 31, 2024, the Company's insurance subsidiaries had net assets of \$14.5 \$15.1 billion, determined in accordance with U.S. GAAP, that were restricted from payment to the HFSG HIG Holding Company, without prior regulatory approval.

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

17.16. INCOME TAXES**Income Tax Expense**

The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction, and various state and foreign jurisdictions, as applicable. Income before income taxes included income from domestic operations of \$3,758, \$3,042 \$2,260 and \$2,919 \$2,260 for the years ended December 31, 2023, December 31, 2024, 2022 2023 and 2021, 2022, and income (losses) from foreign operations of \$91, \$46 \$2 and \$(14) \$2 for the years ended December 31, 2023, December 31, 2024, 2022 2023 and 2021, 2022.

Income Tax Expense

	For the years ended December 31,			For the years ended December 31,		
	2023	2022	2021	2024	2023	2022
Income tax expense (benefit)	Income tax expense (benefit)			Income tax expense (benefit)		
Current - U.S. federal						
Foreign						
Total current						
Deferred - U.S. federal						
Foreign						
Total deferred						
Total income tax expense						

Income Tax Rate Reconciliation

	For the years ended December 31,			For the years ended December 31,		
	2023	2022	2021	2024	2023	2022
Tax provision at U.S. federal statutory rate						
Nontaxable net investment income						
Other						
Other						
Other						
Provision for income taxes						

The current income tax receivable of \$12 as of December 31, 2024 is included in other assets in the Consolidated Balance Sheets. The current income tax payable of \$18 and \$56 as of December 31, 2023 and 2022, respectively, is included in other liabilities in the Consolidated Balance Sheets.

Deferred Taxes

Deferred tax assets and liabilities on the consolidated balance sheets represent the tax consequences of differences between the financial reporting and tax basis of assets and liabilities.

The Company predominantly pays non-income state taxes as a percentage of premiums written which are accounted for as policy acquisition costs. State income taxes were \$4, \$3 \$4 and \$4 for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, respectively, and are included in other expenses. The Hartford has not recorded state deferred taxes, including net deferred tax assets from state operating loss carryforwards, because the Company does not expect to earn state taxable income to utilize such state tax benefits.

[Index to Consolidated Financial Statements and Schedules](#)

Note 16 - Income Taxes

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Deferred Tax Assets (Liabilities)

	As of December 31,	
	2023	2022
Deferred tax assets		
Loss reserves and tax discount	\$ 517	\$ 437
Unearned premium reserve and other underwriting related reserves	483	442
Employee benefits	172	167
Net unrealized losses on investments	387	668
Net operating loss carryover	45	37
Other	1	19
Total deferred tax assets	1,605	1,770
Valuation allowance	(12)	(27)
Deferred tax assets, net of valuation allowance	1,593	1,743
Deferred tax liabilities		
Deferred acquisition costs	(163)	(146)
Investment-related items	(110)	(48)
Other depreciable and amortizable assets	(147)	(112)
Total deferred tax liabilities	(420)	(306)
Net deferred tax asset	\$ 1,173	\$ 1,437

As of December 31, 2023, the Company has a deferred tax asset for foreign net operating losses ("NOLs") of \$45 partially offset by a valuation allowance of \$12. While the foreign NOLs do not expire, this assessment reflects uncertainty in the Company's ability to generate sufficient taxable income in the near term in those specific jurisdictions.

	As of December 31,	
	2024	2023
Deferred tax assets		
Loss reserves and tax discount	\$ 550	\$ 517
Unearned premium reserve and other underwriting related reserves	517	483
Employee benefits	181	172
Net unrealized losses on investments	394	387
Net operating loss carryover	41	45
Other	—	1
Total deferred tax assets	1,683	1,605
Valuation allowance	—	(12)
Deferred tax assets, net of valuation allowance	1,683	1,593
Deferred tax liabilities		
Deferred acquisition costs	(183)	(163)
Investment-related items	(167)	(110)
Other depreciable and amortizable assets	(91)	(147)
Other	(13)	—
Total deferred tax liabilities	(454)	(420)
Net deferred tax asset	\$ 1,229	\$ 1,173

Management has assessed the need for a valuation allowance against its deferred tax assets based on tax character and jurisdiction, jurisdiction, and as part of this assessment, the Company reduced the valuation allowance related to the deferred tax asset for foreign net operating losses from \$12 as of December 31, 2023 to \$0 as of December 31, 2024. In making the assessment, management considered future taxable temporary difference reversals, future taxable income exclusive of reversing temporary differences, the ability to hold assets to recovery, and carryovers, taxable income in open carry back years and other tax planning strategies which management views as prudent and feasible.

Uncertain Tax Positions

Rollforward of Unrecognized Tax Benefits

Balance, beginning of period
Balance, beginning of period
Balance, beginning of period
Gross increases - tax positions in current period
Gross increases - tax positions in current period
Gross increases - tax positions in current period
Gross decreases - tax positions in current period
Gross decreases - tax positions in current period
Gross decreases - tax positions in current period
Lapse of statute of limitations
Lapse of statute of limitations
Lapse of statute of limitations
Balance, end of period
Balance, end of period
Balance, end of period

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The entire amount of unrecognized tax benefits, if recognized, would affect the effective tax rate in the period of the release. The Company believes it is reasonably possible approximately \$4 \$14 of its currently unrecognized tax benefits associated with R&D credits claimed on the Company's 2020 tax return may be recognized by the end of 2024 2025 as a result of a lapse in of the applicable statute of limitations. In 2021, the Company recognized \$5 of its previously unrecognized tax benefits associated with dividends from segregated asset accounts of the life and annuity business sold in 2018. This liability was subject to a tax indemnification agreement and a corresponding receivable included in other assets has been taken down upon lapse of the statute of limitations.

Other Tax Matters

On August 16, 2022, the U.S. enacted the Inflation Reduction Act of 2022 ("IRA") which is generally effective for years beginning after December 31, 2022. Notably, the bill created a 15% corporate alternative minimum tax ("CAMT") on corporations with three-year average financial statement income over \$1 billion. The Internal Revenue Service has issued some preliminary guidance and is expected to release more detailed proposed regulations in the coming year. The Company has made certain interpretations and assumptions to comply with the CAMT. While the Company's financial statement income is over

\$1 billion, it is not expected the Company would have a CAMT liability. If CAMT is paid in the future, the amount would be indefinitely available as a credit carryforward that would reduce tax in future years and would be treated as a temporary item reflected within deferred taxes.

The federal income tax audits statute of limitations for the Company have been completed through 2013. The acquired Navigators group is currently under IRS audit for the pre-acquisition 2019 tax period. The statute of limitations is closed through the 2019 2020 tax year with the exception of NOL carryforwards utilized in open tax years and the Navigators pre-acquisition 2019 tax period. Management believes that adequate provision has been made in the Company's Consolidated Financial Statements for any potential adjustments that may result from tax examinations and other tax-related matters for all open tax years.

The Company classifies interest and penalties (if applicable) as income tax expense in the Consolidated Financial Statements. The Company recognized net interest expense expenses of \$1, \$2 and \$1 in for the years ended December 31, 2023 December 31, 2024, 2023 and 2022 and net interest income of \$1 for the year ended December 31, 2021, respectively, 2022. The Company does not believe it would be subject to any penalties in any open tax years and, therefore, has not recorded any accrual for penalties.

18. CHANGES IN AND RECLASSIFICATIONS FROM ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in AOCI, Net of Tax for the Year Ended December 31, 2023

	Changes in						
	Unrealized		Net Gain (Loss) on				
	Net Unrealized Gain	Losses on Fixed	Cash Flow	Foreign Currency	Liability for Future	Pension and Other	AOCI, net of tax
	(Loss) on Fixed Maturities, AFS	Maturities with ACL	Hedging Instruments	Translation Adjustments	Policy Benefits Adjustments	Postretirement Plan Adjustments	
Beginning balance	\$ (2,594)	\$ (7)	\$ 40	\$ 31	\$ 35	\$ (1,346)	\$ (3,841)
OCI before reclassifications	1,275	(5)	(25)	8	(13)	(148)	1,092
Amounts reclassified from AOCI	133	4	1	—	—	27	165
OCI, before tax	1,408	(1)	(24)	8	(13)	(121)	1,257
Income tax benefit (expense)	(296)	—	5	(2)	3	25	(265)
OCI, net of tax	1,112	(1)	(19)	6	(10)	(96)	992
Ending balance	\$ (1,482)	\$ (8)	\$ 21	\$ 37	\$ 25	\$ (1,442)	\$ (2,849)

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

17. CHANGES IN AND RECLASSIFICATIONS FROM ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

Changes in AOCI, Net of Tax for the Year Ended December 31, 2022 December 31, 2024

Changes in													
Net Unrealized Gain (Loss) on Fixed Maturities, AFS	Net Unrealized Gain (Loss) on Fixed Maturities, AFS	Unrealized Losses on Fixed Maturities with ACL	Net Gain (Loss) on Cash Flow Hedging Instruments	Foreign Currency Translation Adjustments	Liability for Future Policy Benefits Adjustments	Pension and Other Postretirement Plan Adjustments	AOCI, net of tax	Net Unrealized Gain (Loss) on Fixed Maturities, AFS	Unrealized Losses on Fixed Maturities with ACL	Net Gain (Loss) on Cash Flow Hedging Instruments	Foreign Currency Translation Adjustments	Liability for Future Policy Benefits Adjustments	Pension and Other Postretirement Plan Adjustments

Beginning balance
OCI before reclassifications
OCI before reclassifications
OCI before reclassifications
Amounts reclassified from AOCI
OCI, before tax
Income tax benefit (expense)
OCI, net of tax
Ending balance

Changes in AOCI, Net of Tax for the Year Ended December 31, 2023

	Changes in						
	Unrealized						
	Net Unrealized Gain	Losses on Fixed	Net Gain (Loss) on	Foreign Currency	Liability for Future	Pension and Other	AOCI, net of tax
	(Loss) on Fixed Maturities, AFS	Maturities, AFS with ACL	Cash Flow Hedging Instruments	Translation Adjustments	Policy Benefits Adjustments	Postretirement Plan Adjustments	
Beginning balance	\$ (2,594)	\$ (7)	\$ 40	\$ 31	\$ 35	\$ (1,346)	\$ (3,841)
OCI before reclassifications	1,275	(5)	(25)	8	(13)	(148)	1,092
Amounts reclassified from AOCI	133	4	1	—	—	27	165
OCI, before tax	1,408	(1)	(24)	8	(13)	(121)	1,257
Income tax benefit (expense)	(296)	—	5	(2)	3	25	(265)
OCI, net of tax	1,112	(1)	(19)	6	(10)	(96)	992
Ending balance	\$ (1,482)	\$ (8)	\$ 21	\$ 37	\$ 25	\$ (1,442)	\$ (2,849)

Changes in AOCI, Net of Tax for the Year ended December 31, 2021 December 31, 2022

	Changes in						
	Unrealized						
	Net Unrealized Gain	Losses on Fixed	Net Gain (Loss) on	Foreign Currency	Liability for Future	Pension and Other	AOCI, net of tax
	(Loss) on Fixed Maturities, AFS	Maturities with ACL	Cash Flow Hedging Instruments	Translation Adjustments	Policy Benefits Adjustments	Postretirement Plan Adjustments	
Beginning balance	\$ 2,834	\$ (2)	\$ 12	\$ 43	\$ —	\$ (1,717)	\$ 1,170
Cumulative effect of accounting changes, net of tax [1]	21	—	—	—	(86)	—	(65)
Adjusted balance, beginning of period	2,855	(2)	12	43	(86)	(1,717)	1,105
OCI before reclassifications	(1,315)	—	28	(3)	33	219	(1,038)
Amounts reclassified from AOCI	(234)	—	(36)	—	—	70	(200)
OCI, before tax	(1,549)	—	(8)	(3)	33	289	(1,238)
Income tax benefit (expense)	325	—	2	1	(6)	(61)	261
OCI, net of tax	(1,224)	—	(6)	(2)	27	228	(977)
Ending balance	\$ 1,631	\$ (2)	\$ 6	\$ 41	\$ (59)	\$ (1,489)	\$ 128

[1] Includes adjustments of \$21 for elimination of shadow reserves and (\$86) for updating discount rate assumptions for future policy benefit reserves. Refer to Note 1 - Basis of Presentation and Significant Accounting Policies.

Changes in

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THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

18. EMPLOYEE BENEFIT PLANS

Investment and Savings Plan

Substantially all U.S. employees of the Company are eligible to participate in The Hartford Investment and Savings Plan under which designated contributions may be invested in a variety of investments, including up to 10% in a fund consisting largely of common stock of The Hartford. The Company's contributions include a non-elective contribution of 2.0% of eligible compensation and a dollar-for-dollar matching contribution of up to 6.0% of eligible compensation contributed by the employee. The Company also maintains a non-qualified savings plan, The Hartford Excess Savings Plan, with the dollar-for-dollar matching contributions related to employee compensation in excess of the amount of eligible compensation that can be contributed under the tax-qualified Investment and Savings

Plan. An employee's eligible compensation includes overtime and bonuses but for the Investment and Savings Plan and Excess Savings Plan combined, is limited to \$1 annually. The total cost to The Hartford for these plans was approximately \$193, \$163 \$142 and \$147 \$142 for the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021 2022, respectively.

Additionally, The Hartford has established defined contribution pension plans for certain employees of the Company's international subsidiaries. The cost to The Hartford for each of the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021 2022 for these plans was \$3.

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Postretirement Benefit Plans

Defined Benefit Pension Plan- The Company maintains The Hartford Retirement Plan for U.S. Employees, a U.S. qualified defined benefit pension plan ("U.S. Pension Plan") that covers substantially all U.S. employees hired prior to January 1, 2013. The Company also maintains non-qualified pension plans to provide retirement benefits previously accrued that are in excess of Internal Revenue Code limitations, as well as a Canadian defined benefit pension plan. Together, the non-qualified and Canadian defined benefit plan are referred to as "Other Pension Plans".

The U.S. Pension Plan includes two benefit formulas, both of which are frozen: a final average pay formula (for which all accruals ceased as of December 31, 2008) and a cash balance formula (for which benefit accruals ceased as of December 31, 2012, although interest will continue to accrue to existing cash balance formula account balances). Employees who were participants as of December 31, 2012 continue to earn vesting credit with respect to their frozen accrued benefits if they continue to work. The interest crediting rate on the cash balance plan is the greater of the average annual yield on 10-year U.S. Treasury Securities published in December of the prior calendar year or 3.3%. The Hartford Excess Pension Plan I and The Hartford Excess Pension Plan II, the Company's non-qualified excess pension benefit plans for certain highly compensated employees, are also frozen.

Group Retiree Health Plan- The Company provides certain health care and life insurance benefits for eligible retired employees. The Company's contribution for health care benefits

under its various benefit plans, the Company is required to make a significant number of assumptions in order to calculate the related liabilities and expenses each period. The two economic assumptions that have the most impact on pension and other postretirement expense under the defined benefit pension plans and group retiree health plan are the discount rate and the expected long-term rate of return on plan assets. The yield curve used to determine the discount rate is based on yields of high-quality fixed income investments grouped by duration, using the above mean average for each duration group. Based on all available market and industry information, it was determined that 5.15%, 5.65% and 5.13%, 5.56% were the appropriate discount rates as of December 31, 2023, December 31, 2024 to calculate the Company's U.S. Pension Plan and other postretirement obligations, respectively.

The expected long-term rate of return considers both current market yields and forecasted investment returns expected to be achieved by the plan's investment strategy over the remaining life of the plan. The Company also considers the plan's funded status, the investment volatility, duration and total returns for various time periods related to the characteristics of the pension obligation, which are influenced by the Company's workforce demographics. For the pension plan, the Company has assumed an allocation of approximately 81% in fixed income securities and 19% in non-fixed income securities (global equities and limited partnerships) in its assumed expected long-term rate of return for the year ended December 31, 2023, whereas the Company anticipated an allocation of 73% in fixed income securities, December 31, 2024 and 27% in non-fixed income securities to derive an expected long-term rate of return for the year ended December 31, 2022, 2023. For the other postretirement plans, the Company has assumed an allocation of 100% in fixed income securities in its assumptions for the year ended December 31, 2023, whereas the Company anticipated an allocation of 75% in fixed income securities, December 31, 2024 and 25% in non-fixed income securities to derive an expected long-term rate of return for the year ended December 31, 2022, 2023. Based upon these analyses, management determined the long-term rate of return assumption to be 5.90% and 4.50% for the Company's U.S. Pension Plan and other postretirement obligations, respectively, for the year ended December 31, 2024 and 6.10% and 4.50% for the Company's U.S. Pension Plan and other postretirement obligations, respectively, for the year

are a function of the retiree's date of retirement and years of service. In addition, the plan has a defined dollar cap for certain retirees which limits average Company contributions. The Hartford has prefunded a portion of the health care obligations where such prefunding can be accomplished on a tax effective basis. Beginning January 1, 2017, for retirees 65 and older who were participating in the Retiree PPO Medical Plan, the Company funds the cost of medical and dental health care benefits through contributions to a Health Reimbursement Account and covered individuals can access a variety of insurance plans from a health care exchange. Effective January 1, 2002, Company-subsidized retiree medical, retiree dental and retiree life insurance benefits were eliminated for employees with original hire dates with the Company on or after January 1, 2002. The Company also amended its postretirement medical, dental and life insurance coverage plans to no longer provide subsidized coverage for employees who retired on or after January 1, 2014.

Assumptions

Pursuant to accounting principles related to the Company's pension and other postretirement obligations to employees

[Index to Consolidated Financial Statements and Schedules](#)

[Note 18 - Employee Benefit Plans](#)

THE HARTFORD INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

ended December 31, 2023 and 5.10% and 4.80% for the Company's U.S. Pension Plan and other postretirement obligations, respectively, for the year ended December 31, 2022. To determine the Company's 2024 2025 expense, the Company has assumed an allocation of 81% in fixed income securities and 19% in non-fixed income securities for the pension plan and an allocation of 100% in fixed income securities for the postretirement plans, contributing to an expected long-term rate of return on plan assets of 5.90% 6.40% and 4.50% 4.80% for the Company's U.S. Pension Plan and other postretirement obligations, respectively.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 19 - Employee Benefit Plans](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Assumptions Used in Calculating the Benefit Obligations and the Net Amount Recognized

For the years ended December 31,

		2023	2022	2021		2024	2023	2022
Weighted Average Assumptions used to determine benefit obligations								
Discount rate:								
Discount rate:								
Discount rate:								
U.S. Pension Plan								
U.S. Pension Plan								
U.S. Pension Plan		5.15 %	5.43 %	2.91 %		5.65 %	5.15 %	5.43 %
Other Pension Plans	Other Pension Plans	5.14 %	5.40 %	2.83 %	Other Pension Plans	5.59 %	5.14 %	5.40 %
Other postretirement benefits	Other postretirement benefits	5.13 %	5.39 %	2.72 %	Other postretirement benefits	5.56 %	5.13 %	5.39 %
					Interest crediting rate on cash balance			
Interest crediting rate on cash balance plan	Interest crediting rate on cash balance plan	4.36 %	3.89 %	3.30 %	plan	4.30 %	4.36 %	3.89 %
Weighted Average Assumptions used to determine net periodic benefit costs:								
Discount rate:								
U.S. Pension Plan								
U.S. Pension Plan								
U.S. Pension Plan		5.43 %	2.91 %	2.66 %		5.15 %	5.43 %	2.91 %
Other Pension Plans	Other Pension Plans	5.40 %	2.83 %	2.52 %	Other Pension Plans	5.13 %	5.40 %	2.83 %
Other postretirement benefits	Other postretirement benefits	5.39 %	2.72 %	2.36 %	Other postretirement benefits	5.13 %	5.39 %	2.72 %
Expected long-term rate of return on plan assets:								
U.S. Pension Plan								
U.S. Pension Plan								
U.S. Pension Plan		6.10 %	5.10 %	5.40 %		5.90 %	6.10 %	5.10 %
Other Pension Plans	Other Pension Plans	4.40 %	3.30 %	2.90 %	Other Pension Plans	4.00 %	4.40 %	3.30 %
Other postretirement benefits	Other postretirement benefits	4.50 %	4.80 %	4.90 %	Other postretirement benefits	4.50 %	4.50 %	4.80 %
Assumed Health Care Cost Trend Rates								
Pre-65 health care cost trend rate								
Pre-65 health care cost trend rate								
Pre-65 health care cost trend rate		8.00 %	7.00 %	7.00 %		6.50 %	8.00 %	7.00 %
Post-65 health care cost trend rate	Post-65 health care cost trend rate			N/A	Post-65 health care cost trend rate			N/A
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50 %	4.50 %	4.50 %	Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.00 %	4.50 %	4.50 %
					Year that the rate reaches the ultimate trend rate			
Year that the rate reaches the ultimate trend rate	Year that the rate reaches the ultimate trend rate	2038	2032		rate	2045	2038	2032

Obligations and Funded Status

The following tables set forth a reconciliation of beginning and ending balances of the benefit obligation and fair value of plan assets, as well as the funded status of the Company's defined benefit pension and postretirement health care and life

insurance benefit plans. Information is presented for the qualified U.S. Pension Plan, Other Pension Plans (including non-qualified plans and the Canadian pension plan) and other postretirement benefits.

[Index to Consolidated Financial Statements and Schedules](#)

[Note 19 18 - Employee Benefit Plans](#)

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Obligations and Funded Status

	U.S. Pension Plan		U.S. Pension Plan		Other Pension Plans		Total Pension Plans		Other Postretirement Benefits	U.S. Pension Plan	Other Pension Plans	Total Pension Plans	Other Postretirement Benefits
For the years ended December 31,													
	2023	2022	2023	2022	2023	2022	2023	2022					
	2024	2023	2024	2023	2024	2023	2024	2023					
Change in Benefit Obligation													
Benefit obligation — beginning of year													
Service cost													
Interest cost													
Plan participants' contributions													
Actuarial loss (gain)													
Changes in assumptions													
Changes in assumptions													
Changes in assumptions													
Benefits paid [1]													
Benefit obligation — end of year [2]													
Benefit obligation — end of year [2]													
Benefit obligation — end of year [2]													
Change in Plan Assets													
Fair value of plan assets — beginning of year													
Actual return on plan assets													
Employer contributions [3]													
Plan participants' contributions [3]													
Benefits paid [1]													
Expenses paid													
Fair value of plan assets — end of year													
Fair value of plan assets — end of year													
Foreign exchange adjustment													
Fair value of plan assets — end of year													
Funded status — end of year													
Amounts Recognized in the Consolidated Balance Sheets													
Other assets													
Other liabilities													

[1] Other postretirement benefits paid represent payments from plan assets for non-key employee postretirement medical benefits, Company assets and plan participants' contributions.

[2] As of December 31, 2023, December 31, 2024 and 2022, 2023, the Accumulated Benefit Obligation is equal to the Projected Benefit Obligation.

[3] Employer and plan participants' contributions for the Other Postretirement Benefits represent funding from Company and plan participant assets.

Changes in assumptions for the U.S. Pension Plan in 2023 2024 primarily included a \$145 decrease in the benefit obligation for pension benefits as a result of an increase in the discount rate from 5.15% as of the December 31, 2023 valuation to 5.65% as of the December 31, 2024 valuation. Changes in assumptions in 2023 included an \$88 increase in the benefit obligation for pension benefits as a result of a decrease in the discount rate from 5.43% as of the December 31, 2022 valuation to 5.15% as of the December 31, 2023 valuation.

Changes in assumptions for the Other Pension Plans in 2022 2024 primarily included a \$997 \$12 decrease in the benefit obligation for pension benefits as a result of an increase in the discount rate from 2.91% 5.14% as of the December 31, 2021 December 31, 2023 valuation to 5.43% 5.59% as of the December 31, 2022 December 31, 2024 valuation.

Changes in assumptions for the Other Pension Plans in 2023 primarily included a \$7 increase in the benefit obligation for pension benefits as a result of a decrease in the discount rate from 5.40% as of the December 31, 2022 valuation to 5.14% as of the December 31, 2023 valuation. Changes in assumptions in 2022 included a \$92 decrease in the benefit obligation for pension benefits as a result of an increase in the discount rate from 2.83% as of the December 31, 2021 valuation to 5.40% as of the December 31, 2022 valuation.

Included in the benefit obligation for the U.S. Pension Plan in the table above, the cash balance plan pension benefit obligation was \$357 332 and \$338 \$357 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively.

The fair value of assets for total pension plans, and hence the funded status, presented in the table above excludes assets of \$198 \$245 and \$170 \$198 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively, held in rabbi trusts and designated for the Other Pension Plans. The Company made no contribution in 2024, but contributed \$3 to the rabbi trusts in 2023. The assets do not qualify as plan assets; however, the assets are available to pay benefits for certain retired, terminated and active participants. Such assets are available to the Company's general creditors in the event of insolvency. The rabbi trusts' assets consist of equity and fixed income investments. To the extent the fair value of these rabbi trusts were included in the table above, total pension plan assets would have been \$3,771 \$3,641 and \$3,694 \$3,771 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively, and the funded status of total pension plans would have been \$168 \$253 and \$204 \$168 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively.

[Index to Consolidated Financial Statements and Schedules](#)
[Note 19 - Employee Benefit Plans](#)

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

The tables below present an aggregate view of net periodic cost (benefit) and components of other comprehensive income and AOCI for pension plans that includes both the U.S. Pension Plan and Other Pension Plans. Net periodic cost (benefit) is recognized in insurance operating costs and other expenses in the Consolidated Statement of Operations.

[Index to Consolidated Financial Statements and Schedules](#)
[Note 18 - Employee Benefit Plans](#)

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Net Periodic Cost (Benefit)												
	Pension Benefits			Other Postretirement Benefits			Pension Benefits			Other Postretirement Benefits		
	For the years ended December 31,											
	2023	2022	2021	2023	2022	2021	2024	2023	2022	2024	2023	2022
Service cost												
Interest cost												
Expected return on plan assets												
Amortization of prior service credit												
Amortization of actuarial loss												
Net periodic cost (benefit)												
Net periodic cost (benefit)												
Net periodic cost (benefit)												

Amounts Recognized in Other Comprehensive Income (Loss)												
	Pension Benefits			Other Postretirement Benefits			Pension Benefits			Other Postretirement Benefits		
	For the years ended December 31,											
	2023	2022	2021	2023	2022	2021	2024	2023	2022	2024	2023	2022
Amortization of actuarial loss												
Amortization of prior service credit												
Amortization of prior service credit												
Amortization of prior service credit												
Net actuarial gain (loss)												
Prior service cost (credit)												

Amounts in Accumulated Other Comprehensive Income (Loss), Before Tax, not yet Recognized as Components of Net Periodic Benefit Cost												
	Pension Benefits			Other Postretirement Benefits			Pension Benefits			Other Postretirement Benefits		
	As of December 31,											
	2023	2022	2021	2023	2022	2021	2024	2023	2022	2024	2023	2022
Net loss												
Prior service credit												
Total												

Actuarial net losses in AOCI that exceed 10% of the greater of the benefit obligation or the market-related value of plan assets are amortized to expense over the average future life expectancy of plan participants.

Pension Plan Assets

Investment Strategy and Target Allocation

The overall investment strategy of the U.S. Pension Plan is to produce total investment returns that provide sufficient funding for present and anticipated future benefit obligations within the constraints of a prudent level of portfolio risk and diversification. With respect to asset management, the oversight responsibility of the U.S. Pension Plan rests with The Hartford's Pension Investment Committee composed of individuals whose responsibilities include establishing overall objectives and the

guidelines are being followed. The Pension Investment Committee has adopted a de-risking glide path that reduces the target allocation to equity securities and limited partnerships and increases the allocation to fixed income securities over time in response to improvement in the funded status of the U.S. Pension Plan. The Company believes that the asset allocation decision will be the single most important factor determining the long-term performance of the U.S. Pension Plan.

