

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

FORM 10-Q

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

For the quarterly period ended June 30, 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 1-5823

CNA FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

36-6169860

(State or other jurisdiction of
incorporation or organization)

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

151 N. Franklin

60606

Chicago, Illinois

(Zip Code)

(Address of principal executive offices)

(312) 822-5000

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

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

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

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

As of July 25, 2024, 270,836,385 shares of common stock were outstanding.

Item Number	Page Number
PART I	
1. <u>Condensed Consolidated Financial Statements:</u>	<u>3</u>
<u>Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2024 and 2023 (Unaudited)</u>	<u>3</u>
<u>Condensed Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2024 and 2023 (Unaudited)</u>	<u>4</u>
<u>Condensed Consolidated Balance Sheets as of June 30, 2024 (Unaudited) and December 31, 2023</u>	<u>5</u>
<u>Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and 2023 (Unaudited)</u>	<u>6</u>
<u>Condensed Consolidated Statements of Stockholders' Equity for the three and six months ended June 30, 2024 and 2023 (Unaudited)</u>	<u>7</u>
<u>Notes to Condensed Consolidated Financial Statements (Unaudited)</u>	<u>8</u>
2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>44</u>
3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>65</u>
4. <u>Controls and Procedures</u>	<u>65</u>
PART II	
1 <u>Legal Proceedings</u>	<u>66</u>
2 <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>66</u>
6 <u>Exhibits</u>	<u>66</u>

PART I

Item 1. Condensed Consolidated Financial Statements

CNA Financial Corporation

Condensed Consolidated Statements of Operations (Unaudited)

Periods ended June 30 (In millions, except per share data)	Three Months		Six Months	
	2024	2023	2024	2023
Revenues				
Net earned premiums	\$ 2,498	\$ 2,347	\$ 4,939	\$ 4,595
Net investment income	618	575	1,227	1,100
Net investment losses	(10)	(32)	(32)	(67)
Non-insurance warranty revenue	404	407	811	814
Other revenues	9	7	18	14
Total revenues	3,519	3,304	6,963	6,456
Claims, Benefits and Expenses				
Insurance claims and policyholders' benefits (re-measurement loss of \$(25), \$(33), \$(40) and \$(34))	1,882	1,779	3,689	3,432
Amortization of deferred acquisition costs	435	403	879	782
Non-insurance warranty expense	388	384	782	768
Other operating expenses	378	346	715	683
Interest	34	31	69	59
Total claims, benefits and expenses	3,117	2,943	6,134	5,724
Income before income tax	402	361	829	732
Income tax expense	(85)	(78)	(174)	(152)
Net income	\$ 317	\$ 283	\$ 655	\$ 580
Basic earnings per share	\$ 1.17	\$ 1.04	\$ 2.41	\$ 2.14
Diluted earnings per share	\$ 1.17	\$ 1.04	\$ 2.40	\$ 2.13
Weighted Average Outstanding Common Stock and Common Stock Equivalents				
Basic	271.6	271.2	271.6	271.2
Diluted	272.6	272.0	272.6	272.1

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements (Unaudited).

CNA Financial Corporation
Condensed Consolidated Statements of Comprehensive Income (Unaudited)

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Comprehensive Income				
Net income	\$ 317	\$ 283	\$ 655	\$ 580
Other Comprehensive Income (Loss), net of tax				
Changes in:				
Net unrealized gains and losses on investments with an allowance for credit losses	—	(1)	2	(9)
Net unrealized gains and losses on other investments	(244)	(413)	(461)	257
Net unrealized gains and losses on investments	(244)	(414)	(459)	248
Impact of changes in discount rates used to measure long-duration contract liabilities	273	256	614	(140)
Foreign currency translation adjustment	(10)	34	(42)	51
Pension and postretirement benefits	6	7	12	14
Other comprehensive income (loss), net of tax	25	(117)	125	173
Total comprehensive income	\$ 342	\$ 166	\$ 780	\$ 753

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements (Unaudited).

[Table of Contents](#)

CNA Financial Corporation
Condensed Consolidated Balance Sheets

	June 30, 2024	(Unaudited)	December 31, 2023
(In millions, except share data)			
Assets			
Investments:			
Fixed maturity securities at fair value (amortized cost of \$42,993 and \$42,414, less allowance for credit loss of \$17 and \$16)	\$ 40,403	\$ 40,425	\$ 40,425
Equity securities at fair value (cost of \$663 and \$686)	669	683	683
Limited partnership investments	2,367	2,174	2,174
Other invested assets	73	80	80
Mortgage loans (less allowance for credit loss of \$35 and \$35)	986	1,035	1,035
Short-term investments	1,747	2,165	2,165
Total investments	<u>46,245</u>	<u>46,562</u>	<u>46,562</u>
Cash	375	345	345
Reinsurance receivables (less allowance for uncollectible receivables of \$22 and \$22)	5,652	5,412	5,412
Insurance receivables (less allowance for uncollectible receivables of \$25 and \$28)	3,816	3,442	3,442
Accrued investment income	453	444	444
Deferred acquisition costs	948	896	896
Deferred income taxes	941	1,016	1,016
Property and equipment at cost (less accumulated depreciation of \$308 and \$296)	259	253	253
Goodwill	146	146	146
Deferred non-insurance warranty acquisition expense	3,598	3,661	3,661
Other assets (includes \$1 and \$23 due from Loews Corporation)	<u>2,761</u>	<u>2,534</u>	<u>2,534</u>
Total assets	<u>\$ 65,194</u>	<u>\$ 64,711</u>	<u>\$ 64,711</u>
Liabilities			
Insurance reserves:			
Claim and claim adjustment expenses	\$ 23,974	\$ 23,304	\$ 23,304
Unearned premiums	7,409	6,933	6,933
Future policy benefits	13,211	13,959	13,959
Short-term debt	—	550	550
Long-term debt	2,971	2,481	2,481
Deferred non-insurance warranty revenue	4,623	4,694	4,694
Other liabilities (includes \$16 and \$28 due to Loews Corporation)	<u>3,132</u>	<u>2,897</u>	<u>2,897</u>
Total liabilities	<u>55,320</u>	<u>54,818</u>	<u>54,818</u>
Commitments and contingencies (Notes C and G)			
Stockholders' Equity			
Common stock (\$2.50 par value; 500,000,000 shares authorized; 273,040,243 shares issued; 270,835,170 and 270,881,457 shares outstanding)	683	683	683
Additional paid-in capital	2,210	2,221	2,221
Retained earnings	9,623	9,755	9,755
Accumulated other comprehensive loss	(2,547)	(2,672)	(2,672)
Treasury stock (2,205,073 and 2,158,786 shares), at cost	<u>(95)</u>	<u>(94)</u>	<u>(94)</u>
Total stockholders' equity	<u>9,874</u>	<u>9,893</u>	<u>9,893</u>
Total liabilities and stockholders' equity	<u>\$ 65,194</u>	<u>\$ 64,711</u>	<u>\$ 64,711</u>

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements (Unaudited).

CNA Financial Corporation
Condensed Consolidated Statements of Cash Flows (Unaudited)

Six months ended June 30

(In millions)

	2024	2023
Cash Flows from Operating Activities		
Net income	\$ 655	\$ 580
Adjustments to reconcile net income to net cash flows provided by operating activities:		
Deferred income tax expense	31	21
Trading portfolio activity	(6)	1
Net investment losses	32	67
Equity method investees	(72)	(29)
Net amortization of investments	(105)	(87)
Depreciation and amortization	34	28
Changes in:		
Receivables, net	(626)	(497)
Accrued investment income	(10)	(21)
Deferred acquisition costs	(55)	(74)
Insurance reserves	1,255	1,165
Other, net	(13)	(217)
Net cash flows provided by operating activities	1,120	937
Cash Flows from Investing Activities		
Dispositions:		
Fixed maturity securities - sales	1,611	2,285
Fixed maturity securities - maturities, calls and redemptions	1,109	613
Equity securities	288	121
Limited partnerships	29	79
Mortgage loans	61	78
Purchases:		
Fixed maturity securities	(3,338)	(3,506)
Equity securities	(246)	(126)
Limited partnerships	(140)	(245)
Mortgage loans	(12)	(53)
Change in other investments	5	6
Change in short-term investments	461	(62)
Purchases of property and equipment	(39)	(43)
Other, net	2	(5)
Net cash flows used by investing activities	(209)	(858)
Cash Flows from Financing Activities		
Dividends paid to common stockholders	(786)	(559)
Proceeds from the issuance of debt	490	395
Repayment of debt	(550)	—
Purchase of treasury stock	(20)	(24)
Other, net	(12)	(12)
Net cash flows used by financing activities	(878)	(200)
Effect of foreign exchange rate changes on cash	(3)	4
Net change in cash	30	(117)
Cash, beginning of year	345	475
Cash, end of period	\$ 375	\$ 358

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements (Unaudited).

[Table of Contents](#)

CNA Financial Corporation
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Common Stock				
Balance, beginning of period	\$ 683	\$ 683	\$ 683	\$ 683
Balance, end of period	683	683	683	683
Additional Paid-in Capital				
Balance, beginning of year	2,201	2,196	2,221	2,220
Stock-based compensation	9	8	(11)	(16)
Balance, end of period	2,210	2,204	2,210	2,204
Retained Earnings				
Balance, beginning of period, as previously reported	9,425	9,191	9,755	9,572
Cumulative effect adjustments from changes in accounting guidance, net of tax	—	—	—	(236)
Balance, beginning of period	9,425	9,191	9,755	9,336
Dividends to common stockholders (\$0.44, \$0.42, \$2.88 and \$2.04 per share)	(119)	(115)	(787)	(557)
Net income	317	283	655	580
Balance, end of period	9,623	9,359	9,623	9,359
Accumulated Other Comprehensive Loss				
Balance, beginning of period, as previously reported	(2,572)	(3,308)	(2,672)	(3,557)
Cumulative effect adjustments from changes in accounting guidance, net of tax	—	—	—	(41)
Balance, beginning of period	(2,572)	(3,308)	(2,672)	(3,598)
Other comprehensive income (loss)	25	(117)	125	173
Balance, end of period	(2,547)	(3,425)	(2,547)	(3,425)
Treasury Stock				
Balance, beginning of period	(75)	(95)	(94)	(93)
Stock-based compensation	—	—	19	22
Purchase of treasury stock	(20)	—	(20)	(24)
Balance, end of period	(95)	(95)	(95)	(95)
Total stockholders' equity	\$ 9,874	\$ 8,726	\$ 9,874	\$ 8,726

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements (Unaudited).

CNA Financial Corporation

Notes to Condensed Consolidated Financial Statements

Note A. General

Basis of Presentation

The Condensed Consolidated Financial Statements include the accounts of CNA Financial Corporation (CNAF) and its subsidiaries. Collectively, CNAF and its subsidiaries are referred to as CNA or the Company. Loews Corporation (Loews) owned approximately 92% of the outstanding common stock of CNAF as of June 30, 2024.

The accompanying Condensed Consolidated Financial Statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). Intercompany amounts have been eliminated. Certain financial information that is normally included in annual financial statements prepared in accordance with GAAP, including certain financial statement notes, is not required for interim reporting purposes and has been condensed or omitted. These statements should be read in conjunction with the Consolidated Financial Statements and notes thereto included in CNAF's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) for the year ended December 31, 2023, including the summary of significant accounting policies in Note A. The preparation of Condensed Consolidated Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the Condensed Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

The interim financial data as of June 30, 2024 and for the three and six months ended June 30, 2024 and 2023 is unaudited. However, in the opinion of management, the interim data includes all adjustments, including normal recurring adjustments, necessary for a fair statement of the Company's results for the interim periods in accordance with GAAP. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year.

Accounting Standards Pending Adoption

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-07, Segment Reporting (Topic 280): *Improvements to Reportable Segment Disclosures*. The updated accounting guidance requires expanded reportable segment disclosures, primarily related to significant segment expenses which are regularly provided to the Company's Chief Operating Decision Maker (CODM). The guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within annual periods beginning after December 15, 2024. Retrospective application is required. The Company is currently evaluating the effect the updated guidance will have on its financial statement disclosures and expects to disclose additional quantitative and qualitative information related to segment expenses regularly provided to the CODM that are included in the Company's measure of segment profit or loss, which is core income (loss).

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): *Improvements to Income Tax Disclosures*. The updated accounting guidance requires expanded income tax disclosures, including the disaggregation of existing disclosures related to the tax rate reconciliation and income taxes paid. The guidance is effective for annual periods beginning after December 15, 2024. Prospective application is required, with retrospective application permitted. The Company is currently evaluating the effect the updated guidance will have on the Company's financial statement disclosures.

Note B. Earnings (Loss) Per Share Data

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

The following table presents the income and share data used in the basic and diluted earnings per share computations.

Periods ended June 30 (In millions, except per share data)	Three Months		Six Months	
	2024	2023	2024	2023
Net income (loss)	\$ 317	\$ 283	\$ 655	\$ 580
Common Stock and Common Stock Equivalents				
Basic				
Weighted average shares outstanding	271.6	271.2	271.6	271.2
Diluted				
Weighted average shares outstanding	271.6	271.2	271.6	271.2
Dilutive effect of stock-based awards under compensation plans	1.0	0.8	1.0	0.9
Total	272.6	272.0	272.6	272.1
Earnings (loss) per share				
Basic	\$ 1.17	\$ 1.04	\$ 2.41	\$ 2.14
Diluted	\$ 1.17	\$ 1.04	\$ 2.40	\$ 2.13

Excluded from the calculation of diluted earnings (loss) per share is the impact of potential shares attributable to exercises or conversions into common stock under stock-based employee compensation plans that would have been antidilutive during the respective periods.

The Company repurchased 450,000 and 550,000 shares of CNAF common stock at an aggregate cost of \$ 20 million and \$24 million during the six months ended June 30, 2024 and 2023.

[Table of Contents](#)

Note C. Investments

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Fixed maturity securities	\$ 511	\$ 482	\$ 1,013	\$ 952
Equity securities	13	21	35	33
Limited partnership investments	74	55	128	80
Mortgage loans	14	14	29	28
Short-term investments	20	13	48	28
Trading portfolio	—	—	1	3
Other	7	9	15	14
Gross investment income	639	594	1,269	1,138
Investment expense	(21)	(19)	(42)	(38)
Net investment income	\$ 618	\$ 575	\$ 1,227	\$ 1,100
Net investment income (loss) recognized due to the change in fair value of common stock held as of June 30, 2024 and 2023	\$ 2	\$ 10	\$ 11	\$ 7

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Net investment gains (losses):				
Fixed maturity securities:				
Gross gains	\$ 13	\$ 8	\$ 27	\$ 43
Gross losses	(25)	(35)	(71)	(92)
Net investment gains (losses) on fixed maturity securities	(12)	(27)	(44)	(49)
Equity securities	1	3	12	(11)
Mortgage loans	—	(6)	—	(6)
Short-term investments and other	1	(2)	—	(1)
Net investment gains (losses)	\$ (10)	\$ (32)	\$ (32)	\$ (67)
Net investment gains (losses) recognized due to the change in fair value of non-redeemable preferred stock held as of June 30, 2024 and 2023	\$ 1	\$ 3	\$ 12	\$ —

[Table of Contents](#)

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Fixed maturity securities available-for-sale:				
Corporate and other bonds	\$ 6	\$ 9	\$ 15	\$ 17
Asset-backed	—	8	5	8
Impairment losses (gains) recognized in earnings	\$ 6	\$ 17	\$ 20	\$ 25

There were no losses recognized on mortgage loans during the three and six months ended June 30, 2024. There were \$ 6 million of losses recognized on mortgage loans during the three and six months ended June 30, 2023.

[Table of Contents](#)

The following tables present a summary of fixed maturity securities.

June 30, 2024 (In millions)	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Estimated Fair Value
Fixed maturity securities available-for-sale:					
Corporate and other bonds	\$ 25,463	\$ 401	\$ 1,496	\$ —	\$ 24,368
States, municipalities and political subdivisions	7,560	269	800	—	7,029
Asset-backed:					
Residential mortgage-backed	3,602	8	495	—	3,115
Commercial mortgage-backed	1,798	7	186	8	1,611
Other asset-backed	3,631	17	260	9	3,379
Total asset-backed	9,031	32	941	17	8,105
U.S. Treasury and obligations of government-sponsored enterprises	193	1	3	—	191
Foreign government	742	2	38	—	706
Total fixed maturity securities available-for-sale	42,989	705	3,278	17	40,399
Total fixed maturity securities trading	4	—	—	—	4
Total fixed maturity securities	\$ 42,993	\$ 705	\$ 3,278	\$ 17	\$ 40,403

December 31, 2023 (In millions)	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Allowance for Credit Losses	Estimated Fair Value
Fixed maturity securities available-for-sale:					
Corporate and other bonds	\$ 25,020	\$ 597	\$ 1,345	\$ 4	\$ 24,268
States, municipalities and political subdivisions	7,713	382	703	—	7,392
Asset-backed:					
Residential mortgage-backed	3,411	16	425	—	3,002
Commercial mortgage-backed	1,862	7	230	8	1,631
Other asset-backed	3,515	13	256	4	3,268
Total asset-backed	8,788	36	911	12	7,901
U.S. Treasury and obligations of government-sponsored enterprises	152	1	2	—	151
Foreign government	741	6	34	—	713
Total fixed maturity securities available-for-sale	42,414	1,022	2,995	16	40,425
Total fixed maturity securities trading	—	—	—	—	—
Total fixed maturity securities	\$ 42,414	\$ 1,022	\$ 2,995	\$ 16	\$ 40,425

[Table of Contents](#)

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

June 30, 2024 (In millions)	Less than 12 Months		12 Months or Longer		Total	
	Gross		Gross		Gross	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
Fixed maturity securities available-for-sale:						
Corporate and other bonds	\$ 3,388	\$ 84	\$ 13,395	\$ 1,412	\$ 16,783	\$ 1,496
States, municipalities and political subdivisions	899	23	3,257	777	4,156	800
Asset-backed:						
Residential mortgage-backed	556	9	2,227	486	2,783	495
Commercial mortgage-backed	170	1	1,153	185	1,323	186
Other asset-backed	372	9	1,904	251	2,276	260
Total asset-backed	1,098	19	5,284	922	6,382	941
U.S. Treasury and obligations of government-sponsored enterprises						
Foreign government	117	1	51	2	168	3
Total	\$ 5,662	\$ 130	\$ 22,429	\$ 3,148	\$ 28,091	\$ 3,278

December 31, 2023 (In millions)	Less than 12 Months		12 Months or Longer		Total	
	Gross		Gross		Gross	
	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses	Estimated Fair Value	Unrealized Losses
Fixed maturity securities available-for-sale:						
Corporate and other bonds	\$ 1,943	\$ 37	\$ 13,406	\$ 1,308	\$ 15,349	\$ 1,345
States, municipalities and political subdivisions	598	18	3,104	685	3,702	703
Asset-backed:						
Residential mortgage-backed	233	4	2,212	421	2,445	425
Commercial mortgage-backed	200	5	1,184	225	1,384	230
Other asset-backed	392	8	1,869	248	2,261	256
Total asset-backed	825	17	5,265	894	6,090	911
U.S. Treasury and obligations of government-sponsored enterprises						
Foreign government	65	1	23	1	88	2
Total	\$ 3,483	\$ 74	\$ 22,248	\$ 2,921	\$ 25,731	\$ 2,995

[Table of Contents](#)

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

(In millions)	June 30, 2024		December 31, 2023	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
U.S. Government, Government agencies and Government-sponsored enterprises	\$ 2,599	\$ 378	\$ 2,273	\$ 309
AAA	1,841	288	1,524	261
AA	4,371	730	3,817	658
A	6,587	629	5,652	517
BBB	11,813	1,119	11,523	1,095
Non-investment grade	880	134	942	155
Total	\$ 28,091	\$ 3,278	\$ 25,731	\$ 2,995

Based on current facts and circumstances, the Company believes the unrealized losses presented in the June 30, 2024 securities in a gross unrealized loss position tables above are not indicative of the ultimate collectability of the current amortized cost of the securities, but rather are primarily attributable to changes in risk-free interest rates. In reaching this determination, the Company considered the volatility in risk-free rates and credit spreads as well as the fact that its unrealized losses are concentrated in investment grade issuers. Additionally, the Company has no current intent to sell securities with unrealized losses, nor is it more likely than not that it will be required to sell prior to recovery of amortized cost; accordingly, the Company has determined that there are no additional impairment losses to be recorded as of June 30, 2024.

[Table of Contents](#)

The following tables present the activity related to the allowance on available-for-sale securities with credit impairments and purchased credit-deteriorated (PCD) assets. Accrued interest receivable on available-for-sale fixed maturity securities totaled \$444 million, \$435 million, and \$413 million as of June 30, 2024, December 31, 2023, and June 30, 2023 and is excluded from the estimate of expected credit losses and the amortized cost basis in the tables included within this Note.