Target Asset Allocation Ranges

	Pension Plans		Other Postretirement Plans	
	Minimum	Maximum	Minimum	Maximum
Equity securities	— %	20 %	— %	— %
Fixed income securities	75 %	95 %	100 %	100 %
Limited partnerships	— %	25 %	— %	— %

Divergent market performance among different asset classes and changes in the context of the glide path may, from time to

setting of investment policy; selecting appropriate investment options and ranges; selecting qualified service providers such as investment managers and investment consultants; reviewing the asset allocation mix and asset allocation targets on a regular basis; and monitoring performance to determine whether or not the rate of return objectives are being met and that policy and

Index to Consolidated Financial Statements and Schedules

Note 19 18 - Employee Benefit Plans

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Target Asset Allocation Ranges

	Pension Plans		Other Postretirement Plans	
	Minimum	Maximum	Minimum	Maximum
Equity securities	— %	20 %	— %	— %
Fixed income securities	75 %	95 %	100 %	100 %
Limited partnerships	— %	25 %	— %	— %

Divergent market performance among different asset classes and changes in the context of the glide path may, from time to time, cause the asset allocation to deviate from the desired asset allocation ranges. The asset allocation mix is reviewed on a periodic basis. If it is determined that an asset allocation mix rebalancing is required, future portfolio additions and

income securities and equities, private fixed income securities, commercial mortgage loans and limited partnerships. Investment portfolios are primarily managed by affiliated managers.

In addition, the Company uses U.S. Treasury bond futures contracts and U.S. Treasury STRIPS, in addition to certain other investments, in a duration overlay program to adjust the duration of U.S. Pension Plan assets to better match the duration of the benefit obligation.

withdrawals will be used first, as necessary, to bring the allocation within tactical ranges, before shifting assets across portfolios.

The U.S. Pension Plan invests in multiple asset classes reflecting the current needs, investment preferences, risk tolerances and the desired degree of diversification of the U.S. Pension Plan. These asset classes include publicly traded fixed

Pension Plan Assets at Fair Value

As of December 31, 2023										As of December 31, 2022									
As of December 31, 2024										As of December 31, 2023									
Asset Category	Asset Category	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Asset Category	Level 1	Level 2	Level 3	Total	Asset Category	Level 1	Level 2	Level 3	Total
Short-term investments:																			
Fixed Income Securities:																			
Corporate																			
Corporate																			
Corporate																			
RMBS																			
U.S. Treasuries																			
Foreign government																			
CMBS																			
Other fixed income [1]																			
Mortgage Loans																			
Equity Securities:																			
Domestic																			
Domestic																			
Domestic																			
International																			
Total pension plan assets at fair value, in the fair value hierarchy [2]																			
Other Investments, at net asset value [3]:																			
Limited partnerships																			
Limited partnerships																			
Limited partnerships																			
Total pension plan assets at fair value																			
Total pension plan assets at fair value																			
Total pension plan assets at fair value																			

[1]Includes ABS, municipal bonds and CLOs.

[2]Excludes \$46 \$49 and \$46 as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively, of investment receivables net of investment payables that are excluded from this disclosure requirement because they are trade receivables in the ordinary course of business where the carrying amount approximates fair value.

[3]Investments that are measured at net asset value per share or an equivalent and have not been classified in the fair value hierarchy.

The tables below provide fair value level 3 roll forwards for the U.S. Pension Plan Assets for which significant unobservable inputs ("Level 3") are used in the fair value measurement on a recurring basis. The U.S. Pension Plan classifies the fair value of financial instruments within Level 3 if there are no observable markets for the instruments or, in the absence of active markets,

if one or more of the significant inputs used to determine fair value are based on the U.S. Pension Plan's own assumptions. Therefore, the gains and losses in the tables below include changes in fair value due to both observable and unobservable factors.

[Index to Consolidated Financial Statements and Schedules](#)

Note 19 18 - Employee Benefit Plans

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Pension Plan Asset Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Pension Plan Asset Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Pension Plan Asset Fair Value Measurements Using Significant Unobservable Inputs (Level 3)

Assets	Assets Corporate	Foreign government	Mortgage loans	Other [1]	Totals	Assets Corporate	Foreign government	Mortgage loans	Other [1]	Totals
Fair Value as of January 1, 2024										
Realized gains, net										

Changes in unrealized gains (losses), net
Purchases
Sales
Sales
Sales
Transfers into Level 3 [2]
Transfers out of Level 3 [2]
Fair Value as of December 31, 2024
Fair Value as of January 1, 2023
Fair Value as of January 1, 2023
Fair Value as of January 1, 2023
Realized gains (losses), net
Changes in unrealized gains (losses), net
Purchases
Settlements
Sales
Sales
Sales
Transfers into Level 3 [2]
Transfers out of Level 3 [2]
Fair Value as of December 31, 2023
Fair Value as of January 1, 2022
Fair Value as of January 1, 2022
Fair Value as of January 1, 2022
Realized gains, net
Changes in unrealized gains (losses), net
Purchases
Settlements
Sales
Transfers into Level 3 [2]
Transfers out of Level 3 [2]
Fair Value as of December 31, 2022

[1]"Other" includes CMBS.

[2]Transfers into and/or (out of) Level 3 are primarily attributable to the availability of market observable information and the re-evaluation of the observability of pricing.

There was less than \$1 in Company common stock included in the U.S. Pension Plan's assets as of December 31, 2023 December 31, 2024 and 2022 2023 as part of a passive indexing strategy.

Other Postretirement Plan Assets at Fair Value

As of December 31, 2023										As of December 31, 2022									
As of December 31, 2024										As of December 31, 2023									
Asset Category	Asset Category	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Asset Category	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Short-term investments																			
Fixed Income Securities:																			
RMBS																			
RMBS																			
U.S. Treasuries																			
RMBS																			
U.S. Treasuries																			
U.S. Treasuries																			
Total other postretirement plan assets at fair value																			
Total other postretirement plan assets at fair value																			

Total other postretirement plan assets at fair value

There was no Company common stock included in the other postretirement benefit plan assets as of December 31, 2023 December 31, 2024 and 2022, 2023.

Concentration of Risk

In order to minimize risk, the Pension Plan maintains a listing of permissible and prohibited investments. In addition, the Pension Plan has certain concentration limits and investment quality requirements imposed on permissible investment options. Permissible investments include U.S. equity, international equity, limited partnership and fixed income investments including derivative instruments. Permissible derivative instruments include futures contracts, options, swaps, currency forwards,

Securities specifically prohibited from purchase include, but are not limited to: shares or fixed income instruments issued by The Hartford (other than equity securities purchased on the open market as part of a passively managed strategy), short sales of any type within long-only portfolios, non-derivative securities involving the use of margin, leveraged floaters and inverse floaters, including money market obligations, natural resource real properties such as oil, gas or timber and precious metals.

Other than U.S. government and certain U.S. government agencies backed by the full faith and credit of the U.S. government, the Pension Plan does not have any material exposure to any concentration risk of a single issuer.

caps or floors and may be used to control risk or enhance return but will not be used for leverage purposes.

Index to Consolidated Financial Statements and Schedules

Note 19 18 - Employee Benefit Plans

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

government, the Pension Plan does not have any material exposure to any concentration risk of a single issuer.

Expected Employer Contributions

The Company does not have a 2024 2025 required minimum funding contribution for the U.S. qualified defined benefit pension plan. The Company has not determined whether, and to what extent, contributions may be made to the U.S. qualified defined benefit pension plan in 2024, 2025. The Company will monitor the funded status of the U.S. qualified defined benefit pension plan during 2024 2025 to make this determination.

Benefit Payments

Amounts of Benefits Expected to be Paid over the next Ten Years from Pension and other Postretirement Plans as of December 31, 2023 December 31, 2024

	Pension Benefits	Pension Benefits	Other Postretirement Benefits	Pension Benefits	Other Postretirement Benefits
2024					
2025					
2026					
2027					
2028					
2029 - 2033					
2029					
2030 - 2034					
Total					

20.19. STOCK COMPENSATION PLANS

The Company's stock-based compensation plans are described below. Shares issued in satisfaction of stock-based compensation may be made available from authorized but unissued shares, shares held by the Company in treasury or from shares purchased in the open market. In 2024, 2023, 2022 and 2021, 2022, the Company issued shares from treasury in satisfaction of stock-based compensation.

The Hartford measures stock compensation at the grant date based on the estimated fair value of the award and recognizes expense on a straight-line basis, net of estimated forfeitures, over the requisite service period. Stock-based compensation expense, included in insurance operating costs and other expenses in the consolidated statement of operations, was as follows:

Stock-Based Compensation Expense			
For the years ended			
December 31,			
	2023	2022	2021
	2024	2023	2022
Stock-based compensation plans expense			
Income tax benefit			
Excess tax benefit on awards vested, exercised and expired			
Total stock-based compensation plans expense, net of tax			

The Company did not capitalize any cost of stock-based compensation. As of December 31, 2023, December 31, 2024, the total compensation cost related to non-vested awards not yet recognized was \$64, \$75, which is expected to be recognized over a weighted average period of 2 years.

Stock Plan

Future stock-based awards may be granted under The Hartford's 2020 Stock Incentive Plan (the "Stock Incentive Plan") other than the Subsidiary Stock Plan and the Employee

Stock Purchase Plan described below. The Stock Incentive Plan provides for awards to be granted in the form of non-qualified or incentive stock options qualifying under Section 422 of the Internal Revenue Code, stock appreciation rights, performance shares, restricted stock or restricted stock units, or any other form of stock-based award. The maximum number of shares, subject to adjustments set forth in the 2020 Stock Plan, that may be issued to Company employees and third-party service providers during the 10-year duration of the Stock Incentive Plan is the sum of 11,250,000 shares, any shares forfeited subsequent to February 29, 2020, plus any shares used for tax withholding purposes. If any award under an earlier incentive stock plan is forfeited, terminated, surrendered, exchanged, expires unexercised, or is settled in cash in lieu of stock (including to effect tax withholding) or for the net issuance of a lesser number of shares than the number subject to the award, the shares of stock subject to such award (or the relevant portion thereof) shall be available for awards under the Stock Incentive Plan and such shares shall be added to the maximum limit. As of December 31, 2023, December 31, 2024, there were 6,884,152, 6,253,061 shares available for future issuance.

The fair values of awards granted under the Stock Incentive Plan are measured as of the grant date and expensed ratably over the awards' vesting periods, generally three years. For stock awards to retirement-eligible employees, the Company recognizes the expense over a period shorter than the stated vesting period because the employees receive accelerated vesting upon retirement and, therefore, the vesting period is considered non-substantive.

Index to Consolidated Financial Statements and Schedules

Note 19 - Stock Compensation Plans

THE HARTFORD INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Stock Option Awards

Under the Stock Incentive Plan, options granted have an exercise price at least equal to the closing stock price on the New York Stock Exchange for the Company's common stock on the date of grant, and an option's maximum term is not to exceed 10 years. Options generally become exercisable over a

THE HARTFORD FINANCIAL SERVICES GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

period of three years commencing one year from the date of grant.

The Company uses a hybrid lattice/Monte-Carlo based option valuation model (the "Plan Valuation Model") that incorporates the possibility of early exercise of options into the valuation. The Plan Valuation Model also incorporates the Company's historical termination and exercise experience to determine the option value.

The Plan Valuation Model incorporates ranges of assumptions for inputs, and those ranges are disclosed below. The term structure of volatility is generally constructed utilizing implied volatilities from exchange-traded options, historical volatility of

the Company's stock and other factors. The Company uses historical data to estimate option exercise and employee termination within the Plan Valuation Model, and accommodates variations in employee preference and risk-tolerance by segregating the grantee pool into a series of behavioral cohorts and conducting a fair valuation for each cohort individually. The expected term of options granted is derived from the output of the option Plan Valuation Model and represents, in a mathematical sense, the period of time that options are expected to be outstanding. The risk-free rate for periods within the contractual life of the option is based on the U.S. Constant Maturity Treasury yield curve in effect at the time of grant.

Stock Options Valuation Assumptions

		For the years ended December 31,				For the years ended December 31,		
		2023	2022	2021		2024	2023	2022
Expected dividend yield	Expected dividend yield	2.0%	2.3%	2.8%	Expected dividend yield	1.8%	2.0%	2.3%
Expected annualized spot volatility	Expected annualized spot volatility	24.5 % - 26.0%	28.3 % - 29.6%	34.1 % - 43.0%	Expected annualized spot volatility	19.2 % - 22.7%	24.5 % - 26.0%	28.3 % - 29.6%
Weighted average annualized volatility	Weighted average annualized volatility	25.4%	28.8%	39.4%	Weighted average annualized volatility	21.7%	25.4%	28.8%
Risk-free spot rate	Risk-free spot rate	3.8 % - 5.1%	(0.04)% - 2.0%	0.03 % - 1.4%	Risk-free spot rate	4.3 % - 5.5%	3.8 % - 5.1%	(0.04)% - 2.0%
Expected term	Expected term	6.7 years	6.4 years		Expected term	7.4 years	6.7 years	6.4 years

Non-qualified Stock Option Activity Under the Stock Incentive Plan

Number of Options (in thousands)	Weighted Average
Outstanding at beginning of year	
Granted	
Exercised	
Forfeited	
Expired	
Outstanding at end of year	
Outstanding, fully vested and expected to vest	
Exercisable at end of year	

Aggregate intrinsic value represents the value of the Company's closing stock price on the last trading day of the period in excess of the exercise price multiplied by the number of options outstanding or exercisable. The aggregate intrinsic value excludes the effect of stock options that have a zero or negative intrinsic value. The weighted average grant-date fair value per share of options granted during the years ended December 31, 2023, December 31, 2024, 2023, and 2022 was \$25.77, \$21.09 and 2021 was \$21.09, \$16.56, and \$14.88, respectively. For the years ended December 31, 2024, 2023, 2022, and 2021 2022, The Hartford received \$92, \$47, \$26, and \$45, \$26, respectively, in cash from exercised stock options. The Hartford recognized tax benefits of \$3, \$4, \$3, and \$4 \$3 on stock options exercised for the years ended December 31, 2024, 2023, 2022, and 2021 2022, respectively. The total intrinsic value of options exercised during the years ended De

Share Awards

Share awards granted under the Stock Incentive Plan and outstanding include restricted stock units and performance shares. Performance shares become payable within a range of 0% to 200% of the number of shares initially granted based upon the attainment of specific performance goals achieved at the end of a performance period of three years and, for years. For the 2021 grant year is only, the grant was subject to a modifier that will either increase or decrease increased final performance by 10% based upon results against predetermined year-end 2023 representation goals for women and people of color in executive level roles.

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Performance share awards that are not dependent on market conditions are valued equal to the closing stock price on the New York Stock Exchange for the Company's common stock on the date of grant. Stock compensation expense for these performance share awards without market conditions is based on a current estimate of the number of awards expected to vest based on the performance level achieved and, therefore, may change during the performance period as new estimates of performance are available.

Other performance share awards or portions thereof have a market condition based upon the Company's total stockholder return relative to a pre-determined peer group of companies and interest rate movements.

		Assumptions for Total Stockholder Return Performance			
		For the years ended December 31,			
		2023	2022	2021	
Volatility of common stock	Volatility of common stock	33.0%	35.9%	37.3%	Volatility of common stock
Average volatility of peer companies	Average volatility of peer companies	26.0 % - 41.0%	27.0 % - 46.0%	27.0 % - 49.0%	Average volatility of peer companies
Average correlation coefficient of peer companies	Average correlation coefficient of peer companies	52.0%	68.0%	67.0%	Average correlation coefficient of peer companies
Risk-free spot rate	Risk-free spot rate	4.4%	1.8%	0.2%	Risk-free spot rate
Term	Term		3.0 years		Term

Total Share Awards

Non-vested Share Award Activity Under the Stock Incentive Plan					
	Restricted Stock Units		Restricted Stock Units		Performance Shares
	Number of Shares (in thousands)	Number of Shares (in thousands)	Weighted-Average Grant-Date Fair Value	Number of Shares (in thousands)	Weighted-Average Grant date Fair Value
Non-vested shares	Non-vested shares	For the year ended December 31, 2023		Non-vested shares	
Non-vested at beginning of year					
Granted					
Performance based adjustment, net					
Vested					
Forfeited					
Non-vested at end of year					

In addition to the non-vested shares presented in the above table, there are related non-vested dividend equivalent shares. The number of non-vested dividend equivalent shares related to restricted stock units was 155 107 thousand and 182 155 thousand as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively, and the number of non-vested dividend equivalent shares related to performance shares was 18 14 thousand and 25 18 thousand as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively. The dividend equivalent shares are subject to the same vesting terms as the restricted stock units and performance shares.

The weighted average grant-date fair value per share of restricted stock units granted during the years ended December 31, 2023 December 31, 2024, 2023, and 2022 was \$96.34, \$77.72 and 2021 was \$77.72, \$69.32, and \$52.13, respectively. The weighted average grant-date fair value per share of performance shares granted during the years ended December 31, 2023 December 31, 2024, 2023, and 2022 was \$103.08, \$85.69 and 2021 was \$85.69, \$71.54, and \$56.09, respectively.

The total fair value of shares was \$154, \$134, and \$105 settlement of stock compensation

Subsidiary Stock

The Hartford has a subsidiary stock as compensation. The December 31, 2023 December 31, 2024, 2023, and 2022 was \$103.08, \$85.69 and 2021 was \$85.69, \$71.54, and \$56.09, respectively.



THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

as equity because it is not mandatorily redeemable. For the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, the Company repurchased \$10, \$11 \$10 and \$16, \$10, respectively, in subsidiary stock.

shares of stock through paid-in stock to eligible employees for future issuance. During the 194,504 shares, and 199,000 and 2021, 2022, The Hartford

Employee Stock Purchase Plan

The Company sponsors The Hartford Employee Stock Purchase Plan ("ESPP"). Under this plan, eligible employees of The Hartford purchase common stock of the Company at a discount rate of 5% of the market price per share on the last trading day of the offering period. Accordingly, the plan is a non-compensatory plan. Employees purchase a variable number of

21.20. LEASES

The Hartford has operating leases for real estate and equipment. The right-of-use asset as of December 31, 2023 December 31, 2024 and 2022 2023 was \$141 \$140 and \$135, \$141, respectively, and is included in property and equipment, net, in the Consolidated Balance Sheets. The lease liability as of December 31, 2023 December 31, 2024 and 2022 2023 was \$144 \$145 and \$136, \$144, respectively, and is included in other liabilities in the Consolidated Balance Sheets. Variable lease costs include changes in interest rates on variable rate leases primarily for automobiles. During the years ended December 31, 2023 December 31, 2024, 2022 2023 and 2021, 2022, variable lease costs of \$0, \$6 \$0 and \$4, \$6, respectively, were reported in restructuring and other costs for lease terminations under Hartford Next (see Note 23 21 - Restructuring and Other Costs for more information), and were excluded from components of lease expense.

Components of Lease Expense

	For the years ended December 31,		For the years ended December 31,	For the years ended December 31,
	2023	2022	2021	
	2024	2023	2022	
Operating lease cost				
Variable lease cost				
Variable lease cost				
Short-term lease cost				
Variable lease cost				
Sublease income				
Total lease costs included in insurance operating costs and other expenses				

Supplemental Operating Lease Information

				For the years ended December 31,			For the years ended December 31,
For the years ended December 31,							
				2023	2022	2021	
				2024	2023	2022	
Operating cash flows for operating leases (for the twelve months ended)							
Right-of-use asset obtained in exchange for new operating lease liabilities							
Weighted-average remaining lease term in years for operating leases	Weighted-average remaining lease term in years for operating leases	7 years	6 years	Weighted-average remaining lease term in years for operating leases			6 years
				6	7	6	
Weighted-average discount rate for operating leases	Weighted-average discount rate for operating leases	4.0 %	3.0 %	Weighted-average discount rate for operating leases			4.3 %
				4.0 %	3.0 %		

Maturities of Operating Lease Liabilities as of December 31, 2023

2024

2025

2026

2027

2028

2029

Thereafter

Total lease payments

Less: Discount on lease payments to present value

Total lease liability

THE HARTFORD FINANCIAL SERVICES **INSURANCE** GROUP, IN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continue

22. BUSINESS DISPOSITIONS

Sale of Continental Europe Operations

On December 29, 2021, the Company completed the sale of its Continental Europe Operations for approximately \$11, net of transaction costs. The complete sale of the Continental Europe Operations consists of multiple arrangements designed as a single transaction. The Continental Europe Operations are included in the Commercial Lines segment. Revenues and earnings are not material to the Company's consolidated results of operations for the year ended December 31, 2021.

The sale resulted in a loss of approximately \$21, before tax, for the year ended December 31, 2021, which was recorded within net realized gains (losses) in the Consolidated Statements of Operations. The Company also recorded a related income tax benefit on the sale of \$5 for after tax losses of \$16 for the year ended December 31, 2021.

Total consideration less costs to sell of \$11 is subject to change based on how the ultimate amounts required to settle claims on 2020 and prior accident years, as determined at the end of 2024, compare with recorded reserves as currently estimated. The contingent consideration has been estimated at its fair value of \$0 and could result in an increase or decrease in consideration depending on how ultimate losses develop. Any change in the estimated fair value of contingent consideration in a future period would increase or decrease the estimated loss on sale in that period.

Major Classes of Assets

Assets
Investments and cash
Reinsurance recoverables
Total assets held for sale
Liabilities
Unpaid losses and loss adjustment expenses
Unearned premiums
Other liabilities
Total liabilities held for sale

23.21. RESTRUCTURING AND OTHER COSTS

In recognition of the need to become more cost efficient and competitive along with enhancing the experience we provide to agents and customers, on July 30, 2020 the Company announced an operational transformation and cost reduction plan it refers to as Hartford Next. Hartford Next is intended to reduce annual insurance operating costs and other expenses through reduction of the Company's headcount, investment in information technology ("IT") to further enhance our capabilities, and other activities. The activities have been substantially completed as of December 31, 2023.

Termination benefits related to workforce reductions and professional fees are included within restructuring and other costs in the Consolidated Statement of Operations and unpaid restructuring costs are included in other liabilities in the Company's Consolidated Balance Sheets. For the years ended December 31, 2023, December 31, 2023 and December 31, 2022, the severance

benefits accrual was reduced by approximately \$126, \$127, and \$128, respectively. Subsequent to December 31, 2023, the Company may incur additional costs for the amortization of right of use assets, which are expected to be immaterial. Total restructuring and other costs for approximately \$126, \$127,

Restructuring and Other Costs, Before Tax			
	Incurring in the Year Ended December 31, 2022	Incurring in the Year Ended December 31, 2023	Incurring in the Year Ended December 31, 2024
Severance benefits	\$ (7)	\$ (6)	\$ (6)
IT costs	8	5	5
Professional fees and other expenses	12	7	7
Total restructuring and other costs, before tax	\$ 13	\$ 6	\$ 6
Accrued Restructuring and Other Costs			
	Severance Benefits and Related Costs		
Balance, beginning of period	\$ -		
Incurring			
Payments			
Balance, end of period	\$ -		
Accrued Restructuring and Other Costs			
	Severance Benefits and Related Costs		
Balance, beginning of period	\$ -		
Incurring			
Payments			
Balance, end of period	\$ -		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

Restructuring and Other Costs, Before Tax

	Incurring in the Year Ended December 31, 2021	Incurring in the Year Ended December 31, 2022	Incurring in the Year Ended December 31, 2023
Severance benefits	\$ (25)	\$ (7)	\$ (7)
IT costs	9	8	8
Professional fees and other expenses	17	12	12
Total restructuring and other costs, before tax	\$ 1	\$ 13	\$ 13

Accrued Restructuring and Other Costs

	Severance Benefits and Related Costs
Balance, beginning of period	\$
Incurring	
Payments	
Balance, end of period	\$

Accrued Restructuring and Other Costs

	Severance Benefits and Related Costs
Balance, beginning of period	\$
Incurring	
Payments	
Balance, end of period	\$

24. QUARTERLY RESULTS (UNAUDITED) 22. SUBSEQUENT EVENTS

On January 1, 2023 Losses from California Wildfires

Impacted prior periods have been restated in accordance with Significant Accounting Policies.

Beginning January 7, 2025, a series of destructive wildfires affected the Company adopted Los Angeles County area in California. Based on claims reported and other available information, the FASB's long-duration targeted improvements ("LDTI") guidance, which was applied on Company's preliminary loss estimate from these wildfires for the first quarter of 2025, including potential assessments from the California FAIR Plan, is a modified retrospective basis as range of January 1, 2021. \$300 to \$350, net of reinsurance and before tax. The estimate is subject to variability due to the timing of reported claims, the extent of damage to personal and commercial property and automobiles, uncertainty of the availability for recoveries, including potential subrogation, and other factors that may not yet be known to the Company. Given these uncertainties, the wildfire losses may deviate from our estimate.

Current and Historical Quarterly Results of the Company

	March 31,	
	2023	2022
Revenues	\$ 5,910	\$ 5,393
Benefits, losses and expenses	\$ 5,257	\$ 4,852
Net income	\$ 535	\$ 443
Less: Preferred stock dividends	5	5
Net income available to common stockholders	\$ 530	\$ 438
<i>Net income available to common stockholders per common share</i>		
Basic	\$ 1.69	\$ 1.32
Diluted	\$ 1.66	\$ 1.30

THE HARTFORD FINANCIAL SERVICES **INSURANCE GROUP**
SCHEDULE I
SUMMARY OF INVESTMENTS — OTHER THAN INVESTMENTS
(in millions)

		As of December 31, 2023		
Type of Investment	Type of Investment	Cost	Fair Value	Amount at which shown on Balance Sheet
Fixed Maturities				
Bonds and notes				
Bonds and notes				
Bonds and notes				
U.S. government and government agencies and authorities (guaranteed and sponsored)				
U.S. government and government agencies and authorities (guaranteed and sponsored)				
U.S. government and government agencies and authorities (guaranteed and sponsored)				
States, municipalities and political subdivisions				
Foreign governments				
Public utilities				
All other corporate bonds				
All other mortgage-backed and asset-backed securities				
Total fixed maturities, available-for-sale				
Fixed maturities, at fair value using fair value option				
Equity Securities [1]				
Equity Securities [1]				
Equity Securities [1]				
Common stocks				
Common stocks				
Common stocks				
Industrial, miscellaneous and all other				
Industrial, miscellaneous and all other				
Industrial, miscellaneous and all other				
Non-redeemable preferred stocks				
Total equity securities [1]				
Mortgage loans [2]				
Other investments				
Short-term investments				
Limited partnerships and other alternative investments [3]				
Total investments				

[1]Cost of equity securities represents original cost.

[2]Cost of mortgage loans excludes the allowance for credit losses ("ACL") of \$51. **\$44**. For further information, refer to Schedule V - Valuation and Qualifying Accounts.

[3]Cost of limited partnerships and other alternative investments is presented as the carrying value, which is primarily accounted for under the equity method.

SCHEDULE II

CONDENSED FINANCIAL INFORMATION OF THE HARTFORD FINANCIAL SER

(Registrant)

(in millions)

Condensed Balance Sheets

Condensed Balance Sheets

Assets

Assets

Fixed maturities, available-for-sale, at fair value (amortized cost of \$29 and \$126)

Fixed maturities, available-for-sale, at fair value (amortized cost of \$24 and \$29)

Short-term investments

Short-term investments

Short-term investments

Cash

Investment in affiliates

Deferred income taxes

Unamortized issue costs

Investment income due and accrued

Other assets

Total assets

Liabilities

Liabilities

Net payable to affiliates

Long-term debt

Long-term debt

Long-term debt

Other liabilities

Total liabilities

Stockholders' Equity

Preferred stock

Preferred stock

Preferred stock

Common stock

Additional paid-in capital

Retained Earnings

Treasury Stock

Accumulated other comprehensive income (loss), net of tax

Total stockholders' equity

Total liabilities and stockholders' equity

The condensed financial statements should be read in conjunction with the consolidated financial staten

Part IV - Schedule II. Condensed Financial Information of the Hartford Financial Services Insurance Group, Inc.