(In millions)	Corporate and other bonds		Asset-backed		Total				
Allowance for credit losses:									
Balance as of April 1, 2024									
\$	3	\$	17	\$	20				
Additions to the allowance for credit losses:									
Securities for which credit losses were not previously recorded	—	—	—	—	—				
Available-for-sale securities accounted for as PCD assets	—	—	—	—	—				
Reductions to the allowance for credit losses:									
Securities sold during the period (realized)	3	1	4	—	—				
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	—	—	—	—	—				
Write-offs charged against the allowance	—	—	—	—	—				
Recoveries of amounts previously written off	—	—	—	—	—				
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period									
—	—	1	1	—	1				
Balance as of June 30, 2024	<u>\$</u>	<u>—</u>	<u>\$</u>	<u>17</u>	<u>\$</u>				
<u>17</u>									

(In millions)	Corporate and other bonds		Asset-backed		Total				
Allowance for credit losses:									
Balance as of April 1, 2023									
\$	1	\$	1	\$	2				
Additions to the allowance for credit losses:									
Securities for which credit losses were not previously recorded	1	—	7	—	8				
Available-for-sale securities accounted for as PCD assets	11	—	—	—	11				
Reductions to the allowance for credit losses:									
Securities sold during the period (realized)	—	—	—	—	—				
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	—	—	—	—	—				
Write-offs charged against the allowance	—	—	—	—	—				
Recoveries of amounts previously written off	—	—	—	—	—				
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period									
—	—	1	1	—	1				
Balance as of June 30, 2023	<u>\$</u>	<u>13</u>	<u>\$</u>	<u>9</u>	<u>\$</u>				
<u>22</u>									

[Table of Contents](#)

(In millions)	Corporate and other			Total
	bonds	Asset-backed		
Allowance for credit losses:				
Balance as of January 1, 2024	\$ 4	\$ 12	\$ 16	
Additions to the allowance for credit losses:				
Securities for which credit losses were not previously recorded	—	—	—	
Available-for-sale securities accounted for as PCD assets	—	—	—	
Reductions to the allowance for credit losses:				
Securities sold during the period (realized)	3	1	4	
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	1	—	1	
Write-offs charged against the allowance	—	—	—	
Recoveries of amounts previously written off	—	—	—	
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period				
	—	6	6	
Balance as of June 30, 2024	<u>\$ —</u>	<u>\$ 17</u>	<u>\$ 17</u>	
(In millions)	Corporate and other			Total
	bonds	Asset-backed		
Allowance for credit losses:				
Balance as of January 1, 2023	\$ —	\$ 1	\$ 1	
Additions to the allowance for credit losses:				
Securities for which credit losses were not previously recorded	1	7	8	
Available-for-sale securities accounted for as PCD assets	20	—	20	
Reductions to the allowance for credit losses:				
Securities sold during the period (realized)	6	—	6	
Intent to sell or more likely than not will be required to sell the security before recovery of its amortized cost basis	3	—	3	
Write-offs charged against the allowance	—	—	—	
Recoveries of amounts previously written off	—	—	—	
Additional increases or (decreases) to the allowance for credit losses on securities that had an allowance recorded in a previous period				
	1	1	2	
Balance as of June 30, 2023	<u>\$ 13</u>	<u>\$ 9</u>	<u>\$ 22</u>	

Contractual Maturity

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

(In millions)	June 30, 2024			December 31, 2023		
	Cost or Amortized Cost		Estimated Fair Value	Cost or Amortized Cost		Estimated Fair Value
	\$	\$	\$	\$	\$	\$
Due in one year or less	\$ 1,528	\$ 1,493	\$ 1,121	\$ 1,091		
Due after one year through five years	11,521	11,129	11,563	11,180		
Due after five years through ten years	13,115	12,225	13,359	12,573		
Due after ten years	16,825	15,552	16,371	15,581		
Total	\$ 42,989	\$ 40,399	\$ 42,414	\$ 40,425		

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

Investment Commitments

As part of its overall investment strategy, the Company invests in various assets which require future purchase, sale or funding commitments. These investments are recorded once funded, and the related commitments may include future capital calls from various third-party limited partnerships, signed and accepted mortgage loan applications, and obligations related to private placement securities. As of June 30, 2024, the Company had commitments to purchase or fund approximately \$1,765 million and sell approximately \$145 million under the terms of these investments.

Mortgage Loans

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

(In millions)	Mortgage Loans Amortized Cost Basis by Origination Year ⁽¹⁾						
	2024	2023	2022	2021	2020	Prior	Total
DSCR ≥ 1.6x							
LTV less than 55%	\$ —	\$ 33	\$ 10	\$ 2	\$ 96	\$ 241	\$ 382
LTV 55% to 65%	—	—	—	5	—	—	5
LTV greater than 65%	—	—	30	12	—	—	42
DSCR 1.2x - 1.6x							
LTV less than 55%	—	28	5	—	13	63	109
LTV 55% to 65%	12	21	36	36	4	31	140
LTV greater than 65%	—	12	64	—	21	—	97
DSCR ≤ 1.2							
LTV less than 55%	—	—	—	—	—	—	—
LTV 55% to 65%	—	32	75	—	—	42	149
LTV greater than 65%	—	—	28	21	—	48	97
Total	\$ 12	\$ 126	\$ 248	\$ 76	\$ 134	\$ 425	\$ 1,021

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

As of June 30, 2024, accrued interest receivable on mortgage loans totaled \$ 4 million and is excluded from the amortized cost basis disclosed in the table above and the estimate of expected credit losses.

Note D. Fair Value

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

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

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

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

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

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

Assets and Liabilities Measured at Fair Value

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

June 30, 2024

(In millions)	Level 1			Level 2			Level 3			Total Assets/Liabilities at Fair Value	
Assets											
Fixed maturity securities:											
Corporate bonds and other	\$	194	\$	23,946	\$	1,129	\$	25,269			
States, municipalities and political subdivisions	—			6,986		43			7,029		
Asset-backed	—			7,218		887			8,105		
Total fixed maturity securities	194			38,150		2,059			40,403		
Equity securities:											
Common stock		168		—		12			180		
Non-redeemable preferred stock		45		442		2			489		
Total equity securities	213			442		14			669		
Short-term and other	1,546			25		—			1,571		
Total assets	\$ 1,953			\$ 38,617		\$ 2,073			\$ 42,643		
Liabilities											
Other liabilities	\$	—	\$	—	\$	—	\$	—	\$	—	
Total liabilities	\$ —		\$ —		\$ —		\$ —		\$ —		

December 31, 2023

(In millions)	Level 1			Level 2			Level 3			Total Assets/Liabilities at Fair Value	
Assets											
Fixed maturity securities:											
Corporate bonds and other	\$	161	\$	23,926	\$	1,045	\$	25,132			
States, municipalities and political subdivisions	—			7,348		44			7,392		
Asset-backed	—			7,000		901			7,901		
Total fixed maturity securities	161			38,274		1,990			40,425		
Equity securities:											
Common stock		167		—		24			191		
Non-redeemable preferred stock		52		440		—			492		
Total equity securities	219			440		24			683		
Short-term and other	1,976			32		—			2,008		
Total assets	\$ 2,356			\$ 38,746		\$ 2,014			\$ 43,116		
Liabilities											
Other liabilities	\$	—	\$	1	\$	—	\$	—	\$ 1		
Total liabilities	\$ —		\$ 1		\$ —		\$ —		\$ 1		

[Table of Contents](#)

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

Level 3 (In millions)	States, municipalities and political subdivisions					Total
	Corporate bonds and other		Asset-backed		Equity securities	
Balance as of April 1, 2024	\$ 1,082	\$ 43	\$ 871	\$ 11	\$ 2,007	
Total realized and unrealized investment gains (losses):						
Reported in Net investment gains (losses)	—	—	(3)	—	(3)	
Reported in Net investment income	—	—	5	—	5	
Reported in Other comprehensive income (loss)	(8)	—	(11)	—	(19)	
Total realized and unrealized investment gains (losses)	(8)	—	(9)	—	(17)	
Purchases	72	—	55	3	130	
Sales	—	—	(5)	—	(5)	
Settlements	(17)	—	(25)	—	(42)	
Transfers into Level 3	—	—	—	—	—	
Transfers out of Level 3	—	—	—	—	—	
Balance as of June 30, 2024	<u>\$ 1,129</u>	<u>\$ 43</u>	<u>\$ 887</u>	<u>\$ 14</u>	<u>\$ 2,073</u>	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2024 recognized in Net income (loss) in the period	\$ —	\$ —	\$ —	\$ —	\$ —	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2024 recognized in Other comprehensive income (loss) in the period	(8)	—	(11)	—	(19)	
Level 3 (In millions)	States, municipalities and political subdivisions					Total
	Corporate bonds and other		Asset-backed		Equity securities	
Balance as of April 1, 2023	\$ 912	\$ 44	\$ 859	\$ 29	\$ 1,844	
Total realized and unrealized investment gains (losses):						
Reported in Net investment gains (losses)	—	—	(1)	—	(1)	
Reported in Net investment income	—	—	5	(1)	4	
Reported in Other comprehensive income (loss)	(15)	(1)	(7)	—	(23)	
Total realized and unrealized investment gains (losses)	(15)	(1)	(3)	(1)	(20)	
Purchases	68	—	87	—	155	
Sales	—	—	—	(2)	(2)	
Settlements	(5)	—	(17)	—	(22)	
Transfers into Level 3	11	—	—	—	11	
Transfers out of Level 3	—	—	(43)	—	(43)	
Balance as of June 30, 2023	<u>\$ 971</u>	<u>\$ 43</u>	<u>\$ 883</u>	<u>\$ 26</u>	<u>\$ 1,923</u>	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2023 recognized in Net income (loss) in the period	\$ —	\$ —	\$ —	\$ (1)	\$ (1)	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2023 recognized in Other comprehensive income (loss) in the period	(15)	(1)	(7)	—	(23)	

[Table of Contents](#)

Level 3 (In millions)	States, municipalities and political subdivisions					Total
	Corporate bonds and other		Asset-backed		Equity securities	
Balance as of January 1, 2024	\$ 1,045	\$ 44	\$ 901	\$ 24	\$ 2,014	
Total realized and unrealized investment gains (losses):						
Reported in Net investment gains (losses)	—	—	(7)	—	(7)	
Reported in Net investment income	—	—	11	6	17	
Reported in Other comprehensive income (loss)	(20)	(1)	(16)	—	(37)	
Total realized and unrealized investment gains (losses)	(20)	(1)	(12)	6	(27)	
Purchases	146	—	73	3	222	
Sales	—	—	(14)	(19)	(33)	
Settlements	(53)	—	(42)	—	(95)	
Transfers into Level 3	11	—	—	—	11	
Transfers out of Level 3	—	—	(19)	—	(19)	
Balance as of June 30, 2024	<u>\$ 1,129</u>	<u>\$ 43</u>	<u>\$ 887</u>	<u>\$ 14</u>	<u>\$ 2,073</u>	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2024 recognized in Net income (loss) in the period	\$ —	\$ —	\$ —	\$ 2	\$ 2	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2024 recognized in Other comprehensive income (loss) in the period	(22)	(1)	(16)	—	(39)	
Level 3 (In millions)	States, municipalities and political subdivisions					Total
	Corporate bonds and other		Asset-backed		Equity securities	
Balance as of January 1, 2023	\$ 810	\$ 43	\$ 788	\$ 35	\$ 1,676	
Total realized and unrealized investment gains (losses):						
Reported in Net investment gains (losses)	—	—	(1)	—	(1)	
Reported in Net investment income	—	—	10	(7)	3	
Reported in Other comprehensive income (loss)	9	—	—	—	9	
Total realized and unrealized investment gains (losses)	9	—	9	(7)	11	
Purchases	149	—	142	—	291	
Sales	—	—	—	(2)	(2)	
Settlements	(8)	—	(26)	—	(34)	
Transfers into Level 3	11	—	23	—	34	
Transfers out of Level 3	—	—	(53)	—	(53)	
Balance as of June 30, 2023	<u>\$ 971</u>	<u>\$ 43</u>	<u>\$ 883</u>	<u>\$ 26</u>	<u>\$ 1,923</u>	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2023 recognized in Net income (loss) in the period	\$ —	\$ —	\$ —	(7)	\$ (7)	
Unrealized gains (losses) on Level 3 assets and liabilities held as of June 30, 2023 recognized in Other comprehensive income (loss) in the period	9	—	(1)	—	8	

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

Valuation Methodologies and Inputs

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

Fixed Maturity Securities

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

Equity Securities

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

Short-Term and Other Invested Assets

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

As of June 30, 2024 and December 31, 2023, there were \$ 67 million and \$75 million of overseas deposits within Other invested assets, which can be redeemed at net asset value in 90 days or less. Overseas deposits are excluded from the fair value hierarchy because their fair value is recorded using the net asset value per share (or equivalent) practical expedient.

Other Liabilities

Level 2 securities include currency forward contracts valued using observable market forward rates.

Significant Unobservable Inputs

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

Estimated Fair		Valuation Technique(s)	Unobservable Input(s)	Range (Weighted Average)
June 30, 2024	Value (In millions)			
Fixed maturity securities	\$ 1,571	Discounted cash flow	Credit spread	1% - 6% (2%)
Estimated Fair				
December 31, 2023	Value (In millions)	Valuation Technique(s)	Unobservable Input(s)	Range (Weighted Average)
Fixed maturity securities	\$ 1,495	Discounted cash flow	Credit spread	1% - 7% (2%)

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

Financial Assets and Liabilities Not Measured at Fair Value

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

June 30, 2024	(In millions)	Carrying Amount	Estimated Fair Value				Total
			Level 1	Level 2	Level 3		
Assets							
Mortgage loans	\$ 986	\$ —	\$ —	\$ 944	\$ 944		
Liabilities							
Short-term debt	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Long-term debt		2,971		2,841			2,841

December 31, 2023	(In millions)	Carrying Amount	Estimated Fair Value				Total
			Level 1	Level 2	Level 3		
Assets							
Mortgage loans	\$ 1,035	\$ —	\$ —	\$ 997	\$ 997		
Liabilities							
Short-term debt	\$ 550	\$ —	\$ 546	\$ —	\$ —	\$ 546	
Long-term debt		2,481		2,385			2,385

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

Note E. Claim and Claim Adjustment Expense Reserves

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

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

Catastrophes are an inherent risk of the property and casualty insurance business and have contributed to material period-to-period fluctuations in our results of operations and/or equity. The Company reported catastrophe losses, net of reinsurance, of \$82 million and \$170 million for the three and six months ended June 30, 2024 and \$68 million and \$120 million for the three and six months ended June 30, 2023 primarily related to severe weather related events.

Liability for Unpaid Claim and Claim Adjustment Expenses

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

For the six months ended June 30

(In millions)	2024	2023
Reserves, beginning of year:		
Gross	\$ 23,304	\$ 22,120
Ceded	5,141	5,191
Net reserves, beginning of year	18,163	16,929
Net incurred claim and claim adjustment expenses:		
Provision for insured events of current year	3,039	2,746
Increase (decrease) in provision for insured events of prior years	19	37
Amortization of discount	20	22
Total net incurred ⁽¹⁾	3,078	2,805
Net payments attributable to:		
Current year events	(308)	(287)
Prior year events	(2,259)	(2,014)
Total net payments	(2,567)	(2,301)
Foreign currency translation adjustment and other	(58)	57
Net reserves, end of period	18,616	17,490
Ceded reserves, end of period	5,358	5,312
Gross reserves, end of period	\$ 23,974	\$ 22,802

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

Net Prior Year Development

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

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions)				
Pretax (favorable) unfavorable development:				
Specialty	\$ (3)	\$ (4)	\$ (8)	\$ (4)
Commercial	(6)	(13)	(8)	(15)
International	(3)	—	(3)	15
Corporate & Other	35	35	35	35
Total pretax (favorable) unfavorable development	\$ 23	\$ 18	\$ 16	\$ 31

Following the second quarter annual review of Corporate & Other reserves, including legacy mass tort exposures, unfavorable development of \$ 35 million was recorded within the Corporate & Other segment for the three and six months ended June 30, 2024 and 2023, largely associated with legacy mass tort abuse claims.

Specialty

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

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions)				
Pretax (favorable) unfavorable development:				
Medical Professional Liability	\$ (2)	\$ —	\$ (2)	\$ 9
Other Professional Liability and Management Liability	17	(1)	17	(1)
Surety	(8)	(7)	(26)	(7)
Warranty	—	—	13	(9)
Other	(10)	4	(10)	4
Total pretax (favorable) unfavorable development	\$ (3)	\$ (4)	\$ (8)	\$ (4)

Three Months

2024

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

Favorable development in other was primarily due to favorable loss emergence in casualty coverages associated with healthcare products.

Six Months

2024

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

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

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

Favorable development in other was primarily due to favorable loss emergence in casualty coverages associated with healthcare products.

Commercial

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Pretax (favorable) unfavorable development:				
Commercial Auto	\$ 21	\$ 11	\$ 21	\$ 11
General Liability	19	70	19	70
Workers' Compensation	(47)	(96)	(49)	(98)
Property and Other	1	2	1	2
Total pretax (favorable) unfavorable development	\$ (6)	\$ (13)	\$ (8)	\$ (15)

Three and Six Months2024

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

Unfavorable development in general liability was due to higher than expected claim severity in multiple accident years going back to 2014 and prior.

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

2023

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

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

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

International

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Pretax (favorable) unfavorable development:				
Commercial	\$ 6	\$ (3)	\$ 6	\$ (5)
Specialty	(9)	3	(9)	22
Other	—	—	—	(2)
Total pretax (favorable) unfavorable development	\$ (3)	\$ —	\$ (3)	\$ 15

Six Months2023

Unfavorable development in specialty was due to higher than expected large loss emergence in the Company's professional liability business in accident year 2017.

Asbestos & Environmental Pollution (A&EP) Reserves

In 2010, Continental Casualty Company (CCC) together with several of the Company's insurance subsidiaries completed a transaction with National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Inc., under which substantially all of the Company's legacy A&EP liabilities were ceded to NICO through a Loss Portfolio Transfer (LPT). At the effective date of the transaction, the Company ceded approximately \$1.6 billion of net A&EP claim and allocated claim adjustment expense reserves to NICO under a retroactive reinsurance agreement with an aggregate limit of \$4.0 billion. The \$1.6 billion of claim and allocated claim adjustment expense reserves ceded to NICO was net of \$ 1.2 billion of ceded claim and allocated claim adjustment expense reserves under existing third-party reinsurance contracts. The NICO LPT aggregate reinsurance limit also covers credit risk on the existing third-party reinsurance related to these liabilities. The Company paid NICO a reinsurance premium of \$2.0 billion and transferred to NICO billed third-party reinsurance receivables related to A&EP claims with a net book value of \$215 million, resulting in total consideration of \$ 2.2 billion.

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

The impact of the LPT on the Condensed Consolidated Statements of Operations was the recognition of a retroactive reinsurance benefit of \$ 13 million and \$15 million for the three months ended June 30, 2024 and 2023 and \$ 25 million and \$23 million for the six months ended June 30, 2024 and 2023. As of June 30, 2024 and December 31, 2023, the cumulative amounts ceded under the LPT were \$3.6 billion. The unrecognized deferred retroactive reinsurance benefit was \$392 million and \$417 million as of June 30, 2024 and December 31, 2023 and is included within Other liabilities on the Condensed Consolidated Balance Sheets.

NICO established a collateral trust account as security for its obligations to the Company. The fair value of the collateral trust account was \$2.2 billion as of June 30, 2024. In addition, Berkshire Hathaway Inc. guaranteed the payment obligations of NICO up to the aggregate reinsurance limit as well as certain of NICO's performance obligations under the trust agreement. NICO is responsible for claims handling and billing and collection from third-party reinsurers related to the majority of the Company's A&EP claims.

Credit Risk for Ceded Reserves

The majority of the Company's outstanding voluntary reinsurance receivables are due from reinsurers with financial strength ratings of A- or higher. Receivables due from reinsurers with lower financial strength ratings are primarily due from captive reinsurers and are backed by collateral arrangements.

Note F. Future Policy Benefits Reserves

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

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

See Note A to the Consolidated Financial Statements within CNAF's Annual Report on Form 10-K for the year ended December 31, 2023 for further information on the long-term care reserving process.

[Table of Contents](#)

The following table summarizes balances and changes in the LFPB.

(In millions)	2024	2023
Present value of future net premiums		
Balance, January 1	\$ 3,710	\$ 3,993
Effect of changes in discount rate	(125)	(74)
Balance, January 1, at original locked in discount rate	3,585	3,919
Effect of changes in cash flow assumptions ⁽¹⁾	—	—
Effect of actual variances from expected experience ⁽¹⁾	(29)	(85)
Adjusted balance, January 1	3,556	3,834
Interest accrual	92	103
Net premiums: earned during period	(212)	(225)
Balance, end of period at original locked in discount rate	3,436	3,712
Effect of changes in discount rate	11	78
Balance, June 30	\$ 3,447	\$ 3,790
Present value of future benefits & expenses		
Balance, January 1	\$ 17,669	\$ 17,472
Effect of changes in discount rate	(578)	(125)
Balance, January 1, at original locked in discount rate	17,091	17,347
Effect of changes in cash flow assumptions ⁽¹⁾	—	—
Effect of actual variances from expected experience ⁽¹⁾	11	(51)
Adjusted balance, January 1	17,102	17,296
Interest accrual	461	482
Benefit & expense payments	(592)	(629)
Balance, end of period at original locked in discount rate	16,971	17,149
Effect of changes in discount rate	(313)	307
Balance, June 30	\$ 16,658	\$ 17,456
Net LFPB	\$ 13,211	\$ 13,666

(1) As of June 30, 2024 and 2023 the re-measurement gain (loss) of \$40 million and \$(34) million presented parenthetically on the Condensed Consolidated Statement of Operations is comprised of the effect of changes in cash flow assumptions and the effect of actual variances from expected experience.

[Table of Contents](#)

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

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions)				
Earned premiums	\$ 109	\$ 113	\$ 219	\$ 228
Interest expense	185	189	369	379

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

(In millions)	As of June 30	
	2024	2023
Expected future benefit and expense payments	\$ 32,212	\$ 33,287
Expected future gross premiums	5,149	5,536

Discounted expected future gross premiums at the upper-medium grade fixed income instrument yield discount rate were \$ 3,546 million and \$3,853 million as of June 30, 2024 and 2023.

The weighted average effective duration of the LFPB calculated using the original locked in discount rate was 11 years and 12 years as of June 30, 2024 and 2023.

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

	As of June 30		As of December 31	
	2024	2023	2023	2023
Original locked in discount rate	5.21 %	5.25 %	5.22 %	5.22 %
Upper-medium grade fixed income instrument discount rate	5.43	5.10	4.94	4.94

For the three and six months ended June 30, 2024, immediate charges to net income resulting from adverse development that caused the Net Premium Ratio (NPR) to exceed 100% for certain cohorts were \$24 million and \$44 million. For the three and six months ended June 30, 2023, immediate charges to net income resulting from adverse development that caused the NPR to exceed 100% were \$29 million and \$42 million.