SCHEDULE II

CONDENSED FINANCIAL INFORMATION OF THE HARTFORD FINANCIAL SERVICES

(Registrant)

(in millions)

For the year

December

Condensed Statements of Operations and Comprehensive Income (Loss)	Condensed Statements of Operations and Comprehensive Income (Loss)	2023	2022
Net investment income			
Net realized gains (losses)			
Net realized gains			
Total revenues			
Interest expense			
Loss on extinguishment of debt			
Other expense (income)			
Other expense (income)			
Other expense (income)			
Total expenses			
Loss before income taxes and earnings of subsidiaries			
Income tax benefit			
Loss before earnings of subsidiaries			
Earnings of subsidiaries			
Net income			
Other comprehensive income (loss) - parent company:			
Change in net gain or loss on cash-flow hedging instruments			
Change in net gain or loss on cash-flow hedging instruments			
Change in net gain or loss on cash-flow hedging instruments			
Change in net unrealized gain or loss on fixed maturities			
Change in pension and other postretirement plan adjustments			
Other comprehensive income (loss), net of taxes before other comprehensive income of subsidiaries			
Other comprehensive income (loss) of subsidiaries			
Total other comprehensive income (loss)			
Total comprehensive income (loss)			

The condensed financial statements should be read in conjunction with the consolidated financial statements.

Part IV - Schedule II. Condensed Financial Information of the Hartford Financial Services Insurance Group, Inc.

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP, INC.
SCHEDULE II
CONDENSED FINANCIAL INFORMATION OF THE HARTFORD FINANCIAL SERVICES GROUP, INC.
 (Registrant)
 (in millions)

Condensed Statements of Cash Flows	Condensed Statements of Cash Flows	For the year ended 2023
Operating Activities	Operating Activities	
Net income		
Loss on extinguishment of debt		
Dividends received from subsidiaries		
Equity in net income of subsidiaries		
Net realized losses (gains)		
Net realized gains		
Change in operating assets and liabilities		
Cash provided by operating activities		

Investing Activities

Net proceeds from (payments for) short-term investments

Proceeds from the sale/maturity/prepayment of:

Fixed maturities, available-for-sale

Fixed maturities, available-for-sale

Fixed maturities, available-for-sale

Payments for the purchase of:

Payments for the purchase of:

Payments for the purchase of:

Fixed maturities, available-for-sale

Fixed maturities, available-for-sale

Fixed maturities, available-for-sale

Equity securities, at fair value

Equity securities, at fair value

Equity securities, at fair value

Net payments for derivatives

Capital returned from (contributions to) subsidiaries

Capital returned from (contributions to) subsidiaries

Capital returned from (contributions to) subsidiaries

Cash provided by investing activities

Financing Activities

Proceeds from issuance of debt

Repayments of debt

Repayments of debt

Repayments of debt

Treasury stock acquired

Treasury stock acquired

Treasury stock acquired

Net issuance (return of) shares under incentive and stock compensation plans

Treasury stock acquired, including related excise tax paid

Treasury stock acquired, including related excise tax paid

Treasury stock acquired, including related excise tax paid

Net issuance (return of) shares under incentive and stock compensation plans, including related excise tax benefit

Dividends paid on common shares

Dividends paid on preferred shares

Cash used for financing activities

Net increase (decrease) in cash

Cash — beginning of period

Cash — end of period

Supplemental Disclosure of Cash Flow Information

Interest Paid

Investing Activities

Financing Activities

Supplemental Disclosure of Cash Flow Information

The condensed financial statements should be read in conjunction with the consolidated financial statements.

Part IV - Schedule III. Supplementary Insurance Information

THE HARTFORD FINANCIAL SERVICES INSURANCE GROUP

SCHEDULE III

SUPPLEMENTARY INSURANCE INFORMATION

(in millions)

Segment	Deferred Policy Acquisition Costs	Unpaid Losses and Loss Adjustment Expenses	Reserve for Future Policy Benefits	Unearned Premiums	Other Policyhold
Segment/Category				Deferred Policy Acquisition Costs	Unpaid Los Adjustmen
As of December 31, 2024					
Business Insurance				\$ 1,093	\$
Personal Insurance				113	
Property & Casualty Other Operations				—	
Employee Benefits				33	
Hartford Funds				—	
Total Reportable Segments				1,239	
Corporate				—	
Consolidated				\$ 1,239	\$
As of December 31, 2023					
Commercial Lines	Business Insurance			\$ 976	\$
Personal Lines	Insurance			102	
Property & Casualty Other Operations				—	
Group	Employee Benefits			35	
Hartford Funds				—	
Total Reportable Segments				1,113	
Corporate				—	
Consolidated				\$ 1,113	\$
As of December 31, 2022					
Commercial Lines				\$ 865	\$
Personal Lines				101	
Property & Casualty Other Operations				—	
Group Benefits				32	
Hartford Funds				—	
Corporate				—	
Consolidated				\$ 998	\$

Part IV - Schedule III. Supplementary Insurance Information

THE HARTFORD FINANCIAL SERVICE

SCHEDULE

SUPPLEMENTARY INSURANCE I

(in millions)

Segment	Earned Premium		
Segment/Category			Net Investment Inco
For the year December 31, 2024			
Business Insurance			\$ 12,765
Personal Insurance			3,571

Property & Casualty Other Operations		—	
Employee Benefits		6,615	
Hartford Funds		1,035	
Total Reportable Segments		23,986	
Corporate		42	
Consolidated	\$	24,028	\$
For the year December 31, 2023			
Commercial Lines Business Insurance	\$	11,683	\$
Personal Lines Insurance		3,198	
Property & Casualty Other Operations		—	
Group Employee Benefits		6,515	
Hartford Funds		973	
Total Reportable Segments		22,369	
Corporate		41	
Consolidated	\$	22,410	\$
For the year December 31, 2022			
Commercial Lines Business Insurance	\$	10,609	\$
Personal Lines Insurance		3,052	
Property & Casualty Other Operations		—	
Group Employee Benefits		6,057	
Hartford Funds		1,044	
Total Reportable Segments		20,762	
Corporate		50	
Consolidated	\$	20,812	\$
For the year December 31, 2021			
Commercial Lines	\$	9,586	\$
Personal Lines		3,066	
Property & Casualty Other Operations		—	
Group Benefits		5,687	
Hartford Funds		1,189	
Corporate		40	
Consolidated	\$	19,568	\$

[1]Includes interest expense, loss on extinguishment of debt, restructuring and other costs, loss on reinsurance transaction and amortization of intangible assets.
[2]Excludes life insurance pursuant to Regulation S-X.

Part IV - Schedule IV. Reinsurance

THE HARTFORD FINANCIAL SERVICES GROUP, INC. SCHEDULE IV REINSURANCE (in millions)

	Gross Amount	Gross Amount	Ceded Amount	Assumed From Other Companies	Net Amount
For the year ended December 31, 2024					
Life insurance in-force	\$1,301,304	\$ 35,266	\$ 25,362	\$ 1,291,400	2 %

Insurance revenues											
Property and casualty insurance											
Property and casualty insurance											
Property and casualty insurance		\$	16,915	\$	1,742	\$	1,001	\$	16,174	6	%
Life insurance and annuities			2,582		41		76		2,617	3	%
Accident and health insurance			3,994		86		90		3,998	2	%
Total insurance revenues		\$	23,491	\$	1,869	\$	1,167	\$	22,789	5	%
For the year ended December 31, 2023	For the year ended December 31, 2023										
Life insurance in-force	Life insurance in-force	\$	1,275,984	\$	33,009	\$	23,605	\$	1,266,580	2	2 %
Insurance revenues											
Property and casualty insurance											
Property and casualty insurance											
Property and casualty insurance		\$	15,514	\$	1,612	\$	826	\$	14,728	6	6 %
Life insurance and annuities			2,540	33	33	76	76	2,583	2,583	3	3 %
Accident and health insurance			3,905	71	71	98	98	3,932	3,932	2	2 %
Total insurance revenues		\$	21,959	\$	1,716	\$	1,000	\$	21,243	5	5 %
For the year ended December 31, 2022	For the year ended December 31, 2022										
Life insurance in-force	Life insurance in-force	\$	1,147,723	\$	23,330	\$	22,511	\$	1,146,904	2	2 %
Insurance revenues											
Property and casualty insurance											
Property and casualty insurance											
Property and casualty insurance		\$	14,328	\$	1,462	\$	654	\$	13,520	5	5 %
Life insurance and annuities			2,341	25	25	77	77	2,393	2,393	3	3 %
Accident and health insurance			3,647	81	81	98	98	3,664	3,664	3	3 %

Total insurance revenues	Total insurance revenues	\$	20,316	\$	1,568	\$	829	\$	19,577	4	4 %	Total insur rever
For the year ended December 31, 2021												
Life insurance in-force		\$	1,112,333	\$	22,814	\$	21,230	\$	1,110,749		2 %	
Insurance revenues												
Property and casualty insurance												
Property and casualty insurance												
Property and casualty insurance												
Property and casualty insurance		\$	13,204	\$	1,277	\$	568	\$	12,495		5 %	
Life insurance and annuities			2,367		25		46		2,388		2 %	
Accident and health insurance			3,296		79		82		3,299		2 %	
Total insurance revenues		\$	18,867	\$	1,381	\$	696	\$	18,182		4 %	

Part IV - Schedule V. Valuation and Qualifying Accounts

THE HARTFORD FINANCIAL SERVICES GROUP, INC. SCHEDULE V VALUATION AND QUALIFYING ACCOUNTS (in millions)

	Balance January 1,	
	Balance January 1,	
	Balance January 1,	Increase (decrease Costs and Expenses
2024		
ACL on fixed maturities, available-for-sale		
ACL on mortgage loans		
ACL on premiums receivable and agents' balances		
Allowance for uncollectible reinsurance		
Valuation allowance for deferred taxes		
2023	2023	
ACL on fixed maturities, available-for-sale		
ACL on fixed maturities, available-for-sale		
ACL on fixed maturities, available-for-sale		
ACL on mortgage loans		
ACL on premiums receivable and agents' balances		
Allowance for uncollectible reinsurance		
Valuation allowance for deferred taxes		
2022		
ACL on fixed maturities, available-for-sale		
ACL on fixed maturities, available-for-sale		
ACL on fixed maturities, available-for-sale		
ACL on mortgage loans		
ACL on premiums receivable and agents' balances		

Allowance for uncollectible reinsurance	
Valuation allowance for deferred taxes	
2021	
ACL on fixed maturities, available-for-sale	
ACL on fixed maturities, available-for-sale	
ACL on fixed maturities, available-for-sale	
ACL on mortgage loans	
ACL on premiums receivable and agents' balances	
Allowance for uncollectible reinsurance	
Valuation allowance for deferred taxes	



THE HARTFORD FINANCIAL SERV

FOR THE FISCAL YEAR ENDE

FORM

EXHIBITS

The exhibits attached to this Form 10-K are those that are required by Item 601 of Regulation S-K.

Exhibit No.
Exhibit No.
Exhibit No.
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Exhibit No.
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Exhibit No.	Description
*10.19	The Hartford 2020 Stock Incentive Plan Form of Non-Employee Directors Award Agreement.
*10.20	Amendment to The Hartford Excess Pension Plan II.
*10.21	The Hartford Senior Executive Officer Severance Pay Plan (Tier 1), as amended and restated, effective as of 12/31/2019.
*10.22	The Hartford Senior Executive Officer Severance Pay Plan (Tier 2), as amended and restated, effective as of 12/31/2019.
21.01	Subsidiaries of The Hartford Financial Services Group, Inc..**
23.01	Consent of Deloitte & Touche LLP to the incorporation by reference into The Hartford's Registration Statement of the report of Deloitte & Touche LLP contained in this Form 10-K regarding the audited financial statements of The Hartford Financial Services Group, Inc. for the year ended December 31, 2019, hereewith.**
24.01	Power of Attorney.**
31.01	Certification of Christopher J. Swift pursuant to Section 302 of the Sarbanes-Oxley Act of 2002..**
31.02	Certification of Beth A. Costello pursuant to Section 302 of the Sarbanes-Oxley Act of 2002..**
32.01	Certification of Christopher J. Swift pursuant to Section 906 of the Sarbanes-Oxley Act of 2002..**
32.02	Certification of Beth A. Costello pursuant to Section 906 of the Sarbanes-Oxley Act of 2002..**
97.01	The Hartford Financial Services Group, Inc. Clawback Policy.**
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because it is contained within the Inline XBRL document.**
101.SCH	Inline XBRL Taxonomy Extension Schema.**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.**
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase.**
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase.**
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.**
104.01	Cover Page Interactive Data File - formatted in Inline XBRL and included as Exhibit 101**

Exhibit No.	Description
*10.19	The Hartford 2020 Stock Incentive Plan Form of Non-Employee Directors Award Agreement.
*10.20	Amendment to The Hartford Excess Pension Plan II.
*10.21	The Hartford Senior Executive Officer Severance Pay Plan (Tier 1), as amended and restated, effective as of 12/31/2019.
*10.22	The Hartford Senior Executive Officer Severance Pay Plan (Tier 2), as amended and restated, effective as of 12/31/2019.
19.01	The Hartford Insider Trading Policy.**
21.01	Subsidiaries of The Hartford.**
23.01	Consent of Deloitte & Touche LLP to the incorporation by reference into The Hartford's Registration Statement of the report of Deloitte & Touche LLP contained in this Form 10-K regarding the audited financial statements of The Hartford Financial Services Group, Inc. for the year ended December 31, 2019, hereewith.**
24.01	Power of Attorney.**
31.01	Certification of Christopher J. Swift pursuant to Section 302 of the Sarbanes-Oxley Act of 2002..**
31.02	Certification of Beth A. Costello pursuant to Section 302 of the Sarbanes-Oxley Act of 2002..**

32.01	Certification of Christopher J. Swift pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
32.02	Certification of Beth A. Costello pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. **
97.01	The Hartford Clawback Policy.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File embedded within the Inline XBRL document.**
101.SCH	Inline XBRL Taxonomy Extension Schema.**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.**
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase.**
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase.**
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.**
104.01	Cover Page Interactive Data File - formatted in Inline XBRL and included as Exhibit 101**

- * Management contract, compensatory plan or arrangement.
- ** Filed with the Securities and Exchange Commission as an exhibit to this report.
- † Certain portions of this exhibit have been omitted pursuant to the Securities and Exchange Commission's rules.
- †† Certain portions of this exhibit have been omitted pursuant to Section (b)(10)(iv) of Item 601 of Regulation S-K.

SIGNATURE

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 by its duly authorized officer.

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
By: /s/ Allison G. Niderno
Allison G. Niderno
Senior Vice President
(Chief accounting officer and
authorized signatory)

Date: February 23, 2024 February 21, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following individuals on behalf of the registrant:

Signature		T
/s/ Christopher J. Swift		Chairman, Chief Executive Officer and Director
Christopher J. Swift		(Principal Executive Officer)
/s/ Beth A. Costello		Executive Vice President and Chief Financial Officer
Beth A. Costello		(Principal Financial Officer)
/s/ Allison G. Niderno		Senior Vice President and Controller
Allison G. Niderno		(Principal Accounting Officer)
*		Director
Larry D. De Shon		
*		Director
Carlos Dominguez		
*		Director
Trevor Fetter		
*		Director
Donna James		
*		Director
Edmund Reese		
*		Director
Teresa W. Roseborough		
*		Director
Virginia P. Ruesterholz		
*		Director
Matthew E. Winter		
*		Director
Greig Woodring Kathleen Winters		
*By: /s/ David Donald C. Robinson Hunt		
David Donald C. Robinson Hunt		
As Attorney-in-Fact		

As of **December 31, 2023** **December 31, 2024**, The Hartford Financial Services **Insurance** Group, Inc. (the "C amended (the "Exchange Act"): (1) Common Stock, par value \$0.01 per share; (2) 6.10% Notes due 2041; and (3) Dep Series G, par value \$0.01 per share. Unless otherwise indicated, or the context otherwise requires, references in this pr Group, Inc. and not to any of its subsidiaries and references to the "The Hartford" are to The Hartford Financial Services

Description of Co

The following description of our Common Stock, par value \$0.01 per share ("Common Stock"), is a summary Restated Certificate of Incorporation (the "Certificate of Incorporation") and our Amended and Restated By-Laws (the "B this Exhibit 4.14 is a part. We encourage you to read our Certificate of Incorporation, our By-Laws and General Corpora

Authorized Shares

Under our Certificate of Incorporation, we have the authority to issue 1,500,000,000 shares of Common Stock,

Dividend Rights

The holders of our Common Stock are entitled to receive dividends when, as, and if declared by our board of board of directors.

No Preemptive and/or Other Similar Rights

Holders of our Common Stock have no preference, conversion, exchange, sinking fund or redemption rights, a to purchase their pro rata share of any offering of shares of any class or series, and generally have no appraisal rights e obligations.

Voting rights

Holders of our Common Stock are entitled to one vote per share on all matters voted on by our stockholders. C Common Stock shall have and possess the exclusive right to notice of stockholders' meetings and the exclusive power

Liquidation rights

Upon any liquidation, dissolution or winding up of, whether voluntary or involuntary, and after any holders of pr entitled or a sum sufficient for such payment in full shall have been set aside, the remaining net assets of the Company interest, to the exclusion of any holders of our preferred stock then outstanding.

Certain Anti-Takeover Effects

Certain provisions of the DGCL and our Certificate of Incorporation and By-Laws contain provisions that c stockholder might consider to be in its best interests, as discussed below:

Authorized But Unissued Shares - Our board of directors has the authority, without the approval of our stockhold of each class or

series and the provisions, designations, powers, preferences and relative, participating, optional and other special r

No Action by Written Consent or **Consent; Limited Special Meeting Right** - Our Certificate of Incorporation and written consent. Our Certificate of Incorporation and By-Laws also provide that special meetings of stockholders ca directors, directors, or by stockholders holding at least twenty-five percent of shares of the Company's common sto meeting, subject to certain conditions and limitations. In addition, our By-Laws provide that only such business as is

Advance Notice Requirements - Our Bylaws establish an advance notice procedure for stockholders seeking t stockholders' meetings.

Number of Directors; Filling of Vacancies - Our By-Laws provide that the number of directors that constitute our but that such number shall not be less than three nor more than twenty-five. In addition, newly created directorsh majority of directors then in office

No Cumulative Voting - Holders of our Common Stock are entitled to one vote for each share of Common Stock a

Delaware Business Combination Statute - As a Delaware corporation, we are subject to Section 203 of the DGCL, which provides that, if any "interested stockholder" for a three-year period following the time that such stockholder becomes an interested

- the transaction or the business combination that results in a person becoming an interested stockholder is approved by the board of directors;
- upon consummation of the transaction that results in the stockholder becoming an interested stockholder, the transaction commenced, excluding, for purposes of determining the voting stock outstanding, shares owned by the interested stockholder;
- on or after the date the person becomes an interested stockholder, the business combination is approved by the board of directors, excluding shares owned by the interested stockholder, at a meeting of stockholders.

Under Section 203, an "interested stockholder" is defined as any person (or the affiliates or associates of such person),

- the owner of 15% or more of the outstanding voting stock of the corporation, or
- an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation, as determined whether the person is an interested stockholder.

Listing

Our Common Stock is listed on the New York Stock Exchange, or the NYSE, under the symbol "HIG."

Description

The following description of our 6.10% Notes due 2041 (the "Notes") is a summary and does not purport to be a complete description of the Notes. The Notes are described more fully in the "2004 Indenture", which is incorporated by reference into the Notes.

We encourage you to read the above referenced 2004 Indenture, for additional information.

General

The Notes were issued under the 2004 Indenture, which provides that debt securities may be issued under the Indenture, as amended, in accordance with, the laws of the State of New York. The 2004 Indenture does not limit the amount of debt that we may issue under the Indenture. If, at any time, we are required to obtain the consent of any holders of any of the Notes, re-open this series of Notes on terms identical in all respects to the outstanding Notes (including interest payment date), so that such additional notes of the Company shall be consolidated with, form a single issue with the outstanding Notes.

Maturity, Interest and Principal

The Notes were initially issued with an aggregate principal amount of \$408,774,000. The Notes will mature on April 1, 2041, and will pay interest semi-annually in arrears on April 1 and October 1 of each year, having commenced on April 1, 2007, to the day). Interest is computed on the basis of a 360-day year consisting of twelve 30-day months.

Optional Redemption

We may redeem the Notes at our option, in whole or in part, at any time and from time to time, at a redemption price equal to the sum of the principal and interest on the Notes to be redeemed (exclusive of interest accrued to the date of redemption) plus a premium of 1% (one percent) of the principal amount of the Notes to be redeemed (exclusive of interest accrued to the date of redemption) plus a premium of 1% (one percent) of the principal amount of the Notes to be redeemed (exclusive of interest accrued to the date of redemption) plus a premium of 1% (one percent) of the principal amount of the Notes to be redeemed (exclusive of interest accrued to the date of redemption).

The Notes are not redeemable at the option of the holder prior to maturity and do not benefit from any sinking fund.

Defeasance and Covenant Defeasance

The 2004 Indenture provides that we may discharge all of our obligations, other than as to transfers and exchanges, under the Indenture, by depositing with the trustee an amount sufficient to pay and discharge on the respective stated maturities, the principal of and any premium on the Notes, and interest on the Notes, and elect not to comply with the "covenant defeasance."

Defeasance or covenant defeasance, will be conditioned upon, among other things, on our irrevocable deposit with the trustee of an amount sufficient to pay and discharge on the respective stated maturities, the principal of and any premium on the Notes, and interest on the Notes.

Limitations upon Liens

With certain exceptions as set forth below, the 2004 Indenture provides that neither we nor our restricted subsidiaries may, prior to the execution date of the 2004 Indenture, on, any property or assets (including the capital stock of any restricted subsidiary), create, incur, assume or permit to exist liens or rights in respect thereof.

General Exceptions

The restriction on our and our restricted subsidiaries' ability to create, incur, assume or permit to exist liens will not apply to the following:

- liens on any property or asset acquired, constructed or improved by us or any of our restricted subsidiaries subsequent to the acquisition of any part of the purchase price of such property or asset or the cost of such construction or improvement, or existing at the time of acquisition thereof; provided, however, that such lien shall not extend to any other property or asset of the Company or any of our restricted subsidiaries;
- liens existing upon any property or asset of a company which is merged with or into or is consolidated into, or with or into any of our restricted subsidiaries, at the time of such merger, consolidation or acquisition; provided that such lien does not extend to any other property or asset of the Company or any of our restricted subsidiaries;
- any pledge or deposit to secure payment of workers' compensation or insurance premiums, or in connection with any other obligation of the Company or any of our restricted subsidiaries;
- any pledge of, or other lien upon, any assets as security for the payment of any tax, assessment or other similar obligation of the Company or any of our restricted subsidiaries as a condition to the transaction of any business or the exercise of any privilege or right;
- liens necessary to secure a stay of any legal or equitable process in a proceeding to enforce a liability or obligation of the Company or any of our restricted subsidiaries by us or

any of our restricted subsidiaries in any legal or equitable proceeding to enforce a right or to obtain a remedy in connection with any such proceeding or in connection with any contest of any tax or other governmental charge; or the making

of the giving of any form of security to any governmental agency or any body created or approved by law or government or to participate in any fund in connection with workers' compensation, unemployment insurance, old age pensions or other such arrangement or for liability on insurance of credits or other risks;

- mechanics', carriers', workmen's, repairmen's, or other like liens, if arising in the ordinary course of business, in connection with the ordinary course of business of the Company or any of our restricted subsidiaries;
- liens on property in favor of the United States, or of any agency, department or other instrumentality thereof, to secure the payment of any debt or obligation of the Company or any of our restricted subsidiaries;
- liens securing indebtedness of any of our restricted subsidiaries to us or to another restricted subsidiary; provided that the sale or other disposition shall be deemed to constitute the creation of another lien not permitted by this clause;
- liens affecting our or any of our restricted subsidiaries' property securing indebtedness of the United States or its agencies, departments or instrumentalities, or any abatement program required in our opinion to meet environmental criteria with respect to our or any of our restricted subsidiaries' such program; or
- the renewal, extension, replacement or refunding of any mortgage, pledge, lien, deposit, charge or other encumbrance, if such renewal, extension, replacement or refunding be increased.

Exceptions for Specified Amount of Indebtedness

In addition, we and one or more of our restricted subsidiaries may create, incur, assume or permit to exist any lien, the total of the aggregate principal amount of our and our restricted subsidiaries' indebtedness secured by such liens shall not exceed an amount equal to 10% of our consolidated net tangible assets.

Consolidation, Merger and Sale of Assets

We will not consolidate with or merge into any other person or convey, transfer or lease our assets substantially

- we will be the surviving company in any merger or consolidation,
- if we consolidate with or merge into another person or convey, transfer or lease our assets substantially as an entity organized in the United States of America or any state thereof or the District of Columbia, and the successor entity expressly assumes the obligations of the Company or any of our restricted subsidiaries,
- immediately after giving effect to the consolidation, merger, conveyance or transfer, there exists no event of default under the 2004 Indenture,
- other conditions described in the 2004 Indenture are met.

This covenant would not apply to the direct or indirect conveyance, transfer or lease of all or any portion of the assets of the Company or any of our restricted subsidiaries. In addition, this covenant would not apply to any recapitalization transaction, a change of control of the Company or a high yield bond offering by us or the conveyance, transfer or lease of our assets substantially as an entirety.

Events of Default

Under the terms of the 2004 Indenture, each of the following constitutes an event of default for the Notes:

- default for 30 days in the payment of any interest when due;
- default in the payment of principal, or premium, if any, when due;
- default in the performance, or breach, of any covenant or warranty in the 2004 Indenture for 60 days after written notice of such default;
- certain events of bankruptcy, insolvency or reorganization, or
- any other event of default described in the applicable board resolution or supplemental indenture, if any, under the 2004 Indenture.

We are required to furnish the trustee annually with a certificate as to the fulfillment of our obligations under the 2004 Indenture, except in respect of the payment of principal or interest on the Notes, if it considers it in the interests of the holders of such Notes.

Effect of an Event of Default

If an event of default exists (other than an event of default with respect to the Notes in the case of certain events of default), the trustee may declare the principal amount of the Notes to be due and payable immediately, by a notice in writing to us, and we shall be obligated to pay the principal amount of the Notes, together with any interest or premium payable. However, at any time after a declaration of acceleration of outstanding Notes has been made, but before a judgment is rendered, we may, subject to conditions specified in the 2004 Indenture, rescind and annul the declaration of acceleration of the principal amount of the Notes.

If an event of default in the case of certain events of bankruptcy exists, the principal amount of all Notes outstanding at the time of such event of default, together with any interest on such principal, shall become immediately due and payable to the trustee or any holder of such outstanding Notes, become immediately due and payable.

Subject to the provisions of the 2004 Indenture relating to the duties of the trustee, if an event of default then exists, the trustee shall have the right to direct the time, method and place of conducting any proceeding for any or all Notes, and to take any action that the trustee may deem appropriate to protect the interests of the holders of Notes.

Modification and Waiver

Modification

We and the trustee may modify and amend the 2004 Indenture with the consent of the holders of a majority in aggregate principal amount of the outstanding Notes:

- change the stated maturity of the principal of, or any installment of interest payable on, any outstanding Notes;
- reduce the principal amount of, or the rate of interest on or any premium payable upon the redemption of, or the time of payment of, or the place of payment of, or the coin or currency in which any outstanding Notes or the interest on any outstanding Notes shall be payable, or adversely affect any right of repayment of the holder of, any outstanding Notes;
- change the place of payment, or the coin or currency in which any outstanding Notes or the interest on any outstanding Notes shall be payable, or adversely affect any right of repayment of the holder of, any outstanding Notes;
- impair a holder's right to institute suit for the enforcement of any payment on any outstanding Notes on or after the maturity of such Notes;
- reduce the percentage of the holders of outstanding Notes necessary to modify or amend the 2004 Indenture, or the percentage of the holders of outstanding Notes necessary to consent to any modification or amendment of the 2004 Indenture; or
- modify any of these provisions or any of the provisions relating to the collection of indebtedness in an event of default or to provide that certain other provisions may not be modified or waived without the consent of the holders of a majority in aggregate principal amount of the outstanding Notes.