For the three and six months ended June 30, 2024, the portion of losses recognized in a prior period due to NPR exceeding 100% for certain cohorts which, due to favorable development, was reversed through net income was \$6 million and \$8 million. For the three and six months ended June 30, 2023, the portion of losses recognized in a prior period due to NPR exceeding 100% which, due to favorable development, was reversed through net income was less than \$1 million and \$11 million.

Note G. Legal Proceedings, Contingencies and Guarantees

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

Guarantees

The Company has provided guarantees, if the primary obligor fails to perform, to holders of structured settlement annuities issued by a previously owned subsidiary. As of June 30, 2024, the potential amount of future payments the Company could be required to pay under these guarantees was approximately \$1.4 billion, which will be paid over the lifetime of the annuitants. The Company does not believe any payment is likely under these guarantees, as the Company is the beneficiary of a trust that must be maintained at a level that approximates the discounted reserves for these annuities.

Note H. Benefit Plans

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Net periodic pension cost (benefit)				
Interest cost on projected benefit obligation	\$ 22	\$ 24	\$ 44	\$ 49
Expected return on plan assets	(29)	(30)	(58)	(60)
Amortization of net actuarial loss	7	9	14	17
Total net periodic pension cost (benefit)	\$ —	\$ 3	\$ —	\$ 6

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Non-Service Cost (Benefit):				
Insurance claims and policyholder's benefits	\$ —	\$ —	\$ —	\$ 1
Other operating expenses	—	3	—	5
Total net periodic pension cost (benefit)	\$ —	\$ 3	\$ —	\$ 6

Note I. Accumulated Other Comprehensive Income (Loss) by Component

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

(In millions)	Net unrealized gains (losses) on credit losses	Net unrealized gains (losses) on other investments	Pension and postretirement benefits	Cumulative discount rates used to measure long duration contracts	Cumulative foreign currency translation adjustment	Total
Balance as of April 1, 2024	\$ (10)	\$ (1,830)	\$ (519)	\$ (18)	\$ (195)	\$ (2,572)
Other comprehensive income (loss) before reclassifications	(4)	(250)	—	273	(10)	9
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of \$1, \$1, \$1, \$—, \$— and \$3	(4)	(6)	(6)	—	—	(16)
Other comprehensive income (loss) net of tax (expense) benefit of \$—, \$66, \$(1), \$(72), \$— and \$(7)	—	(244)	6	273	(10)	25
Balance as of June 30, 2024	\$ (10)	\$ (2,074)	\$ (513)	\$ 255	\$ (205)	\$ (2,547)
(In millions)	Net unrealized gains (losses) on credit losses	Net unrealized gains (losses) on other investments	Pension and postretirement benefits	Cumulative discount rates used to measure long duration contracts	Cumulative foreign currency translation adjustment	Total
Balance as of April 1, 2023	\$ (15)	\$ (2,068)	\$ (584)	\$ (437)	\$ (204)	\$ (3,308)
Other comprehensive income (loss) before reclassifications	(8)	(427)	—	256	34	(145)
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of \$2, \$4, \$2, \$—, \$— and \$8	(7)	(14)	(7)	—	—	(28)
Other comprehensive income (loss) net of tax (expense) benefit of \$—, \$112, \$(2), \$(68), \$— and \$42	(1)	(413)	7	256	34	(117)
Balance as of June 30, 2023	\$ (16)	\$ (2,481)	\$ (577)	\$ (181)	\$ (170)	\$ (3,425)

[Table of Contents](#)

(In millions)	Net unrealized gains (losses) on investments with an allowance for credit losses	Net unrealized gains (losses) on other investments	Pension and postretirement benefits	Discount rates used to measure long duration contracts	Cumulative impact of changes in discount rates used to measure long duration contracts	Cumulative foreign currency translation adjustment	Total
Balance as of January 1, 2024	\$ (12)	\$ (1,613)	\$ (525)	\$ (359)	\$ (163)	\$ (2,672)	
Other comprehensive income (loss) before reclassifications	(5)	(489)	—	614	(42)	78	
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of \$2, \$7, \$2, \$—, \$— and \$11	(7)	(28)	(12)	—	—	(47)	
Other comprehensive income (loss) net of tax (expense) benefit of \$(1), \$124, \$(2), \$(163), \$— and \$42	2	(461)	12	614	(42)	125	
Balance as of June 30, 2024	\$ (10)	\$ (2,074)	\$ (513)	\$ 255	\$ (205)	\$ (2,547)	
(In millions)	Net unrealized gains (losses) on investments with an allowance for credit losses	Net unrealized gains (losses) on other investments	Pension and postretirement benefits	Discount rates used to measure long duration contracts	Cumulative impact of changes in discount rates used to measure long duration contracts	Cumulative foreign currency translation adjustment	Total
Balance as of January 1, 2023, as previously reported	\$ (7)	\$ (2,738)	\$ (591)	\$ —	\$ (221)	\$ (3,557)	
Cumulative effect adjustment from changes in accounting guidance, net of tax (expense) benefit of \$—, \$—, \$—, \$11, \$— and \$11	—	—	—	(41)	—	(41)	
Balance as of January 1, 2023	(7)	(2,738)	(591)	(41)	(221)	(3,598)	
Other comprehensive income (loss) before reclassifications	(16)	225	—	(140)	51	120	
Amounts reclassified from accumulated other comprehensive income (loss) net of tax (expense) benefit of \$2, \$8, \$4, \$—, \$— and \$14	(7)	(32)	(14)	—	—	(53)	
Other comprehensive income (loss) net of tax (expense) benefit of \$2, \$(68), \$(4), \$37, \$— and \$(33)	(9)	257	14	(140)	51	173	
Balance as of June 30, 2023	\$ (16)	\$ (2,481)	\$ (577)	\$ (181)	\$ (170)	\$ (3,425)	

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

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

Note J. Business Segments

The Company's property and casualty commercial insurance operations are managed and reported in three business segments: Specialty, Commercial and International. These three segments are collectively referred to as Property & Casualty Operations. The Company's operations outside of Property & Casualty Operations are managed and reported in two segments: Life & Group and Corporate & Other.

The accounting policies of the segments are the same as those described in Note A to the Consolidated Financial Statements within CNAF's Annual Report on Form 10-K for the year ended December 31, 2023. The Company manages most of its assets on a legal entity basis, while segment operations are generally conducted across legal entities. As such, only Insurance and Reinsurance receivables, Insurance reserves, Deferred acquisition costs, Goodwill and Deferred non-insurance warranty acquisition expense and revenue are readily identifiable for individual segments. Distinct investment portfolios are not maintained for every individual segment; accordingly, allocation of assets to each segment is not performed. Therefore, a significant portion of Net investment income and Net investment gains or losses are allocated primarily based on each segment's net carried insurance reserves, as adjusted. All significant intersegment income and expense have been eliminated. Income taxes have been allocated on the basis of the taxable income of the segments.

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

The performance of the Company's insurance operations is monitored by management through core income (loss), which is derived from certain income statement amounts. The Company's investment portfolio is monitored by management through analysis of various factors including unrealized gains and losses on securities, portfolio duration and exposure to market and credit risk.

Core income (loss) is calculated by excluding from net income (loss) the after-tax effects of net investment gains or losses. The calculation of core income (loss) excludes net investment gains or losses because net investment gains or losses are generally driven by economic factors that are not necessarily reflective of the Company's primary operations.

[Table of Contents](#)

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

Three months ended June 30, 2024

(In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Operating revenues							
Net earned premiums	\$ 831	\$ 1,247	\$ 311	\$ 109	\$ —	\$ —	\$ 2,498
Net investment income	154	175	32	239	18	—	618
Non-insurance warranty revenue	404	—	—	—	—	—	404
Other revenues	(1)	10	—	—	3	(3)	9
Total operating revenues	1,388	1,432	343	348	21	(3)	3,529
Claims, benefits and expenses							
Net incurred claims and benefits	492	846	184	325	27	—	1,874
Policyholders' dividends	3	5	—	—	—	—	8
Amortization of deferred acquisition costs	180	199	56	—	—	—	435
Non-insurance warranty expense	388	—	—	—	—	—	388
Other insurance related expenses	96	158	46	29	—	—	329
Other expenses	13	13	1	1	58	(3)	83
Total claims, benefits and expenses	1,172	1,221	287	355	85	(3)	3,117
Core income (loss) before income tax	216	211	56	(7)	(64)	—	412
Income tax (expense) benefit on core income (loss)	(47)	(44)	(12)	6	11	—	(86)
Core income (loss)	\$ 169	\$ 167	\$ 44	\$ (1)	\$ (53)	\$ —	326
Net investment gains (losses)							(10)
Income tax (expense) benefit on net investment gains (losses)							1
Net investment gains (losses), after tax							(9)
Net income (loss)	\$ 169	\$ 167	\$ 44	\$ (1)	\$ (53)	\$ —	\$ 317

Three months ended June 30, 2023

(In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Operating revenues							
Net earned premiums	\$ 812	\$ 1,120	\$ 302	\$ 113	\$ —	\$ —	\$ 2,347
Net investment income	142	165	25	229	14	—	575
Non-insurance warranty revenue	407	—	—	—	—	—	407
Other revenues	—	6	1	—	2	(2)	7
Total operating revenues	1,361	1,291	328	342	16	(2)	3,336
Claims, benefits and expenses							
Net incurred claims and benefits	474	740	185	344	29	—	1,772
Policyholders' dividends	2	5	—	—	—	—	7
Amortization of deferred acquisition costs	168	175	60	—	—	—	403
Non-insurance warranty expense	384	—	—	—	—	—	384
Other insurance related expenses	94	158	35	31	—	—	318
Other expenses	12	10	(5)	—	44	(2)	59
Total claims, benefits and expenses	1,134	1,088	275	375	73	(2)	2,943
Core income (loss) before income tax	227	203	53	(33)	(57)	—	393
Income tax (expense) benefit on core income (loss)	(50)	(44)	(15)	13	11	—	(85)
Core income (loss)	\$ 177	\$ 159	\$ 38	\$ (20)	\$ (46)	\$ —	\$ 308
Net investment gains (losses)							(32)
Income tax (expense) benefit on net investment gains (losses)							7
Net investment gains (losses), after tax							(25)
Net income (loss)	\$ 177	\$ 159	\$ 38	\$ (20)	\$ (46)	\$ —	\$ 283

[Table of Contents](#)

Six months ended June 30, 2024

(In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Operating revenues							
Net earned premiums	\$ 1,645	\$ 2,449	\$ 626	\$ 219	\$ —	\$ —	\$ 4,939
Net investment income	304	351	63	470	39	—	1,227
Non-insurance warranty revenue	811	—	—	—	—	—	811
Other revenues	—	18	—	—	6	(6)	18
Total operating revenues	2,760	2,818	689	689	45	(6)	6,995
Claims, benefits and expenses							
Net incurred claims and benefits	969	1,674	373	637	19	—	3,672
Policyholders' dividends	5	12	—	—	—	—	17
Amortization of deferred acquisition costs	358	399	122	—	—	—	879
Non-insurance warranty expense	782	—	—	—	—	—	782
Other insurance related expenses	177	296	85	58	—	—	616
Other expenses	28	25	3	1	117	(6)	168
Total claims, benefits and expenses	2,319	2,406	583	696	136	(6)	6,134
Core income (loss) before income tax	441	412	106	(7)	(91)	—	861
Income tax (expense) benefit on core income (loss)	(95)	(87)	(25)	11	16	—	(180)
Core income (loss)	\$ 346	\$ 325	\$ 81	\$ 4	\$ (75)	\$ —	\$ 681
Net investment gains (losses)						(32)	
Income tax (expense) benefit on net investment gains (losses)						6	
Net investment gains (losses), after tax						(26)	
Net income (loss)	\$ 346	\$ 325	\$ 81	\$ 4	\$ (75)	\$ —	\$ 655

June 30, 2024

(In millions)

Reinsurance receivables	\$ 1,513	\$ 1,306	\$ 487	\$ 90	\$ 2,278	\$ —	\$ 5,674
Insurance receivables	1,020	2,375	441	4	1	—	3,841
Deferred acquisition costs	405	407	136	—	—	—	948
Goodwill	117	—	29	—	—	—	146
Deferred non-insurance warranty acquisition expense	3,598	—	—	—	—	—	3,598
Insurance reserves							
Claim and claim adjustment expenses	7,319	10,617	2,783	651	2,604	—	23,974
Unearned premiums	3,197	3,318	787	107	—	—	7,409
Future policy benefits	—	—	—	13,211	—	—	13,211
Deferred non-insurance warranty revenue	4,623	—	—	—	—	—	4,623

[Table of Contents](#)

Six months ended June 30, 2023

(In millions)	Specialty	Commercial	International	Life & Group	Corporate & Other	Eliminations	Total
Operating revenues							
Net earned premiums	\$ 1,609	\$ 2,166	\$ 592	\$ 228	\$ —	\$ —	\$ 4,595
Net investment income	271	314	48	443	24	—	1,100
Non-insurance warranty revenue	814	—	—	—	—	—	814
Other revenues	—	13	1	—	5	(5)	14
Total operating revenues	2,694	2,493	641	671	29	(5)	6,523
Claims, benefits and expenses							
Net incurred claims and benefits	939	1,428	374	655	22	—	3,418
Policyholders' dividends	3	11	—	—	—	—	14
Amortization of deferred acquisition costs	333	344	105	—	—	—	782
Non-insurance warranty expense	768	—	—	—	—	—	768
Other insurance related expenses	180	300	82	60	1	—	623
Other expenses	26	16	(4)	1	85	(5)	119
Total claims, benefits and expenses	2,249	2,099	557	716	108	(5)	5,724
Core income (loss) before income tax	445	394	84	(45)	(79)	—	799
Income tax (expense) benefit on core income (loss)	(97)	(84)	(22)	22	15	—	(166)
Core income (loss)	\$ 348	\$ 310	\$ 62	\$ (23)	\$ (64)	\$ —	\$ 633
Net investment gains (losses)							(67)
Income tax (expense) benefit on net investment gains (losses)							14
Net investment gains (losses), after tax							(53)
Net income (loss)	\$ 348	\$ 310	\$ 62	\$ (23)	\$ (64)	\$ —	\$ 580

December 31, 2023

(In millions)

Reinsurance receivables	\$ 1,281	\$ 1,218	\$ 468	\$ 93	\$ 2,374	\$ —	\$ 5,434
Insurance receivables	1,053	2,024	388	5	—	—	3,470
Deferred acquisition costs	392	371	133	—	—	—	896
Goodwill	117	—	29	—	—	—	146
Deferred non-insurance warranty acquisition expense	3,661	—	—	—	—	—	3,661
Insurance reserves							
Claim and claim adjustment expenses	7,131	10,103	2,709	675	2,686	—	23,304
Unearned premiums	3,227	2,858	749	99	—	—	6,933
Future policy benefits	—	—	—	13,959	—	—	13,959
Deferred non-insurance warranty revenue	4,694	—	—	—	—	—	4,694

[Table of Contents](#)

The following table presents operating revenues by line of business for each reportable segment.

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Specialty				
Management & Professional Liability	\$ 733	\$ 718	\$ 1,462	\$ 1,423
Surety	196	183	378	351
Warranty & Alternative Risks	459	460	920	920
Specialty revenues	1,388	1,361	2,760	2,694
Commercial				
Middle Market	427	419	859	817
Construction	483	420	938	805
Small Business	157	160	311	310
Other Commercial	365	292	710	561
Commercial revenues	1,432	1,291	2,818	2,493
International				
Canada	99	96	197	189
Europe	147	135	290	262
Hardy	97	97	202	190
International revenues	343	328	689	641
Life & Group revenues	348	342	689	671
Corporate & Other revenues	21	16	45	29
Eliminations	(3)	(2)	(6)	(5)
Total operating revenues	3,529	3,336	6,995	6,523
Net investment gains (losses)	(10)	(32)	(32)	(67)
Total revenues	\$ 3,519	\$ 3,304	\$ 6,963	\$ 6,456

Note K. Non-Insurance Revenues from Contracts with Customers

The Company had a deferred non-insurance warranty revenue balance of \$ 4.6 billion and \$4.7 billion reported under Liabilities as of June 30, 2024 and December 31, 2023. For the three and six months ended June 30, 2024, the Company recognized \$0.4 billion and \$0.7 billion of revenues in each period that were included in the deferred revenue balance as of January 1, 2024. For the three and six months ended June 30, 2023, the Company recognized \$0.2 billion and \$0.6 billion of revenues that were included in the deferred revenue balance as of January 1, 2023. For the three and six months ended June 30, 2024 and 2023, non-insurance warranty revenue recognized from performance obligations related to prior periods due to a change in estimate was not material. The Company expects to recognize approximately \$0.8 billion of the deferred revenue in the remainder of 2024, \$1.2 billion in 2025, \$0.9 billion in 2026 and \$1.7 billion thereafter.

Item 2. Management's Discussion and Analysis (MD&A) of Financial Conditions and Results of Operations

OVERVIEW

The following discussion highlights significant factors affecting the Company. References to "we," "our," "us" or like terms refer to the business of CNA.

The following discussion should be read in conjunction with the Condensed Consolidated Financial Statements included under Part I, Item 1 of this Form 10-Q and Item 1A Risk Factors and Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations, which are included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 2023.

We utilize the core income (loss) financial measure to monitor our operations. Core income (loss) is calculated by excluding from net income (loss) the after-tax effects of net investment gains or losses. The calculation of core income (loss) excludes net investment gains or losses because net investment gains or losses are generally driven by economic factors that are not necessarily reflective of our primary operations. Management monitors core income (loss) for each business segment to assess segment performance. Presentation of consolidated core income (loss) is deemed to be a non-GAAP financial measure and management believes some investors may find this measure useful to evaluate our primary operations. See further discussion regarding how we manage our business in Note J to the Condensed Consolidated Financial Statements included under Part I, Item 1. For reconciliations of non-GAAP measures to the most comparable GAAP measures and other information, please refer herein and/or to CNA's most recent Annual Report on Form 10-K on file with the Securities and Exchange Commission.

In evaluating the results of our Specialty, Commercial and International segments, we utilize the loss ratio, the underlying loss ratio, the expense ratio, the dividend ratio, the combined ratio and the underlying combined ratio. These ratios are calculated using GAAP financial results. The loss ratio is the percentage of net incurred claim and claim adjustment expenses to net earned premiums. The underlying loss ratio excludes the impact of catastrophe losses and development-related items from the loss ratio. Development-related items represents net prior year loss reserve and premium development, and includes the effects of interest accretion and change in allowance for uncollectible reinsurance and deductible amounts. The expense ratio is the percentage of insurance underwriting and acquisition expenses, including the amortization of deferred acquisition costs, to net earned premiums. The dividend ratio is the ratio of policyholders' dividends incurred to net earned premiums. The combined ratio is the sum of the loss, expense and dividend ratios. The underlying combined ratio is the sum of the underlying loss ratio, the expense ratio and the dividend ratio. In addition, we also utilize renewal premium change, rate, retention and new business in evaluating operating trends. Renewal premium change represents the estimated change in average premium on policies that renew, including rate and exposure changes. Rate represents the average change in price on policies that renew excluding exposure change. Exposure represents the measure of risk used in the pricing of the insurance product. The change in exposure represents the change in premium dollars on policies that renew as a result of the change in risk of the policy. Retention represents the percentage of premium dollars renewed, excluding rate and exposure changes, in comparison to the expiring premium dollars from policies available to renew. New business represents premiums from policies written with new customers and additional policies written with existing customers. Gross written premiums, excluding third-party captives, excludes business which is ceded to third-party captives, including business related to large warranty programs. We use underwriting gain (loss), calculated using GAAP financial results, to monitor our insurance operations. Underwriting gain (loss) is pretax and is calculated as net earned premiums less total insurance expenses, which includes insurance claims and policyholders' benefits, amortization of deferred acquisition costs and other insurance related expenses. Underlying underwriting gain (loss) represents underwriting results excluding catastrophe losses and development-related items.

Changes in estimates of claim and claim adjustment expense reserves, net of reinsurance, for prior years are defined as net prior year loss reserve development within this MD&A. These changes can be favorable or unfavorable. Net prior year loss reserve development does not include the effect of any related acquisition expenses. Further information on our reserves is provided in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

CRITICAL ACCOUNTING ESTIMATES

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

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

The accounting estimates discussed below are considered by us to be critical to an understanding of our Condensed Consolidated Financial Statements as their application places the most significant demands on our judgment:

- Insurance Reserves
- Long-Term Care Reserves
- Reinsurance and Insurance Receivables
- Valuation of Investments and Impairment of Securities

Due to the inherent uncertainties involved with these types of judgments, actual results could differ significantly from our estimates and may have a material adverse impact on our results of operations, financial condition, equity, business, and insurer financial strength and corporate debt ratings. See the Critical Accounting Estimates section of our Management's Discussion and Analysis of Financial Condition and Results of Operations included under Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2023 for further information.

CATASTROPHES AND RELATED REINSURANCE

Various events can cause catastrophe losses. These events can be natural or man-made, including hurricanes, tornadoes, windstorms, earthquakes, hail, severe winter weather, fires, floods, riots, strikes, civil unrest, cyber-attacks, pandemics and acts of terrorism that produce unusually large aggregate losses.