Waiver

The holders of a majority in aggregate principal amount of the outstanding Notes may, on behalf of the holders of such Notes, waive or cause to be waived any of the following:

The holders of not less than a majority in aggregate principal amount of the outstanding Notes may, on behalf of the holders of such Notes, waive or cause to be waived any of the following:

consequences of such default. However, a default in the payment of the principal of, or premium, if any, or any interest on, any outstanding Notes cannot, be modified or amended without the consent of the holder of each outstanding Note affected, cannot be so waived.

Ranking

The Notes are our unsecured senior indebtedness and rank equally with all of our other unsecured and unsubordinated indebtedness.

Trustee

The trustee under the 2004 Indenture is JPMorgan Chase Bank, N.A. and has all the duties and responsibilities of a trustee. The trustee is not required to expend or risk its own funds or otherwise incur financial liability in performing its duties or exercising its powers, and shall not be liable for any such expenditure or risk of loss or financial liability.

The trustee acts as depositary for funds of, makes loans to, and performs other services for, us and our subsidiaries.

Description of Depositary Shares

The following description of our Depositary Shares (the "Depositary Shares"), each representing a 1/1,000th interest in one share of our common stock, is set forth in the Deposit Agreement between us and Computershare Trust Company, N.A. (the "Depositary"), which is incorporated by reference as an exhibit to the 2004 Indenture.

We encourage you to read the above referenced Deposit Agreement for additional information.

Dividends and Other Distributions

The Depositary will distribute any cash dividends or other cash distributions received in respect of the depositary shares held by each holder on the relevant record date. The Depositary will distribute any property received in respect of the depositary shares held by each holder on the relevant record date. The Depositary will distribute any property received in respect of the depositary shares held by each holder on the relevant record date. The Depositary will distribute any property received in respect of the depositary shares held by each holder on the relevant record date.

Record dates for the payment of dividends and other matters relating to the Depositary Shares are the same as for the common stock. If we declare a dividend on the common stock, the depositary will distribute property received by it to you based on instructions from us. The amounts distributed by us on account of taxes or other governmental charges.

Redemption of the Depositary Shares

If we redeem the Series G Preferred Stock represented by the Depositary Shares, in whole or in part, a corresponding portion of the Series G Preferred Stock held by the Depositary. The redemption price per Depositary Share will be the redemption price per share of the Series G Preferred Stock.

plus an amount equal to any dividends thereon that, pursuant to the provisions of the Certificate of Designations, are paid to the holders of the Series G Preferred Stock. The Depositary will redeem, as of the same redemption date, the number of the Depositary Shares representing shares of the Series G Preferred Stock.

In case of any redemption of less than all of the outstanding Depositary Shares, the Depositary Shares to be redeemed shall be in the form of global depositary receipts, in accordance with the applicable procedures of DTC in compliance with then-applicable law. The Depositary will issue the Depositary Shares only in increments of 1,000 shares and any integral multiple thereof.

The Depositary will mail (or otherwise transmit by an authorized method) notice of redemption to holders of the Series G Preferred Stock and the Depositary Shares.

Voting of the Depositary Shares

When the Depositary receives notice of any meeting at which the holders of the Series G Preferred Stock are entitled to vote, the Depositary will vote the amount of the Series G Preferred Stock represented by the holder's Depositary Shares. Each record holder of Depositary Shares on the record date shall be entitled to vote the amount of the Series G Preferred Stock represented by the holder's Depositary Shares. Although each Depositary Share represents one share of the Series G Preferred Stock, the Depositary will vote the amount of the Series G Preferred Stock represented by the Depositary Shares. To the extent possible, the Depositary will vote the amount of the Series G Preferred Stock represented by the Depositary Shares. The Depositary determines are necessary to enable the Depositary to vote as instructed. If the Depositary does not receive instructions from the holders of the Series G Preferred Stock represented by such Depositary Shares.

Description of Series G Preferred Stock

The following description of our Series G Preferred Stock is a summary and does not purport to be complete. It is subject to the terms and conditions of the Certificate of Designations creating the Series G Preferred Stock (the "Certificate of Designations"), which is incorporated by reference to the Certificate of Designations.

General

We have 50,000,000 shares of authorized preferred stock. Our board of directors is empowered, without the approval of the stockholders, to issue, from time to time, additional shares of preferred stock, and to determine the numbers of shares of each class or series and the provisions, designations, powers, preferences and relative, participating, optional or other special rights of each class or series and the terms, conditions, preferences, rights, limitations and restrictions of each class or series to be determined by it. The shares of Series G Preferred Stock represented by Depositary Shares are part of a series of shares of preferred stock. The shares of Series G Preferred Stock represented by Depositary Shares are part of a series of shares of preferred stock, and the consent of, holders of the Depositary Shares and the underlying Series G Preferred Stock, issue additional Series G Preferred Stock.

The Series G Preferred Stock rank senior to our junior stock (as defined in the Certificate of Designations) and issued with the requisite consent of the holders of the Series G Preferred Stock, with respect to the payment of dividends, any redemption price and distributions upon liquidation, dissolution or winding-up of us only out of law. The Series G Preferred Stock were fully paid and nonassessable when issued, which means that holders have paid the full purchase price of the Series G Preferred Stock. The Series G Preferred Stock do not have preemptive or subscription rights to acquire more of our stock.

The Series G Preferred Stock are not convertible into, or exchangeable for, shares of any other class or series of our common stock. The Series G Preferred Stock are not subject to any sinking fund, retirement fund or purchase fund or other obligation of the Company to redeem, repurchase or otherwise acquire the Series G Preferred Stock.

Dividends

Dividends on the Series G Preferred Stock are not mandatory. Holders of Series G Preferred Stock are entitled to receive dividends (as defined in the Certificate of Designations) (which may include cash dividends, stock dividends, or other property), out of funds legally available for the payment of dividends, under Delaware law, non-cumulative cash dividends on the Series G Preferred Stock. Dividends on the Series G Preferred Stock are payable on February, May, August and November of each year. If we issue additional shares of Series G Preferred Stock after the date of the last dividend payment date, the dividend payment date for the Series G Preferred Stock shall be the date of the next dividend payment date. If we issue additional shares of Series G Preferred Stock after the date of the last dividend payment date, the dividend payment date for the Series G Preferred Stock shall be the date of the next dividend payment date. Payment dates are subject to adjustment for business days.

A "dividend period" is the period from, and including, a dividend payment date to, but excluding, the next dividend payment date. The dividend period for the Series G Preferred Stock ended on, but excluded, the February 15, 2019 dividend payment date.

Dividends are payable to holders of record of the Series G Preferred Stock as they appear on our books on the record date fixed by our board of directors (or a duly authorized committee of the board) that is not more than 60 nor less than 30 days before the dividend payment date. Dividends are payable regardless of whether a particular dividend record date is a business day.

Dividends payable on the Series G Preferred Stock are calculated on the basis of a 360-day year consisting of the dividend with respect to that dividend payment date will instead be paid on the immediately succeeding business day.

Dividends on the Series G Preferred Stock are not cumulative. Accordingly, if our board of directors (or a duly authorized committee of the board) declares a dividend on the Series G Preferred Stock on any dividend period before the related dividend payment date, such dividend will not accrue, we will have no obligation to pay dividends on the Series G Preferred Stock are declared for any future dividend period, and no interest, or sum of money, shall be payable on the Series G Preferred Stock.

So long as any Series G Preferred Stock remains outstanding for any dividend period, unless the full dividends are declared and paid (or declared and a sum sufficient for the payment thereof has been set aside):

- no dividend shall be paid or declared on our Common Stock or any other shares of our junior stock (as defined in the Certificate of Designations) or any other shares of our junior stock (as defined in the Certificate of Designations);
- no Common Stock or other junior stock shall be purchased, redeemed or otherwise acquired for consideration (including by way of a stock repurchase program, tender offer, exchange offer, or otherwise) or the exchange or conversion of one share of junior stock for or into another share of junior stock and other than as otherwise provided in the Certificate of Designations.

As used herein, "junior stock" means our Common Stock and any other class or series of our stock that ranks cumulative or non-cumulative) and/or as to the distribution of assets upon any liquidation, dissolution or winding-up of u

As used herein, "parity stock" means any class or series of our stock that ranks equally with the Series G Preferred distribution of assets on any liquidation, dissolution or winding-up of The Hartford.

We do not currently have any junior stock other than the Common Stock, any parity stock, or any senior prefer

When dividends are not paid (or declared and a sum sufficient for payment thereof set aside) in full on any divi payment dates pertaining to the Series G Preferred Stock, on a dividend payment date falling within the related dividend dividends declared on the Series G Preferred Stock and all such parity stock and payable on such dividend payment da pertaining to the Series G Preferred Stock, on a dividend payment date falling within the related dividend period for the : the same ratio to each other as all accrued but unpaid dividends per Series G Preferred Stock and all parity stock payat dividend payment dates pertaining to the Series G Preferred Stock, on a dividend payment date falling within the relat

Subject to the foregoing, dividends (payable in cash, stock or otherwise) as may be determined by our board o other junior stock from time to time out of any funds legally available for such payment, and the Series G Preferred Stoc

Dividends on the Series G Preferred Stock will not be declared, paid or set aside for payment if we fail to comp extent we become subject to regulation by a "capital regulator," any applicable capital adequacy guidelines).

Liquidation Rights

Upon any voluntary or involuntary liquidation, dissolution or winding-up of The Hartford, holders of the Series C stockholders, after satisfaction of liabilities to creditors, if any, before any distribution of assets is made to holders of Co Preferred Stock (equivalent to \$25.00 per Depositary Share), plus declared and unpaid dividends, without accumulation from us after they have received their full liquidation preference (as defined below).

In any such distribution, if our assets are not sufficient to pay the liquidation preferences in full to all holders of Preferred Stock and to the holders of any parity stock will be paid *pro rata* in accordance with the respective aggregate preferred stock means the amount payable to such holder in such distribution, including any declared but unpaid dividen Preferred Stock) on which dividends accrue on a cumulative basis). If the liquidation preference has been paid in full to entitled to receive all remaining assets of the Company according to their respective rights and preferences.

For purposes of this section, our merger or consolidation with any other entity, including a merger or consolida or the sale, lease or exchange of all or substantially all of our assets for cash, securities or other property shall not cons

Optional Redemption

The Series G Preferred Stock is not subject to any mandatory redemption, sinking fund, retirement fund, purch

- in whole but not in part, at any time prior to November 15, 2023, within 90 days after the occurrence of a "rating \$25.50 per Depositary Share), plus (except as provided below) an amount equal to any dividends per share th redemption date; or
- (i) in whole but not in part, at any time prior to November 15, 2023, within 90 days after the occurrence of a "re and (ii), at a redemption price equal to \$25,000 per share of Series G Preferred Stock (equivalent to \$25.00 pe not been declared and paid for the then-current dividend period to, but excluding, such redemption date.

Any declared but unpaid dividends payable on a redemption date that occurs subsequent to the dividend recor price on the redemption date, but rather will be paid to the holder of record of the redeemed shares on the dividend rec

Holders of the shares of Series G Preferred Stock do not have the right to require the redemption or repurchas

"Rating agency event" means that any nationally recognized statistical rating organization as defined in Section agency") amends, clarifies or changes the criteria it uses to assign equity credit to securities such as the Series G Prefe

- the shortening of the length of time the Series G Preferred Stock are assigned a particular level of equity credit by that rating agency or its predecessor on the initial issuance of the Series G Preferred Stock; or
- the lowering of the equity credit (including up to a lesser amount) assigned to the Series G Preferred Stock by issuance of the Series G Preferred Stock.

"Regulatory capital event" means that we become subject to capital adequacy supervision by a capital regulat which the aggregate liquidation preference amount of the Series G Preferred Stock would not qualify as capital under s

"Capital regulator" means any governmental agency, instrumentality or standard-setting organization, including ("NAIC"), or any state insurance regulator, as may then have group-wide oversight of the Company's regulatory capital.

If the Series G Preferred Stock is to be redeemed, the notice of redemption shall be given by first class mail to the holder of the Series G Preferred Stock at least 90 days, prior to the date fixed for redemption thereof (*provided* that, if the Series G Preferred Stock is held in book-entry form, the notice of redemption shall be given by electronic means), and the notice shall include a statement setting forth:

- the redemption date;
- the number of shares of Series G Preferred Stock to be redeemed and, if less than all the shares of Series G Preferred Stock, the portion of the shares to be redeemed from such holder;
- the redemption price; and
- the place or places where holders may surrender certificates evidencing the Series G Preferred Stock for payment.

If notice of redemption of any Series G Preferred Stock has been given, and if the funds necessary for such redemption are received, then, from and after the redemption date, dividends will cease to accrue on such Series G Preferred Stock, and the Series G Preferred Stock will terminate, except the right to receive the redemption price.

In case of any redemption of only part of the Series G Preferred Stock at the time outstanding, the Series G Preferred Stock is in the form of global securities, in accordance with the applicable procedures of DTC in compliance with then-applicable law.

If the Series G Preferred Stock is treated as "Tier 1 capital" (or a substantially similar concept) under the capital requirements of the capital regulator, the Series G Preferred Stock shall be subject to our receipt of any required prior approval from the capital regulator and to the satisfaction of any conditions to the satisfaction of the capital regulator.

Voting Rights

Except as provided below or as otherwise required by applicable law, the holders of the Series G Preferred Stock shall vote as a single class.

Whenever dividends on any Series G Preferred Stock shall have not been declared and paid for the equivalent of such Series G Preferred Stock, voting together as a single class with holders of any and all other series of voting preferred stock, the holders of the Series G Preferred Stock shall elect members of our board of directors (the "Preferred Stock Directors"), *provided* that the election of any such directors shall be subject to the approval of the stockholders of the company (or companies, if the Series G Preferred Stock is listed on an exchange on which our securities may be listed) that listed companies must have a majority of independent directors. In the event of such election, the holders of the Series G Preferred Stock shall be entitled to elect a majority of the directors. The directors shall be elected at a special meeting called at the request of the holders of record of at least 20% of the Series G Preferred Stock. The election shall be held on or before the date fixed for the next annual or special meeting of the stockholders, in which event such election shall be held. The voting rights will continue until dividends on the Series G Preferred Stock and any such series of voting preferred stock have been paid in full.

As used herein, "voting preferred stock" means any other class or series of our preferred stock ranking equally with the Series G Preferred Stock in the event of liquidation, dissolution or winding-up and upon which like voting rights have been conferred and are exercisable. Whether or not the Series G Preferred Stock has been voted in favor of any matter shall be determined by reference to the liquidation amounts of the Series G Preferred Stock.

If and when dividends for at least four consecutive dividend periods following a Nonpayment have been paid in full, the holders of the Series G Preferred Stock shall be divested of the foregoing voting rights (subject to revesting in the event of each subsequent Nonpayment). The voting rights of each Preferred Stock Director so elected shall terminate and the number of directors on the board of directors shall be reduced to the number of directors elected by the stockholders following a Nonpayment, we may take account of any dividend we elect to pay for such a dividend period after the regular meeting of the stockholders without cause by the holders of record of a majority of the outstanding Series G Preferred Stock and any other shares of the Series G Preferred Stock above. So long as a Nonpayment shall continue, any vacancy in the office of a Preferred Stock Director (other than prior to the election of a new director) shall be filled by the holders of record of a majority of the outstanding Series G Preferred Stock remaining in office, or, if none remains in office, by a vote of the holders of record of a majority of the outstanding Series G Preferred Stock. The Preferred Stock Directors shall each be entitled to one vote per share.

So long as any Series G Preferred Stock remains outstanding, we will not, without the affirmative vote or consent of the holders of the Series G Preferred Stock, amend or alter the provisions of our Restated Certificate of Incorporation or the Certificate of Designations for the Series G Preferred Stock, taken as a whole, or

- amend or alter the provisions of our Restated Certificate of Incorporation or the Certificate of Designations for the Series G Preferred Stock with respect to payment of dividends and/or the distribution of assets in liquidation, dissolution or winding-up;
- amend, alter or repeal the provisions of our Restated Certificate of Incorporation or the Certificate of Designations for the Series G Preferred Stock, taken as a whole; or
- consummate a binding share exchange or reclassification involving the Series G Preferred Stock or our merger or consolidation with another entity, in the case of any such merger or consolidation with respect to which we are not the surviving or resulting entity.

into or exchanged for preference securities of the surviving or resulting entity or its ultimate parent, and (ii) such exchange or reclassification shall not be materially less favorable to the holders of the Series G Preferred Stock than the terms of the Series G Preferred Stock immediately prior to such consummation, taken as a whole;

provided, however, that any increase in the amount of the authorized or issued Series G Preferred Stock or authorized or issued Series G Preferred Stock ranking equally with and/or junior to the Series G Preferred Stock with respect to the payment of dividends shall not be deemed to materially and adversely affect the special rights, preferences, privileges and voting powers of the Series G Preferred Stock in the event of liquidation, dissolution or winding-up will not be deemed to materially and adversely affect the special rights, preferences, privileges and voting powers of the Series G Preferred Stock.

If an amendment, alteration, repeal, share exchange, reclassification, merger or consolidation described above shall be consummated, then only the series materially and adversely affected by such event and entitling the holders of the Series G Preferred Stock to the payment of dividends shall be terminated.

To the fullest extent permitted by the law, without the consent of the holders of the Series G Preferred Stock, so Series G Preferred Stock, taken as a whole, we may supplement any terms of the Series G Preferred Stock:

- to cure any ambiguity, or to cure, correct or supplement any provision contained in the Certificate of Designation
- to make any provision with respect to matters or questions arising with respect to the Series G Preferred Stock

The foregoing voting provisions will not apply if, at or prior to the time when the act with respect to which such redeemed or called for redemption upon proper notice, and sufficient funds shall have been set aside by us for the benefit

Listing

The Depositary Shares are listed on the NYSE, under the symbol "HIG-PRG."

240.2

EXHIBIT 10.09

THE HARTFORD 2014 INCENTIVE STOCK Insider Trading

1. Purpose

POLICY STATEMENT

The Hartford Insurance Group, Inc. (the "Company" or "The Hartford") has adopted this In by the Company's directors, officers, and employees in compliance with applicable securities

POLICY PURPOSE

The purpose of the Plan this Policy is to motivate and reward superior performance on the or "the Company") and its subsidiaries and affiliates and to thereby attract and retain Key for stock ownership by such Key Employees and Directors in order to increase their proper Company. Awards will be made, in the discretion of the Committee, to Key Employees (in decisions directly affect the performance of any Participating Company and its subsidiaries Performance Shares, Restricted Stock, Restricted Units or any combination of the foregoing

2. Definitions

When used herein, the following terms shall have the following meanings:

"Act" means the Securities Exchange Act of 1934, as amended.

"Award" means an award granted to any Key Employee or Director in accordance promote compliance with Restricted Units, or any combination of the foregoing, as applicable.

"Award Document" means the written notice, agreement, or other document evidencing each Award grant form, including any acceptance thereof and actions thereunder by an Award recipient.

"Beneficial Owner" means any Person who, directly or indirectly, has the right to vote or dispose of or has company, including any such right pursuant to any agreement, arrangement or understanding (whether or not result of an agreement, arrangement or understanding to vote such security (i) arising solely from a revocation accordance with, the Act and the applicable rules and regulations thereunder, or (ii) made laws in connection pursuant to, and in accordance with, the applicable provisions of the Act and the applicable rules and regulations arrangement or understanding is also then reportable by such Person on Schedule 13D under the Act (or any of securities shall not be deemed to be by the Beneficial Owner of any security acquired through such Person the date of such acquisition.

Notwithstanding any provision in the Plan to the contrary, if any person is an Ineligible Person, or otherwise person is later required by a court or governmental authority or regulatory body to be classified as a person participate in The Hartford may be considered material to another company. For example, the Plan, notwiths Hartford is evaluating a strategic transaction with another company may be considered immaterial to The H participation of such person in the Plan shall be prospective only. other company.

“Employee” means any person regularly employed by a Participating Company, but shall not include any p other non-employee classification, or who is classified by a Participating Company as, or determined by a P

“Fair Market Value,” unless otherwise indicated in the provisions Violation of this Plan, means a price that F reported on the New York Stock Exchange or other established stock exchange (or exchanges) on the appli as determined by the Committee in its discretion. Unless the Committee determines otherwise, such Fair M share of Stock on the New York Stock Exchange or, if no sales of Stock have taken place on such date, the be made in the discretion of the Committee.

“Incentive Stock Option” means a stock option qualified under Section 422 of the Code.

“Key Employee” means an Eligible Employee (including any officer or director who is also an Eligible Emp performance of the Company and its subsidiaries.

“Option” means an option awarded under Section 5 of the Plan to purchase Stock of the Company, which i

“Participating Company” means the Company or any subsidiary or other affiliate of the Company; provide corporation which at the time such Option is granted qualifies as a “subsidiary” of the Company under Secti

“Performance Share” means a performance share awarded under Section 6 of the Plan.

“Person” has the meaning ascribed to such term in Section 3(a)(9) of the Act, as supplemented by Section of the Company or any other Person controlled disciplinary action by the Company, (b) any trustee including authorities for securities law violations.

MATERIAL NON-PUBLIC INFORMATION

Material Information

Information is material if either (i) there is a reasonable likelihood that it would be considered important to ar price of the security. Material information can be positive or negative. Examples of information that may be c or segment); accounting actions that will materially impact earnings; strategic plans; mergers, acquisitions, c incidents or breaches; developments regarding significant customers or partners; significant regulatory actio shareholder activism; stock splits or changes in dividends; and impending bankruptcy, receivership, capital c

It can sometimes be difficult to know whether information is material. When in doubt, you should presume th

Non-Public Information

Information is non-public unless it has been made available to the general public. Information is considered in a filing with the Securities and Exchange Commission or (iii) posted to the Company's website, and a full

2

241

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BLACKOUT PERIODS AND PRE-CLEARANCE OF TRANSACTIONS

Quarterly Blackout Periods

All directors, Tier 1 and Tier 2 officers and other employees designated by the Company's General Counsel preparation and review of the Company's financial and other periodic reports (together with Pre-Clearance I Company or any of its subsidiaries (other than the Excepted Transactions described below) during the peric

open on the second trading day after public release of the Company's financial results for the most recently the Company's General Counsel.

Pre-Clearance of Transactions

In addition, Pre-Clearance Insiders are required to obtain written pre-clearance from a member of the Law Firm in securities of the Company or (c) a corporation owned, directly or indirectly, by (other than the stockholders obtaining preclearance, officers that (i) are subject to the filing requirements of Section 16 of the Company in Company.

“**Plan**” means The Hartford 2014 Incentive Stock Plan, as the same may be amended, administered 1934 c

“**Plan Year**” means the calendar year.

“**Restricted Stock**” means Stock awarded under Section 7 of the Plan subject to such restrictions as the C

“**Restricted Unit**” means a contractual right awarded under Section 7 of the Plan to receive pursuant (ii) re Rule 10b5-1 trading plans only after providing written notice to the Corporate Secretary and the CEO.

Once pre-clearance is granted, the Pre-Clearance Insider has until the earlier of Stock at the end of five bus does not occur within this period, the Pre-Clearance Insider must seek written pre-clearance again. After pr or she does not possess material, non-public information prior to trading. Circumstances of time, a confident trade.

Change to Insider Status

If an Insider is removed from the list of Company Insiders due to a change in job duties or termination of em Committee deems appropriate or desirable.

“**Restriction Period**” means, in prohibition on trading until the case of Performance Shares, Restricted Sto during which shares of Stock or other rights end of the recipient Quarterly Blackout Period.

If a Pre-Clearance Insider, who is not a Section 16 Officer, is removed from the list of such an Award (or his pending completion termination of employment outside of a period Quarterly Blackout Period, the Pre-Clear other criteria or conditions as (a) the Committee shall specify.

“**Retirement**” means (i) satisfaction opening of the requirements for early trading window following the next from a member of the Retirement Plan, (ii) attaining at least age 65 with at least five years SCG Unit that pr If a Section 16 Officer is removed from the list of service, (iii) attaining at least age 50 with at least 10 years set forth in the Award Document and/or any administrative rules or other terms and conditions adopted by t Employee's separation from employment with the Company.

“**Retirement Plan**” means The Hartford Retirement Plan for U.S. Employees, as amended from time to tim

“**Right**” means a stock appreciation right awarded under Section 5 of the Plan.

“**Stock**” means the common stock (\$.01 par value) of The Hartford.

“**The Hartford**” means the Company and its subsidiaries, and their successors and assigns.

“**Third Party Service Provider**” means any consultant, agent, advisor, or independent contractor who renc securities in a capital raising transaction, and (b) do not directly or indirectly promote or maintain a market fr

“**Total Disability**” means the complete and permanent inability of a Key Employee to perform all of his or h the Committee upon the basis of such evidence, including independent medical reports and data, as the Co

“**Transferee**” means any person or entity to whom or to which a non-qualified stock option has been transfe permit otherwise, with respect to any Key Employee or Director, only (i) the Key Employee's or Director's ch law or daughter-in-law (including adoptive relationships), (ii) trusts for the exclusive benefit of one or more s such persons and/or the Key Employee or Director shall be a Transferee.

3. Shares Subject to the Plan

Subject to adjustments in accordance with Section 13, the aggregate number of shares of Stock which may **duties or termination of employment, the Section 16 Officer must continue** to all Awards for the duration of the Plan but not subject to outstanding awards as of March 17, 2014. The maximum number of shares of **obtain**

3

242

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Stock with respect to which Awards may be granted under the Plan

Subject to adjustments in accordance with Section 13, and subject to the Maximum Limit set forth above on shares that may be awarded to Directors under the Plan shall be 1,000,000 shares of Stock. Additionally, except that this annual limit on Director Awards

clearance for any Director serving as Chairman **transaction until the date that is 90 days from the date of the** or elected as a Director, **from** the limit applicable to such Director shall be increased by 50,000 shares **list of**

Event-Specific Blackout Periods

In addition to the foregoing, regular Quarterly Blackout Periods, the Company may, from time to time, impose who participate on special projects, which may involve material, non-public information regarding the Company such as significant cybersecurity incidents or breaches. Such employees are prohibited from trading in securities Blackout Period issued by the Company.

If an employee is subject to an Event-Specific Blackout Period when his or her employment terminates or such 2,000,000 shares, and (b) no individual Key Employee may receive an Award of Restricted Stock, Restricted

Except with respect **longer privy** to shares of Stock equivalent **material, non-public information due to a maximum** the earlier of five percent (i) the end of the Maximum Limit authorized above in Event-Specific Blackout Period termination.

EXCEPTED TRANSACTIONS

The following transactions are exempt from this Section 3, Policy, including the Blackout Periods and excepted requirements above:

- Exercises of options granted under any Full Value Awards which vest on the basis of vesting, other than vesting upon death, Total Disability or Retirement, or such other unit, that the Committee finds that a waiver of the applicable restrictions (or any provision more rapid than pro rata annual vesting over a three year period, and any Full Value shall provide for a performance period of at least twelve months. For purposes of the Right, which is settled by the issuance of Stock.

Notwithstanding the foregoing, Awards of Restricted Units attributable **shares** to a Key Employee to the Key Employee in cash shall not be subject to the restrictions set forth in this paragraph

Subject to the above limitations, shares of Stock to be issued under the Plan may be made Company in treasury **connection with the satisfaction of tax withholding obligations arising**

- Purchases arising from routine payroll deduction contributions to the Company's In transfer, loan or withdrawal involving the Company Stock Fund in any of the plans Stock Fund by changing fund allocations also would not be exempt. Increasing the
- Reinvestment of dividends under the Company's Automatic Dividend Reinvestment

- Purchases arising from shares purchased routine payroll deduction contributions to reinvestment of dividends under the plan. Terminating an election to participate in
- Gifts or charitable donations of equity securities, unless the director, officer or e securities immediately.

For the purpose of computing the total number of shares of Stock available for Awards under the Plan, there upon exercise or settlement of Awards and the number of shares of Stock which equals the value of Perform such Awards are granted. If any Awards under the Plan are forfeited, terminated, surrendered, exchanged, net issuance of a lesser number of shares than the number subject to the Award, the shares of Stock which extent of such forfeiture, termination, expiration, or cash or net settlement of such Awards. If any award under Plan that was outstanding as of March 17, 2014, is forfeited, terminated, surrendered, exchanged, expires issuance of a lesser number of shares than the number subject to the award, the shares of Stock subject to shares shall be added to the Maximum Limit to the extent of such forfeiture, termination, expiration, or cash

The Committee may grant other types of equity-based or equity-related awards ("Stock-Based Awards") not of Stock) in such amounts (subject to the Maximum Limit and other limitations provided for herein) and subject granted as an inducement to enter the employ of The Hartford or in satisfaction of any obligation of The Hartford payable in cash or in respect of any other obligation of The Hartford. Such Stock-Based Awards may entail and may include, without limitation, awards designed to comply with or take advantage of the applicable local award recipient shall have the right to receive Stock-Based Awards following termination of employment with reflect

4

243

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distinct

The Company considers it improper and inappropriate for directors, officers, or employees to engage in such individuals may not engage in any of the following transactions, other than as set forth below:

- **Day-Trading.** "Day-trading" involves the rapid purchasing and selling of securities in minutes the trader owns the stock, allowing the trader to lock in quick profits resulting in distracting and may unduly focus the investor on the Company's short-term stock performance. directors, officers, and employees are prohibited from day-trading the Company's securities.
- **Short Sales.** Short sales of the Company's securities evidence an expectation on the part of the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance by engaging in short sales of the Company's securities.
- **Hedging and Other Uses of Derivatives.** Hedging and monetization transactions, such as forward sale contracts and exchange funds, allow a person to lock in much of a stock's upside potential. The Committee shall otherwise specify at potential for upside appreciation in the stock. If a person to own a portion, but less than all, of a stock's upside potential or after grant, Stock performance may no longer be appropriately aligned with shareholders. These types of transactions may involve material non-public information. Therefore, the Company prohibits its directors, officers, and employees from engaging in such transactions.
- **Margin Accounts and Pledges.** Securities held in a margin account may be sold to satisfy a margin call. Similarly, securities pledged assigned, (or hypothecated) as collateral for a loan. A margin sale or foreclosure sale may occur at a time when the pledgor is aware of non-public information about Company securities. Insiders are prohibited, and all other employees are discouraged from pledging Company securities as collateral for a loan.
- **Standing and Limit Orders.** Standing and limit orders (except standing and limit orders for insider trading violations like the laws use of descent and distribution, and during

4. Grant of Awards and Award Documents

(b) Each Award granted under the Plan shall be evidenced by an Award Document. Such conditions of each Award, if any, required under the Plan or required by the Committee.

5

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Options and

timing of purchases or sales that result from standing instructions to Options a broker transaction when a director, officer or other employee is in possession of material information regarding Company securities. If a person subject to this Policy determines that he or she needs to execute orders on Company securities. If a person subject to this Policy determines that he or she needs to execute a short duration. Pre-clearance approvals for standing and limit orders are valid for up to three months. For Incentive Stock Options Quarterly Blackout Period, if such person determines that an order may not be granted altered thereafter (other than to terminate) without again

- ## RULE 10b5-1 PLANS

(b) Any option issued hereunder which is intended to qualify as an Incentive Stock Option purposes **Securities Exchange Act** of Section 422 of the Code or any regulations and ruling in the discretion.

(d) The Option price per share shall be determined by the Committee at the time any Option is granted on the date the Option is granted. The grant price related to each Right shall be determined by the Committee and shall not be less than the Fair Market Value of one share of Stock on the date the Right is granted.

(f) Except as provided in Section 9, the purchase price of the shares of Stock as to which cash, Stock already owned by the optionee, or a combination of the foregoing having a total

(h) Except as provided in this Section 5(h) or required by applicable law, no Option or Right shall be exercised by the recipient of such Option or Right. During the lifetime of the optionee, an Option or Right shall not be exercised. Notwithstanding the foregoing, all or a portion of a non-qualified Option or Right may be exercised by such persons or groups of persons designated as permissible Transferees by the Committee, subject to the Committee's authorization and determine in its sole discretion. Notwithstanding the preceding sentence, no Option or Right shall be exercised in accordance with the Instructions to Form S-8 with respect to the registration, pursuant to the Securities Act of 1933.

(i) Except as provided in Section 9, if a Director's service on the Board terminates for any reason, such Director (or Beneficiary, in the event of death) may exercise any Option or Right granted to such Director under the Director's Award Document and/or any administrative rules or other terms and conditions governing the exercise of such Option or Right granted to such Director.

(j) With respect to an Incentive Stock Option, the Committee shall specify such terms and conditions that shall qualify such Option as an "incentive stock option" within the meaning of Section 422 of the Internal Revenue Code.

(k) With respect to the exercisability and settlement of Rights:

(i) Except as expressly provided below, upon exercise of a Right, a Key Employee may specify, to receive all or a portion of the excess of (A) the Fair Market Value of the Company's common stock at the time the Right is exercised, over (B) a specified amount which shall not, subject to Section 5(d), be less than the exercise price of the Right at the time the Right is granted. Payment of any such excess shall be made as the Company may determine, in whole or in part, by the payment of cash, or by the delivery of whole shares of Stock with a Fair Market Value at such time equal to any excess, or by a combination of cash and shares of Stock, all as determined by the Committee. The Company shall, at the time of exercise, otherwise be issuable, the Company shall pay cash equal to the Fair Market Value of the shares of Stock at the time of exercise.

(ii) Notwithstanding Section 5(k)(i), the Committee may specify at grant that payment of the excess shall be made, in whole or in part, by the payment of cash, or by the delivery of whole shares of Stock with a Fair Market Value at such time equal to any excess, or by a combination of cash and shares of Stock, all as determined by the Committee. To the extent permissible without adverse tax consequences to the Key Employee or Director to elect when such payment is made. Amounts, if any, deferred pursuant to this Section shall determine, including the manner in which any deemed earnings on such deferred payment shall be determined.

(iii) In the event of the exercise of such Right, the Company's obligation in respect of such Right shall be satisfied by the payment of cash or the delivery of whole shares of Stock with a Fair Market Value at such time equal to any excess, or by a combination of cash and shares of Stock, all as determined by the Committee.

7

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(l) Each outstanding Option and Right shall be deemed to be exercised, in the manner specified in the Option or Right if at such time the Option or Right by its terms remains exercisable and, if not, then the Option or Right shall be deemed to be exercised by the Director or Key Employee to the Company or by the Company to the Key Employee or Director or Key Employee the greatest number of whole shares of Stock equal to the quotient of the exercise price of the Option or Right divided by the Fair Market Value of the Company's common stock on the Deemed Exercise date over the exercise price per share of such Option or the specified exercise price, where (i) and (ii) are:

(i) The product of (x) the number of shares of Stock as to which the Option or Right is exercised, and (y) the Fair Market Value of the Company's common stock on the Deemed Exercise date over the exercise price per share of such Option or the specified exercise price,

(ii) The Fair Market Value on such date,

6. Performance Shares

(b) The Committee shall determine a Performance Period of not less than one nor more than three years, and no individual may participate simultaneously with respect to Performance Shares for which different Performance Periods are determined.

(d) The Committee shall determine the Performance Objectives of Awards of Performance Shares from Director to Director and between groups of Key Employees and Directors, and shall be based on such factors as the Committee deems appropriate: (A) earnings per share, (B) return on equity, (C) cash flow, (D) return on cash, (E) increase in book value, (F) increase in surplus, (G) increase in operating income, (H) reductions in operating expenses, (I) increases in operating margins, (J) return on assets, (K) return on capital, (L) return on invested capital, (M) cost reductions and savings, (N) earnings before interest and taxes, (O) earnings before interest, taxes, depreciation and amortization, (P) net income, (Q) after-tax operating income, (R) book value or book value per share, (S) other financial performance improvements. The objective criteria shall be (i) determined solely by reference to any one or more of the factors of any subsidiary or affiliate of the Company or any division or unit thereof, or (ii) based on the performance factors of any subsidiary or affiliate of the Company or any division or unit thereof, or (iii) based on a Key Employee's attainment of personal objectives with respect to any one or more of the factors of any subsidiary or affiliate of the Company or any division or unit thereof, or with respect to any one or more of the factors of leadership effectiveness, business development, negotiating transactions and sales or other business objectives. The Committee shall

212485334 2 LAW

(e) At the beginning of a Performance Period, the Committee shall determine for each Key Employee the percentage of Performance Shares which shall be paid to the Key Employee or member of his family, later, following any applicable Restriction Period, if the applicable Performance Objectives are achieved.

(i) Performance Shares granted prior to February 28, 2017. If a Key Employee terminates service (i) because of death, (ii) because of Total Disability, (iii) because of his or her voluntary termination or (iv) because of involuntary termination, the Company, in its sole discretion, finds that a waiver would be in the best interests of the Company; that Key Employee may receive the Performance Shares at the end of the Performance Period or if later, at the end of any applicable Restriction Period, based on the applicable performance metrics.

Period and prorated for the portion of the Performance Period together with any applicable Restriction Period. If a Key Employee terminates service with all Participating Companies during a Performance Period or any Award with respect to that Performance Period and shall forfeit any shares of Stock subject to a

(ii) Performance Shares granted on or after February 28, 2017. If a Key Employee terminates service with all Participating Companies during a Performance Period because of his or her voluntary termination of employment due to Retirement, that Key Employee shall be entitled to receive, in settlement of such Performance Shares at the end of the Performance Period or if later, at the end of the applicable Restriction Period, the number of shares of Stock that were satisfied at the end of such Performance Period, and (b) his or her satisfaction of any restrictive covenants. If a Key Employee terminates service with all Participating Companies during a Performance Period or any applicable Restriction Period and the Committee in its sole discretion finds that a waiver would be in the best interests of the Company, then the Committee may, in its discretion, make a payment in respect of, such Award to the extent determined by the Committee as set forth in such Plan. If a Key Employee terminates service with all Participating Companies during a Performance Period or any applicable Restriction Period by the Committee from time to time applicable to such Award granted to such Key Employee. If a Key Employee terminates service with all Participating Companies during a Performance Period or any applicable Restriction Period for any other reason, then such Key Employee shall not be entitled to receive any shares of Stock subject to a Restriction Period unless the Committee shall otherwise determine.

(g) Except as provided in Section 9, if a Director's service on the Board terminates for any reason other than retirement, prior to the lapse of any applicable Restriction Period, such Director (or Beneficiary) shall be entitled to receive, in respect of, such Award to the extent determined by the Committee as set forth in such Plan. If a Director (or Beneficiary) terminates service with all Participating Companies during a Performance Period or any applicable Restriction Period adopted by the Committee from time to time applicable to such Award granted to such Director (or Beneficiary), then such Director (or Beneficiary) shall be entitled to receive a payment term not associated directly with the vesting of any such Award, only the payment term associated with the Award shall apply to such Award.

(h) Each Award of a Performance Share shall be paid in whole shares of Stock, or cash. The Committee shall so determine at the time of grant, in annual installments, with payment to the relevant Performance Period or if later, at the end of any applicable Restriction Period.

9

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(i) Except as otherwise required by applicable law, no Performance Share granted under the Plan shall be subject to the terms of the Plan.

(j) Notwithstanding anything else contained in the Plan to the contrary, unless the Committee determines that a Key Employee or an officer of the Company or a Subsidiary who is subject to the reporting requirements of the SEC is not qualified to receive an Award of Performance Shares, the Committee shall determine whether the Company or such Subsidiary pursuant to Section 162(m) of the Code. To the extent such Award is not qualified to receive an Award of Performance Shares pursuant to Section 162(m), notwithstanding anything else in the Plan to the contrary, the Committee shall determine whether the Award shall be subject to the terms of the Plan with respect to such Award after it has been granted, and shall be deemed not to have an Award of Performance Shares under the Plan that would cause the Award to fail to so qualify.

7. Restricted Stock and Restricted Units

(a) Except as provided in Section 9, Restricted Stock and Restricted Units shall be subject to the terms of the Plan for the lapse of a Restriction Period in installments where deemed appropriate, and it may be determined by the Committee that such Restriction Period to lapse. Except as otherwise provided in the Plan or as specified in the Plan, Restricted Units shall be delivered to a Key Employee or Director as soon as administratively practicable after the end of the Restriction Period.

(h) Nothing in this Section 7 shall preclude a Key Employee or Director from exchanging other shares of Stock that are similarly restricted.

(i) Subject to Section 7(f) and Section 8, a stock certificate shall be issued in the name of the Key Employee or Director, and shall be registered in the name of the Key Employee or Director, and shall bear to such Award and shall be subject to appropriate stop-transfer orders. Upon the lapse of Restricted Stock, such shares shall no longer be subject to the restrictions imposed under the Plan. Upon the expiration of the Restriction Period or the Key Employee or Director otherwise becoming entitled to payment (or, if applicable, his or her beneficiary) of the Restricted Stock (or, if applicable, his or her beneficiary) of the Restricted Stock, the shares represented by the certificate, without the legend restricting the shares, shall be available to the Key Employee or Director (or, if applicable, his or her beneficiary) of the Restricted Stock. Notwithstanding the foregoing, the Committee may, in its discretion, elect to pay cash or part cash and part Stock in lieu of delivering only Stock for such cash payment for each share of Stock to which a Key Employee or Director is entitled. Notwithstanding the foregoing, the Committee may, in its discretion, require or permit the deferral of payment in respect of Restricted Units awarded pursuant to the Plan, to vote on any matter submitted to the Company's stockholders until such time, if at all, as the shares of

(j) Except for the restrictions set forth herein and unless otherwise determined by the Committee, the Key Employee or Director shall have the same rights as the other shares of Restricted Stock, including but not limited to, the right to vote and the right to receive dividends in respect of Restricted Units awarded pursuant to the Plan, to vote on any

11

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212485334_2 LAW

matter submitted to the Company's stockholders until such time, if at all, as the shares of

(k) In addition, the Committee may permit Key Employees and Directors or any group of them to elect to receive Restricted Stock in lieu of other compensation (including salaries, annual bonuses, annual retainer and other compensation) in cash. The Committee shall establish the terms and conditions of any such Restricted Stock. The Committee shall establish the terms and conditions of any such Restricted Units (including the time at which any such election shall be made).

(l) Notwithstanding anything else contained in the Plan to the contrary, the Committee may determine that Restricted Stock or Restricted Units to a Key Employee or Director shall become vested, if at all, only upon the determination that the Key Employee or Director has achieved the Performance Objectives determined by the Committee. In such case, the Performance Objectives determined by the Committee shall be established by the Committee and between groups of Key Employees and Directors, and shall be established by the Committee. The Committee may, in its discretion, determine the criteria (including but not limited to, the criteria) applicable to Performance Shares under Section 6(d). If there shall occur significant changes to the Performance Objectives, the Committee may revise such Performance Objectives. Unless otherwise determined by the Committee, Restricted Stock or Restricted Units that is subject to performance-based vesting in accordance with the Plan shall be subject to the same requirements of Section 16(a) of the Act, shall be subject to the same requirements

8. Issuance of Stock

(a) The Company shall not be required to issue or deliver any shares of Stock prior to: (i) the expiration of the Restriction Period, (ii) the completion of any registration or qualification of such shares under any federal or state securities laws, and (iii) the determination by the Company shall, in its sole discretion, determine to be necessary or advisable, and (iii) the

(b) All shares of Stock delivered under the Plan shall also be subject to such stop-transfer rules, regulations, and other requirements of the Securities and Exchange Commission, a

state securities laws, and the Committee may cause a legend or legends to be placed on such determination, the Committee may rely upon an opinion of counsel for the Company.

(c) Except to the extent such shares are subject to forfeiture during any applicable Restriction, as part of an Award, shall have all of the rights of a shareholder with respect to such shares. No Key Employee or Director awarded an Option, a Right, a Restricted Unit or a Performance Share covered by his or her Option, Right, Restricted Unit or Performance Share prior to the date of

9. Change of Control

(a) For purposes of this Plan, a Change of Control shall occur:

(i) if a report on Schedule 13D shall be filed with the Securities and Exchange Commission by the Company or a subsidiary of the Company or any employee benefit plan sponsor owning ten percent or more of the outstanding stock of the Company entitled to vote in the election of directors;

(ii) if any Person other than the Company or a subsidiary of the Company or any employee benefit plan sponsor shall purchase shares pursuant to a tender offer or exchange offer to acquire any substantial portion of the outstanding stock of the Company, other than by purchase from the Company, for other consideration, provided that after

12

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212485334_2 LAW

consummation of the offer, the Person in question is the Beneficial Owner of twenty percent or more of the outstanding stock of the Company (calculated as provided in paragraph (d) of Rule 13d-3 under the Securities Act of 1933).

(iii) upon the consummation of any merger, consolidation, recapitalization or reorganization of the Company or any such transaction immediately following which the persons who were the Beneficial Owners of the securities of the Company immediately prior to such transaction are the Beneficial Owners of the securities of the entity surviving such transaction entitled to vote in the election of directors of the Company in relative proportions as their ownership of the securities of the Company entitled to vote in the election of directors of the Company immediately prior to such transaction, provided that, such continuity of ownership (and preservation of relative voting power) is due solely to the acquisition of voting securities by or for the Company or such surviving entity;

(iv) upon the consummation of any sale, lease, exchange or other transfer (in one transaction or more) of all or substantially all of the assets of the Company, if approved by the stockholders of the Company; or

(v) if within any 24 month period, the persons who were directors of the Company immediately prior to such transaction cease (for any reason other than death) to constitute at least a majority of the Board of Directors of the Company, and a director who was not a director at the beginning of such period shall be deemed to have been elected or appointed, by the recommendation of or with the approval of, at least two-thirds of the directors who were directors of the Company at the beginning of such period, and (B) was not designated by a Person who has entered into an agreement with the Company to acquire the Company or its assets.

(b) Notwithstanding any provision in this Plan to the contrary, but subject to Section 9(c)

(i) Each Option and Right outstanding on the date such Change of Control occurs shall remain outstanding and exercisable to the full extent of the original grant for the remainder of its term.

(ii) The surviving or resulting corporation may, in its discretion, provide for the award on terms which are no less favorable to the optionee than those applicable to the C

(iii) Except to the extent otherwise expressly provided in Section 9(b)(vi), the rest Employees pursuant to Section 7 shall lapse upon the occurrence of a Change of C all of such shares.

(iv) If a Change of Control occurs during the course of a Performance Period or a Section 6, then a Key Employee shall be deemed to have satisfied the Performanc greater, otherwise specified by the Committee at or after grant, and to have comple to the extent otherwise expressly provided in Section 9(b)(vi), distribution of amount immediately following (but in no event later than 30 days following) the occurrence

(v) Without limiting the foregoing provisions of this Section 9(b), in the event of a C either absolutely or subject to the election of such Key Employees:

13

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a. Each Option and Right shall be surrendered or exercised for an immediat subject to such Option or Right determined as of the time of such surrender

b. Each Restricted Stock, Restricted Unit and Award of Performance Shares outstanding units or shares awarded to such Key Employee multiplied by the

(vi) Notwithstanding the foregoing provisions of this Section 9(b), no distribution c Control with respect to any Award that the Committee shall determine does not qua (such as by reason of being a stock right or qualifying as a short-term deferral). To distributable or payable upon the occurrence of a Change of Control, distribution or or the Award Documents without regard to the occurrence of a Change of Control (determined in accordance with Section 409A of the Code). Without limiting the gen any Key Employee's rights in respect of any Award from becoming non-forfeitable t

(c) Notwithstanding Section 9(b), no acceleration of exercisability, vesting, issuance of s granted to a Key Employee if the Committee reasonably determines in good faith prior to 1 or new rights substituted therefor (such honored, assumed or substituted award hereinafte subsidiary of such employer) immediately following the Change of Control, provided that a

(i) relate to a class of equity that is (or will be within 5 business days following the

(ii) provide the Key Employee with rights and entitlements substantially equivalen but not limited to, an identical or better exercise or vesting schedule and identical o of such Award that provide for accelerated vesting (with respect to Performance S applicable to the Award, then (A) the Key Employee shall be deemed to have satisf Award agreement or, if greater, otherwise specified by the Committee at or after gra stock units, without a performance objective, unless otherwise determined by the C

(iii) have substantially equivalent economic value to the Award (as determined by

(iv) have terms and conditions which provide that if the Key Employee's employment terminates for Cause or by the Key Employee for Good Reason, the Award shall be fully vested and exercisable (for purposes of this clause (iv), Good Reason and Cause shall be defined as in the Executive Severance Pay Plan I, applicable to Key Employees in Tiers 3 and 4, as does not qualify for any applicable exemption from the application of Section 409A at the time otherwise specified under the Plan or the Award Documents without regard to the payment applicable to a "specified employee", as determined in accordance with S

14

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(d) Notwithstanding any provision in this Plan to the contrary, in the event of a Change of Control, an awardee whose employment or service involuntarily terminates on or after the date of consummation described in either of such Sections, and the consummation occurs within 90 days of the termination of employment or service shall be deemed for purposes of the Plan to be the day following the termination of employment or service.

10. Beneficiary

(a) Each Key Employee, Director and/or his or her Transferee may file with the Company a designation of a Beneficiary to receive the Award, if any, payable under the Plan upon his or her death. A Key Employee or Director may change or revoke a Beneficiary designation without the consent of any prior Beneficiary by filing a new designation with the Company; provided, however, that no designation, or change or revocation thereof, shall be effective as to a Key Employee or Transferee's death, as the case may be, and in no event shall it be effective as of a date later than the date of death.

(b) If no such Beneficiary designation is in effect at the time of death of a Key Employee or Director, the Key Employee, Director or Transferee or if such designation conflicts with applicable law, the Key Employee, Director or Transferee, or his or her estate, shall be entitled to receive the Award, if any, payable under the Plan. If the Key Employee, Director or Transferee does not receive such Award, the Company may retain such Award, without liability for any interest thereon, and may distribute such Award into any court of appropriate jurisdiction and such payment shall be a complete satisfaction of the Award.

11. Administration of the Plan

(a) All decisions, determinations or actions of the Committee made or taken pursuant to the Plan shall be final, conclusive and binding on all persons for all purposes.

(b) The Committee shall have full power, discretion and authority to interpret, construe and administer the Plan and actions taken thereunder shall be, except as otherwise determined by the Board of Directors, the final and exclusive action of the Committee. Notwithstanding the foregoing, and except as otherwise expressly provided in the Plan, any action, authority or power reserved to the Board of Directors shall remain with the Board of Directors.

(c) The Committee's decisions and determinations under the Plan need not be uniform or consistent with respect to all Key Employees and Directors who are similarly situated.

(d) The Committee may, in its sole discretion, delegate such of its powers as it deems appropriate to a person holding a similar position) or the Company's Chief Executive Officer, except that the delegation shall be determined, solely by the Committee or the Board or any other appropriate committee of the Company.

12. Amendment, Extension or Termination

(ii) withholding such taxes from wages or other amounts due to the Key Employee before
(iii) making settlement of any Award of Stock or other amount due under the Plan to a Key Employee, or (iv) receiving Stock already owned by, or withholding

212485334_2 LAW

Stock otherwise due to, the Key Employee in an amount determined necessary to satisfy :
herein to the contrary, any Key Employee who is an executive officer of the Company (with
obligations to the Company pursuant to this Section 14(c) by instructing the Company not to
amount sufficient to satisfy such obligations to the Company.

(d) The Committee may permit deferrals of compensation pursuant to the Plan or any stock
thereunder. Additionally, to the extent any Award is subject to Code Section 409A, notwithstanding
acceleration of the time or schedule of any distribution related to such Award, except as provided
thereunder.

(e) The Plan and the grant of Awards shall be subject to all applicable federal and state
agency as may be required. The Plan and each Award Document shall be governed by the
principle that might otherwise refer construction or interpretation of the Plan to the substance
recipients of an Award under the Plan are deemed to submit to the exclusive jurisdiction of a
that may arise out of or relate to the Plan or any related Award Document.

(f) The Company shall have the obligation or the right, as applicable, at any time to recover
Company's Clawback Policy. The Company may reduce other amounts payable under the Plan

(g) The terms of the Plan shall be binding upon the Company and its successors and assigns

(h) Captions preceding the sections hereof are inserted solely as a matter of convenience

15. Effective Date, Term of Plan and Shareholder Approval

The effective date of the Plan shall be May 21, 2014 and the Plan was most recently amended
Plan after the Plan's termination date. The Plan's termination date shall be the earlier of: (i)
of the Plan) is reached; provided, however, that the Plan will continue in effect for existing

212485334_2 LAW

The Hartford Financial Services Group, Inc. Annual Incentive Plan (as amended through awards of incentive compensation, to attract, retain and motivate qualified employees)

SECTION
DEFINITIONS

"Board" means the Board of Directors of the Company.

"Committee" means the Compensation and Management Development Committee of the Company.

"Company" means The Hartford Financial Services Group, Inc., a Delaware corporation, and its subsidiaries.

"Executive Officer" means any officer of the Company who (i) is subject to the filing requirements of the Securities Exchange Act of 1934, as amended, and (ii) is the Chief Executive Officer.

"Individual Award Opportunity" means the potential of a Participant to receive an incentive award (in U.S. dollars or other local currency) or pursuant to a formula.

"Participant" means, for each Performance Period, each employee of the Company or subsidiary of the Company who is eligible to participate in the Plan during the Performance Period.

"Performance Period" means the Company's fiscal year or any other period designated by the Committee.

"Section 409A of the Code" means Section 409A of the Internal Revenue Code of 1986, as amended.

"Subsidiary" means any entity that is directly or indirectly controlled by the Company or a subsidiary of the Company.

SECTION
ADMINISTRATION

3.1 General. The Plan shall be administered by the Committee, which shall have full authority to interpret the Plan, to establish rules and regulations relating to the operation of the Plan, to make all determinations and take all other actions necessary or appropriate for the proper administration of the Plan, and any actions taken within the scope of its authority, shall be final and binding.

Page 1

Rev. 10/2/2023
212434173_2 LAW

on the Company, its Subsidiaries, its stockholders, Participants, and former Participants and their respective officers, directors, and employees.

3.2 Powers and Responsibilities. Except as otherwise provided herein, the Committee shall have the following discretionary powers, rights and responsibilities in addition to (and without limitation to) those set forth in the Plan:

- (a) to establish performance goals and/or other terms and conditions that are necessary for the treatment of such awards upon a termination of employment or service with the Company;
- (b) to determine whether the performance goals for a Performance Period are or have been satisfied;
- (c) to determine the form of payment of incentive payments under the Plan; and
- (d) to adopt, revise, suspend, waive or repeal such administrative rules, guidelines, and conditions of the Plan.

3.3 Delegation of Power. The Committee may delegate some or all of its power and authority to one or more subcommittees or committees.

authority hereunder to a director or subcommittee of directors of the Board, the Chief function of the Company as the Committee deems appropriate; provided, however, that is an Executive Officer. Notwithstanding the foregoing, no Participant shall make decision compensation of any person to whom such Participant reports directly or indirectly, including Opportunity.

SECTION PERFORMANCE

4.1 Establishing Performance Goals; Other Terms and Conditions. The Committee may establish for each Performance Period one or more performance goals for each Participant or performance below which no amount of compensation will be paid and a maximum level of performance for the payment of differing amounts of compensation for different levels of performance, as follows: performance goals (a) may be established (i) on a Company-wide basis, (A) with respect to performance or other individual measures or (iv) any combination thereof, and (2) may be expressed in terms of performance of the Company, the performance of one or more similarly situated companies, performance under the Plan, and the establishment of performance goals, as applicable, shall be

4.2 Adjustments. The Committee may adjust any performance goals, targets or metrics. Without limiting the foregoing, (a) the Committee may adjust the performance goals for a

Page 2

Rev. 10/2/2023
212434173_2 LAW

Period as it deems appropriate in recognition of unusual or non-recurring events affecting extraordinary events such as restructurings; discontinued operations; asset write-downs; reorganizations or changes in the corporate structure or capital structure of the Company; business interruption events; unbudgeted capital expenditures; unrealized investment determine; and (b) to the extent that a performance goal relates to the common stock or shares, recapitalization or other change in the capital structure of the Company, any redistribution of assets (other than a normal cash dividend), issuance of rights or warrants or any of the foregoing, the Committee may make or provide for such adjustments in such extent that a performance goal is derived from the Company's publicly reported financial calculation thereof and any adjustment it deems appropriate consistent with applicable law.