Catastrophes are an inherent risk of the property and casualty insurance business and have contributed to material period-to-period fluctuations in our results of operations and/or equity. We use various analyses and methods, including using one of the industry standard natural catastrophe models, to estimate hurricane and earthquake losses at various return periods and to inform underwriting and reinsurance decisions designed to manage our exposure to catastrophic events. We generally seek to manage our exposure through the purchase of catastrophe reinsurance and utilize various reinsurance programs to mitigate catastrophe losses, including excess-of-loss occurrence and aggregate treaties covering property and workers' compensation, a property quota share treaty and the Terrorism Risk Insurance Program Reauthorization Act of 2019 (TRIPRA), as well as individual risk agreements that reinsurance losses from specific classes or lines of business. We conduct an ongoing review of our risk and catastrophe reinsurance coverages and from time to time make changes as we deem appropriate. In the second quarter of 2024, we renewed our excess-of-loss property catastrophe reinsurance as described below:

Group North American Property Treaty

We purchased corporate catastrophe excess-of-loss treaty reinsurance covering our U.S. states and territories and Canadian property exposures underwritten in our North American and European companies. The treaty has a term of June 1, 2024 to June 1, 2025 and provides coverage for the accumulation of covered losses from catastrophe occurrences above our per occurrence retention of \$250 million up to \$1.4 billion for all losses. Losses stemming from terrorism events are covered unless they are due to a nuclear, biological or chemical attack. All layers of the treaty provide for one full reinstatement.

Group Workers' Compensation Treaty

We also purchased corporate Workers' Compensation catastrophe excess-of-loss treaty reinsurance for the period January 1, 2024 to January 1, 2025 providing \$275 million of coverage for the accumulation of covered losses related to natural catastrophes above our per occurrence retention of \$25 million. The treaty also provides \$775 million of coverage for the accumulation of covered losses related to terrorism events above our per occurrence retention of \$25 million. Of the \$775 million in terrorism coverage, \$200 million is provided for nuclear, biological, chemical and radiation events. One full reinstatement is available for the first \$275 million above the retention, regardless of the covered peril.

CONSOLIDATED OPERATIONS

Results of Operations

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Operating Revenues				
Net earned premiums	\$ 2,498	\$ 2,347	\$ 4,939	\$ 4,595
Net investment income	618	575	1,227	1,100
Non-insurance warranty revenue	404	407	811	814
Other revenues	9	7	18	14
Total operating revenues	3,529	3,336	6,995	6,523
Claims, Benefits and Expenses				
Net incurred claims and benefits (re-measurement gain (loss) of \$(25), \$(33), \$(40) and \$(34))	1,874	1,772	3,672	3,418
Policyholders' dividends	8	7	17	14
Amortization of deferred acquisition costs	435	403	879	782
Non-insurance warranty expense	388	384	782	768
Other insurance related expenses	329	318	616	623
Other expenses	83	59	168	119
Total claims, benefits and expenses	3,117	2,943	6,134	5,724
Core income before income tax	412	393	861	799
Income tax expense on core income	(86)	(85)	(180)	(166)
Core income	326	308	681	633
Net investment losses	(10)	(32)	(32)	(67)
Income tax benefit on net investment losses	1	7	6	14
Net investment losses, after tax	(9)	(25)	(26)	(53)
Net income	\$ 317	\$ 283	\$ 655	\$ 580

Three Month Comparison

Core income increased \$18 million for the three months ended June 30, 2024 as compared with the same period in 2023. Core income for our Property & Casualty Operations increased \$6 million driven by higher net investment income partially offset by higher catastrophe losses. Core results for our Life & Group segment improved \$19 million, while core loss for our Corporate & Other segment increased \$7 million.

Catastrophe losses were \$82 million and \$68 million for the three months ended June 30, 2024 and 2023. Unfavorable net prior year loss reserve development of \$23 million and \$18 million was recorded for the three months ended June 30, 2024 and 2023 related to our Specialty, Commercial, International and Corporate & Other segments. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

Six Month Comparison

Core income increased \$48 million for the six months ended June 30, 2024 as compared with the same period in 2023. Core income for our Property & Casualty Operations increased \$32 million driven by higher net investment income and favorable net prior year loss reserve development partially offset by higher catastrophe losses. Core results for our Life & Group segment improved \$27 million, while core loss for our Corporate & Other segment increased \$11 million.

Catastrophe losses were \$170 million and \$120 million for the six months ended June 30, 2024 and 2023. Unfavorable net prior year loss reserve development of \$16 million and \$31 million was recorded for the six months ended June 30, 2024 and 2023 related to our Specialty, Commercial, International and Corporate & Other segments. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

SEGMENT RESULTS

The following discusses the results of operations for our business segments. Our property and casualty commercial insurance operations are managed and reported in three business segments: Specialty, Commercial and International, which we refer to collectively as Property & Casualty Operations. Our operations outside of Property & Casualty Operations are managed and reported in two segments: Life & Group and Corporate & Other.

Specialty

The following table details the results of operations for Specialty.

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions, except ratios, rate, renewal premium change and retention)				
Gross written premiums	\$ 1,728	\$ 1,769	\$ 3,410	\$ 3,549
Gross written premiums excluding third-party captives	984	961	1,864	1,847
Net written premiums	857	825	1,649	1,613
Net earned premiums	831	812	1,645	1,609
Underwriting gain	60	74	136	154
Net investment income	154	142	304	271
Core income	169	177	346	348
Other performance metrics:				
Underlying loss ratio	59.6 %	58.6 %	59.4 %	58.5 %
Effect of catastrophe impacts	—	—	—	—
Effect of development-related items	(0.4)	(0.3)	(0.5)	(0.2)
Loss ratio	59.2	58.3	58.9	58.3
Expense ratio	33.2	32.4	32.5	31.9
Dividend ratio	0.3	0.2	0.3	0.2
Combined ratio	92.7 %	90.9 %	91.7 %	90.4 %
Underlying combined ratio	93.1 %	91.2 %	92.2 %	90.6 %
Rate	— %	(1)%	1 %	— %
Renewal premium change	1	—	2	2
Retention	90	89	89	89
New business	\$ 118	\$ 120	\$ 212	\$ 228

Three Month Comparison

Gross written premiums, excluding third-party captives, for Specialty increased \$23 million for the three months ended June 30, 2024 as compared with the same period in 2023 driven by favorable renewal premium change and retention. Net written premiums for Specialty increased \$32 million for the three months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income decreased \$8 million for the three months ended June 30, 2024 as compared with the same period in 2023 primarily due to lower underlying underwriting results and higher claim costs in our non-insurance auto warranty business, partially offset by higher net investment income.

The combined ratio of 92.7% increased 1.8 points for the three months ended June 30, 2024 as compared with the same period in 2023 primarily due to a 0.9 point increase in the loss ratio and a 0.8 point increase in the expense ratio. The increase in the loss ratio was due to an increase in the underlying loss ratio primarily driven by continued rate pressure over the last several quarters. The increase in the expense ratio was driven by higher acquisition costs. There were no catastrophe losses for three months ended June 30, 2024 and 2023.

Favorable net prior year loss reserve development of \$3 million and \$4 million was recorded for the three months ended June 30, 2024 and 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

Six Month Comparison

Gross written premiums, excluding third-party captives, for Specialty increased \$17 million for the six months ended June 30, 2024 as compared with the same period in 2023 driven by favorable renewal premium change and retention. Net written premiums for Specialty increased \$36 million for the six months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income decreased \$2 million for the six months ended June 30, 2024 as compared with the same period in 2023 primarily due to lower underlying underwriting results and higher claim costs in our non-insurance auto warranty business partially offset by higher net investment income.

The combined ratio of 91.7% increased 1.3 points for the six months ended June 30, 2024 as compared with the same period in 2023 primarily due to a 0.6 point increase in the expense ratio and a 0.6 point increase in the loss ratio. The increase in the expense ratio was driven by higher acquisition costs. The increase in the loss ratio was due to an increase in the underlying loss ratio primarily driven by continued rate pressure over the last several quarters partially offset by favorable net prior year loss reserve development. There were no catastrophe losses for six months ended June 30, 2024 and 2023.

Favorable net prior year loss reserve development of \$8 million and \$4 million was recorded for the six months ended June 30, 2024 and 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

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

(In millions)	June 30, 2024	December 31, 2023
Gross case reserves	\$ 1,893	\$ 1,604
Gross IBNR reserves	5,426	5,527
Total gross carried claim and claim adjustment expense reserves	\$ 7,319	\$ 7,131
Net case reserves	\$ 1,607	\$ 1,392
Net IBNR reserves	4,305	4,524
Total net carried claim and claim adjustment expense reserves	\$ 5,912	\$ 5,916

[Table of Contents](#)

Commercial

The following table details the results of operations for Commercial.

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions, except ratios, rate, renewal premium change and retention)				
Gross written premiums	\$ 1,927	\$ 1,719	\$ 3,613	\$ 3,161
Gross written premiums excluding third-party captives	1,802	1,604	3,484	3,044
Net written premiums	1,458	1,329	2,796	2,517
Net earned premiums	1,247	1,120	2,449	2,166
Underwriting gain	39	42	68	83
Net investment income	175	165	351	314
Core income	167	159	325	310
Other performance metrics:				
Underlying loss ratio	62.0 %	61.5 %	62.0 %	61.5 %
Effect of catastrophe impacts	6.1	5.2	6.4	4.7
Effect of development-related items	(0.1)	(0.5)	—	(0.3)
Loss ratio	68.0	66.2	68.4	65.9
Expense ratio	28.5	29.6	28.4	29.8
Dividend ratio	0.5	0.5	0.5	0.5
Combined ratio	97.0 %	96.3 %	97.3 %	96.2 %
Underlying combined ratio	91.0 %	91.6 %	90.9 %	91.8 %
Rate	7 %	8 %	7 %	8 %
Renewal premium change	7	11	8	10
Retention	84	85	84	85
New business	\$ 405	\$ 343	\$ 772	\$ 653

Three Month Comparison

Gross written premiums for Commercial increased \$208 million for the three months ended June 30, 2024 as compared with the same period in 2023 driven by rate and higher new business. Net written premiums for Commercial increased \$129 million for the three months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income increased \$8 million for the three months ended June 30, 2024 as compared with the same period in 2023, driven by improved underlying underwriting results and higher net investment income partially offset by higher catastrophe losses.

The combined ratio of 97.0% increased 0.7 points for the three months ended June 30, 2024 as compared with the same period in 2023 due to a 1.8 point increase in the loss ratio partially offset by a 1.1 point improvement in the expense ratio. The increase in the loss ratio was primarily driven by higher catastrophe losses, an increase in the underlying loss ratio and lower favorable net prior year loss reserve development. Catastrophe losses were \$76 million, or 6.1 points of the loss ratio, for the three months ended June 30, 2024, as compared with \$59 million, or 5.2 points of the loss ratio, for the three months ended June 30, 2023. The improvement in the expense ratio was primarily driven by higher net earned premiums partially offset by higher acquisition costs.

Favorable net prior year loss reserve development of \$6 million and \$13 million was recorded for the three months ended June 30, 2024 and 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

Six Month Comparison

Gross written premiums for Commercial increased \$452 million for the six months ended June 30, 2024 as compared with the same period in 2023 driven by rate and higher new business. Net written premiums for Commercial increased \$279 million for the six months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums.

Core income increased \$15 million for the six months ended June 30, 2024 as compared with the same period in 2023, driven by improved underlying underwriting results and higher net investment income partially offset by higher catastrophe losses.

The combined ratio of 97.3% increased 1.1 points for the six months ended June 30, 2024 as compared with the same period in 2023 due to a 2.5 point increase in the loss ratio partially offset by a 1.4 point improvement in the expense ratio. The increase in the loss ratio was primarily driven by higher catastrophe losses. Catastrophe losses were \$158 million, or 6.4 points of the loss ratio, for the six months ended June 30, 2024, as compared with \$103 million, or 4.7 points of the loss ratio, for the six months ended June 30, 2023. The improvement in the expense ratio was primarily driven by higher net earned premiums partially offset by higher employee related costs.

Favorable net prior year loss reserve development of \$8 million and \$15 million was recorded for the six months ended June 30, 2024 and 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

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

(In millions)	June 30, 2024	December 31, 2023
Gross case reserves	\$ 3,350	\$ 3,291
Gross IBNR reserves	7,267	6,812
Total gross carried claim and claim adjustment expense reserves	\$ 10,617	\$ 10,103
Net case reserves	\$ 2,948	\$ 2,878
Net IBNR reserves	6,485	6,143
Total net carried claim and claim adjustment expense reserves	\$ 9,433	\$ 9,021

International

The following table details the results of operations for International.

Periods ended June 30	Three Months		Six Months	
	2024	2023	2024	2023
(In millions, except ratios, rate, renewal premium change and retention)				
Gross written premiums	\$ 417	\$ 421	\$ 791	\$ 819
Net written premiums	359	359	619	630
Net earned premiums	311	302	626	592
Underwriting gain	25	22	46	31
Net investment income	32	25	63	48
Core income	44	38	81	62
Other performance metrics:				
Underlying loss ratio	58.1 %	57.9 %	58.1 %	57.7 %
Effect of catastrophe impacts	2.0	3.1	2.0	2.9
Effect of development-related items	(1.0)	—	(0.5)	2.5
Loss ratio	59.1	61.0	59.6	63.1
Expense ratio	32.8	31.2	33.0	31.5
Combined ratio	91.9 %	92.2 %	92.6 %	94.6 %
Underlying combined ratio	90.9 %	89.1 %	91.1 %	89.2 %
Rate	0 %	4 %	0 %	4 %
Renewal premium change	2	7	3	7
Retention	80	83	81	83
New business	\$ 72	\$ 92	\$ 140	\$ 177

Three Month Comparison

Gross written premiums for International decreased \$4 million for the three months ended June 30, 2024 as compared with the same period in 2023. Excluding the effect of foreign currency exchange rates, gross written premiums decreased \$4 million driven by lower new business. Net written premiums for International were consistent with the prior year quarter. Excluding the effect of foreign currency exchange rates, net written premiums increased \$1 million for the three months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums in recent quarters.

Core income increased \$6 million for the three months ended June 30, 2024 as compared with the same period in 2023 primarily driven by higher net investment income.

The combined ratio of 91.9% improved 0.3 points for the three months ended June 30, 2024 as compared with the same period in 2023 due to a 1.9 point improvement in the loss ratio partially offset by a 1.6 point increase in the expense ratio. The improvement in the loss ratio was driven by lower catastrophe losses and favorable net prior year loss reserve development. Catastrophe losses were \$6 million, or 2.0 points of the loss ratio, for the three months ended June 30, 2024, as compared with \$9 million, or 3.1 points of the loss ratio, for the three months ended June 30, 2023. The increase in the expense ratio was driven by higher employee related costs and acquisition costs.

Favorable net prior year loss reserve development of \$3 million was recorded for the three months ended June 30, 2024 compared to no net prior year loss reserve development for the three months ended June 30, 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part 1, Item 1.

Six Month Comparison

Gross written premiums for International decreased \$28 million for the six months ended June 30, 2024 as compared with the same period in 2023. Excluding the effect of foreign currency exchange rates, gross written premiums decreased \$35 million driven by lower new business. Net written premiums for International decreased \$11 million for the six months ended June 30, 2024 as compared with the same period in 2023. Excluding the effect of foreign currency exchange rates, net written premiums decreased \$15 million for the six months ended June 30, 2024 as compared with the same period in 2023. The increase in net earned premiums was consistent with the trend in net written premiums in recent quarters.

Core income increased \$19 million for the six months ended June 30, 2024 as compared with the same period in 2023 driven by unfavorable net prior year loss reserve development recorded in the prior year quarter and higher net investment income partially offset by lower underlying underwriting results.

The combined ratio of 92.6% improved 2.0 points for the six months ended June 30, 2024 as compared with the same period in 2023 due to a 3.5 point improvement in the loss ratio partially offset by a 1.5 point increase in the expense ratio. The improvement in the loss ratio was driven by favorable net prior year loss reserve development and lower catastrophe losses. Catastrophe losses were \$12 million, or 2.0 points of the loss ratio, for the six months ended June 30, 2024, as compared with \$17 million, or 2.9 points of the loss ratio, for the six months ended June 30, 2023. The increase in the expense ratio was driven by higher employee related costs partially offset by higher net earned premiums.

Favorable net prior year loss reserve development of \$3 million was recorded for the six months ended June 30, 2024 compared to unfavorable net prior year loss reserve development of \$15 million for the six months ended June 30, 2023. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part 1, Item 1.

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

(In millions)	June 30, 2024	December 31, 2023
Gross case reserves	\$ 829	\$ 864
Gross IBNR reserves	1,954	1,845
Total gross carried claim and claim adjustment expense reserves	\$ 2,783	\$ 2,709
Net case reserves	\$ 692	\$ 708
Net IBNR reserves	1,648	1,568
Total net carried claim and claim adjustment expense reserves	\$ 2,340	\$ 2,276

Life & Group

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Net earned premiums	\$ 109	\$ 113	\$ 219	\$ 228
Claims, benefits and expenses	355	375	696	716
Net investment income	239	229	470	443
Core (loss) income	(1)	(20)	4	(23)

Three Month Comparison

Core loss improved \$19 million for the three months ended June 30, 2024 as compared with the same period in 2023 primarily due to a reduced impact from long-term care policy buyouts and higher net investment income.

Six Month Comparison

Results for the six months ended June 30, 2024 were generally consistent with the three month summary above.

[Table of Contents](#)

Corporate & Other

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Net investment income	\$ 18	\$ 14	\$ 39	\$ 24
Insurance claims and policyholders' benefits	27	29	19	22
Interest expense	35	30	69	58
Core loss	(53)	(46)	(75)	(64)

Three Month Comparison

Core loss increased \$7 million for the three months ended June 30, 2024 as compared with the same period in 2023. The current quarter includes a \$5 million after-tax charge related to office consolidation. The current and prior year quarter each include a \$28 million after-tax charge related to unfavorable prior year loss reserve development largely associated with legacy mass tort abuse claims. Further information on net prior year loss reserve development is in Note E to the Condensed Consolidated Financial Statements included under Part I, Item 1.

Six Month Comparison

Core loss increased \$11 million for the six months ended June 30, 2024 as compared with the same period in 2023. The current period includes \$10 million of after-tax charges related to office consolidation.

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

(In millions)	December 31,	
	June 30, 2023	2023
Gross case reserves	\$ 1,308	\$ 1,353
Gross IBNR reserves	1,296	1,333
Total gross carried claim and claim adjustment expense reserves	\$ 2,604	\$ 2,686
Net case reserves	\$ 116	\$ 129
Net IBNR reserves	254	239
Total net carried claim and claim adjustment expense reserves	\$ 370	\$ 368

[Table of Contents](#)

INVESTMENTS

Net Investment Income

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Fixed income securities:				
Taxable fixed income securities	\$ 484	\$ 444	\$ 956	\$ 874
Tax-exempt fixed income securities	36	46	74	95
Total fixed income securities	520	490	1,030	969
Limited partnership and common stock investments	78	68	146	96
Other, net of investment expense	20	17	51	35
Net investment income	\$ 618	\$ 575	\$ 1,227	\$ 1,100
Effective income yield for the fixed income securities portfolio	4.8 %	4.6 %	4.8 %	4.6 %
Limited partnership and common stock return	3.1 %	3.1 %	6.1 %	4.5 %

Net investment income increased \$43 million and \$127 million for the three and six months ended June 30, 2024 as compared with the same periods in 2023 driven by higher income from fixed income securities as a result of favorable reinvestment rates and a larger invested asset base, as well as favorable limited partnership and common stock returns.

Net Investment (Losses) Gains

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

Periods ended June 30 (In millions)	Three Months		Six Months	
	2024	2023	2024	2023
Fixed maturity securities:				
Corporate bonds and other	\$ (4)	\$ (12)	\$ (21)	\$ (35)
States, municipalities and political subdivisions	(2)	(3)	(2)	7
Asset-backed	(6)	(12)	(21)	(21)
Total fixed maturity securities	(12)	(27)	(44)	(49)
Non-redeemable preferred stock	1	3	12	(11)
Derivatives, short-term and other	1	(2)	—	(1)
Mortgage loans	—	(6)	—	(6)
Net investment losses	(10)	(32)	(32)	(67)
Income tax benefit on net investment losses	1	7	6	14
Net investment losses, after tax	\$ (9)	\$ (25)	\$ (26)	\$ (53)

Pretax net investment losses decreased \$22 million for the three months ended June 30, 2024 as compared with the same period in 2023 which reflects lower impairment losses.

Pretax net investment losses decreased \$35 million for the six months ended June 30, 2024 as compared with the same period in 2023 driven by the favorable change in fair value of non-redeemable preferred stock and lower impairment losses.

Further information on our investment gains and losses is set forth in Note C to the Condensed Consolidated Financial Statements included under Part 1, Item 1.

[Table of Contents](#)

Portfolio Quality

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

(In millions)	June 30, 2024		December 31, 2023	
	Estimated Fair Value	Net Unrealized Gains (Losses)	Estimated Fair Value	Net Unrealized Gains (Losses)
U.S. Government, Government agencies and Government-sponsored enterprises	\$ 2,841	\$ (374)	\$ 2,795	\$ (298)
AAA	2,886	(225)	2,727	(169)
AA	6,323	(559)	6,444	(420)
A	10,126	(426)	9,910	(223)
BBB	16,314	(884)	16,670	(744)
Non-investment grade	1,913	(105)	1,879	(119)
Total	\$ 40,403	\$ (2,573)	\$ 40,425	\$ (1,973)

As of June 30, 2024 and December 31, 2023, 1% of our fixed maturity portfolio was rated internally. AAA rated securities included \$0.2 billion of prefunded municipal bonds as of June 30, 2024 and December 31, 2023.