SECTION INDIVIDUAL AWARD OPPORTUNITY

5.1 Terms. The Committee may establish an Individual Award Opportunity for any Participant or group of Participants other than the Chief Executive Officer. The independent Executive Officer and, where applicable to the Chief Executive Officer, all references in this Plan of the Board.

5.2 Committee Discretion. In all cases the Committee may: (i) reduce or eliminate the amount of any payment under the Plan that would otherwise be made to any Participant or what would apply under the applicable performance goals, based on individual performance.

5.3 Incentive Payments. The Committee shall determine whether the performance goals and other terms and conditions, as applicable, have been attained, and the amount of bonus under this Plan for a Performance Period may be determined by reference to a Participant determined by the Committee. Unless otherwise determined by the Committee, payment

Performance Period relates, but not later than March 15 following the end of such fiscal on the date of payment to be eligible to receive such payment.

5.4 Form of Payment. Amounts payable under the Plan shall be payable in cash or, if specified by the Committee, in awards granted under the applicable incentive stock plan. The Committee deems appropriate with respect to awards granted under the applicable incentive stock plan service.

Page 3

Rev. 10/2/2023
212434173_2 LAW

SECTION GENERAL

6.1 Amendment and Termination. The Committee may at any time amend, suspend, discontinue or terminate the Plan.

6.2 Non-Transferability of Awards. No Individual Award Opportunity may be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (including any similar process). Upon any attempt to sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of an Individual Award Opportunity and all rights thereunder shall immediately become null and void. Upon any such attempt, the Committee may take any action otherwise directed by the Committee.

6.3 Tax Withholding. The Company may require, prior to the payment of any amount hereunder, payment by the Participant of any federal, state, local or other taxes which may be required.

6.4 Payment by a Subsidiary. The Company may satisfy its obligations under the Plan with respect to a Participant by causing any of its Subsidiaries to make the payment to which the Participant is entitled.

6.5 No Right of Participation or Employment. No person shall have any right to participate in this Plan. Neither this Plan nor any Individual Award Opportunities made hereunder shall be construed to create any contract of employment between the Company or any Subsidiary and any person, nor shall it affect in any manner the right of the Company or any Subsidiary to terminate the employment of any person at any time.

6.6 Governing Law. This Plan and each Individual Award Opportunity hereunder, and the terms and conditions of each Individual Award Opportunity, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflict of laws.

6.7 Other Plans. Payments under Individual Award Opportunities shall not be treated as compensation for purposes of any other compensation or benefit plan, program or arrangement. The fact that payments made pursuant to Individual Award Opportunities are made in addition to other compensation shall not be construed as limiting the power of the Board or the Committee to adopt such other incentive plans or programs.

6.8 Binding Effect. The Plan shall be binding upon the Company and its successors and assigns and the Participants and their beneficiaries, personal representatives and heirs.

6.9 Recoupment of Individual Award Opportunities. The Company (or the Compensation Committee) may, as applicable, at any time to recoup any amount paid or payable hereunder to the fullest extent permitted by law from any amounts payable under the Plan if the Participant refuses to repay amounts subject to the Clawback Policy.

Page 4

Rev. 10/2/2023
212434173_2 LAW

6.10 Unfunded Plan; Plan Not Subject to ERISA. The Plan is an unfunded plan and Participants shall have the status of unsecured creditors of the Company. The Plan is not as amended.

6.11 409A Compliance. Where reasonably possible and practicable, the Plan shall be administered in a manner to avoid adverse tax consequences pursuant to Section 409A. No director, officer or employee of the Company shall have any payment or right under this Plan in a manner that results in adverse tax consequences for

6.12 Severability. If any provision of this Plan is held unenforceable, the remainder of the provision and shall be applied as though the unenforceable provision were not contained in the Plan.

Page 5

Rev. 10/2/2023

212434173_2 LAW

THE HARTFORD 2020 STOCK INCENTIVE PLAN

1. Purpose

The purpose of this 2020 Stock Incentive Plan (the "**Plan**") of The Hartford Financial Services Group, Inc. (the "**Company**") is to provide a means by which the Company may attract, retain and motivate individuals who are expected to make important contributions to the Company by providing equity owners. In the context otherwise requires, the term "**Company**" shall include any of the Company's present or future parent companies. For purposes of the Internal Revenue Code of 1986, as amended, and any regulations thereunder (the "**Code**"), as determined by the Board as may be designated by the Board of Directors of the Company (the "**Board**") to administer the Plan.

2. Eligibility

The Committee shall designate the employees, officers and directors of the Company who are eligible to participate in the Plan. The Committee may also designate advisors to the Company (as those terms are defined for purposes of Form S-8 under the Securities Act of 1933). Each person who is actually granted an Award under the Plan is deemed a "**Participant**".

3. Awards under the Plan

- a. Types. The Plan provides for the following types of awards, each of which is referred to as an "Award": (i) Options (as defined in Section 8), RSUs (as defined in Section 8), Performance Awards (as defined in Section 8) and Cash Awards (as defined in Section 8). By the Plan, each Award may be made alone or in addition or in relation to any other Award. Awards shall be made uniformly.
- b. Other Stock-Based Awards. The Committee may grant Awards of Shares (as defined in Section 8) or other property ("**Other Stock-Based Awards**"). Such Other Stock-Based Awards may be granted under the Plan or as payment in lieu of compensation to which a Participant is otherwise entitled.
- c. Cash Based Awards. The Committee or the Company may also grant Awards under this Plan in the form of cash payments.
- d. Substitute Awards. In connection with a merger or consolidation of an entity with the Company, the Committee may grant Awards in substitution for any options or other stock or stock-based awards granted by such entity, on terms as the Committee deems appropriate under the circumstances. Substitute Awards shall be granted under the Plan, except as may be required by reason of Section 422 and related provisions of the Code.
- e. Dividends or Dividend Equivalents. The Committee may provide that an Award of Restricted Stock Units or equivalents to reflect dividends declared on Shares ("**Dividend Equivalents**"), as determined by the Committee, shall be granted. In addition, the Committee may, at its discretion, grant, all dividends or Dividend Equivalents credited to an Award under this Plan of Restricted Stock, RSUs or Performance Awards, as applicable, determined based on the Fair Market Value of the Shares. If the Committee determines otherwise, "**Fair Market Value**" shall be deemed, as

212484124_2 LAW

of any date, to be equal to the reported closing price for one Share on the New York Stock Exchange on the most recent date on which selling prices were quoted, the determination to be made by the Committee. Awards shall be payable in cash or settled in Shares, and shall be subject to the same terms and conditions as the applicable Award. In the case of Performance Awards, Dividend Equivalents shall be credited to the Award recipient based on achievement of the Award's performance measures. Neither Options nor SARs shall be paid on unvested Awards, and no interest will be paid on dividends or interest on unvested Awards.

4. Granting of Awards: Administration and Delegation

The Committee shall have authority to grant Awards under the Plan. The Plan will be administered in accordance with the guidelines and practices relating to the Plan as it shall deem advisable. The Committee shall have the authority to enter into agreements entered into under the Plan and such interpretations and constructions shall be, except as otherwise provided, binding on the Committee. The Committee may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any award made hereunder, but no such action shall be made selectively among Participants, whether or not such Participants are similarly situated. The Board of Directors shall not be liable for any action that would otherwise be the responsibility of the Committee; should this occur, all references in this Plan to the Committee shall be deemed to refer to the Board of Directors. The Company's Chief Human Resources Officer, except that Awards to an officer of the Company who is subject to the reporting requirements of the Securities Exchange Act of 1934, shall be made, and matters related thereto shall be determined, solely by the Committee.

5. Shares Available for Awards

a. Number of Shares: Share Counting

i. Authorized Number of Shares. Subject to adjustment under Section 10, Awards may be made under the Plan up to the number of Shares (A) as defined in Section 6(b)) for up to 11,250,000 shares of the Company's common stock, plus (B) the total Prior Plan Shares. For purposes of this section, the number of Shares available for issuance under any plan, plus (B) the total Prior Plan Shares. For purposes of this section, the number of Shares available for issuance under any plan, plus (B) the total Prior Plan Shares.

A. 3,273,002 Shares available for issuance under the Company's 2014 Incentive Plan (the "Prior Plan") as of February 29, 2020;

plus

B. any of the 11,962,669 Shares subject to outstanding awards as of February 29, 2020 that have been canceled, forfeited, or are settled in cash in lieu of shares of the Company's common stock.

ii. As of the Effective Date, no further awards will be granted under the Prior Plan.

iii. Share Counting. The following rules shall be used to determine the number of Shares available for issuance under the Plan: the sublimits contained in Section 5(b):

212484124_2 LAW

- A. Shares shall be counted as of the Award's grant date;
- B. Shares for Awards subject to performance measures shall be counted at the time the Award is granted;
- C. Any portion of an Award that is settled in cash shall not be counted against the number of Shares available for the future grant of Awards under this Plan;
- D. Shares associated with all or that portion of an Award that is forfeited, terminated, or expires unexercised shall be added back to the number of Shares available for the future grant of Awards;
- E. For Options or SARs, all or any portion of the Shares subject to an Award that are used for tax withholding shall be added back to the number of Shares available for the future grant of Awards;
- F. Shares that are used for tax withholding, up to the Company's minimum stock repurchase program, shall be added back to the number of Shares available for the future grant of Awards under this Plan;
- G. Incentive Stock Option Awards shall be subject to any further limitations established by the Company;
- H. Shares delivered (either by actual delivery, attestation, or net exercise) to the Company for tax withholding purposes shall be added back to the number of Shares available for the future grant of Awards; and
- I. Shares repurchased by the Company on the open market shall not increase the number of Shares available for the future grant of Awards.

b. Sublimits. Subject to adjustment under Section 10, the following sublimits on the number of Shares that may be granted under the Plan shall apply:

i. Per-Participant Limit.

- A. Calendar Year Limit. The maximum number of Shares that may be granted to a Participant in any calendar year shall not exceed the number of Shares outstanding as of the end of the calendar year immediately preceding the calendar year of the grant.
- B. New Hires & Promotions. Awards to a Participant may, at the discretion of the Committee, be made to a Participant who is a new hire or promotion to the Company or (y) for the calendar year of a Participant's first full-time employment at the Company or (y) for the calendar year of a Participant's first promotion to the Company.
- C. Non-Employee Director Limit. Awards granted to any non-employee director of the Company, or any of its Affiliated Corporations, for cash fees paid for that board service year, may not exceed \$750,000 in total for that calendar year, plus any cash fees paid for that board service year that was granted in recognition for service provided in a prior board service year, provided that the non-employee director receives no other compensation from the Company or any of its Affiliated Corporations for that calendar year.

d. Dividends and Dividend Equivalents. Dividends shall not count against the limits set forth in this Section.

3

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212484124_2 LAW

d. Shares Subject to the Plan. Shares to be issued under the Plan may be made available for purchase in the open market.

6. Stock Options

- a. General. The Committee may grant options to purchase Shares (each, an "**Option**") and may impose any conditions or limitations on the exercise of an Option that the Committee considers appropriate.
- b. Incentive Stock Options. An Option that the Committee intends to be an "incentive stock option" under the requirements of Section 422 of the Code. An Option that is not intended to be an Incentive Stock Option shall be treated as a Nonqualified Stock Option. An Option that is intended to be an Incentive Stock Option shall be treated as a Nonqualified Stock Option.

c. Exercise Price. The Committee shall establish the exercise price of each Option or the for applicable Option agreement. The exercise price shall be not less than 100% of the Fair Market Value of a Share on such future date; **provided** that if the Committee approves the grant of an Option with an exercise price less than 100% of the Fair Market Value of a Share on such future date.

d. Terms; Duration of Options. Each Option shall be exercisable at such times and subject to such terms as the Committee may determine; **provided, however**, that no Option will be granted with a term in excess of 10 years.

e. Exercise of Options. Options may be exercised by delivery to the Company of a notice of exercise in the manner specified in Section 6(f) for the number of Shares for which the Option is exercised. The exercise price shall be paid by the Participant to the Company or by the Company to the Participant. Upon such Deemed Exercise, the Option shall be canceled without further action by the Company. The exercise price shall be equal to the quotient of i. divided by ii., with the quotient reduced as necessary to satisfy applicable law.

i. The product of (x) the number of Shares as to which the Option is being deemed exercised and the exercise price per share of such Option, and

ii. The Fair Market Value on such date,

with any remainder being payable in cash to the Participant. If, on the scheduled expiration date of such Option, there is a Deemed Exercise, then such Option shall be canceled without further action by the Company on the last date on which such Option may have been exercised in accordance with the terms of the Plan.

4

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212484124_2 LAW

f. Payment upon Exercise. Shares purchased upon the exercise of an Option granted under the Plan shall be paid for in the manner otherwise provided in the applicable Award agreement or approved by the Committee:

i. in cash or by check, in the manner specified by the Company;

ii. in the case of Nonqualified Stock Options, a notice of an exercise-and-sell transaction;

iii. Such other lawful consideration as the Committee may determine; provided that the exercise price shall not be less than the exercise price.

g. Limitation on Repricing. Unless such action is approved by the Company's shareholders, the Company shall not grant Awards under the Plan to provide an exercise price per share that is lower than the then-current exercise price of any outstanding option (whether or not granted under the Plan) and grant new Awards under the Plan to provide an exercise price per share lower than the then-current exercise price of any outstanding Option with an exercise price per share above the then-current Fair Market Value of a Share as determined by the meaning of the rules of the NYSE.

h. No Reload Options. No Option granted under the Plan shall contain any provision entitling the Participant to the grant of a new Option upon the exercise of an original Option.

7. Stock Appreciation Rights

a. General. The Committee may grant Awards consisting of stock appreciation rights ("**SARs**") (such form to be determined by the Committee) determined by reference to appreciation of the Fair Market Value of a Share as established pursuant to Section 7(b). The date as of which such appreciation is determined shall be the date of the grant of the Award.

- i. Settlement. Upon the vesting of and/or lapsing of any restrictions (i.e., settlement) of the Shares specified in the Award agreement or (if so provided in the applicable Award agreement) the Value of the number of Shares or a combination thereof. The Committee may, at its discretion, settle with a Participant, in a manner that complies with Section 409A of the Code or any successor provision thereto, and the regulations thereunder ("Section 409A").

6

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212484124_2 LAW

the Code or any successor provision thereto, and the regulations thereunder ("Section 409A").

- ii. Voting Rights. A Participant shall have no voting rights with respect to any RSUs.

9. Performance Awards

- a. Grants. The Committee may issue Awards under the Plan that are subject to the achievement of performance measures established at the time of grant.
- b. Performance Measures. The Committee shall specify in the Award agreement that the degree of performance required for an Award to be granted to a Participant or the department, line of business, subsidiary or other unit in which the Participant is employed, **however**, that any such period must be at least twelve months.
- c. Adjustments. Subject to the terms of the Plan, if during the course of a performance period the Committee determines that applicable performance measures during such period, the Committee may revise such performance measures. In the event of a Change of Control of the Company, Section 10, or a Change of Control of the Company, the Committee may waive the achievement of performance measures.

10. Adjustments in Event of Change in Shares

In the event of any reorganization, merger, recapitalization, consolidation, liquidation, sale of assets, or other corporate transaction, the Committee shall make such adjustment in the Shares subject to Awards (including Shares subject to Awards in respect of Shares into rights and Awards in respect of cash, other class of securities, or other property) to preserve the Participant's rights substantially proportionate to those rights existing immediately prior to the transaction, including the price payable upon the exercise of such Awards.

11. Change of Control

If the Committee reasonably determines in good faith that a Change of Control has occurred, the following provisions shall apply:

- a. If the Committee (as constituted immediately prior to the Change of Control) determines that a Change of Control has occurred, the Committee may, at its discretion, provide that this Plan shall be cancelled and terminated, provided that such Alternative Awards must:
- i. Relate to a class of equity that is (or will be within five business days following the Change of Control) outstanding on the date of the Change of Control.
- ii. Fully vest and become exercisable if a Participant's employment or other service to the Company (or other service recipient) other than for Cause or by the Participant is terminated.

7

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212484124_2 LAW

applicable exemption from the application of Section 409A of the Code at the time otherwise specified under the Plan or the Award agree to a one-month delay in payment applicable to a "specified employee", as determined in accordance with the following:

- iii. Provide the Participants with rights and entitlements substantially equivalent to an identical or better exercise or vesting schedule (including all provisions of the Plan or the Award that are not inconsistent with the foregoing);
- iv. In the case of existing awards with performance measures, be in the form of any such Alternative Award shall be determined based on deemed satisfaction of the Committee)); and

v. Have substantially equivalent economic value to the existing Award.

- b. If the Committee determines that existing Awards will not be honored or assumed through a Change of Control, the Awards shall be assumed or replaced by new Awards that fully vest and become exercisable upon the occurrence of a Change of Control and:

- i. Options and SARs may be exercised throughout the remainder of the original term;

- ii. Any performance measures applicable to Awards shall be deemed to have been satisfied if the Awards are assumed or replaced by new Awards;

- iii. All Restricted Stock, RSUs and Performance Awards shall be distributed to the Participant at the time of the Change of Control, **provided** that the Committee has determined that the Awards are not subject to Section 409A of the Code. Alternatively, the Committee may, in its discretion, provide for the Awards to be assumed or replaced by new Awards.

- A. Each Option and SAR shall be surrendered or exercised for an immediate cash payment of the fair market value of the Option or SAR determined as of the time of such surrender or exercise over the applicable period.

- B. Each Restricted Stock, RSU and Performance Award shall be exchanged for cash or other property of the Company or its subsidiary to such Participant (with the performance objectives for Performance Awards otherwise specified by the Committee at or after grant) multiplied by the Fair Market Value of the Company's common stock at the time of the Change of Control.

- iv. If the Committee determines that all or any portion of an Award cannot be assumed or replaced by new Awards, the portion of the Award that cannot be assumed or replaced by new Awards shall be made at the time otherwise specified in the Plan or the applicable Award Agreement, subject to a one-month delay in payment applicable to a "specified employee", as determined in accordance with the following:

8

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212484124_2 LAW

shall be construed to prevent any Participant's rights in respect of any Award under the Plan.

- c. Notwithstanding any provision in this Plan to the contrary, in the event of a Change of Control, the Awards shall be assumed or replaced by new Awards that fully vest and become exercisable upon the occurrence of a Change of Control, and the consummation occurs within 60 days of such date of termination, the date of the Plan to be the date following the date of the applicable consummation.

- d. For purposes of this Plan, a Change of Control shall occur:

- i. if a report on Schedule 13D shall be filed with the Securities and Exchange Commission or a subsidiary of the Company or any employee benefit plan sponsored by the Company or its subsidiary, and the report relates to the outstanding stock of the Company entitled to vote in the election of directors of the Company;

- ii. if any Person other than the Company or a subsidiary of the Company or any employee pursuant to a tender offer or exchange offer to acquire any stock of the Company (the consummation of the offer, the Person in question is the Beneficial Owner of twenty percent of the Company (calculated as provided in paragraph (d) of Rule 13d-3 under the Securities Act); or
- iii. upon the consummation of any merger, consolidation, recapitalization or other corporate transaction immediately following which the persons who were the Beneficial Owners of the Company immediately prior to such transaction are the Beneficial Owners of at least a majority of the Company entitled to vote in the election of directors of such entity (or the ultimate parent of such entity), the Company entitled to vote in the election of directors of the Company immediately following such transaction (voting power) shall be deemed to be satisfied if the failure to meet such threshold is due to the employee benefit plan of the Company, such surviving entity or any subsidiary of such entity;
- iv. upon the consummation of any sale, lease, exchange or other transfer (in whole or in part) approved by the stockholders of the Company; or
- v. if within any 24 month period, the persons who were directors of the Company immediately prior to such period (other than death) to constitute at least a majority of the Board or the board of directors of the Company at the beginning of such period shall be deemed to be an Incumbent Director if such directors constitute at least two-thirds of the directors who then qualified as Incumbent Directors either actually or by agreement with the Company to effect a transaction described in Section 11(d)(iii) of the Charter of the Company.

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212484124 2 LAW

- e. For purposes of the Plan, “**Beneficial Owner**” means any Person who, directly or indirectly under the 1934 Act) of any securities of a company, including any such right pursuant to a shall not be deemed the Beneficial Owner of any security as a result of an agreement, arrangement given in response to a public proxy or consent solicitation made pursuant to, and in accordance with, or to otherwise participate in, a proxy or consent solicitation made, or to be made, pursuant and regulations thereunder, in either case described in clause (i) or (ii) above, whether Schedule 13D under the 1934 Act (or any comparable or successor report); and (b) a Person Owner of any security acquired through such Person's participation in good faith in a firm that has the meaning ascribed to such term in Section 3(a)(9) of the 1934 Act, as supplemented by the Company, any subsidiary of the Company or any other Person controlled by the Company, or of any subsidiary of the Company, or (c) a corporation owned, directly or indirectly, by the Company.
- f. For purposes of this Section, “**Cause**” and “**Good Reason**” shall be as defined in the employment no such agreement or plan exists or does not define such terms, as defined in the applicable

12. General Provisions Applicable to Awards

- a. Transferability of Awards. Awards granted under the Plan, and during any period of restriction of an Award, may not be sold, pledged, hypothecated, assigned, margined, or otherwise distributed, unless and until the shares underlying such Award have been issued, and all or interest or right therein shall be subject to the debts, contracts, or engagements of a Participant, anticipation, pledge, encumbrance, assignment, or any other means whether such debt, obligation, garnishment, or any other legal or equitable proceedings (including bankruptcy and divorce proceedings) of the Company in any way. Notwithstanding the foregoing, all or a portion of a Non-Qualified Option Award may be sold, pledged, hypothecated, assigned, margined, or otherwise distributed.

c. **Minimum Vesting Requirement.** Except as may be provided in Section 11 regarding a Chan

212484124 2 LAW

f. Amendment of Award. Except as otherwise provided in Sections 6(g) and 7(e), the Committee may, at its discretion, amend any Award by granting the Participant therefor another Award of the same or a different type, changing the date of exercise or repricing the Award.

212484124 2 LAW

g. **Conditions on Delivery of Stock.** The Company will not be obligated to deliver any Shares Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Committee, (ii) the issuance and delivery of such Shares have been satisfied, including any applicable securities laws, rules or regulations, and (iii) the Participant has executed and delivered to the Company such representations and warranties as may be required by law, rules or regulations.

h. **Acceleration.** Subject to the limitations in Section 11 regarding a Change of Control and Survival, the Committee shall have the right at its discretion to accelerate the vesting of the Award if it determines that it is in the best interests of the Company to do so. If the Committee exercises its acceleration rights, the Award shall become immediately exercisable in whole or in part, free of any forfeiture provisions, and the unvested portion of the Award shall be treated as vested for all purposes, including, without limitation, the determination of the number of Shares to be delivered upon exercise of the Award.

a. No Right to Employment or Other Status. No person shall have any claim or right to be granted as giving a Participant the right to continued employment or any other relationship with the relationship with a Participant free from any liability or claim under the Plan, except as may be deemed salary or compensation for the purpose of computing benefits under any employee benefit plan. The Company shall determine otherwise. To the extent that any person acquires a right to receive such payments as an unsecured general creditor of the Company. Any cash payments made hereunder shall be made without segregation of assets shall be made to assure payment of such amounts except as provided herein.

b. No Rights as Shareholder. Subject to the provisions of the applicable Award agreement, no participant shall be entitled to exercise any rights as a shareholder of the Company with respect to an Award until becoming the record holder of such Shares.

c. Forfeiture of Award; Clawback. In accepting an Award under the Plan, the Participant agrees to the terms, conditions, covenants and restrictions set forth in the Award Agreement, Section 12(f)) and clawback policy that is then in effect or adopted in the future. The Committee shall have the authority to modify or terminate the Award at any time and without notice. The Committee shall hereunder to the fullest extent provided for under the Company's Clawback Policy. The Company shall be subject to the Clawback Policy.

d. Beneficiary. Each Participant may file with the Company a written designation on a form designated by the Company as beneficiary who shall be entitled to receive the Award, if any, payable under the Plan upon the death of the Participant. A new Beneficiary designation without the consent of any prior Beneficiary by filing a new designation form.

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last such designation received by the Company shall be controlling; provided, that any change or revocation thereof, shall be effective unless received by the Company prior to such receipt. If no such Beneficiary designation is in effect at the time of the Award to the Beneficiary, or, if none, his or her estate, shall be entitled to receive the Award. In the event of any dispute or doubt as to the right of any person to receive such Award, the Company may, in its sole discretion, determine the rights thereto, or the Company may pay such Award into any escrow account established for the liability of the Company therefore.

- e. Effective Date and Term of Plan. The Plan shall become effective on the date the Plan is adopted by the Board of Directors. The Plan shall become effective on the date the Plan is adopted by the Board of Directors after the expiration of 10 years from the date that the Plan is adopted by the Board of Directors.
- f. Amendment and Termination of Plan. The Committee may amend, suspend or terminate the Plan at any time, and such amendment, suspension or termination shall require the approval of the Board of Directors. Shareholder approval under the rules of the NYSE may be made effective unless and until the Board of Directors determines that such approval is not necessary. Notwithstanding anything to the contrary, the Board of Directors may, without shareholder approval, amend the Plan (A) materially increasing the number of shares authorized under the Plan (other than the Plan), or (C) materially expanding the class of participants eligible to participate in the Plan. If at any time, the approval of the Company's shareholders is required as to any other modification of the Plan, including but not limited to Incentive Stock Options, the Committee may not effect such modification or amendment. Any amendment or modification adopted in accordance with this Section shall apply to, and be binding on the holders of, all Awards (including but not limited to Award settled in cash) shall be made that is conditioned upon shareholder approval of such amendment or modification. If shareholder approval of such amendment or modification is not obtained within 12 months from the date of such shareholder approval, notwithstanding anything in this Plan to the contrary, the Plan shall terminate. For purposes of the preceding sentence, a Change of Control shall be deemed to have occurred, and ending upon the earlier of: (i) the second anniversary of the date of such threatened Change of Control, if the Committee determines in good faith that a Change of Control is no longer threatened. Such termination shall not apply to any Award tender offer, which if successfully consummated, would result in such Person being the Beneficial Owner of the Company; (ii) the Company enters into an agreement, the consummation of which would result in a Change of Control of the Company by anyone other than the Company, which, if such directors were elected, would result in a Change of Control of the Company. No event shall occur which is deemed to be a threatened Change of Control for this purpose. Further, notwithstanding anything in this Plan to the contrary, no amendment, modification, or termination of the Plan shall be made by any person with respect to a prior Award without the consent of such person. Notwithstanding anything to the contrary, the Company may, without shareholder approval, amend the Plan to take effect retroactively or otherwise, as deemed necessary or advisable for the purposes of this or similar nature and the

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212484124 2 LAW

administrative regulations and rulings promulgated thereunder (including, but not limited to, the Regulations), and the Regulations shall be subject to additional tax under Code Section 409A).

- g. Authorization of Sub-Plans. The Committee may from time to time establish one or more sub-plans for the Plan in any jurisdiction. The Committee shall establish such sub-plans by adopting supplements to the Plan which (i) are consistent with the purposes of the Plan and (ii) such additional terms and conditions not otherwise inconsistent with the purposes of the Plan. Each supplement shall be deemed to be part of the Plan, but each supplement shall apply only to Participants in the jurisdiction to which the supplement applies. Each supplement shall be a supplement to the Plan and not a supplement to the Plan in any jurisdiction which is not the subject of such supplement.
- h. Non U.S. Employees. Awards may be granted to Participants who are non-U.S. citizens and who are employed in the United States on conditions different from those applicable to Awards to Participants employed in the United States. Awards to non-U.S. citizens shall be subject to the local law or tax policy of the country in which the Participant is employed.
- i. Compliance with Section 409A of the Code. If and to the extent (i) any portion of any payment or benefit payable to or for a Participant upon the termination of his or her employment constitutes "nonqualified deferred compensation" as defined in Section 409(a)(2)(B)(i), in each case as determined by the Company in accordance with the terms of the Plan, and (ii) the Participant is or she is bound, such portion of the payment, compensation or other benefit shall not be payable to or for the Participant until the date determined under Section 409A) (the "**New Payment Date**"), except as Section 409A may otherwise provide. The Company shall not be required to make any payments during the period between the date of separation from service and the New Payment Date. Payments shall be made on the date of separation from service and the New Payment Date. Payments will be paid on their original schedule. The Company makes no representations or warranties as to the timing of any payments.

payments, compensation or other benefits under the Plan are determined to constitute a separate section.

- j. Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a Participant, Beneficiary, or any other person for any claim, loss, liability, or expense incurred because of any contract or other instrument he or she executes in his or her capacity as a director, officer, employee or agent of the Company to whom any duty or power relative to the Plan is delegated shall be liable for any expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim) arising out of such person's own fraud or bad faith.
- k. No Representations or Warranties Regarding Taxes. Notwithstanding any provision of the Plan, no individual acting as a Participant under the Plan including, but not limited to, when and to what extent such Award shall be subject to federal, state, local or foreign laws and regulations thereunder (individually or collectively, "tax laws") shall be deemed to have made any representation or warranty regarding the tax treatment of any Award under the Plan.
- l. Governing Law. The Plan and the grant of Awards shall be subject to all applicable federal, state, local or foreign laws and regulations thereunder (individually or collectively, "tax laws") as may be required. The Plan and each Award shall

14

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212484124_2 LAW

The Plan shall be governed by the laws of the State of Delaware, excluding any conflict of law or public policy interpretation of the Plan to the substantive law of another jurisdiction. Unless otherwise specified, the Plan shall be deemed to submit to the exclusive jurisdiction and venue of the federal or state court in Delaware for the Plan or any related Award.

15

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212484124_2 LAW

The Hartford

Senior Executive Officer
(Tier 1)

This document describes your benefits under The Hartford Senior Executive Officer Section 401(k) Plan.

As Amended and Restated Effective October 2, 2023

[1.Purpose](#)
[2. Application of Plan](#)
[3.Eligible Employees](#)
[4.Schedule of Severance Pay](#)
[5.Pro-Rata Annual Bonus and Treatment of Long-Term Incentives](#)
[6.Notice or Pay in Lieu of Notice](#)
[7.Payment of Severance Pay and Pro-Rata Annual Bonus](#)
[8.Employee Benefit Plan Coverage While Receiving Severance Pay](#)
[9.Sale, Divestiture, Outsourcing, Closure or Relocation](#)
[10.Severance Pay in the Event of a Change of Control](#)
[11.Separation andRelease Agreement](#)
[12.Offset](#)
[13.Administration of Plan](#)
[14.Termination or Amendment](#)
[15. Miscellaneous](#)
[16.Other Important Information](#)
[\(A\)Notice](#)

1. **Purpose**
- The purpose of The Hartford Senior Executive Officer Severance Pay Plan (the executives covered by this Plan whose employment is terminated under conditions
2. **Application of Plan**
- This Plan, which was initially effective February 22, 2011, and which was subs amended and restated in the form of this document effective October 2, 2023. Ar that has an Effective Date (as defined in Section 3 below) on or after October 2, 2 herein, and by no other plan, policy, practice or arrangement.

3. Eligible Employees

You are an Eligible Employee under this Plan if, on the date your employment with the Company (as defined below) who is paid on a salaried basis and is identified as a Tier 1 employee, you are not an Eligible Employee if:

- (1) you are terminated for misconduct or other disciplinary action, which includes violations of Company policies; violation of the Company's Code of Ethics and/or Code of Conduct; violation of the Company's policies regarding the undertaking of the Company; statements by you, either oral or written, that are defamatory, libelous, or otherwise harmful to the Company; violation of any covenant or restriction applicable to you; or any act that is determined to be immoral, unethical, inimical to the best interests of the Company, or illegal;
- (2) provided that the Effective Date is prior to a Change of Control as defined in the Plan, you are terminated for misconduct deemed by management to be a serious violation of Company policy;
- (3) you refuse a Comparable Position offered as alternative employment to you, which is a position with materially the same Base Pay (your

1

annual base salary at the Effective Date, excluding all bonus and incentive compensation, and the opportunity for bonus or incentive compensation at the target level of payout as in effect at the Effective Date; and, in the management's judgment, you are able to perform and are consistent with your experience and skills for the position, and the location or does not entail a substantially longer commute from your home;

- (4) you terminate employment with the Company prior to the date selected for termination;
- (5) you are terminated after having exhausted job protection under the Company's policies or applicable law;
- (6) you are terminated following acceptance or refusal of employment or relocation described in Section 9;
- (7) except as provided in subparagraph (3) above or in Section 10 with respect to termination for any reason, including resigning, retiring or failing to return to work immediately after a leave of absence;
- (8) your employment terminates as a result of your death.

A person who is on an authorized leave of absence, who would otherwise qualify as an Eligible Employee under the Company's policies or applicable law will be considered an Eligible Employee under this Section 3, you will be an Eligible Employee hereunder only if you have agreed to be bound by the covenants as are required to be executed by the Plan Administrator.

For purposes of the Plan, "Employee" means any person regularly employed on the date of the Effective Date by the Company, or any of their designated subsidiaries or affiliates which have been designated by the Company as, or determined by the Company to be, an independent contractor.

Notwithstanding any provision in the Plan to the contrary, if any person does not qualify as an Eligible Employee under this Section 3, and if such person is later required by a court or arbitrator or governmental authority or regulatory body to participate in the Plan, notwithstanding such classification, such person shall not be eligible to participate in the Plan, notwithstanding such classification, and if so designated, the participation of such person in the Plan shall be prospective only.

4. Schedule of Severance Pay

You will be eligible to receive severance benefits under this Section if you are terminated under certain circumstances, but subject to your entering into (and not revoking) a Separation and Release Agreement equal to two times the sum of your Base Pay plus Target Bonus.

The severance payment provided shall be in addition to any Base Pay earned, but not including any paid time off accrued as of such date that is payable in accordance with Company policy.

5. Pro-Rata Annual Bonus and Treatment of Long-Term Incentives

If you receive severance pay in accordance with Section 4, you may also be eligible for a pro-rata annual bonus for the year in which the Effective Date occurs, payable as described in Section 5. The amount of the bonus shall be at the Company's discretion, based on Company and individual performance for the year, the amount of the bonus; along with other factors, post-termination activities, such as taking a position with the Company following Termination for Good Reason or an involuntary termination by the Company following Termination for Good Reason. The bonus shall be less than a pro-rata bonus payable at the same percentage of the Target Bonus.

If you receive severance pay in accordance with Section 4, you will also vest pro-rata in unvested long term incentives, including stock options, performance shares, performance units, or other long term incentives, so provided in the award agreement under the applicable long term incentive plan. The amount of such awards will be as set forth in such award agreement.

6. Notice or Pay in Lieu of Notice

Except as provided in this Plan, you shall not be entitled to any notice of termination or pay in lieu of notice.

7. Payment of Severance Pay and Pro-Rata Annual Bonus

Any severance pay provided to you under this Plan shall be paid in a lump sum. Such payment shall be made on the Payment Date, provided that, as of the Payment Date, the Separation and Release Agreement required by this Plan has been executed by you.

Any pro-rata annual bonus payable in accordance with Section 5 shall be paid no the plans or programs under which the awards are paid, but in no event later than occurs.

In the event of your death after the Effective Date but prior to your receipt of sever

30 days of your death, subject to applicable law, to your spouse, if any, or if you are

Except as may otherwise be specifically provided by the applicable employee benefit plan, the bonus and any other payment made by the Company after the Effective Date shall be paid to the employee, including but not limited to The Hartford Investment and Savings Plan, and The Hartford Excess Pension Plan II.

4

If you receive severance pay under Section 4, you will also be entitled to outplacement services for a period of 12 months or such lesser period as you may require such services; such

(A) If the Company or a subsidiary, affiliate, division, department, business or function is outsourced in a transaction that does not qualify as a Change of Control under Section 5 of this Plan, the participant shall receive a pro-rata annual bonus in accordance with Section 5 of this Plan provided that:

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(2) you are not offered a Comparable Position with the Company, the acquir

(3) you do not decline an interview or an invitation to apply for a Comparabl
the acquirer, the vendor or the divested unit (except where the Plan Adminis

(4) you do not accept a position with the Company, the acquirer, the vendor

An offer for a Comparable Position includes one that is contingent upon satisfacti
not limited to, establishing work authorization under applicable immigration la
employment agreements that include restrictive covenants and arbitration provisior

If you continue employment with the Company or are hired on or immediately foll
payments and a pro-rata annual bonus will not be provided under this Plan.

The provisions of this Section shall apply to all sales, divestitures and outsourc
agreements

5

or any other method), unless such sale, divestiture or outsourcing qualifies as a
Section 10 shall apply.

(B) If the entire Company or the portion of the Company where you are employed i
then you are eligible to receive severance pay under Section 4 (provided that you
severance pay or a pro-rata annual bonus if you are offered a Comparable Positior

10. Severance Pay in the Event of a Change of Control

(A) Post-Change of Control Severance Pay. In the event of a Change of Control (i
are an Eligible Employee whom the Plan Administrator has approved for participa
Plan as of immediately prior to the Change of Control and (i) you are involuntarily
defined below), a termination due to death or a termination on account of total
Disability Plan for Salaried Employees, or (ii) you voluntarily terminate employm
determined by the Compensation and Management Development Committee
"Compensation Committee") as constituted immediately prior to the Change of Cor
as provided in Sections 4 and 5, payable as described in Section 7. For this purp
Bonus taken into account shall not be less than your greatest Base Pay and Targe
Following a Change of Control, the term "Company" shall also include any succes
prior to the Change of Control and any affiliate of such successor entity by which
employed.

(B) Reduction of Severance Pay to Reduced Amount in Certain Circumstances.

(i) Determination of Existence of Reduced Amount. Notwithstanding anythir
recognized public accounting firm as is designated by the Company prior
payments hereunder would subject you to tax under Section 4999 of the
payments meets the definition of Reduced Amount (defined below). For p

subject you to tax under Section 4999 of the Code, the Accounting Firm shall be deemed to have made a "taxable payment" within the meaning of Section 280G(b)(2) of the Code (including but not limited to the payment of a bonus or salary in excess of the "reasonable compensation" for services rendered within the meaning of Section 501(c)(3) of the Code).

6

constitutes "reasonable compensation" for services rendered within the meaning of Section 501(c)(3) of the Code, the Accounting Firm shall be deemed to have made a "taxable payment" within the meaning of Section 280G(b)(2) of the Code (including but not limited to the payment of a bonus or salary in excess of the "reasonable compensation" for services rendered within the meaning of Section 501(c)(3) of the Code).

(ii) **Consequences of Determination of Existence of Reduced Amount.** If the Accounting Firm determines, under the preceding paragraph, that the aggregate payments shall be reduced to such amount as the Accounting Firm determines, in its sole discretion, is not less than the amount that you will receive, if such reduction is made, is not less than the amount that you will receive, if such reduction is not made.

(iii) **Consequences of Overpayment or Underpayment of Amounts.** As a result of an initial determination by the Accounting Firm under Section 10(B)(i) hereof, if the Accounting Firm determines that the amount paid or distributed to the Plan that should not have been so paid or distributed ("Overpayment") is greater than the amount that should have been so paid or distributed ("Underpayment"), the Company pursuant to this Plan that could have been so paid or distributed ("Overpayment") shall be deemed to be a loan to you made by the Company pursuant to this Plan that could have been so paid or distributed ("Underpayment") hereunder. In the event that the Accounting Firm, based upon the assertion of the Accounting Firm that the Accounting Firm believes has a high probability of success, determines that the Accounting Firm believes has a high probability of success, determined by the Company shall be deemed for all purposes to be a loan to you made by the Company pursuant to this Plan that could have been so paid or distributed ("Underpayment") hereunder. In the event that the Accounting Firm, based upon the assertion of the Accounting Firm that the Accounting Firm believes has a high probability of success, determines that the Accounting Firm believes has a high probability of success, determined by the Company shall be deemed for all purposes to be a loan to you made by the Company pursuant to this Plan that could have been so paid or distributed ("Underpayment") hereunder.

(iv) **Fees and Expenses of Accounting Firm.** All fees and expenses of the Accounting Firm shall be deemed to be a loan to you made by the Company pursuant to this Plan that could have been so paid or distributed ("Underpayment") hereunder.

(C) **Definitions.**

For purposes of this Section 10:

"**Change of Control**" means an event that qualifies as a Change of Control under the most recent long-term incentive plan under which such Eligible Employee's compensation is determined.

"**Termination For Good Reason**" means a termination of your employment by the Company, where notice of termination is provided as described below:

7

- (i) (A) the assignment to you of any duties inconsistent in any material and substantial way with the duties of your position, or a material adverse change in such position, including titles, authority or responsibilities;
- (ii) a material reduction in your Base Pay or Target Bonus;
- (iii) the Company's requiring you to be based at any office or location more than 100 miles from your current office location, or a Change of Control (provided that such change of office or location is not required in the performance of your responsibilities);
- (iv) any failure by the Company to obtain the assumption and agreement to the Change of Control by the relevant labor union;
- (v) a Termination asserted by the Company to be For Cause that is subsequently determined to be a Termination For Cause.

Except with respect to an event described in subclause (v), you must provide written notice to the Company within 30 days of your having actual knowledge of the events giving rise to such circumstances claimed to provide a basis for Termination For Good Reason. Such notice (which date shall not be more than 15 days after the giving of such notice) shall state the circumstances that contribute to a showing of Good Reason shall not waive your rights hereunder. Notwithstanding the foregoing, a termination based on a claim of Termination For Good Reason shall not be deemed a Termination For Cause if you have consented in writing to the occurrence of the event giving rise to the termination based on a claim of Termination For Good Reason to the Company within 10 days of the date of the event giving rise to the termination. Termination For Good Reason are cured by the Company within 10 days of the date of the event giving rise to the termination.

"Net After-Tax Receipt" means the Present Value of a payment net of all applicable state and local laws, and for Social Security, Medicare or other federal taxes. For purposes of this Section 10 only, a Termination For Cause shall certify as likely to apply to you in the relevant tax year(s).

"Present Value" means such value as determined in accordance with Section 10.

8

"Reduced Amount" means the smallest amount of Plan payments that (i) results in aggregate Net After-Tax Receipts for all payments that are greater than the Present Value of Plan payments were any other amount that is less than the

"Termination For Cause" For purposes of this Section 10 only, a Termination For Cause shall be deemed a Termination For Cause if you have been convicted of a felony; (2) an act or acts of dishonesty or gross misconduct on your part that results in a material adverse change in your reputation; or (3) repeated violations of your obligations to devote your full and undivided attention to the performance of your duties to the Company, which violations are demonstrably willful and deliberate.

11. Separation and Release Agreement

12. Offset

9

The Company (or the Compensation Committee , as applicable, in the case of a
recoup any amount paid or payable hereunder to the fullest extent provided for un
determines that you have taken action, or failed to act, in a manner which is inimi
pay any amount which has not then been paid to you from this Plan and, in add
accordance with this Plan, and (2) any severance pay provided to you under this P
Company, including but not limited to any amounts owed as a result of overpaym
with the Company's Clawback Policy. Additionally, prior to a Change of Control, a
connection with any sums for which you are personally responsible.

13. Administration of Plan

The Plan Administrator shall have the exclusive discretionary authority and right to adopt any rules and regulations for carrying out the Plan as may be appropriate and the right to make factual determinations and the right to determine appeals. Subject to the right of appeal, the decision of the Plan Administrator shall be final, conclusive and binding on all parties affected thereby. No "claim" (collectively "claim") in connection with the operation, interpretation or administration of the Plan or the procedures set forth below. Only if you have exhausted such administrative appeals may you proceed with arbitration pursuant to the Plan Administrator on one or more claims may you proceed with arbitration pursuant to the Plan.

If you believe you are entitled to, but do not receive, severance pay, you may Executive

10

Compensation Lead within 60 days after your Effective Date. If your claim is denied, we will notify you of the Plan's denial not later than 90 days after your claim was received. If special circumstances require an extension of time for processing the claim, we will notify you of such extension end later than 90 days from the end of the initial period. If your claim is denied, you will receive a written notice of the denial, which will include: (i) the specific reason or reasons why the claim is denied; (ii) a description of any additional material or information necessary for the Plan to reconsider the claim; (iii) a description of the Plan's review procedures and the time limit for such review; and (iv) a description of the Plan's review procedures and the time limit for such review.

If you wish to appeal a denial of your claim, you must submit a written appeal to the Plan Administrator within 60 days after the date by which the Plan expects to render the benefit determination. If your claim is denied, you may include with your appeal written comments, documents, records, and other information. You may request and receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information submitted or considered in the initial benefit determination.

The Plan Administrator will notify you, within 60 days after it receives your request for review, of the date by which the Plan Administrator expects to render the final determination. If the Plan Administrator determines that an extension of time for processing is required, you will be notified of such extension end later than 60 days from the end of the initial 60-day period. In no event will such extension end later than 60 days from the end of the initial 60-day period.

If your appeal is denied, the notification the Plan Administrator provides to you will include: (i) the specific Plan provisions on which the determination is based; (ii) a description of the material or information necessary for the Plan to reconsider the claim; (iii) a description of the Plan's review procedures and the time limit for such review; and (iv) a description of the Plan's review procedures and the time limit for such review.

14. Termination or Amendment

The Plan Administrator shall have the power to make amendments to the Plan as may be necessary in the interest of the Company or are required by applicable law. Any other amendments to the Plan must be approved by the Board of Directors of the Company, or its Group, Inc., or the

11

15. Miscellaneous.

(B) **Unfunded.** Benefits under this Plan are paid for entirely by the Company from

(E) **409A Compliance.** Notwithstanding anything in this Plan to the contrary, Section 409A of the Code in accordance with the requirements applicable to arrangements (or any successor provision) of the Treasury Regulations or the “separation pay provision), and will be interpreted in a manner consistent with those interpretations. The Plan shall be construed in a manner that would result in the imposition of an additional tax on payments under this Plan are subject to Section 409A of the Code and are payable upon separation from service, the determination as to whether the Eligible Employee is entitled to payments in accordance with Section 409A of the Code and the guidance issued thereunder. If an Eligible Employee is to be paid on account of the Eligible Employee’s separation from service (within the meaning of Section 409A(a)(2)(B) of the Code), and if any such

the Eligible Employee's separation from service, such payment shall be delayed until the date of termination of service. Any delayed payment shall be made without liability for interest or other loss.

16. **Other Important Information**

(A) **Notice**

This Plan is not a contract of employment. It does not guarantee your employment or continued employment at any time for any reason. Employment with the Company is terminable at any time by the Company. Except as otherwise provided in a written agreement with the Company, any employment by the Company is at will, with or without notice, and with or without cause. Likewise, the Company can terminate the employment of any employee at any time, subject to applicable law.

13

No supervisor or manager has any authority to enter into an employment agreement with any employee, in violation of the preceding paragraph, unless it is authorized by the Chairman of The Hartford Financial Services Group, Inc., in writing. No communication or publication of The Hartford Financial Services Group, Inc., shall be construed as, making such an agreement or extending such a representation.

14

THE HARTFORD

SENIOR EXECUTIVE SEVERANCE PLAN
(Tier 1)

This document describes your benefits under The Hartford Senior Executive Severance Plan.

As Amended and Restated Effective October 2, 2023

212487020_2 LAW

TABLE OF C

- [1.Purpose](#)
- [2.Application of Plan](#)
- [3.Eligible Employees](#)
- [4.Schedule of Severance Pay](#)
- [5.Pro-Rata Annual Bonus and Treatment of Long-Term Incentives](#)
- [6.Notice or Pay in Lieu of Notice](#)
- [7.Payment of Severance Pay and Pro-Rata Annual Bonus](#)
- [8.Employee Benefit Plan Coverage While Receiving Severance Pay](#)
- [9.Sale, Divestiture, Outsourcing, Closure or Relocation](#)
- [10.Severance Pay in the Event of a Change of Control](#)
- [11.Separation and Release Agreement](#)
- [12.Offset](#)
- [13.Administration of Plan](#)
- [14.Termination or Amendment](#)
- [15. Miscellaneous](#)
- [16.Other Important Information](#)
- [\(A\)Notice](#)

212487020_2 LAW

THE HARTFORD SE
SEVERANCE

- 1. Purpose**

The purpose of The Hartford Senior Executive Severance Pay Plan (the "Plan") is and Hartford Funds Senior Managing Directors covered by this Plan whose employ
- 2. Application of Plan**

This Plan, which was initially effective October 1, 1997, and which was subsequen and restated in the form of this document effective October 2, 2023. Any terminati Effective Date (as defined in Section 3 below) on or after October 2, 2023 shall be no other plan, policy, practice or arrangement.

3. Eligible Employees

You are an Eligible Employee under this Plan if, on the date your employment with (as defined below) who is paid on a salaried basis, and is identified as a Tier 2 employee approved for participation in this Plan, except that you will not be an Eligible Employee if:

- (1) you are terminated for misconduct or other disciplinary action, which includes violations of Company policies; violation of the Company's Code of Ethics and Code of Conduct; violation of any policy or procedure of the Company; statements by you, either oral or written, that are defamatory, libelous, or otherwise harmful to the Company; violation of any covenant or restriction applicable to you; or any act that is determined to be immoral, unethical, inimical to the best interests of the Company, or illegal;
- (2) provided that the Effective Date is prior to a Change of Control as defined in the Plan, you are terminated, other than for cause, otherwise be due, for misconduct deemed by management to be a serious violation of Company policy;
- (3) you refuse a Comparable Position offered as alternative employment within 60 days of termination.

1

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"Comparable Position" shall mean a position with materially the same Base Pay (your annual base salary plus any bonus or special remuneration) and Target Bonus (your annual target bonus) with similar duties, or having different duties that, in management's judgment, are comparable to those of your previous position, and that either is located within a 50-mile radius of the previous position's location.

- (4) you terminate employment with the Company prior to the date selected for termination under the Plan;
- (5) you are terminated after having exhausted job protection under the Company's policies or applicable law;
- (6) you are terminated following acceptance or refusal of employment or relocation or closure or relocation described in Section 9;
- (7) except as provided in subparagraph (3) above or in Section 10 with respect to termination for any reason, including resigning, retiring or failing to return to work immediately following a leave of absence;
- (8) your employment terminates as a result of your death.

A person who is on an authorized leave of absence, who would otherwise qualify as an Eligible Employee under the Plan, but for the provisions of this Section 3, you will be an Eligible Employee hereunder only if you have agreed to be bound by the covenants as are required to be executed by the Plan Administrator.

For purposes of the Plan, "Employee" means any person regularly employed on the full-time basis by the Company, or any of their designated subsidiaries or affiliates which have not been designated as an independent contractor by the Company as, or determined by the Company to be, an independent contractor.

Notwithstanding any provision in the Plan to the contrary, if any person does not qualify as an Eligible Employee under the Plan, such person is later required by a court or arbitrator or governmental authority or other authority to be an employee of the Company, such person shall not be eligible to participate in the Plan, notwithstanding such person's status as an employee of the Company, and if so designated, the participation of such person in the Plan shall be limited to the extent permitted by the Plan Administrator.

4. **Schedule of Severance Pay.**

You will be eligible to receive severance benefits under this Section if you are terminated for any reason other than for cause, in any circumstances, but subject to your entering into (and not revoking) a Separation Agreement. The number of months of severance pay shall be equal to a number of months of your Base Pay determined as follows:

Years of Service	Number of Months of Severance Pay
Less than 4 Years of Service	2
4 Years of Service	2
5 Years of Service	2
6 Years of Service	2
7 Years of Service	2
8 Years of Service	2
9 Years of Service	2
10 Years of Service	2
11 Years of Service	2
12 Years of Service	2
13 Years of Service	2
14 Years of Service	2
15 or more Years of Service	2

"Base Pay" means your annual base salary at the Effective Date, excluding all bonuses and commissions payable over the 12 months preceding the Effective Date.

"Years of Service" shall mean the total number of completed years of employment with the Company as of the Effective Date, rounded to the nearest whole year. Your "Company Service Date" is the date used to determine your Years of Service as of the Effective Date.

The severance payment provided shall be in addition to any Base Pay earned, but not to exceed the amount of any paid time off accrued as of such date that is payable in accordance with Company policy.

5. Pro-Rata Annual Bonus and Treatment of Long-Term Incentives

If you receive severance pay in accordance with Section 4, you may also be eligible for a pro-rata annual bonus for the year in which the Effective Date occurs, payable as described in Section 5. The amount of the bonus shall be at the Company's discretion, based on Company and individual performance for the year; along with other factors, post-termination activities, such as taking a position with the Company following Termination for Good Reason or an involuntary termination by the Company following Termination for Good Reason. If the bonus for the year in which the Effective Date occurs is less than a pro-rata bonus payable at the same percentage of the Target Bonus, the bonus for the year in which the Effective Date occurs shall be the pro-rata bonus payable at the same percentage of the Target Bonus.

If you receive severance pay in accordance with Section 4, you will also vest pro-rata in unvested long term incentives, including stock options, performance shares, performance units, restricted stock, restricted stock units, and other long term incentives, so provided in the award agreement under the applicable long term incentive plan. The amount of such awards will be as set forth in such award agreement.

6. Notice or Pay in Lieu of Notice

Except as provided in this Plan, you shall not be entitled to any notice of termination or pay in lieu of notice.

7. Payment of Severance Pay and Pro-Rata Annual Bonus

Any severance pay provided to you under this Plan shall be paid in a lump sum. If the Separation and Release Agreement is not executed by the Payment Date, provided that, as of the Payment Date, the Separation and Release Agreement has been executed and is satisfied on a date prior to the Payment Date, any portion of the severance pay that is subject to the Separation and Release Agreement (the "Code"), can be paid on a date prior to the Payment Date, as determined in the separation and release agreement (of payment) and if the period in which the Separation and Release Agreement is not executed, the severance pay will not be paid until the later taxable year.

Any pro-rata annual bonus payable in accordance with Section 5 shall be paid no later than the date of the Separation and Release Agreement, but in no event later than the date of the Separation and Release Agreement.

4

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As provided in Section 3(2), prior to a Change of Control as defined in Section 3(2), any severance pay or bonus payable in accordance with Section 4 or 5 shall not be payable under the Plan to an employee who is terminated by the Company or otherwise be due.

In the event of your death after the Effective Date but prior to your receipt of severance pay, the severance pay shall be paid within 30 days of your death, subject to applicable law, to your spouse, if any, or if you are

8. Employee Benefit Plan Coverage While Receiving Severance Pay

Except as may otherwise be specifically provided by the applicable employee benefit plan, the Compensation Committee shall not be responsible for the payment of any bonus and any other payment made by the Company after the Effective Date shall be made by the Company, including but not limited to The Hartford Investment and Savings Plan, and The Hartford Excess Pension Plan II.

If you receive severance pay under Section 4, then, provided that the following provisions apply: provided that if the one-year anniversary of the Effective Date occurs, the Company will reimburse the medical and dental expenses incurred by you or your dependents under the medical and dental benefit plans of the Company or its affiliates; provided that the reimbursement will be for the excess of the amount that you pay for such COBRA coverage over the amount that would have been paid had you still been covered by the Company's medical and dental benefit plans; provided that the reimbursement will be made in accordance with the terms of the Company's medical and dental benefit plans; provided that the reimbursement shall be made during the 10 calendar days following the date of payment of the initial reimbursement; provided that the second and final reimbursement, if necessary, shall be made within 10 days following the date of payment of the first reimbursement; provided that for purposes of this sentence, the Effective Date shall be deemed to be the date of termination of your employment; provided that in accordance with any policies or practices that the Company shall adopt in accordance with applicable law, rules, regulations and guidance promulgated thereunder.