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

(In millions)	June 30, 2024	
	Estimated Fair Value	Gross Unrealized Losses
U.S. Government, Government agencies and Government-sponsored enterprises	\$ 2,599	\$ 378
AAA	1,841	288
AA	4,371	730
A	6,587	629
BBB	11,813	1,119
Non-investment grade	880	134
Total	\$ 28,091	\$ 3,278

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

(In millions)	June 30, 2024	
	Estimated Fair Value	Gross Unrealized Losses
Due in one year or less	\$ 1,308	\$ 38
Due after one year through five years	8,384	458
Due after five years through ten years	8,280	1,084
Due after ten years	10,119	1,698
Total	\$ 28,091	\$ 3,278

Duration

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

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

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

(In millions)	June 30, 2024		December 31, 2023	
	Estimated Fair Value	Effective Duration (In years)	Estimated Fair Value	Effective Duration (In years)
		9.9		10.2
Life & Group	\$ 15,055	9.9	\$ 15,137	10.2
Property & Casualty and Corporate & Other	27,578	4.4	27,981	4.5
Total	\$ 42,633	6.4	\$ 43,118	6.5

The investment portfolio is periodically analyzed for changes in duration and related price risk. Certain securities have duration characteristics that are variable based on market interest rates, credit spreads and other factors that may drive variability in the amount and timing of cash flows. Additionally, we periodically review the sensitivity of the portfolio to the level of foreign exchange rates and other factors that contribute to market price changes. A summary of these risks and specific analysis on changes is included in the Quantitative and Qualitative Disclosures About Market Risk included under Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2023.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

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

For the six months ended June 30, 2024, net cash provided by operating activities was \$1,120 million as compared with \$937 million for the same period in 2023. The increase in cash provided by operating activities was driven by an increase in premiums collected and higher earnings from fixed income securities, partially offset by an increase in net claim payments and higher operating expenses.

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

For the six months ended June 30, 2024, net cash used by investing activities was \$209 million as compared with \$858 million for the same period in 2023. Net cash used or provided by investing activities is primarily driven by cash available from operations and by other factors, such as financing activities.

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

For the six months ended June 30, 2024, net cash used by financing activities was \$878 million as compared with \$200 million for the same period in 2023. Financing activities for the periods presented include:

- In the second quarter of 2024, we repaid the \$550 million outstanding aggregate principal balance of our 3.95% senior notes which came due May 15, 2024.
- In the first quarter of 2024, we issued \$500 million of 5.125% notes due February 15, 2034.
- During the six months ended June 30, 2024, we paid dividends of \$786 million and repurchased 450,000 shares of common stock at an aggregate cost of \$20 million
- In the second quarter of 2023, we issued \$400 million of 5.50% senior notes due June 15, 2033.
- During the six months ended June 30, 2023, we paid dividends of \$559 million and repurchased 550,000 shares of our common stock at an aggregate cost of \$24 million.

Common Stock Dividends

Cash dividends of \$2.88 per share on our common stock, including a special cash dividend of \$2.00 per share, were declared and paid during the six months ended June 30, 2024. On July 26, 2024, our Board of Directors declared a quarterly cash dividend of \$0.44 per share, payable August 29, 2024 to stockholders of record on August 12, 2024. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will depend on many factors, including our earnings, financial condition, business needs and regulatory constraints.

Liquidity

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

Dividends from Continental Casualty Company (CCC) are subject to the insurance holding company laws of the State of Illinois, the domiciliary state of CCC. Under these laws, ordinary dividends, or dividends that do not require prior approval by the Illinois Department of Insurance, are determined based on the greater of the prior year's statutory net income or 10% of statutory surplus as of the end of the prior year, as well as timing and amount of dividends paid in the preceding twelve months. Additionally, ordinary dividends may only be paid from earned surplus, which is calculated by removing unrealized gains from unassigned surplus. As of June 30, 2024 CCC was in a positive earned surplus position. CCC paid dividends of \$490 million and \$660 million to CNAF during the six months ended June 30, 2024 and 2023. The actual level of dividends paid in any year is determined after an assessment of available dividend capacity, holding company liquidity and cash needs as well as the impact the dividends will have on the statutory surplus of the applicable insurance company.

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

ACCOUNTING STANDARDS UPDATE

For a discussion of Accounting Standards, see Note A to the Condensed Consolidated Financial Statements included under Part I, Item 1.

FORWARD-LOOKING STATEMENTS

This report contains a number of forward-looking statements which relate to anticipated future events rather than actual present conditions or historical events. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and generally include words such as "believes," "expects," "intends," "anticipates," "estimates" and similar expressions. Forward-looking statements in this report include any and all statements regarding expected developments in our insurance business, including losses and loss reserves (note that loss reserves for long-term care, A&EP and other mass tort claims are more uncertain, and therefore more difficult to estimate than loss reserves respecting traditional property and casualty exposures); the impact of routine ongoing insurance reserve reviews we conduct; our expectations concerning our revenues, earnings, expenses and investment activities; volatility in investment returns; and our proposed actions in response to trends in our business. Forward-looking statements, by their nature, are subject to a variety of inherent risks and uncertainties that could cause actual results to differ materially from the results projected in the forward-looking statements. We cannot control many of these risks and uncertainties. These risks and uncertainties include, but are not limited to, the following as well as those risks contained in the Risk Factors section of our 2023 Annual Report on Form 10-K:

Company-Specific Factors

- the risks and uncertainties associated with our insurance reserves, as outlined in the Critical Accounting Estimates sections of our 2023 Annual Report on Form 10-K and this report, and the Reserves - Estimates and Uncertainties section of our 2023 Annual Report on Form 10-K, including the sufficiency of the reserves and the possibility for future increases, which would be reflected in the results of operations in the period that the need for such adjustment is determined;
- the risk that the other parties to the transactions in which, subject to certain limitations, we ceded our legacy A&EP and excess workers' compensation (EWC) liabilities, respectively, will not fully perform their respective obligations to CNA, the uncertainty in estimating loss reserves for A&EP and EWC liabilities and the possible continued exposure of CNA to liabilities for A&EP and EWC claims that are not covered under the terms of the respective transactions; and
- the performance of reinsurance companies under reinsurance contracts with us.

Industry and General Market Factors

- general economic and business conditions, including recessionary conditions that may decrease the size and number of our insurance customers and create losses to our lines of business and inflationary pressures on medical care costs, construction costs and other economic sectors;
- the effects of social inflation, including frequency of nuclear verdicts and increased litigation activity, on the severity of claims;
- the effects on the frequency of claims of reviver statutes that extend, or eliminate, the statute of limitations for the reporting of claims, including statutes passed in certain states with respect to sexual molestation and sexual abuse;
- the impact of competitive products, policies and pricing and the competitive environment in which we operate, including changes in our book of business;
- product and policy availability and demand and market responses, including the level of ability to obtain rate increases;
- the COVID-19 pandemic, including new or emerging variants, other potential pandemics and related measures to mitigate the spread of the foregoing may continue to result in increased claims and related litigation risk across our enterprise;
- conditions in the capital and credit markets, including uncertainty and instability in these markets, as well as the overall economy, and their impact on the returns, types, liquidity and valuation of our investments;
- conditions in the capital and credit markets that may limit our ability to raise significant amounts of capital on favorable terms; and

- the possibility of changes in our ratings by ratings agencies, including the inability to access certain markets or distribution channels and the required collateralization of future payment obligations as a result of such changes, and changes in rating agency policies and practices.

Regulatory, Legal and Operational Factors

- regulatory and legal initiatives and compliance with governmental regulations and other legal requirements, which are increasing in complexity and number, change frequently, sometimes conflict, and could expose us to significant monetary damages, regulatory enforcement actions, fines and/or criminal prosecution in one or more jurisdictions, including regulations related to cybersecurity protocols (which continue to evolve in breadth, sophistication and maturity in response to an ever-evolving threat landscape), legal inquiries by state authorities, judicial interpretations within the regulatory framework, including interpretation of policy provisions, decisions regarding coverage and theories of liability, legislative actions that increase claimant activity, including those revising applicability of statutes of limitations, trends in litigation and the outcome of any litigation involving us and rulings and changes in tax laws and regulations;
- regulatory limitations, impositions and restrictions upon us, including with respect to our ability to increase premium rates, and the effects of assessments and other surcharges for guaranty funds and second-injury funds, other mandatory pooling arrangements and future assessments levied on insurance companies;
- regulatory limitations and restrictions, including limitations upon our ability to receive dividends from our insurance subsidiaries, imposed by regulatory authorities, including regulatory capital adequacy standards;
- breaches of our or our vendors' data security infrastructure resulting in unauthorized access to systems and information, and/or interruption of operations; and
- regulatory and legal implications relating to the sophisticated cyber incident sustained by the Company in March 2021 that may arise.

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

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

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There were no material changes in our market risk components for the three months ended June 30, 2024. See the Quantitative and Qualitative Disclosures About Market Risk included in Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2023 for further information. Additional information related to portfolio duration is discussed in the Investments section of our Management's Discussion and Analysis of Financial Condition and Results of Operations included in Part I, Item 2.

Item 4. Controls and Procedures

The Company maintains a system of disclosure controls and procedures which are designed to ensure that information required to be disclosed by the Company in reports that it files or submits to the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including this report, is recorded, processed, summarized and reported on a timely basis. These disclosure controls and procedures include controls and procedures designed to ensure that information required to be disclosed under the Exchange Act is accumulated and communicated to the Company's management on a timely basis to allow decisions regarding required disclosure.

As of June 30, 2024, the Company's management, including the Company's Chief Executive Officer (CEO) and Chief Financial Officer (CFO), conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on this evaluation, the CEO and CFO have concluded that the Company's disclosure controls and procedures are effective as of June 30, 2024.

There has been no change in the Company's internal control over financial reporting (as defined in Rules 13a-15 (f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2024 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. Other Information

Item 1. Legal Proceedings

Information on our legal proceedings is set forth in Note G to the Condensed Consolidated Financial Statements included under Part I, Item 1.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Items 2 (a) and (b) are not applicable

(c) The table below details the repurchases of our common stock made during the three months ended June 30, 2024.

Period	(a) Total number of shares purchased	(b) Average price paid per share	(c) Total number of shares purchased as part of publicly announced plans or programs	(d) Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs (in millions)
May 1, 2024 - May 31, 2024	450,000	\$ 44.67	N/A	N/A
Total	450,000		N/A	N/A

Item 6. Exhibits

See Exhibit Index.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CNA Financial Corporation

Dated: July 29, 2024

By

/s/ Scott R. Lindquist

Scott R. Lindquist
Executive Vice President and Chief Financial Officer
(Duly authorized officer and principal financial officer)

EXHIBIT INDEX

<u>Description of Exhibit</u>	<u>Exhibit Number</u>
Certificate of Amendment of Certificate of Incorporation dated, May 1, 2024	3.1.3
Employment Agreement, dated June 5, 2024, between CNA Financial Corporation and Dino E. Robusto	10.1
Employment Agreement, dated June 5, 2024, between CNA Financial Corporation and Douglas M. Worman	10.2
Certification of Chief Executive Officer	31.1
Certification of Chief Financial Officer	31.2
Written Statement of the Chief Executive Officer of CNA Financial Corporation Pursuant to 18 U.S.C. Section 1350 (As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.1
Written Statement of the Chief Financial Officer of CNA Financial Corporation Pursuant to 18 U.S.C. Section 1350 (As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)	32.2
XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document	101.INS
Inline XBRL Taxonomy Extension Schema	101.SCH
Inline XBRL Taxonomy Extension Calculation Linkbase	101.CAL
Inline XBRL Taxonomy Extension Definition Linkbase	101.DEF
Inline XBRL Taxonomy Label Linkbase	101.LAB
Inline XBRL Taxonomy Extension Presentation Linkbase	101.PRE
Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	104.1

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
CNA FINANCIAL CORPORATION**

CNAF Financial Corporation, a corporation organized and existing under the General Corporation Law of the State of Delaware, hereby certifies as follows:

FIRST: That at a meeting of the Board of Directors of CNA Financial Corporation ("Corporation") resolutions were duly adopted setting forth proposals to be submitted to the stockholders of the Corporation at the annual meeting including a proposal for the approval of amendment to the Certificate of Incorporation of said Corporation providing for expansion of the exculpation provision, as permitted by Delaware General Corporation Law.

SECOND: That thereafter, pursuant to resolution of its Board of Directors, the annual meeting of the stockholders of said Corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the following resolution:

RESOLVED, that the stockholders of CNA Financial Corporation approve an amendment to the Certificate of Incorporation to amend and restate Article THIRTEENTH, which shall read in its entirety as follows: "THIRTEENTH: No director or officer of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director or officer, as applicable, except to the extent such an exemption from liability or limitation thereof is not permitted under the General Corporation Law of the State of Delaware as presently in effect or as the same may hereafter be amended. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director or officer of the Corporation for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal. The provisions of this Article THIRTEENTH shall not be deemed to limit or preclude indemnification of a director or officer of the Corporation for any liability which has not been limited by the provisions of this Article THIRTEENTH."

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Amendment to be signed by Stathy Darcy, its Senior Vice President, Deputy General Counsel and Secretary and attested to by Assistant Vice President and Assistant Secretary, this 1st day of May, 2024.

ATTEST: **CNA FINANCIAL CORPORATION**

/s/ Kathleen Sulikowski /s/ Stathy Darcy

Kathleen Sulikowski Assistant Vice President & Assistant Secretary	Stathy Darcy Senior Vice President, Deputy Secretary
--	--

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “**Agreement**”) is made as of the 5th day of June, 2024, by and between CNA Financial Corporation, a Delaware corporation (the “**Company**”), and Dino E. Robusto (“**Executive**”);

WITNESSETH:

WHEREAS, Executive is currently serving as Chairman and Chief Executive Officer of the Company and as Chairman and Chief Executive Officer of the wholly-owned insurance subsidiaries of the Company (“**CNA Insurance Companies**”) (collectively, the Company and the CNA Insurance Companies are referred to as the **CNA Companies**”) pursuant to an Employment Agreement dated August 10, 2020 (the “**Current Agreement**”), the term of which expires on December 31, 2024; and

WHEREAS, the Company wishes to continue to employ Executive for an additional year following December 31, 2024, during which additional year Executive will serve solely as Executive Chairman of the Board of Directors of the Company (the “**Board**”), and Executive wishes to accept and agree to such continued employment, and the parties now wish to enter into this employment agreement to set forth the terms and conditions of his employment following December 31, 2024.

NOW, THEREFORE, in consideration of the foregoing premises and the promises and covenants herein, the parties hereto agree as follows, which agreement shall supersede the terms and conditions of the Current Agreement in their entirety, effective January 1, 2025:

1. Employment Term. The Company and Executive agree that the Company shall continue to employ Executive as an officer and employee of the Company to serve as, and to perform the duties of, Executive Chairman of the Board (“**Executive Chairman**”) for the period commencing on January 1, 2025, and ending on December 31, 2025 (the “**End Date**”), provided that Executive’s employment may be terminated in accordance with Section 6 hereof (said period, the “**Term**”). Executive hereby resigns, effective December 31, 2024, his position as Chief Executive Officer of the Company, and as an officer and board member of, and from each other position held with, each of the CNA Insurance Companies and each other subsidiary of the Company. Prior to January 1, 2025, the Company shall cause its By-Laws to be amended to create the officer position of Executive Chairman.

2. Duties of Executive.

During the Term:

- (a) Executive shall serve as the Executive Chairman. Executive is currently serving as a member and Chairman of the Board, and at the annual meeting of shareholders to be held in 2025, shall be nominated for re-election as a member of the Board, and, upon election to the Board, shall be re-appointed as Chairman of

the Board. Executive's duties, responsibilities and authority as Executive Chairman shall be those commensurate with the position of Executive Chairman and those related responsibilities reasonably assigned by the Board.

- (b) Executive shall diligently and to the best of his abilities assume, perform, and discharge the duties and responsibilities of Executive Chairman. Executive shall devote approximately two working days per week to the performance of his duties and responsibilities, to a maximum of seventy (70) hours per month. Executive shall not be precluded from engaging in civic, charitable or community services or from devoting a reasonable amount of time to private investments and personal affairs, or from serving, with the Board's approval, on the boards of for-profit entities, so long as such activities or services do not interfere with Executive's responsibilities to the CNA Companies.
- (c) The Company will continue to employ Executive's current executive assistant, or a replacement reasonably acceptable to Executive.

3. Compensation.

- (a) During the Term, the Company shall pay to Executive for the period he is employed by the Company hereunder, an annual base salary of Six Million dollars (\$6,000,000.00) (the "**Base Compensation**"). The Base Compensation shall be payable in accordance with the Company's payroll practices for senior executives. For avoidance of doubt, Executive shall not be entitled to any of the compensation payable to non-employee members of the Board.
- (b) For the calendar year 2025, Executive shall be eligible for a bonus (the "**2025 Bonus**"), based upon his performance as Executive Chairman, in a maximum amount of Two Million dollars (\$2,000,000.00) (the "**Target 2025 Bonus**"), with the actual amount of the 2025 Bonus to be determined in the sole discretion of the Compensation Committee of the Board and paid at the same time bonuses are paid to other executives for the calendar year 2025.
- (c) For the avoidance of doubt, during the Term Executive shall not be eligible to participate in the Company's Incentive Compensation Plan (the "**Annual Bonus Plan**") or any other bonus plan or to receive any incentive awards under the Company's Long-Term Incentive Plan (the "**LTI Plan**") or other incentive plan, whether in his capacity as an employee, officer or Board member or otherwise, but nothing contained herein shall affect his entitlement to an annual bonus for 2024 under the Annual Bonus Plan, and any outstanding incentive awards previously received by Executive under the LTI Plan shall continue to be governed by the terms of the LTI Plan and the applicable award agreements, except as otherwise specifically provided herein. For avoidance of doubt, the change in Executive's status as of the beginning of the Term shall not be considered a "**Termination of Affiliation**" as defined in the LTI Plan.

- (d) Executive's compensation and pensionable earnings under the CNA 401(k) Plan and the CNA Non-Qualified Savings Plan will be calculated and payable as specified in the respective documents applicable to each such plan, as amended from time to time, and also subject to the requirements of any other applicable laws or regulations as interpreted by the Company; provided, however, such compensation and pensionable earnings, as the case may be, shall for purposes of the CNA Non-Qualified Savings Plan include the sum of Executive's Base Compensation and the 2025 Bonus, with such amounts to be includable at the time they would otherwise be paid to Executive in the absence of any elective deferral by Executive.
- (e) All payments due under this Agreement (i) shall be subject to withholding as required or authorized by law as interpreted by the Company, and (ii) shall be subject to offset, recoupment or repayment in accordance with the terms of any "clawback" or similar policy adopted by the Company, whether in effect on the date hereof or subsequently adopted or amended, including without limitation the CNA Financial Corporation Clawback Policy, effective December 1, 2023, as amended from time to time.

4. Other Benefits. During the Term, Executive shall be entitled to participate in the various benefit and perquisite plans, programs or arrangements, established and maintained by the Company from time to time and applicable to senior executives of the Company, in each case on terms and conditions no less favorable to Executive than to other senior executives generally. Executive's entitlement to participate in any such plan, program or arrangement shall, in each case, be subject to the terms and conditions of the policies of the CNA Companies with regard to such plans, programs or arrangements. Executive shall be entitled to participate in the Executive Club Membership plan and be a member in one business lunch club if used for business purposes. During the Term, Executive will be entitled to use the Company aircraft for business use only, and not for personal use, in accordance with the Company's policy for business use of the aircraft for senior executives. In the event of termination of employment, Executive's severance shall be determined solely in accordance with Section 6 hereof.

5. Expense Reimbursement.

- (a) During the Term, Executive shall be entitled to reimbursement by the Company for all reasonable and customary travel and other business expenses incurred by Executive in carrying out his duties under this Agreement, in accordance with the general travel and business reimbursement policies adopted by the Company as adjusted from time to time for its senior executives. During the Term, Executive shall report all such expenditures not less frequently than monthly accompanied by adequate records and such other documentary evidence as required by the Company or by Federal or state tax statutes or regulations governing the substantiation of such expenditures.

(b) As soon as practicable following the date of execution of this Agreement, the Company will reimburse Executive for attorneys' fees incurred in negotiating and entering into this Agreement, provided that such amount shall not exceed \$25,000 and provided, further, that Executive provides reasonable documentation of such fees.

6. Termination of Employment. If Executive's employment with the Company shall terminate, the following conditions set forth herein shall apply with respect to Executive's compensation and benefits hereunder. Either party may terminate Executive's employment with the Company during the Term by written notice to the other party effective as of the date specified in such notice and Executive's employment shall automatically terminate in the event of Executive's death. Executive hereby resigns, effective as of the date of termination of Executive's employment pursuant to any provision of this Section 6, as Executive Chairman and a member of the Board, and from any other positions held with any of the CNA Companies and each other subsidiary of the Company. Upon termination of Executive's employment during or at the end of the Term, the rights of the parties under this Agreement shall be determined solely pursuant to this Section 6. In the event of Executive's termination of employment during the Term, unless otherwise specified in this Agreement, Executive's rights, if any, under any of the Company's defined contribution, benefit, incentive or other plans of any nature shall be governed by the respective terms of such plans. Without limiting the generality of the preceding sentence, if Executive's termination of employment constitutes a "retirement" as defined in any such plan, Executive shall be entitled to the greater of the benefits provided in such plan upon retirement (in terms of amount or form of payment) or the benefits provided in this Agreement (including Sections 6.1, 6.3 and 6.4, as applicable). Notwithstanding any provision to the contrary in this Agreement, no payment or distribution under this Agreement which constitutes an item of deferred compensation (within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, or any successor provision ("Section 409A")) and becomes payable by reason of Executive's termination of employment with the Company will be made to Executive unless Executive's termination of employment constitutes a "separation from service" within the meaning of Section 409A. In addition, no such payment or distribution will be made to Executive prior to the earlier of (a) the expiration of the six (6) month period measured from the date of Executive's "separation from service," or (b) the date of Executive's death, to the extent such delayed commencement is required in order to avoid additional taxes under Section 409A. All payments and benefits which had been delayed pursuant to the immediately preceding sentence shall be paid to Executive in a lump sum upon expiration of such six (6) month period (or if earlier upon Executive's death). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. The payments and benefits under this Agreement are intended to be exempt from, or to the extent subject thereto, to comply with, Section 409A, and, accordingly, to the maximum extent permitted, the Agreement shall be interpreted in accordance therewith. For avoidance of doubt, it is the understanding and intention of the parties that Executive will not incur a separation from service for purposes of the CNA Non-Qualified Savings Plan on December 31, 2024 by

reason of the change in the terms of his employment described in this Agreement, but the Company shall not be required to indemnify Executive against any adverse tax consequences resulting from a contrary determination.

6.1 Death and Disability. In the event of the death of Executive or in the event of his Permanent Disability (as defined below) the Term and Executive's employment with the Company shall immediately terminate. Upon such termination:

- (a) The Company shall make payment to Executive, or his personal representatives, heirs or beneficiaries, as the case may be as follows:
 - (i) Within 30 days after such termination: (1) unpaid Base Compensation prorated to the date of termination; (2) any previous year's earned but unpaid annual bonus; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program; and
 - (ii) An amount equal to the Target 2025 Bonus prorated to the date of termination. Such amount shall be paid within 30 days following the date of termination.
- (b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this subsection 6.1(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing such equity awards.
- (c) In the case of Permanent Disability, Executive shall continue to participate in such medical benefits, dental benefits, life insurance, and long-term disability plans in which he is enrolled for the remainder of the Term as if he were still employed by the Company, including applicable payments by the Company, and at the expiration of such period, Executive shall be entitled to COBRA coverage. Notwithstanding the foregoing, to the extent that Executive's continued participation in any such benefit plan would violate any applicable law, or result in unfavorable tax treatment, the Company may provide for Executive's COBRA coverage to commence upon termination in accordance with the provisions of such benefit plan and pay to Executive a lump sum amount equal to the Company's share of coverage cost for a period equal to the remainder of the Term.
- (d) For purposes of this Agreement, the term "Permanent Disability" shall mean Executive's inability with or without a reasonable accommodation, due to physical or mental incapacity, to substantially perform his duties and

responsibilities under this Agreement for 180 days out of any 270 consecutive days, as determined by the Board in its good faith discretion.

- (e) In the event of any termination of employment due to Executive's Permanent Disability, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.2 Termination for Cause by the Company / Termination by Executive Other than for Good Reason.

- (a) In the event that Executive shall engage in any conduct that constitutes Cause, as defined herein, the Board shall have the right to terminate Executive's employment with the Company with immediate effect. Any termination of Executive's employment for Cause must be approved by an affirmative vote of two-thirds (2/3) of the members of the Board then in office (other than Executive). Executive shall be entitled to a hearing before the Board and to be accompanied by legal counsel seeking review of the Board's determination. For purposes of this Agreement, "Cause" shall mean conduct that: (i) results in Executive being convicted of, or pleading guilty or nolo contendere to, a felony, (ii) is a material breach of the Agreement, (iii) constitutes willful or reckless misconduct in the performance of Executive's duties, or (iv) constitutes the habitual neglect of Executive's duties (other than due to physical or mental incapacity, to substantially perform his duties and responsibilities); provided, however, for purposes of clauses (iii) and (iv), Cause shall not include any one or more of the following:

bad judgment, negligence or any act or omission believed by Executive in good faith to have been in or not opposed to the interest of the CNA Companies (without any intent by Executive to gain, directly or indirectly, a profit to which he was not legally entitled).

- (b) Upon termination of Executive's employment by the Company for Cause or by Executive other than for Good Reason, other than paying Executive within 30 days of such termination his: (i) unpaid Base Compensation prorated to the date of termination, (ii) any previous year's earned but unpaid annual bonus, and (iii) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program, the Company shall have no further obligations whatsoever to Executive under this Agreement. In the event of any such termination, Executive shall continue to be bound by the covenants set forth herein in Sections 7 through 15, subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.3 Termination by the Company Without Cause / Termination by Executive for Good Reason. In the event Executive's employment is terminated by the Company for any

reason not described in subsections 6.1 and 6.2, or in the event Executive terminates his employment for Good Reason, as defined herein:

- (a) The Company shall pay to Executive:
 - (i) Within 30 days after such termination: (1) unpaid Base Compensation prorated to the date of termination; (2) any previous year's earned but unpaid annual bonus; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program;
 - (ii) Continued payment of the Base Compensation, for the remainder of the Term, paid in the same manner as it was paid during his employment; and
 - (iii) An amount equal to the Target 2025 Bonus prorated to the date of termination. Such amount shall be paid within 30 days following the date of termination.
- (b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this subsection 6.3(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing any such equity awards.
- (c) Executive shall continue to participate in such medical benefits, dental benefits, life insurance, and long-term disability plans in which he is enrolled for the remainder of the Term as if he were still employed by the Company, including applicable payments by the Company, and at the expiration of such period, Executive shall be entitled to COBRA coverage. Notwithstanding the foregoing, to the extent that Executive's continued participation in any such benefit plan would violate any applicable law, or result in unfavorable tax treatment, the Company may provide for Executive's COBRA coverage to commence upon termination in accordance with the provisions of such benefit plan and pay to Executive a lump sum amount equal to the Company's share of coverage cost for a period equal to the remainder of the Term.
- (d) "Good Reason" shall mean, without Executive's consent: (i) a material reduction in the rate of Executive's Base Compensation or any material breach by the Company of Section 3(b), (c) and (d); (ii) the assignment to Executive of any duties materially inconsistent with his position (including status, offices, and titles), authority, duties or responsibilities, all as in effect on January 1, 2025 (and taking into account the provisions of this Agreement), or any other action by the Company or its affiliates which results in a material diminution in such position, authority, duties or responsibilities; (iii) a material reduction in the benefits

provided or a material diminution under the expense reimbursement policies of the Company that is not generally applicable to other senior executives of the Company; (iv) a material breach by the Company or its affiliates of any material obligation to Executive (e.g., a substantial failure to honor the terms of any material equity or long-term incentive grant); (v) the failure to reelect or otherwise maintain Executive as a director of the Board; or (vi) the failure of the Company to obtain the assumption in writing of its obligation to perform this Agreement by any successor to all or substantially all of the assets of the Company within fifteen (15) calendar days after a merger, consolidation, sale or similar transaction; provided, however, that for purposes of clauses (i) through (vi) of this Section 6.3(d), the Company shall have thirty (30) calendar days after the date that written notice has been given to the Company by Executive of such Good Reason in which to cure such conduct.

- (e) In the event of any termination of employment as described in this Section 6.3, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.4 Termination on or Prior to December 31, 2024; Expiration of Term.

In the event that Executive's employment is terminated for any reason on or prior to December 31, 2024 (other than the resignations required under Sections 1 and 6 above), this Agreement shall be null and void and Executive's rights and obligations with respect to such termination shall be determined under the Current Agreement; provided that the changes in the terms of Executive's employment pursuant to this Agreement shall not be considered "Good Reason" for purposes of the Current Agreement. For avoidance of doubt, this Agreement shall be considered "a new employment agreement" for purposes of Section 6.4 of the Current Agreement, and Executive shall not be entitled to the benefits described in Section 6.4 of the Current Agreement solely by reason of the expiration of the Term of the Current Agreement. Executive's employment shall automatically terminate without further notice on the End Date, unless the Company and the Executive have entered into a new employment agreement (or have agreed to extend the Term). In the event of such termination on the End Date, the Company shall make payment to Executive as follows in accordance with the terms of this Agreement:

- (a) The Company shall pay to Executive (1) unpaid Base Compensation; (2) the 2025 Bonus in the amount determined by the Compensation Committee of the Board; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the end of the Term pursuant to the terms of any applicable Company plan or program.
- (b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this

subsection 6.4(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing any such equity awards.

In the event of any termination of employment as described in this Section 6.4, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.5 Certain Provisions Applicable to Payments following Termination.

- (a) The payments and benefits to be made or provided to Executive or his estate pursuant to Section 6.1 (other than Section 6.1(a)(i)), Section 6.3 (other than Section 6.3(a)(i)) or Section 6.4 (other than Section 6.4(a)) are expressly conditioned upon (i) Executive's continued compliance with the covenants contained in Sections 7 through 15, and (ii) the execution by the Executive (or his estate) of a release of claims as required by the Company, substantially in the form attached to this Agreement as Exhibit A, and the expiration of the period during which such release may be revoked, not later than the sixtieth day following the date of termination. No such payments or benefits or payments shall be made or provided to Executive or his estate until such release has been executed and the period for revocation has expired and, if the sixtieth day following the date of termination is in the calendar year following the year that includes the date of termination, no such payments or benefits that are subject to Section 409A shall be made or provided until the later of the expiration of the revocation period or the first day of such following calendar year. Any term or provision herein to the contrary notwithstanding, the timing and other conditions of any severance or other payments to be made under this Agreement shall be subject to the requirements of all applicable laws and regulations, whether or not they are in existence or in effect when this Agreement is executed by the parties hereto.
- (b) The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including without limitation any set-off, counterclaim, recoupment, defense or other right which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not Executive obtains other employment, so long as such employment is consistent with the provisions of this Agreement.
- (c) Any payments, rights or benefits provided under Sections 6.1, 6.2, 6.3 or 6.4 shall be in lieu of, and not in addition to, any payments Executive may be eligible to receive under any Company severance plan, policy or arrangement.

(d) In the event that Executive dies before all payments pursuant to this Section 6 have been paid, all remaining payments shall be made to the beneficiary specifically designated by Executive in writing prior to his death, or, if no such beneficiary was designated (or the Company is unable in good faith to determine the beneficiary designated), to his personal representative or estate.

7. Confidentiality.

(a) Executive agrees that Executive shall not, at any time, reveal or utilize Confidential Information (as defined in this Agreement) which relates to (a) the CNA Companies and/or any other business or entity in which the Company during the course of Executive's employment has directly or indirectly held a greater than a 10% equity interest whether voting or non-voting; or (b) any of the CNA Companies' customers, employees, agents, brokers or vendors. Executive acknowledges that all such Confidential Information is commercially valuable and is the property of the CNA Companies. Upon the termination of his employment Executive shall return all Confidential Information to the Company, whether it exists in written, electronic, computerized or other form. Notwithstanding the foregoing provisions of this Section 7, Executive may disclose or use any such Confidential Information (i) as such disclosure or use may be required in the course of his employment with the Company in order to perform Executive's duties hereunder; (ii) when required by a court of law, by any governmental agency having supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) with apparent jurisdiction, provided that in the event Executive believes he is so required to make such disclosure or use he will notify the Company in writing of the basis for that belief before actually making such disclosure or use in order to permit the Company to take steps to protect the Company's interests and will cooperate with the Company in all reasonable respects to permit the Company to oppose such disclosure or use; or (iii) with the prior written consent of the Company, such consent not to be unreasonably withheld. For purposes of this Agreement "**Confidential Information**" includes all information, knowledge or data (whether or not a trade secret or protected by laws pertaining to intellectual property) not generally known outside the Company (unless as a result of a breach of any of the obligations imposed by this Agreement) concerning the business or technical information of the Company or any of its subsidiaries or affiliates. Such information may include, without limitation, information relating to data, finances, marketing, pricing, profit margins, underwriting, claims, loss control, marketing and business plans, renewals, software, processing, vendors, administrators, customers or prospective customers, products, brokers, agents and employees.

(b) Executive acknowledges and agrees that the Company has provided Executive with written notice below that the Defend Trade Secrets Act, 18 U.S.C. § 1833(b),

provides an immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:

- (1) **Immunity:** An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-
 - (A) is made-
 - (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and
 - (ii) solely for the purpose of reporting or investigating a suspected violation of law; or
 - (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.
- (2) **Use of Trade Secret Information in Anti-Retaliation Lawsuit** An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-
 - (A) files any document containing the trade secret under seal; and
 - (B) does not disclose the trade secret, except pursuant to court order.

8. Competition. Executive hereby agrees that, while he is employed by the Company, and for a period of 24 months following the date of his termination of his employment with the Company for any reason (the "**Restriction Period**"), he will not, directly or indirectly, without the prior written approval of the Board, enter into any business relationship (either as principal, agent, board member, officer, consultant, stockholder, employee or in any other capacity) with any business or other entity that at any relevant time is engaged in the business of property and casualty or surety insurance or any other significant line of insurance in which the Company is involved at the time of Executive's termination of employment in direct or indirect competition with the Company or any of its affiliates anywhere in the United States, Canada, or any other region of the world in which the Company or any of its affiliates is doing business (or has made significant preparations to begin doing business) at the time of termination (a "**Competitor**"); provided, however, that such prohibited activity shall not include the ownership of less than 5% of the outstanding securities of any publicly traded corporation (determined by vote or value) regardless of the business of such corporation. Upon the written request of Executive, the Board will reasonably determine whether a business or other entity constitutes a "**Competitor**" for purposes of this Section 8; provided that the Board may require Executive to provide such information as the Board determines to be necessary to

make such determination; and further provided that the current and continuing effectiveness of such determination may be conditioned upon the accuracy of such information, and upon such other factors as the Board may determine.

9. Solicitation. Executive agrees that while he is employed by the Company, and for a period of 24 months following his termination of employment with the Company for any reason, he will not employ, offer to employ, engage as a consultant, or form an association with any person who is then, or who during the then preceding one year period was, an employee of the Company or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof, nor will he solicit or assist any other person or entity in soliciting for employment or consultation any person who is then, or who during the then preceding one year period was, an employee of the Company or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof.

10. Non-interference. Executive agrees that while he is employed by the Company, and for a period of 24 months following his termination of employment with the Company for any reason, he will not disturb, attempt to disturb, or cause anyone else to disturb any business relationship or agreement between either the Company, or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof, and any other person or entity.

11. Assistance with Claims. Executive agrees that, while he is employed by the Company, and for a reasonable period (not less than 36 months) from the date of termination for any reason thereafter, he will be available, on a reasonable basis, to assist the Company and its subsidiaries and affiliates in the prosecution or defense of any claims, suits, litigation, arbitrations, investigations, or other proceedings, whether pending or threatened (collectively "Claims") that may be made or threatened by or against the Company or any of its subsidiaries or affiliates by meeting with representatives of the Company (including attorneys) and providing truthful and accurate information. Executive agrees, unless precluded by law, to promptly inform the Company if he is requested (i) to testify or otherwise become involved in connection with any Claim against the interests of the Company or any subsidiary or affiliate or (ii) to assist or participate in any investigation (whether governmental or private) of the Company or any subsidiary or affiliate or any of their actions, whether or not a lawsuit has been filed against the Company or any of its subsidiaries or affiliates relating thereto. If Executive is required to provide such services after his employment has been terminated, the Company agrees to pay Executive for his time spent on such activities at an hourly rate equal to his Base Compensation as in effect on December 31, 2024, divided by 2,000, and to reimburse Executive for any reasonable expenses incurred by Executive, including without limitation, transportation (and, for this purpose, Executive shall be permitted to travel via Company aircraft if it is available, at no charge to Executive), lodging, meal expenses, and reasonable attorney's fees incurred by Executive in connection with obligations under this Section 11. Nothing in this Section 11 is intended or shall be construed to prevent Executive from cooperating fully with any government investigation or review as required by applicable law or regulation.

12. Return of Materials. Executive shall, at any time upon the request of the Company, and in any event upon the termination of his employment with the Company for whatever reason, immediately return and surrender to the Company all property to the Company, including but not limited to originals and all copies, regardless of medium, of property belonging to the Company created or obtained by Executive as a result of or in the course of or in connection with his employment with the Company regardless of whether such items constitute proprietary information, provided that Executive shall be under no obligation to return written materials acquired from third parties which are generally available to the public. Executive acknowledges that all such materials are, and will remain, the exclusive property of the Company. This clause does not apply to a counterpart of this Agreement or any other agreement to which the Executive is individually a party or copies of documents that the Company publicly disseminates.

13. Non-Disparagement. During the Term and at all times thereafter, Executive agrees not to engage in any form of conduct or make any statements or representations that disparage, portray in a negative light, or otherwise impair the reputation, goodwill or commercial interests of any of the CNA Companies, or its past, present and future subsidiaries, divisions, affiliates, successors, or their officers, directors, attorneys, customers, agents and employees. During the Term and at all times thereafter, the Company agrees that the Company (via any authorized public statement) and its executive officers and members of the Board shall not engage in any form of conduct or make any statements or representations that disparage, portray in a negative light, or otherwise impair the reputation, goodwill or commercial interests of Executive. Nothing in this Section 13 is intended or shall be construed to prevent either party from cooperating fully with any government investigation or review as required by applicable law or regulation or providing truthful evidence and testimony in any administrative or judicial forum.

14. Scope of Covenants.

- (a) Executive acknowledges that: (i) as a senior executive of the Company, he has developed and had access to and will develop and have access to confidential information concerning the entire range of businesses in which the CNA Companies was and are engaged; (ii) the CNA Companies' businesses are conducted worldwide; and (iii) the CNA Companies' confidential information, if disclosed or utilized without its authorization, would irreparably harm the CNA Companies in: (1) obtaining renewals of existing customers; (2) selling new business; (3) maintaining and establishing existing and new relationships with employees, agents, brokers, vendors; and (4) other ways arising out of the conduct of the businesses in which the CNA Companies are engaged.
- (b) To protect such information and such existing and prospective relationships, and for other significant business reasons, Executive agrees that it is reasonable and necessary that: (i) the scope of this agreement be worldwide; (ii) its breadth include those segments of the entire insurance industry in which the CNA

Companies conduct business; and (iii) the duration of the restrictions upon Executive be as indicated therein.

- (c) Executive acknowledges that the CNA Companies' customer, employee and business relationships are long-standing, indeed, near permanent and therefore are of great value to the CNA Companies. Executive agrees that neither any of the provisions in this Agreement nor the Company's enforcement of it alters or will alter his ability to earn a livelihood for himself and his family and further that both are reasonably necessary to protect the CNA Companies' legitimate business and property interests and relationships, especially those which he was responsible for developing or maintaining. Executive agrees that his actual or threatened breach of the covenants set forth in Sections 7 through 15 hereof would cause the CNA Companies irreparable harm and that the Company is entitled to an injunction, in addition to whatever other remedies may be available, to restrain such actual or threatened breach. Executive agrees that if bond is required in order for the Company to obtain such relief, it need only be in a nominal amount. Executive consents to the filing of any such suit against him in the state or federal courts located in Delaware or any other state in which he may reside following the Term. He further agrees that in the event of such suit or any other action arising out of or relating to this Agreement, the parties shall be bound by and the court shall apply the internal laws of the State of Delaware and irrespective of rules regarding choice of law or conflicts of laws.
- (d) Executive agrees to continue to be bound by and to execute the Company's Confidentiality, Computer Responsibility and Professional Certification Agreement as in effect from time to time.
- (e) For purposes of Sections 7 through 15 hereof, the "Company" shall include the "CNA Insurance Companies," and all of the Company's other subsidiaries and affiliates as well.

15. Effect of Covenants. Nothing in Sections 7 through 14 shall be construed to limit or otherwise adversely affect any rights, remedies or options that the Company would possess in the absence of the provisions of such Sections.

16. Representations. Executive represents and warrants to the Company that Executive has the legal right to enter into this Agreement and to perform all of the obligations on Executive's part to be performed hereunder in accordance with its terms and that Executive is not a party to any agreement or understanding, written or oral, which could prevent Executive from entering into this Agreement or performing all of Executive's obligations hereunder. Executive represents and warrants to the Company that Executive is not a party to any non-compete, non-solicitation and other obligations to any prior employer or their affiliates.

17. Indemnification, Advancement of Litigation Fees, D&O.

- (a) The Company agrees that Executive shall be entitled to prompt indemnification to the fullest extent permitted by law for liability resulting from Executive's acts or omissions as an officer and director of the Company. In addition, to the extent permitted by law, the Company shall promptly advance all litigation expenses to Executive in defending any such civil or criminal action, suit or proceeding, provided that Executive shall promptly repay such amount(s) if it shall ultimately be determined that he is not entitled to be indemnified by the Company.
- (b) The Company shall maintain at the Company's expense Directors & Officers ("D&O") insurance coverage for liability resulting from Executive's acts or omissions as an officer and director of the Company during Executive's employment with the Company and for a period of six (6) years thereafter, to the extent such coverage is provided to any other current or former director or executive officer of the Company. The Company shall also pay the deductible amount, if any, otherwise chargeable to the Executive.

18. Revision. The parties hereto expressly agree that in the event that any of the provisions, covenants, warranties or agreements in this Agreement are held to be in any respect an unreasonable restriction upon Executive or are otherwise invalid, for whatsoever cause, then the court or arbitrator so holding is hereby authorized to (a) reduce the territory to which said covenant, warranty or agreement pertains, the period of time in which said covenant, warranty or agreement operates or the scope of activity to which said covenant, warranty or agreement pertains, or (b) effect any other change to the extent necessary to render any of the restrictions contained in this Agreement enforceable.

19. Severability. Each of the terms and provisions of this Agreement is to be deemed severable in whole or in part and, if any term or provision of the application thereof in any circumstances should be invalid, illegal or unenforceable, the remaining terms and provisions or the application thereof to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby and shall remain in full force and effect.

20. Binding Agreement; Assignment. This Agreement shall be binding upon the parties hereto and their respective heirs, successors, personal representatives and assigns. The Company shall have the right to assign this Agreement to any successor in interest to the business, or any majority part thereof, of the Company or any joint venture or partnership to which the Company is a joint venturer or general partner which conducts substantially all of the Company's business. Executive shall not assign any of his obligations or duties hereunder and any such attempted assignment shall be null and void.

21. Controlling Law; Jurisdiction. This Agreement shall be governed by, interpreted and construed according to the laws of the State of Delaware (without regard to choice of law or conflict of laws principles).

22. Entire Agreement. Except as otherwise expressly set forth herein, this Agreement contains the entire agreement of the parties with regard to the subject matter hereof, supersedes all prior agreements and understandings, written or oral, including the Current Agreement, and may only be amended by an agreement in writing signed by the parties thereto. In the event any Company policy or plan is inconsistent with the terms of this Agreement, the Agreement shall govern.

23. Additional Documents. Each party hereto shall, from time to time, upon request of the other party, execute any additional documents which shall reasonably be required to effectuate the purposes hereof.