If you receive severance pay under Section 4, you will also be entitled to outplacement services for a period of 12 months or such lesser period as you may require such services; such

5

212487020 2 LAW

9. Sale, Divestiture, Outsourcing, Closure or Relocation

(A) If the Company or a subsidiary, affiliate, division, department, business or function is outsourced in a transaction that does not qualify as a Change of Control under Section 5, the participant shall receive a pro-rata annual bonus in accordance with Section 5 of this Plan provided that:

- (1) you are an Eligible Employee at the time of the transaction whose employment
- (2) you are not offered a Comparable Position with the Company, the acquirer, the
- (3) you do not decline an interview or an invitation to apply for a Comparable Position with the Company, the acquirer, the vendor or the divested unit (except where the Plan Administrator determines that you are not qualified for such position)
- (4) you do not accept a position with the Company, the acquirer, the vendor or the divested unit

An offer for a Comparable Position includes one that is contingent upon satisfaction, not limited to, establishing work authorization under applicable immigration law, and employment agreements that include restrictive covenants and arbitration provisions.

If you continue employment with the Company or are hired on or immediately following the termination of your employment, you will be eligible for the Plan's annual bonus payments and a pro-rata annual bonus will not be provided under this Plan.

(B) If the entire Company or the portion of the Company where you are employed then you are eligible to receive severance pay under Section 4 (provided that you severance pay or a pro-rata annual bonus if you are offered a Comparable Position

212487020_2 LAW

(A) Post-Change of Control Severance Pay. In the event of a Change of Control (i) you are an Eligible Employee whom the Plan Administrator has approved for participation in the Plan as of immediately prior to the Change of Control, and (ii) you are involuntarily terminated (as defined below), a termination due to death or a termination on account of total disability under the Disability Plan for Salaried Employees, or (iii) you voluntarily terminate employment as determined by the Compensation and Management Development Committee ("Compensation Committee") as constituted immediately prior to the Change of Control, then you shall be entitled to a severance payment, as provided in Sections 4 and 5, payable as described in Section 7, except that, in the event of a Change of Control, the amount payable shall be the amount provided for in Section 4. For this purpose, when determining the amount payable, the account shall not be less than your greatest Base Pay and Target Bonus in effect immediately prior to the Change of Control, the term "Company" shall also include any successor or interest in the Company following a Change of Control and any affiliate of such successor entity by which a person who

(i) Determination of Existence of Reduced Amount. Notwithstanding anything to the contrary contained herein, no payment made by the Company to any individual who is a partner, officer, director, or employee of a recognized public accounting firm as is designated by the Company prior to the date of the payment, shall be treated as a "reduced amount" for purposes of Section 4999 of the Code if the payment meets the definition of Reduced Amount (defined below). For purposes of this Section, if a payment made by the Company to an individual subject you to tax under Section 4999 of the Code, the Accounting Firm shall not be treated as a "reduced amount" if the payment is a "parachute payment" within the meaning of Section 280G(b)(2) of the Code. If the payment constitutes "reasonable compensation" for services rendered within the meaning of Section 280G(b)(2) of the Code, the payment shall not be treated as a "reduced amount" for purposes of Section 4999 of the Code. The determination of the Accounting Firm under this Section shall be binding upon the Company and

212487020 2 LAW

after-tax amount that the Accounting Firm projects that you will receive if such

(iii) Consequences of Overpayment or Underpayment of Amounts. As a result of an initial determination by the Accounting Firm under Section 10(B)(i) hereof, if it is determined that to the Plan that should not have been so paid or distributed ("Overpayment") or that the Company pursuant to this Plan that could have been so paid or distributed ("Underpayment") hereunder. In the event that the Accounting Firm, based upon the assertion that the Accounting Firm believes has a high probability of success, determines that the Accounting Firm shall be deemed for all purposes to be a loan to you made by the Company on demand, together with interest on such amount at the rate determined by the Accounting Firm, based upon controlling precedent or substantial authority, promptly paid by the Company together with interest at the applicable federal

(iv) Fees and Expenses of Accounting Firm. All fees and expenses of the Accounting Firm shall be paid by the Company.

(C) Definitions.

For purposes of this Section 10:

"Change of Control" means an event that qualifies as a Change of Control under the most recent long-term incentive plan under which such Eligible Employee's compensation

"Termination For Good Reason" means a termination of your employment by the Company without Cause, where notice of termination is provided as described below:

(i) (A) the assignment to you of any duties inconsistent in any material and substantial way with your position, including titles, authority or responsibilities; or

(ii) a material reduction in your Base Pay or Target Bonus;

8

212487020_2 LAW

(iii) the Company's requiring you to be based at any office or location more than 50 miles from your current office location (provided that such change of office or location is not required in the performance of your responsibilities);

(iv) any failure by the Company to obtain the assumption and agreement to a change of office or location;

(v) a Termination asserted by the Company to be For Cause that is subsequently determined to be a Termination For Cause.

Except with respect to an event described in subclause (v), you must provide 15 days of your having actual knowledge of the events giving rise to such circumstances claimed to provide a basis for Termination For Good Reason notice (which date shall not be more than 15 days after the giving of such circumstance that contributes to a showing of Good Reason shall not waive enforcing your rights hereunder. Notwithstanding the foregoing, a termination have consented in writing to the occurrence of the event giving rise to the termination based on a claim of Termination For Good Reason to the Company. Termination For Good Reason are cured by the Company within 10 days of

"Net After-Tax Receipt" means the Present Value of a payment net of all applicable state and local laws, and for Social Security, Medicare or other Section 1 of the Code and under state and local laws that applied to your tax shall certify as likely to apply to you in the relevant tax year(s).

"Present Value" means such value as determined in accordance with Section

"Reduced Amount" means the smallest amount of Plan payments that (i) if results in aggregate Net After-Tax Receipts for all payments that are greater Present Value of Plan payments were any other amount that is less than the

9

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"Termination For Cause" For purposes of this Section 10 only, a Termination felony conviction; (2) an act or acts of dishonesty or gross misconduct on your reputation; or (3) repeated violations of your obligations to devote your full attention to use your best efforts to perform faithfully and efficiently the responsibilities state or federal law, which violations are demonstrably willful and deliberate

11. Separation and Release Agreement

You must accept the terms of a separation agreement, including but not limited to Company's directors, officers, employees and employee benefit plans, and provide disparagement of the Company, in a form provided by the Plan Administrator or discontinue any benefits under this Plan. In no event shall the terms and conditions of a Separation be less favorable to you than the terms and conditions of the form of Separation and Release. You have no vested right to receive benefits under this Plan until you sign the Separation and Release Agreement. You must sign and return the Separation and Release Agreement no later than the

12. Offset

Any severance pay provided to you under this Plan may be offset by reducing such amount you receive or are entitled to receive (i) under any other Company plan, policy, practice or procedure limited to any amounts owed by you as a result of the Company's overpayment of contributions

(ii) by virtue of any law, custom or practice, excluding any unemployment compensation benefit payable under any law, custom or practice, any unemployment compensation pay under this Plan shall be applied in a manner that complies with Section 409A of the Internal Revenue Code.

Any severance pay provided to you under this Plan shall also be offset by red allowance you received as a result of any prior termination of employment with t shall be offset by reducing such severance pay and notice pay by any payment Notification Act ("WARN") and any similar federal, state or local law.

10

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Any severance pay provided to you under this Plan shall be offset by reducing such payment by the amount of any severance pay, bonus, or other payment provided by the Company or statutory disability plan, policy, practice, program or arrangement after the date of termination.

The Company (or the Compensation Committee, in the case of a Section 16 Of amount paid or payable hereunder to the fullest extent provided for under the Con that you have taken action, or failed to act, in a manner which is inimical to the amount which has not then been paid to you from this Plan and, in addition, may with this Plan, and (2) any severance pay provided to you under this Plan shall be including but not limited to any amounts owed as a result of overpayments of di Company's Clawback Policy. Additionally, prior to a Change of Control, any se connection with any sums for which you are personally responsible.

13. Administration of Plan

Responsibility for administration of this Plan rests with the Company's Chief Human Resources Officer or his or her designee ("Plan Administrator").

The Plan Administrator shall have the exclusive discretionary authority and right to adopt any rules and regulations for carrying out the Plan as may be appropriate and the right to make factual determinations and the right to determine appeals. Subject to the above, the decision of the Plan Administrator shall be final, conclusive and binding on all parties affected thereby. No claim (collectively "claim") in connection with the operation, interpretation or administration of the Plan shall be subject to review by any court or other entity except through the procedures set forth below. Only if you have exhausted such administrative appeal procedures may you proceed with arbitration pursuant to the provisions of the Plan Administrator on one or more claims may you proceed with arbitration pursuant to:

If you believe you are entitled to, but do not receive, severance pay, you may make Compensation Lead within 60 days after your Effective Date. If your claim is denied, we will notify you of the Plan's denial not later than 90 days after your claim was received. In special circumstances require an extension of time for processing the claim. If special circumstances require

11

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an extension of time for processing your claim, you will receive written notice of the end later than 90 days from the end of the initial period. You will be notified of the expects to render the benefit determination. If your claim is denied, you will receive include: (i) the specific reason or reasons why the claim was denied, (ii) reference any additional material or information necessary for you to perfect your claim and of the Plan's review procedures and the time limits applicable to such procedures.

If you wish to appeal a denial of your claim, you must submit a written appeal to t You may include with your appeal written comments, documents, records, and provided, upon request and free of charge, reasonable access to, and copies of, review of your appeal will take into account all comments, documents, records, information was submitted or considered in the initial benefit determination.

The Plan Administrator will notify you, within 60 days after it receives your request the Plan Administrator determines that an extension of time for processing is requi 60-day period. In no event will such extension end later than 60 days from the e extension of time and the date by which the Plan Administrator expects to render th

If your appeal is denied, the notification the Plan Administrator provides to you will the specific Plan provisions on which the determination is based; (iii) a description explanation of why such material or information is necessary; (iv) a description of th

14. Termination or Amendment

The Plan Administrator shall have the power to make amendments to the Plan a cost to the Company or are required by applicable law. Any other amendments to Group, Inc., or the Compensation Committee thereof. The Company reserves the Change") in whole or in part at any time without prior notice. Notwithstanding anyth terminated following a Change of Control or during the period in which a Change of

12

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accordance with the applicable long-term incentive plan in effect at the time), exc Change of Control, or at any other time, in such manner as the Plan Administrator change in law or to avoid any payments hereunder being subject to an addition: adversely affect (A) the eligibility of any Eligible Employee to receive benefits her such benefits would be, payable hereunder to any such Eligible Employee.

15. Miscellaneous

- (A) **Arbitration**. Any claim arising under or in connection with this Plan that, following ex to be resolved in whole or in part, shall be resolved exclusively by binding arbitr

conducted in accordance with the Employment Arbitration Rules then pending of principles that would be applied by a court of law or equity. The arbitrator shall be acceptable arbitrator, the claim shall be heard by a panel of three arbitrators, with arbitrators. The award rendered by the arbitrator (or arbitrators) will be final and entered on any award by any state or federal court having jurisdiction over the p responsible for all arbitration fees assessed by the AAA, and you and the Company provided that, should the claim relate to circumstances occurring on or after the date one or more material issues in dispute in your favor, then the Company shall pay related expenses (or cause such fees and expenses to be paid), upon presentation any reasonable fees and related expenses that you have already paid, the Company the date such expense was paid by you at the 90-day United States Treasury Bill section must be commenced within twelve months following the Plan Administrator

(B) **Unfunded.** Benefits under this Plan are paid for entirely by the Company from

(C) **Withholding.** Any payments provided for herein shall be reduced by any and Federal, State or local income or employment tax laws or similar statutes or other Administrator or designee.

13

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(D) **Section Headings.** The section headings contained in this Plan are included provision of this Plan.

(E) **409A Compliance.** Notwithstanding anything in this Plan to the contrary, Section 409A of the Code in accordance with the requirements applicable to arrangement (or any successor provision) of the Treasury Regulations or the "separation pay provision (or any successor provision), and will be interpreted in a manner consistent with those intent. Any payments under this Plan shall be construed in a manner that would result in the imposition of an arrangement payments under this Plan are subject to Section 409A of the Code and are payable upon separation from service, the determination as to whether the Eligible Employee is subject to Section 409A of the Code and the guidance issued thereunder. If any payment is to be paid on account of the Eligible Employee's separation from service (within the meaning of Section 409A(a)(2)(B) of the Code), and if any such payment is to be paid on account of the Eligible Employee's separation from service, such payment shall be delayed until the date of the Eligible Employee's separation from service, such payment shall be delayed until the date of the Eligible Employee's separation from service. Any delayed payment shall be made without liability for interest or other loss.

16. **Other Important Information**

(A) **Notice**

This Plan is not a contract of employment. It does not guarantee your employment or continued employment at any time for any reason. Employment with the Company is terminable at any time.

Except as otherwise provided in a written agreement with the Company, any employment agreement shall be subject to the terms and conditions of the Company's employment agreement, and with or without cause. Likewise, the Company can terminate the employment agreement subject to applicable law.

No supervisor or manager has any authority to enter into an employment agreement that is inconsistent with the preceding paragraph, unless it is authorized by the Chairman of The Hartford Financial Group.

communication or publication of The Hartford Financial Services Group, Inc., th
construed as, making such an agreement or extending such a representation.

14

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The Hartford Financial Servi
Organizational List – Domesti

1stAgChoice, Inc. (South Dakota)
Access CoverageCorp, Inc. (North Carolina)
Access CoverageCorp Technologies, Inc. (North Carolina)
Business Management Group, Inc. (Connecticut)
Cervus Claim Solutions, LLC (Delaware)
First State Insurance Company (Connecticut)
FTC Resolution Company, LLC (Delaware)
Hart Re Group, L.L.C. (Connecticut)
Hartford Accident and Indemnity Company (Connecticut)
Hartford Administrative Services Company (Minnesota)
Hartford Asia Limited (Hong Kong)
Hartford Casualty General Agency, Inc. (Texas)
Hartford Casualty Insurance Company (Indiana)
Hartford Corporate Underwriters Limited (United Kingdom)
Hartford Fire General Agency, Inc. (Texas)
Hartford Fire Insurance Company (Connecticut)
Hartford Funds Distributors, LLC (Delaware)
Hartford Funds Management Company, LLC (Delaware)
Hartford Funds Management Group, Inc. (Delaware)
Hartford Holdings, Inc. (Delaware)
Hartford Insurance Company of Illinois (Illinois)
Hartford Insurance Company of the Midwest (Indiana)
Hartford Insurance Company of the Southeast (Connecticut)
Hartford Insurance, Ltd. (Bermuda)
Hartford Integrated Technologies, Inc. (Connecticut)
Hartford Investment Management Company (Delaware)
Hartford Life and Accident Insurance Company (Connecticut)
Hartford Lloyd's Corporation (Texas)
Hartford Lloyd's Insurance Company (Partnership) (Texas)
Hartford Management, Ltd. (Bermuda)
Hartford Management (UK) Limited (United Kingdom)
Hartford Productivity Services, LLC (Delaware)
Hartford of the Southeast General Agency, Inc. (Texas)
Hartford of Texas General Agency, Inc. (Texas)
Hartford Residual Market, L.L.C. (Connecticut)
Hartford **Singapore Pte. Ltd. (Singapore)**
Hartford Specialty Insurance Services of Texas, LLC (Texas)
Hartford STAG Ventures LLC (Delaware)
Hartford Strategic Investments, LLC **Inc.** (Delaware)
Hartford Underwriters General Agency, Inc. (Texas)

Hartford Underwriters Insurance Company (Connecticut)
Hartford Underwriting Agency Limited (United Kingdom)
Heritage Holdings, Inc. (Connecticut)
Heritage Reinsurance Company, Ltd. (Bermuda)
HLA LLC (Connecticut)
Horizon Management Group, LLC (Delaware)
HRA Brokerage Services, Inc. (Connecticut)
Lattice Strategies LLC (Delaware)
Maxum Casualty Insurance Company (Connecticut)
Maxum Indemnity Company (Connecticut)
Maxum Specialty Services Corporation (Georgia)
Millennium Underwriting Limited (United Kingdom)
MPC Resolution Company LLC (Delaware)
Navigators Holdings (UK) Limited (United Kingdom)

Navigators Insurance Company (New York)

Navigators Management Company, Inc. (New York)
Navigators Specialty Insurance Company (New York)
Navigators Underwriting Limited (United Kingdom)
New England Insurance Company (Connecticut)
New England Reinsurance Corporation (Connecticut)
New Ocean Insurance Co., Ltd. (Bermuda)
NIC Investments (Chile) SpA (Chile)
Nutmeg Insurance Agency, Inc. (Connecticut)
Nutmeg Insurance Company (Connecticut)
Pacific Insurance Company, Limited (Connecticut)
Property and Casualty Insurance Company of Hartford (Indiana)
Sentinel Insurance Company, Ltd. (Connecticut)
The Navigators Group, Inc. (Delaware)
Trumbull Flood Management, L.L.C. (Connecticut)
Trumbull Insurance Company (Connecticut)
Twin City Fire Insurance Company (Indiana)
Y-Risk, LLC (Connecticut)

3112

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following registration statements on F
relating to the financial statements of The Hartford Financial Services Insurance Group, In
Group, Inc.) and the effectiveness of the Company's internal control over financial reportir
Services Insurance Group, Inc. for the year ended December 31, 2023 December 31, 202

/s/ DELOITTE Deloitte & TOUCHE Touche LLP
Hartford, Connecticut
February 23, 2024 21, 2025

3122

POWER OF A

Each person whose signature appears below does hereby make, constitute and ap
NIDERNO and DONALD C. HUNT, TERENCE SHIELDS, and each of them, his or her true
resubstitution, in his or her name, place and stead, in any and all capacities, to execute an
of The Hartford Financial Services Insurance Group, Inc. (the "Company") for the year end
amendments thereto and other documents in connection therewith, granting to each of sa
every act and thing necessary and requisite to be done in connection with the foregoing, a
confirming all that said attorneys-in-fact and agents, or any of them, or their respective sul
the powers granted herein to each of said attorneys-in-fact and agents shall be effective o
form, substance and filing of the Annual Report.

IN WITNESS WHEREOF, the undersigned has executed this power of attorney this 23rd 19th day of February :

/s/ Christopher J. Swift

Christopher J. Swift

/s/ Beth A. Costello

Beth A. Costello

/s/ Allison G. Niderno

Allison G. Niderno

/s/ Larry D. De Shon

Larry D. De Shon

/s/ Carlos Dominguez

Carlos Dominguez

/s/ Trevor Fetter

Trevor Fetter

3132

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
CERTIFICATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS
18 U.S.C. SECTION 1351
AS ENACTED BY SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher J. Swift, certify that:

1. I have reviewed this Annual Report on Form 10-K of The Hartford Financial Services Insurance Group, Inc. for the year ended December 31, 2024, and I am a member of the Board of Directors of The Hartford Financial Services Insurance Group, Inc.
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and for the design and evaluation of such controls and procedures.
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed by or under the supervision of the registrant's chief financial officer, and participated in the design and evaluation of such controls and procedures, including its consolidated subsidiaries, is made known to us by others within those entities, particularly in the design and evaluation of such controls and procedures;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed by or under the supervision of the registrant's chief financial officer, and participated in the design and evaluation of such controls and procedures, including its consolidated subsidiaries, is made known to us by others within those entities, particularly in the design and evaluation of such controls and procedures;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of such controls and procedures based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the period covered by this report (or, if an annual report, that occurred during the most recent period covered by an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of the registrant's internal control over financial reporting, to the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 23, 2024 21, 2025

/s/ Christopher J. Swift
Christopher J. Swift
Chairman and Chief Executive Officer

3142

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
CERTIFICATION OF THE CHAIRMAN OF THE BOARD OF DIRECTORS
18 U.S.C. SECTION 1351
AS ENACTED BY SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Beth A. Costello, certify that:

- 1. I have reviewed this Annual Report on Form 10-K of The Hartford Financial Services Insurance Group,
- 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to such statements were made, not misleading with respect to the period covered by this report;
- 3. Based on my knowledge, the financial statements, and other financial information included in this rep the registrant as of, and for, the periods presented in this report;
- 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclos control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the regis
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and p registrant, including its consolidated subsidiaries, is made known to us by others within those enti
 - b. Designed such internal control over financial reporting, or caused such internal control over fin reliability of financial reporting and the preparation of financial statements for external purposes in
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presentec the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting th case of an annual report) that has materially affected, or is reasonably likely to materially affect, th
- 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a sig

Date: February 23, 2024 21, 2025 /s/ Beth A. Costel
Beth A. Costel
Executive Vice

3152

THE HARTFORD FINANCIAL SERV
CERTIFICATION F
18 U.S.C. SEC
AS ENACTED BY SECTION 906 OF TH

In connection with the Annual Report on Form 10-K for the period ended December 31, 2
"Company"), filed with the Securities and Exchange Commission on the date hereof (th
enacted by section 906 of the Sarbanes-Oxley Act of 2002, that:

- 1) The Report fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act o
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and results

Date: February 23, 2024 21, 2025 /s/ Christopher J. S
Christopher J. Swif
Chairman and Chie

3162

THE HARTFORD FINANCIAL SERVICES GROUP, INC.
CERTIFICATION F
18 U.S.C. SEC
AS ENACTED BY SECTION 906 OF TH

In connection with the Annual Report on Form 10-K for the period ended December 31, 2024 (the "Company"), filed with the Securities and Exchange Commission on the date hereof (the date of filing), the undersigned hereby certifies, on behalf of the Company, that the information furnished in the Report is true and correct in all material respects, and that the Report was prepared in accordance with the requirements of section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of section 13(a) or section 15(d) of the Securities Exchange Act of 1934;
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 23, 2024 21, 2025
/s/ Beth A. Costello
Beth A. Costello
Executive Vice President

317

The Hartford Financial
CLAWBACK

1. Purpose.

The Hartford Financial Services Group, Inc. (collectively with its subsidiaries and affiliates, "Hartford"), is committed to the highest standards of corporate governance and ethical conduct, and to compliance with applicable laws, rules and regulations. As part of this commitment, the Company has adopted this

The Policy consists of two rules:

Section 3 of the Policy reflects the Company's recoupment rule, referred to hereinafter as the "Recoupment Rule," which provides that the Company shall recover from any employee the amounts currently outstanding or previously paid to any Company employee in the

Section 4 of the Policy reflects the Company's compensation recovery rule, referred to hereinafter as the "Compensation Recovery Rule," which provides that the Company shall recover from any employee the amounts currently outstanding or previously paid to any Company employee in the

Exhibit A attached hereto sets forth the definitions of all other capitalized terms used throughout the Policy.

2. Administration.

The Compensation & Management Development Committee of the Company's Board of Directors (the "Committee") may act as "Administrator" with respect to the application of the Misconduct Rule to any employee of the Company (the "Employee"). For the avoidance of doubt, the Compensation Committee shall act as "Administrator" with respect to the application of the Misconduct Rule to any Employee.

The Administrator is authorized to interpret and construe this Policy and to make any determinations made by the Administrator shall be final and binding on all employees of the Company. In the administration of this Policy, the Administrator is authorized and directed to consult with the Audit Committee, as may be necessary or appropriate as to matters within the scope of the Policy. In the administration of this Policy, the Administrator is authorized and directed to consult with the Audit Committee, as may be necessary or appropriate as to matters within the scope of the Policy. In the administration of this Policy, the Administrator is authorized and directed to consult with the Audit Committee, as may be necessary or appropriate as to matters within the scope of the Policy. In the administration of this Policy, the Administrator is authorized and directed to consult with the Audit Committee, as may be necessary or appropriate as to matters within the scope of the Policy.

3. Misconduct Rule.

1

other method authorized by applicable law or contract. Subject to compliance with any applicable law, the Company is authorized pursuant to this Policy to recoup Error Compensation Committee has determined that recovery would be impracticable solely for the following requirements:

b. Dodd-Frank Rule – Recovery Impracticable.

The Company is authorized and directed pursuant to this Policy to recoup Error Compensation Committee has determined that recovery would be impracticable solely for the following requirements:

- i. The direct expense paid to a third party to assist in enforcing the Policy would exceed the amount of Erroneously Awarded Compensation based on expense of enforcement, the Administrator has documented such reasonable attempt(s) to recover and provide that documentation to the NYSE;
- ii. Recovery would violate home country law where that law was adopted prior to November 15, 2008. If Erroneously Awarded Compensation based on violation of home country law, the Administrator may determine that recovery is not in the best interests of the Company; or
- iii. Recovery would likely cause an otherwise tax-qualified retirement plan, under which the Covered Executive is or may be a participant, to be disqualified under Section 401(a)(13) or 408(a) of the Internal Revenue Code of 1954, 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

c. Misconduct Rule – Recovery at Administrator’s Discretion. The standard set forth in the Dodd-Frank Act for recovery of incentive compensation and/or severance pay is that such recovery is necessary or appropriate.

6. Administrator Indemnification.

Any members of the Administrator, and any other members of the Board who assist in the administration of this Policy, shall not be personally liable for any action, determination or decision made in good faith by the Administrator or the Board on behalf of the Company to the fullest extent under applicable law and Company policy with respect to such action, determination or decision, and any other rights to indemnification of the members of the Board or of an employee under applicable law.

7. Amendment; Termination.

The Board may amend, modify, supplement, rescind or replace all or any portion of this Policy as it deems necessary to comply with applicable law or any rules or standards adopted by the SEC.

In addition, the Company may amend, modify, supplement, rescind or replace all or any portion of this Policy at any time and from time to time in its discretion.

8. Other Recoupment Rights; Company Claims.

Any right of recoupment under this Policy is in addition to, and not in lieu of, any other right of recoupment or recovery under applicable law or pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement.

3

terms of any similar policy in any employment agreement, equity award agreement, or similar agreement.

Nothing contained in this Policy, and no recoupment or recovery as contemplated by this Policy, shall be deemed to constitute a waiver of any remedies the Company or any of its affiliates may have against a Covered Executive or any other individual who is or was a Covered Executive or the employee.

9. Other provisions.

a. All compensation subject to this Policy shall remain subject to recovery or recoupment under applicable law or pursuant to the terms of any similar policy in any employment agreement, equity award agreement, or similar agreement.

b. This Policy will survive and continue notwithstanding any termination of a Covered Executive or any other individual who is or was a Covered Executive or the employee.

d. In any circumstances where the Dodd-Frank Rule applies, it shall be applied to the discretion of the Administrator, if deemed appropriate, the Misconduct Rule may also be applied under the Misconduct Rule shall take into account and give credit for any recovery mandated by Misconduct Rule requires an aggregate recovery in excess of the amount required to be recovered each such Rule.

10. Successors.

11. Governing Law.

4

As used in this Policy, the following definitions shall apply:

“Applicable Period” means the three completed fiscal years immediately preceding the date on which the Company determines that the Accounting Restatement is required (that results from a change in the Company’s fiscal year) within or immediately following the last fiscal year (if the period of at least nine months shall count as a completed fiscal year). The **“date on which the Company is required to prepare an Accounting Restatement”** means the date on which the Board or any committee thereof concludes, or reasonably should have concluded, that the Company’s financial statements are materially misstated and the legally authorized body directs the Company to prepare an Accounting Restatement, in each case as determined by the Company’s independent accountants.

“Covered Executives” means the Company’s current and former executive officers, as determined by the Company’s independent accountants, as set forth in the 10D-1 and the Listing Standards.

“**Incentive-Based Compensation**” means any compensation that is granted, earned or vested by the Company to any of its directors, officers or employees, and such compensation is “**received**” for purposes of this Policy in the Company’s fiscal period during which the compensation is first earned or, if not earned, then when the compensation is first attained, even if the payment or grant of such Incentive-Based Compensation occurs after the end of the Company’s fiscal period.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURE REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANIES WARRANT THE ACCURACY OF THE INFORMATION PROVIDED IN THIS REPORT. ANY DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT ARE SOLELY AT THE RISK OF THE USER. PLEASE REFER TO THE ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISION.

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