24. Incorporation. The introductory recitals hereof are incorporated in this Agreement and are binding upon the parties hereto.

25. Failure to Enforce. The failure by either party to enforce any of the provisions of this Agreement shall not be construed as a waiver of such provisions. Further, any express waiver by any party with respect to any breach of any provision hereunder by the other party shall not constitute a waiver of such party's right to thereafter fully enforce each and every provision of this Agreement.

26. Survival. Except as otherwise expressly set forth herein, the obligations contained in this Agreement, including but not limited to the covenants set forth in Sections 7 through 15, shall survive the expiration of the Term.

27. Headings. All section numbers and headings contained herein are for reference only and are not intended to qualify, limit or otherwise affect the meaning or interpretation of any provision contained herein.

28. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be either delivered personally or sent by a prepaid overnight courier to the parties at the addresses set forth below (or such other addresses as shall be specified by the parties by like notice) or via e-mail with confirmatory writing as described above. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery; or
- (b) in the case of e-mail, the date upon which the transmitting party received confirmation of receipt by e-mail; provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received.

Communications that are to be delivered by overnight service are to be delivered to the addresses set forth below:

If to the Company:

CNA Financial Corporation
151 North Franklin St.
Chicago, IL 60606
Attn: Executive Vice President & General Counsel
E-mail: Susan.Stone@cna.com

If to Executive:

The last home address on file in the Company's records.

or to such other address as either party shall furnish to the other party in writing in accordance with the provisions of this Section 28.

29. Gender. The masculine, feminine or neuter pronouns used herein shall be interpreted without regard to gender, and the use of the singular or plural shall be deemed to include the other whenever the context so requires.

30. Arbitration of All Disputes. Except as otherwise set forth herein, any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in New York, NY by three arbitrators. Except as otherwise expressly provided in this Section 30, the arbitration shall be conducted in accordance with the rules for resolution of employment disputes of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association, provided, however, that either party may seek injunctive relief in addition to arbitration, including with respect to any subject matter or controversy relating to Sections 7 through 15 of this Agreement from any courts located in Wilmington, Delaware and parties hereby submit to the jurisdiction of such courts.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement. Signatures may be exchanged by electronic means including via facsimile or PDF.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

CNA FINANCIAL CORPORATION

By: /s/ Susan Stone
Name: Susan Stone
Title: Executive Vice President & General Counsel
Date: June 5, 2024

DINO E. ROBUSTO

/s/ Dino E. Robusto
Date: June 5, 2024

EXHIBIT A

FORM OF RELEASE

THIS RELEASE OF CLAIMS (this "Release") is entered into as of _____ [the date Executive executes this Release] (the "Release Date"), by and between Dino E. Robusto ("Executive") and CNA Financial Corporation (the "Company"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Employment Agreement by and between the Company and Executive, dated June 5, 2024 (the "Employment Agreement").

1. Release by Executive.

(a) Executive, on behalf of himself and his beneficiaries, estate and legal representatives (collectively, with Executive, the "Executive Releasors") hereby releases, acquires and forever discharges the Company, its Affiliates, and each of their respective successors, assigns, officers, directors, and employees (collectively, the "Company Released Parties") from any and all claims, causes of actions, demands, suits, costs, expenses and damages of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, at law or in equity, that any Executive Releasor may have, or may have had, or may hereafter have, and that are based in whole or in part on facts, whether or not now known, existing prior to the Release Date, and that arise out of or relate to Executive's employment with or services for the Company or its Affiliates, or the termination of such employment or services, other than claims arising under or preserved by the Section 6 of the Employment Agreement. Executive agrees to promptly indemnify the Company and the other Company Released Parties against, and to hold them harmless against, any claims released pursuant to this Section 1(a).

(b) The claims released by Executive include, to the extent set forth in Section 1(a), any and all claims under federal, state or local laws pertaining to employment, including Title VII of the Civil Rights Act of 1964, the Fair Labor Standards Act, the Americans with Disabilities Act, the Reconstruction Era Civil Rights Act, the Rehabilitation Act of 1973, the Family and Medical Leave Act of 1992, the Older Workers Benefit Protection Act of 1990, the Family and Medical Leave Act, the National Labor Relations Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the Illinois Human Rights Act, the Victims' Economic Security and Safety Act, the Illinois Wage Payment and Collection Act, the Illinois Right to Privacy in the Workplace Act, the Illinois Equal Pay Act of 2003, the Illinois Equal Wage Act, the Illinois Wages for Women and Minors Act, the Illinois Religious Freedom Restoration Act, the Illinois Minimum Wage Law, the Illinois Whistleblower Act, the Illinois WARN Act, the New York Wage and Hour Law, the New York Equal Pay Law, the New York Minimum Wage Act, including all amendments to each named act, and any and all state or local laws regarding employment discrimination and/or U.S. federal, state or local laws of any type or description regarding employment, including but not limited to any claims in any way arising from or derivative of Executive's employment with the Company or any of its Affiliates or the termination of such employment, as well as any claims under state contract or tort law or otherwise.

2. Release by the Company. The Company, on behalf of itself and the other Company Released Parties, hereby releases, acquires and forever discharges Executive Releasors from any and all claims, causes of actions, demands, suits, costs, expenses and damages of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, at law or in equity, that any Company Released Party may have, may have had, or may hereafter have, and that are based in whole or in part on facts, whether or not now known, existing prior to the Termination Date, and that arise out of or relate to Executive's employment with or services for the Company or any of its Affiliates, or the termination of such employment or services, other than claims based on willful misconduct, intentional fraud or gross neglect and claims under Sections 7, 8, 9, 10, 12 or 13 of the Employment Agreement. The Company hereby agrees to promptly indemnify Executive and the other Executive Releasors against, and to hold Executive and such other Executive Releasors harmless against, any claims released pursuant to this Section 2.

3. Covenant not to Sue. A "covenant not to sue" is a legal term which means a promise not to file a lawsuit in court. It is different from the release of claims provided for in Sections 1 and 2 above. In addition to waiving and releasing the claims provided for in Sections 1 and 2 above, in consideration for the promises set forth in this Release, and to the extent permitted by law, each party covenants that he or it will not file, commence, institute, or prosecute any lawsuits, class actions, complaints by himself or itself or collectively in any state or federal court, against the other party or any of the Company Released Parties or Executive Releasors, as applicable, based on, arising out of, or connected with any of the claims released by such party under this Release. If Executive breaches the covenant contained in this Section 3, payment of the Severance (as defined in Section 5) shall cease, and Company shall have no further obligation at any time to pay any of the Severance. In addition, if either party breaches the covenants contained in this Section 3, such party will indemnify the Company Released Parties or the Executive Releasors, as applicable, for all damages, costs and expenses, including, without limitation, legal fees, incurred by such person in defending, participating in, or investigating any matter or proceeding covered by this Section 3. Alternatively, if Executive breaches the covenant contained in this Section 3, Executive may, at the Company's option, be required to return all but \$100 of the Severance received by Executive pursuant to the Employment Agreement. Notwithstanding this covenant not to sue, each party retains the right: (i) to participate in any proceeding with an appropriate federal, state, or local government agency or court; (ii) to make truthful statements or disclosures regarding alleged unlawful employment practices; and (iii) to make truthful statements and testify truthfully in any government agency or court proceeding; and in addition Executive retains the right to file a charge with an appropriate governmental agency. However, under this covenant not to sue, Executive will no longer have a right to recover any money or benefit from Company for any reason whatsoever, including but not limited to recovering any money or benefit in connection with a charge or claim filed by Employee or any other individual(s), in a class or collective action, or by the Equal Employment Opportunity Commission or any other federal or state agency. Nothing in Section 3 bars Executive from filing suit to enforce this Release, or the Company from filing suit to enforce Section 7, 8, 9, 10, 12 or 13 of the Employment Agreement.

4. Incorporation of Specific Provisions. The following Sections of the Employment Agreement shall be deemed incorporated by reference in this Release and shall be treated as if set forth in full herein, except that references in them to this "Agreement" shall be deemed to be references to this "Release": Sections 19, 20, 21, 22, 25, 27, 28, 29, 30 and 31.

5. Review and Revocation Period. Executive hereby represents that he has read this Release carefully and fully understands the terms hereof, and that he has been advised to consult with an attorney and has had the opportunity to consult with an attorney prior to signing this Release. Executive acknowledges that he is executing this Release voluntarily and knowingly, without duress or coercion, and that he has not relied on any representations, promises or agreements of any kind, other than those set forth in this Release. Executive further represents that he has had 21 days to review this Release. If Executive has executed this Release in fewer than 21 days after its delivery, Executive hereby acknowledges that his decision to execute this Release prior to the expiration of such 21-day period was entirely voluntary. Any change to the terms of this Release agreed to between the parties shall not have the effect of restarting such 21 day period. Executive may revoke his acceptance of this Release within seven days after he has signed it and delivered it to the Company (the "**Revocation Period**") by sending written notice to the Company that Executive wishes to revoke his acceptance of it and not be bound by it. If Executive timely revokes this Release, the Company shall have no obligation to provide to Executive the benefits described in Sections 6.1(a)(ii), 6.1(b), 6.1(c), 6.3(a)(ii), 6.3(a)(iii), 6.3(b), 6.3(c), or 6.4(b), as applicable, of the Employment Agreement (collectively the "**Severance**"). This Release shall become effective on the 7th day after Executive signs it unless revoked in accordance with the procedure set forth in the prior sentence. This Release shall be null and void if not countersigned by the Company, and delivered to Executive, within seven (7) days after expiration of the Revocation Period.

IN WITNESS WHEREOF, the Parties have executed this Release as of the date and year first above written.

CNA FINANCIAL CORPORATION

By: _____ Name: _____
Title: _____ Date: _____

DINO E. ROBUSTO

Date: _____

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “**Agreement**”) is made as of the 5th day of June, 2024, by and between CNA Financial Corporation, a Delaware corporation (the “**Company**”), and Douglas M. Worman (“**Executive**”);

W I T N E S S E T H:

WHEREAS, Executive is currently serving as Executive Vice President and Global Head of Underwriting of the Company and of the wholly-owned insurance subsidiaries of the Company (“**CNA Insurance Companies**”) (collectively, the Company and the CNA Insurance Companies are referred to as the “**CNA Companies**”); and

WHEREAS, effective as of January 1, 2025, the Company wishes to continue to employ Executive, and to appoint him to the position of President and Chief Executive Officer of the Company and of the CNA Insurance Companies, Executive wishes to accept and agree to such employment, and the parties now wish to enter into this Agreement to set forth the terms and conditions of his employment on and following January 1, 2025.

NOW, THEREFORE, in consideration of the foregoing premises and the promises and covenants herein, the parties hereto agree as follows:

1. Employment Term. The Company and Executive agree that the Company shall employ Executive to perform the duties of President and Chief Executive Officer of the Company and of the CNA Insurance Companies for the period commencing on January 1, 2025 and ending on December 31, 2028, provided that Executive’s employment may be terminated in accordance with Section 6 hereof (said period, the “**Term**”). This Agreement shall supersede the current terms and conditions of Executive’s employment as of January 1, 2025; provided that, if for any reason Executive’s employment with the CNA Companies shall be terminated prior to January 1, 2025, this Agreement shall be null and void and Executive’s rights and obligations with respect to the termination of such employment shall be determined as if this Agreement had not been executed; provided that in the event of a termination of Executive’s employment by the Company for Cause or by Executive without Good Reason pursuant to Section 6.2 (interpreted as if Section 6.2 were in effect prior to January 1, 2025, and as if the definitions of “Cause” and “Good Reason” referred to the terms of Executive’s employment prior to such date), Executive shall continue to be bound by the covenants set forth herein in Sections 7 through 15, subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

2. Duties of Executive and Place of Business.

During the Term:

- (a) Executive shall serve as the President and Chief Executive Officer of the Company and of the CNA Insurance Companies. Executive shall be nominated

for election as a member of the Board of Directors of the Company (the **Board**) and, if elected, shall serve as a member of the Board. As President and Chief Executive Officer of the Company, Executive shall have responsibility for the day to day operations of the CNA Companies and for development and implementation of the CNA Insurance Companies' business plans and strategies. Executive shall report to the Board. If determined by the Board, Executive shall be elected and shall serve as a member and chairman of the board of directors of the CNA Insurance Companies, and of such of the other subsidiaries of the Company as may be determined by the Board, and if so elected, Executive agrees to serve on such boards in such capacity without additional compensation.

- (b) Executive shall diligently and to the best of his abilities assume, perform, and discharge the duties and responsibilities of President and Chief Executive Officer of the Company and of the CNA Insurance Companies, and, if elected, as a member of the Board, as well as such other specific duties and responsibilities not inconsistent with such titles, offices, status and responsibilities as the Board shall assign or designate to Executive from time to time. Executive shall devote substantially all of his working time to the performance of his duties as set forth herein, provided that Executive shall not be precluded from engaging in civic, charitable or community services or from devoting a reasonable amount of time to private investments and personal affairs, or from serving, with the Board's approval, on the boards of for-profit entities, so long as such activities or services do not interfere with Executive's responsibilities to the CNA Companies.

3. Compensation.

- (a) During the Term, the Company shall pay to Executive for the period he is employed by the Company hereunder, an annual base salary of One Million One Hundred Thousand dollars (\$1,100,000.00) (the "**Base Compensation**"). The Base Compensation shall be payable in accordance with the Company's payroll practices for senior executives. At the discretion of the Board, such annual base salary rate may be increased annually during the Term of the Agreement based on market considerations and Executive's responsibilities and performance. In no event shall Executive's annual base salary rate be reduced to an amount that is less than One Million One Hundred Thousand dollars (\$1,100,000.00) without Executive's advance written consent, or to an amount that is less than the most recently increased amount that he was previously receiving, without Executive's advance written consent.
- (b) For each full calendar year during the Term, Executive shall be eligible to receive an annual incentive cash award (the "**Annual Bonus**") pursuant to the Company's Incentive Compensation Plan, as may be amended from time to time (the "**Bonus Plan**"). Executive's target Annual Bonus shall be Four Million dollars (\$4,000,000.00) and his maximum Annual Bonus shall be not more than Six Million dollars (\$6,000,000.00) for each twelve-month bonus period. The amount

of Executive's Annual Bonus shall be based on performance criteria (the **Performance Criteria**) established by the Compensation Committee of the Board (the "**Committee**") pursuant to the Bonus Plan for each of the years included in the Term. The payment of Executive's Annual Bonus shall be in accordance with the provisions of the Bonus Plan, including any requirement of annual review and approval by the Committee of awards thereunder. The Committee may exercise 100% negative discretion under the Bonus Plan to decrease or eliminate any portion of Executive's Annual Bonus in excess of 50% of his target Annual Bonus. Annual Bonus payments shall be made at the time bonus payments are made to senior executive officers of the Company generally, but in no event later than March 15 of the calendar year following the calendar year to which they relate, subject to Executive's election to defer such payments as described in Section 3(d).

- (c) For each calendar year during the Term, Executive shall be eligible to receive a long-term incentive award (the "**LTI Bonus**") pursuant to the Company's Long-Term Incentive Plan, as may be amended from time to time (the "**LTI Plan**"). Executive's target LTI Bonus shall be Five Million dollars (\$5,000,000.00) (the **Target LTI**). The payment of Executive's LTI Bonus shall be in accordance with the provisions of the LTI Plan. The cash portion of the LTI Bonus, if any, shall be paid and the share portion, if any, shall be issued not later than March 15 of the calendar year following the calendar year that includes the last day of the applicable performance period, subject to any vesting period provided in the LTI Plan.
- (d) Executive's compensation and pensionable earnings under the CNA 401(k) Plan and the CNA Non-Qualified Savings Plan will be calculated and payable as specified in the respective documents applicable to each such plan, as amended from time to time, and also subject to the requirements of any other applicable laws or regulations as interpreted by the Company; provided, however, such compensation and pensionable earnings, as the case may be, shall for purposes of the CNA Non-Qualified Savings Plan include the sum of Executive's Base Compensation and Annual Bonus payable to Executive for each year, with such amounts to be includable at the time they would otherwise be paid to Executive in the absence of any elective deferral by Executive.
- (e) All payments due under this Agreement (i) shall be subject to withholding as required or authorized by law as interpreted by the Company, and (ii) shall be subject to offset, recoupment or repayment in accordance with the terms of any "clawback" or similar policy adopted by the Company, whether in effect on the date hereof or subsequently adopted or amended, including without limitation the CNA Financial Corporation Clawback Policy, effective December 1, 2023, as amended from time to time.

4. Other Benefits. During the Term, Executive shall be entitled to participate in the various benefit and perquisite plans, programs or arrangements, established and maintained by the Company from time to time and applicable to senior executives of the Company, in each case on terms and conditions no less favorable to Executive than to other senior executives generally. Executive's entitlement to participate in any such plan, program or arrangement shall, in each case, be subject to the terms and conditions of the policies of the CNA Companies with regard to such plans, programs or arrangements. Executive shall be entitled to participate in the Executive Club Membership plan and be a member in one business lunch club if used for business purposes. During the Term, Executive will be entitled to use the Company aircraft for personal use consistent with the Company's practice for its Chief Executive Officer as in effect on the date hereof and for a maximum of 15,000 miles per annum (prorated for partial years), with imputed taxable income to Executive for such personal use of the Company aircraft. In the event of termination of employment, Executive's severance shall be determined solely in accordance with Section 6 hereof.

5. Expense Reimbursement.

- (a) During the Term, Executive shall be entitled to reimbursement by the Company for all reasonable and customary travel and other business expenses incurred by Executive in carrying out his duties under this Agreement, in accordance with the general travel and business reimbursement policies adopted by the Company as adjusted from time to time for its senior executives. During the Term, Executive shall report all such expenditures not less frequently than monthly accompanied by adequate records and such other documentary evidence as required by the Company or by Federal or state tax statutes or regulations governing the substantiation of such expenditures.
- (b) As soon as practicable following the date of execution of this Agreement, the Company will reimburse Executive for attorneys' fees incurred in negotiating and entering into this Agreement, provided that such amount shall not exceed \$25,000 and provided, further, that Executive provides reasonable documentation of such fees.

6. Termination of Employment. If Executive's employment with the Company shall terminate, the following conditions set forth herein shall apply with respect to Executive's compensation and benefits hereunder. Either party may terminate Executive's employment with the Company during the Term by written notice to the other party effective as of the date specified in such notice and Executive's employment shall automatically terminate in the event of Executive's death. Effective as of the date of termination of Executive's employment pursuant to any provision of this Section 6, Executive hereby resigns as President and Chief Executive Officer, as a member of the Board, if applicable, and from all other positions held with any of the CNA Companies and each other subsidiary of the Company. Upon termination of Executive's employment during or at the end of the Term, the rights of the parties under this Agreement shall be

determined solely pursuant to this Section 6. In the event of Executive's termination of employment during the Term, unless otherwise specified in this Agreement, Executive's rights, if any, under any of the Company's defined contribution, benefit, incentive or other plans of any nature shall be governed by the respective terms of such plans. Without limiting the generality of the preceding sentence, if Executive's termination of employment constitutes a "retirement" as defined in any such plan, Executive shall be entitled to the greater of the benefits provided in such plan upon retirement (in terms of amount or form of payment) or the benefits provided in this Agreement (including Sections 6.1, 6.3 and 6.4, as applicable). Notwithstanding any provision to the contrary in this Agreement, no payment or distribution under this Agreement which constitutes an item of deferred compensation (within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, or any successor provision ("**Section 409A**")) and becomes payable by reason of Executive's termination of employment with the Company will be made to Executive unless Executive's termination of employment constitutes a "separation from service" within the meaning of Section 409A. In addition, no such payment or distribution will be made to Executive prior to the earlier of (a) the expiration of the six (6) month period measured from the date of Executive's "separation from service," or (b) the date of Executive's death, to the extent such delayed commencement is required in order to avoid additional taxes under Section 409A. All payments and benefits which had been delayed pursuant to the immediately preceding sentence shall be paid to Executive in a lump sum upon expiration of such six (6) month period (or if earlier upon Executive's death). Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate identified payment for purposes of Section 409A. Reimbursement of any expenses provided for in this Agreement shall be made in accordance with the Company's policies (as applicable) with respect thereto as in effect from time to time (but in no event later than the end of the calendar year following the year such expenses were incurred) and in no event shall (i) the amount of expenses eligible for reimbursement hereunder during a taxable year affect the expenses eligible for reimbursement in any other taxable year or (ii) the right to reimbursement be subject to liquidation or exchange for another benefit. The payments and benefits under this Agreement are intended to be exempt from, or to the extent subject thereto, to comply with, Section 409A, and, accordingly, to the maximum extent permitted, the Agreement shall be interpreted in accordance therewith.

6.1 Death and Disability. In the event of the death of Executive or in the event of his Permanent Disability (as defined below) the Term and Executive's employment with the Company shall immediately terminate. Upon such termination:

- (a) The Company shall make payment to Executive, or his personal representatives, heirs or beneficiaries, as the case may be as follows:
 - (i) Within thirty days after such termination:
 - (1) Unpaid Base Compensation at the rate then in effect prorated to the date of termination; (2) any previous year's earned but unpaid Annual Bonus and

any earned but unpaid long-term incentive cash bonus; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program; and

- (ii) An Annual Bonus for the Performance Period (as defined under the Incentive Compensation Plan) in which the termination occurs based on performance for such Performance Period and prorated to the date of termination. Such Annual Bonus shall be paid in accordance with the provisions set forth in Section 3(b).
- (b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this subsection 6.1(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing such equity awards.
- (c) In the case of Permanent Disability, Executive shall continue to participate in such medical benefits, dental benefits, life insurance, and long-term disability plans in which he is enrolled for 12-months following termination of employment, as if he were still employed by the Company, including applicable payments by the Company, and at the expiration of such 12-month period, Executive shall be entitled to COBRA coverage. Notwithstanding the foregoing, to the extent that Executive's continued participation in any such benefit plan would violate any applicable law, or result in unfavorable tax treatment, the Company may provide for Executive's COBRA coverage to commence upon termination in accordance with the provisions of such benefit plan and pay to Executive a lump sum amount equal to the Company's share of coverage cost for a period equal to 12 months.
- (d) For purposes of this Agreement, the term "Permanent Disability" shall mean Executive's inability with or without a reasonable accommodation, due to physical or mental incapacity, to substantially perform his duties and responsibilities under this Agreement for 180 days out of any 270 consecutive days, as determined by the Board in its good faith discretion.
- (e) In the event of any termination of employment due to Executive's Permanent Disability, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.2 Termination for Cause by the Company / Termination by Executive Other than for Good Reason.

- (a) In the event that Executive shall engage in any conduct that constitutes Cause, as defined herein, the Board shall have the right to terminate Executive's employment with the Company with immediate effect. Any termination of

Executive's employment for Cause must be approved by an affirmative vote of two-thirds (2/3) of the members of the Board then in office (other than Executive). Executive shall be entitled to a hearing before the Board and to be accompanied by legal counsel seeking review of the Board's determination. For purposes of this Agreement, "Cause" shall mean conduct that: (i) results in Executive being convicted of, or pleading guilty or nolo contendere to, a felony, (ii) is a material breach of the Employment Agreement, (iii) constitutes willful or reckless misconduct in the performance of Executive's duties, or (iv) constitutes the habitual neglect of Executive's duties (other than due to physical or mental incapacity, to substantially perform his duties and responsibilities); provided, however, for purposes of clauses (iii) and (iv), Cause shall not include any one or more of the following:

bad judgment, negligence or any act or omission believed by Executive in good faith to have been in or not opposed to the interest of the CNA Companies (without any intent by Executive to gain, directly or indirectly, a profit to which he was not legally entitled).

- (b) Upon termination of Executive's employment by the Company for Cause or by Executive other than for Good Reason, other than paying Executive within 30 days of such termination his: (i) unpaid Base Compensation at the rate then in effect prorated to the date of termination, (ii) any previous year's earned but unpaid Annual Bonus and any earned but unpaid long-term incentive cash bonus, and (iii) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program, the Company shall have no further obligations whatsoever to Executive under this Agreement. In the event of any such termination, Executive shall continue to be bound by the covenants set forth herein in Sections 7 through 15, subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.3 Termination by the Company Without Cause / Termination by Executive for Good Reason. In the event Executive's employment is terminated by the Company for any reason not described in subsections 6.1 and 6.2, or in the event Executive terminates his employment for Good Reason, as defined herein:

- (a) The Company shall pay to Executive:

- (i) Within 30 days after such termination, (1) unpaid Base Compensation at the rate then in effect prorated to the date of termination; (2) any previous year's earned but unpaid Annual Bonus and any earned but unpaid long-term incentive cash bonus; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the date of termination pursuant to the terms of any applicable Company plan or program;

- (ii) Termination payments at an annual rate equal to the Base Compensation and Executive's target Annual Bonus, with such termination payments to be made in substantially equal installments, not less frequently than monthly, for the remainder of the Term, provided that such payments shall be made for a period of no less than one (1) year following the date of termination; and
- (iii) An Annual Bonus for the Performance Period in which the termination occurs based on performance for such Performance Period and prorated to the date of termination. Such Annual Bonus shall be paid in accordance with the provisions set forth in Section 3(b).

(b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this subsection 6.3(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing any such equity awards.

(c) Executive shall continue to participate in such medical benefits, dental benefits, life insurance, and long-term disability plans in which he is enrolled for the remainder of the Term, but not less than one (1) year following the date of termination, as if he were still employed by the Company, including applicable payments by the Company, and at the expiration of such period, Executive shall be entitled to COBRA coverage. Notwithstanding the foregoing, to the extent that Executive's continued participation in any such benefit plan would violate any applicable law, or result in unfavorable tax treatment, the Company may provide for Executive's COBRA coverage to commence upon termination in accordance with the provisions of such benefit plan and pay to Executive a lump sum amount equal to the Company's share of coverage cost for a period equal to the greater of the remainder of the Term or one year.

(d) "Good Reason" shall mean, without Executive's consent: (i) a material reduction in the rate of Executive's Base Compensation or any material breach by the Company of Section 3(b), (c) and (d); (ii) the assignment to Executive of any duties materially inconsistent with his position (including status, offices, titles and reporting relationships), authority, duties or responsibilities, all as in effect on January 1, 2025, or any other action by the Company or its affiliates which results in a material diminution in such position, authority, duties or responsibilities; (iii) a material reduction in the benefits provided or a material diminution under the expense reimbursement policies of the Company that is not generally applicable to other senior executives of the Company; (iv) a material breach by the Company or its affiliates of any material obligation to Executive (e.g., a substantial failure to honor the terms of any material equity or long-term incentive grant); (v) the Company requiring Executive to be based at any office or location that is more

than 50 miles from either the Company's offices in Chicago, Illinois or New York, NY; (vi) the failure to reelect or otherwise maintain Executive as a director of the Board; or (vii) the failure of the Company to obtain the assumption in writing of its obligation to perform this Agreement by any successor to all or substantially all of the assets of the Company within fifteen (15) calendar days after a merger, consolidation, sale or similar transaction; provided, however, that for purposes of clauses (i) through (vii) of this Section 6.3(d), the Company shall have thirty (30) calendar days after the date that written notice has been given to the Company by Executive of such Good Reason in which to cure such conduct.

- (e) In the event of any termination of employment as described in this Section 6.3, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.4 Expiration of Term.

The Executive's employment shall automatically terminate without further notice on the last day of the Term, unless the Company and the Executive have entered into a new employment agreement (or have agreed to extend the Term). In the event of such termination, the Company shall make payment to Executive as follows in accordance with the terms of this Agreement:

- (a) The Company shall pay to Executive (1) unpaid Base Compensation at the rate in effect at the end of the Term, which shall be paid within thirty (30) days of the end of the Term; (2) any earned but unpaid Annual Bonus for the year ending on the last day of the Term and any earned but unpaid long-term incentive cash bonus, which shall be paid in accordance with the provisions set forth in Sections 3(b) and 3(c), as applicable; and (3) unpaid expense reimbursements and other unpaid cash entitlements, if any, earned and accrued as of the end of the Term, which shall be paid pursuant to the terms of any applicable Company plan or program.
- (b) Any unvested equity awards held by Executive upon termination of his employment (whether outstanding on or awarded following the date hereof) shall continue to vest, as if Executive's employment had not terminated, based on performance for the applicable performance period. The provisions of this subsection 6.4(b) shall apply notwithstanding any contrary provision in any agreement with Executive governing any such equity awards.

In the event of any termination of employment as described in this Section 6.4, Executive agrees to continue to be bound by the covenants set forth herein at Sections 7 through 15 subsequent to the date of such termination for such periods of time as provided for in said Sections respectively.

6.5 Certain Provisions Applicable to Payments following Termination.

- (a) The payments and benefits to be made or provided to Executive or his estate pursuant to Section 6.1 (other than Section 6.1(a)(i)), Section 6.3 (other than Section 6.3(a)(i)) or Section 6.4 (other than Section 6.4(a)) are expressly conditioned upon (i) Executive's continued compliance with the covenants contained in Sections 7 through 15, and (ii) the execution by the Executive (or his estate) of a release of claims as required by the Company, substantially in the form attached to this Agreement as Exhibit A, and the expiration of the period during which such release may be revoked, not later than the sixtieth day following the date of termination. No such payments or benefits or payments shall be made or provided to Executive or his estate until such release has been executed and the period for revocation has expired and, if the sixtieth day following the date of termination is in the calendar year following the year that includes the date of termination, no such payments or benefits that are subject to Section 409A shall be made or provided until the later of the expiration of the revocation period or the first day of such following calendar year. Any term or provision herein to the contrary notwithstanding, the timing and other conditions of any severance or other payments to be made under this Agreement shall be subject to the requirements of all applicable laws and regulations, whether or not they are in existence or in effect when this Agreement is executed by the parties hereto.
- (b) The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including without limitation any set-off, counterclaim, recoupment, defense or other right which the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not Executive obtains other employment, so long as such employment is consistent with the provisions of this Agreement.
- (c) Any payments, rights or benefits provided under Sections 6.1, 6.2, 6.3 or 6.4 shall be in lieu of, and not in addition to, any payments Executive may be eligible to receive under any Company severance plan, policy or arrangement.
- (d) In the event that Executive dies before all payments pursuant to this Section 6 have been paid, all remaining payments shall be made to the beneficiary specifically designated by Executive in writing prior to his death, or, if no such beneficiary was designated (or the Company is unable in good faith to determine the beneficiary designated), to his personal representative or estate.

7. Confidentiality.

- (a) Executive agrees that Executive shall not, at any time, reveal or utilize Confidential Information (as defined in this Agreement) which relates to (a) the CNA Companies and/or any other business or entity in which the Company during the course of Executive's employment has directly or indirectly held a greater than a 10% equity interest whether voting or non-voting; or (b) any of the CNA Companies' customers, employees, agents, brokers or vendors. Executive acknowledges that all such Confidential Information is commercially valuable and is the property of the CNA Companies. Upon the termination of his employment Executive shall return all Confidential Information to the Company, whether it exists in written, electronic, computerized or other form. Notwithstanding the foregoing provisions of this Section 7, Executive may disclose or use any such Confidential Information (i) as such disclosure or use may be required in the course of his employment with the Company in order to perform Executive's duties hereunder; (ii) when required by a court of law, by any governmental agency having supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) with apparent jurisdiction, provided that in the event Executive believes he is so required to make such disclosure or use he will notify the Company in writing of the basis for that belief before actually making such disclosure or use in order to permit the Company to take steps to protect the Company's interests and will cooperate with the Company in all reasonable respects to permit the Company to oppose such disclosure or use; or (iii) with the prior written consent of the Company, such consent not to be unreasonably withheld. For purposes of this Agreement "**Confidential Information**" includes all information, knowledge or data (whether or not a trade secret or protected by laws pertaining to intellectual property) not generally known outside the Company (unless as a result of a breach of any of the obligations imposed by this Agreement) concerning the business or technical information of the Company or any of its subsidiaries or affiliates. Such information may include, without limitation, information relating to data, finances, marketing, pricing, profit margins, underwriting, claims, loss control, marketing and business plans, renewals, software, processing, vendors, administrators, customers or prospective customers, products, brokers, agents and employees.
- (b) Executive acknowledges and agrees that the Company has provided Executive with written notice below that the Defend Trade Secrets Act, 18 U.S.C. § 1833(b), provides an immunity for the disclosure of a trade secret to report a suspected violation of law and/or in an anti-retaliation lawsuit, as follows:
 - (1) **Immunity:** An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-

- (A) is made-
 - (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and
 - (ii) solely for the purpose of reporting or investigating a suspected violation of law; or
- (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(2) **Use of Trade Secret Information in Anti-Retaliation Lawsuit** An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual-

- (A) files any document containing the trade secret under seal; and
- (B) does not disclose the trade secret, except pursuant to court order.

8. Competition. Executive hereby agrees that, while he is employed by the Company, and for a period of 24 months following the date of his termination of his employment with the Company for any reason (the "**Restriction Period**"), he will not, directly or indirectly, without the prior written approval of the Board, enter into any business relationship (either as principal, agent, board member, officer, consultant, stockholder, employee or in any other capacity) with any business or other entity that at any relevant time is engaged in the business of property and casualty or surety insurance or any other significant line of insurance in which the Company is involved at the time of Executive's termination of employment in direct or indirect competition with the Company or any of its affiliates anywhere in the United States, Canada, or any other region of the world in which the Company or any of its affiliates is doing business (or has made significant preparations to begin doing business) at the time of termination (a "**Competitor**"); provided, however, that such prohibited activity shall not include the ownership of less than 5% of the outstanding securities of any publicly traded corporation (determined by vote or value) regardless of the business of such corporation. Upon the written request of Executive, the Board will reasonably determine whether a business or other entity constitutes a "Competitor" for purposes of this Section 8; provided that the Board may require Executive to provide such information as the Board determines to be necessary to make such determination; and further provided that the current and continuing effectiveness of such determination may be conditioned upon the accuracy of such information, and upon such other factors as the Board may determine.

9. Solicitation. Executive agrees that while he is employed by the Company, and for a period of 24 months following his termination of employment with the Company for any reason, he will not employ, offer to employ, engage as a consultant, or form an

association with any person who is then, or who during the then preceding one year period was, an employee of the Company or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof, nor will he solicit or assist any other person or entity in soliciting for employment or consultation any person who is then, or who during the then preceding one year period was, an employee of the Company or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof.

10. Non-interference. Executive agrees that while he is employed by the Company, and for a period of 24 months following his termination of employment with the Company for any reason, he will not disturb, attempt to disturb, or cause anyone else to disturb any business relationship or agreement between either the Company, or any subsidiary or affiliate of the Company or any successor or purchaser of any portion thereof, and any other person or entity.

11. Assistance with Claims. Executive agrees that, while he is employed by the Company, and for a reasonable period (not less than 36 months) from the date of termination for any reason thereafter, he will be available, on a reasonable basis, to assist the Company and its subsidiaries and affiliates in the prosecution or defense of any claims, suits, litigation, arbitrations, investigations, or other proceedings, whether pending or threatened (collectively "Claims") that may be made or threatened by or against the Company or any of its subsidiaries or affiliates by meeting with representatives of the Company (including attorneys) and providing truthful and accurate information. Executive agrees, unless precluded by law, to promptly inform the Company if he is requested (i) to testify or otherwise become involved in connection with any Claim against the interests of the Company or any subsidiary or affiliate or (ii) to assist or participate in any investigation (whether governmental or private) of the Company or any subsidiary or affiliate or any of their actions, whether or not a lawsuit has been filed against the Company or any of its subsidiaries or affiliates relating thereto. If Executive is required to provide such services after his employment has been terminated, the Company agrees to pay Executive for his time spent on such activities at an hourly rate equal to his Base Compensation as in effect on the date of his termination of employment divided by 2,000, and to reimburse Executive for any reasonable expenses incurred by Executive, including without limitation, transportation (and, for this purpose, Executive shall be permitted to travel via Company aircraft if it is available, at no charge to Executive), lodging, meal expenses, and reasonable attorney's fees incurred by Executive in connection with obligations under this Section 11. Nothing in this Section 11 is intended or shall be construed to prevent Executive from cooperating fully with any government investigation or review as required by applicable law or regulation.

12. Return of Materials. Executive shall, at any time upon the request of the Company, and in any event upon the termination of his employment with the Company for whatever reason, immediately return and surrender to the Company all property to the Company, including but not limited to originals and all copies, regardless of medium, of property belonging to the Company created or obtained by Executive as a result of or in the course

of or in connection with his employment with the Company regardless of whether such items constitute proprietary information, provided that Executive shall be under no obligation to return written materials acquired from third parties which are generally available to the public. Executive acknowledges that all such materials are, and will remain, the exclusive property of the Company. This clause does not apply to a counterpart of this Agreement or any other agreement to which the Executive is individually a party or copies of documents that the Company publicly disseminates.

13. Non-Disparagement. During the Term and at all times thereafter, Executive agrees not to engage in any form of conduct or make any statements or representations that disparage, portray in a negative light, or otherwise impair the reputation, goodwill or commercial interests of any of the CNA Companies, or its past, present and future subsidiaries, divisions, affiliates, successors, or their officers, directors, attorneys, customers, agents and employees. During the Term and at all times thereafter, the Company agrees that the Company (via any authorized public statement) and its executive officers and members of the Board shall not engage in any form of conduct or make any statements or representations that disparage, portray in a negative light, or otherwise impair the reputation, goodwill or commercial interests of Executive. Nothing in this Section 13 is intended or shall be construed to prevent either party from cooperating fully with any government investigation or review as required by applicable law or regulation or providing truthful evidence and testimony in any administrative or judicial forum.

14. Scope of Covenants.

- (a) Executive acknowledges that: (i) as a senior executive of the Company, he has developed and had access to and will develop and have access to confidential information concerning the entire range of businesses in which the CNA Companies was and are engaged; (ii) the CNA Companies' businesses are conducted worldwide; and (iii) the CNA Companies' confidential information, if disclosed or utilized without its authorization, would irreparably harm the CNA Companies in: (1) obtaining renewals of existing customers; (2) selling new business; (3) maintaining and establishing existing and new relationships with employees, agents, brokers, vendors; and (4) other ways arising out of the conduct of the businesses in which the CNA Companies are engaged.
- (b) To protect such information and such existing and prospective relationships, and for other significant business reasons, Executive agrees that it is reasonable and necessary that: (i) the scope of this agreement be worldwide; (ii) its breadth include those segments of the entire insurance industry in which the CNA Companies conduct business; and (iii) the duration of the restrictions upon Executive be as indicated therein.
- (c) Executive acknowledges that the CNA Companies' customer, employee and business relationships are long-standing, indeed, near permanent and therefore are of great value to the CNA Companies. Executive agrees that neither any of the

provisions in this Agreement nor the Company's enforcement of it alters or will alter his ability to earn a livelihood for himself and his family and further that both are reasonably necessary to protect the CNA Companies' legitimate business and property interests and relationships, especially those which he was responsible for developing or maintaining. Executive agrees that his actual or threatened breach of the covenants set forth in Sections 7 through 15 hereof would cause the CNA Companies irreparable harm and that the Company is entitled to an injunction, in addition to whatever other remedies may be available, to restrain such actual or threatened breach. Executive agrees that if bond is required in order for the Company to obtain such relief, it need only be in a nominal amount. Executive consents to the filing of any such suit against him in the state or federal courts located in Delaware or any other state in which he may reside following the Term. He further agrees that in the event of such suit or any other action arising out of or relating to this Agreement, the parties shall be bound by and the court shall apply the internal laws of the State of Delaware and irrespective of rules regarding choice of law or conflicts of laws.

- (d) Executive agrees to continue to be bound by and to execute the Company's Confidentiality, Computer Responsibility and Professional Certification Agreement, as in effect from time to time.
- (e) For purposes of Sections 7 through 15 hereof, the "Company" shall include the "CNA Insurance Companies," and all of the Company's other subsidiaries and affiliates as well.

15. Effect of Covenants. Nothing in Sections 7 through 14 shall be construed to limit or otherwise adversely affect any rights, remedies or options that the Company would possess in the absence of the provisions of such Sections.

16. Representations. Executive represents and warrants to the Company that Executive has the legal right to enter into this Agreement and to perform all of the obligations on Executive's part to be performed hereunder in accordance with its terms and that Executive is not a party to any agreement or understanding, written or oral, which could prevent Executive from entering into this Agreement or performing all of Executive's obligations hereunder. Executive represents and warrants to the Company that Executive is not a party to any non-compete, non-solicitation and other obligations to any prior employer or their affiliates.

17. Indemnification, Advancement of Litigation Fees, D&O.

- (a) The Company agrees that Executive shall be entitled to prompt indemnification to the fullest extent permitted by law for liability resulting from Executive's acts or omissions as an officer and director of the Company. In addition, to the extent permitted by law, the Company shall promptly advance all litigation expenses to Executive in defending any such civil or criminal action, suit or proceeding,

provided that Executive shall promptly repay such amount(s) if it shall ultimately be determined that he is not entitled to be indemnified by the Company.

(b) The Company shall maintain at the Company's expense Directors & Officers ("D&O") insurance coverage for liability resulting from Executive's acts or omissions as an officer and director of the Company during Executive's employment with the Company and for a period of six (6) years thereafter, to the extent such coverage is provided to any other current or former director or executive officer of the Company. The Company shall also pay the deductible amount, if any, otherwise chargeable to the Executive.

18. Revision. The parties hereto expressly agree that in the event that any of the provisions, covenants, warranties or agreements in this Agreement are held to be in any respect an unreasonable restriction upon Executive or are otherwise invalid, for whatsoever cause, then the court or arbitrator so holding is hereby authorized to (a) reduce the territory to which said covenant, warranty or agreement pertains, the period of time in which said covenant, warranty or agreement operates or the scope of activity to which said covenant, warranty or agreement pertains, or (b) effect any other change to the extent necessary to render any of the restrictions contained in this Agreement enforceable.

19. Severability. Each of the terms and provisions of this Agreement is to be deemed severable in whole or in part and, if any term or provision of the application thereof in any circumstances should be invalid, illegal or unenforceable, the remaining terms and provisions or the application thereof to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected thereby and shall remain in full force and effect.

20. Binding Agreement; Assignment. This Agreement shall be binding upon the parties hereto and their respective heirs, successors, personal representatives and assigns. The Company shall have the right to assign this Agreement to any successor in interest to the business, or any majority part thereof, of the Company or any joint venture or partnership to which the Company is a joint venturer or general partner which conducts substantially all of the Company's business. Executive shall not assign any of his obligations or duties hereunder and any such attempted assignment shall be null and void.

21. Controlling Law; Jurisdiction. This Agreement shall be governed by, interpreted and construed according to the laws of the State of Delaware (without regard to choice of law or conflict of laws principles).

22. Entire Agreement. Except as otherwise expressly set forth herein, this Agreement contains the entire agreement of the parties with regard to the subject matter hereof, supersedes all prior agreements and understandings, written or oral, and may only be amended by an agreement in writing signed by the parties thereto. In the event any Company policy or plan is inconsistent with the terms of this Agreement, the Agreement shall govern.

23. Additional Documents. Each party hereto shall, from time to time, upon request of the other party, execute any additional documents which shall reasonably be required to effectuate the purposes hereof.

24. Incorporation. The introductory recitals hereof are incorporated in this Agreement and are binding upon the parties hereto.

25. Failure to Enforce. The failure by either party to enforce any of the provisions of this Agreement shall not be construed as a waiver of such provisions. Further, any express waiver by any party with respect to any breach of any provision hereunder by the other party shall not constitute a waiver of such party's right to thereafter fully enforce each and every provision of this Agreement.

26. Survival. Except as otherwise expressly set forth herein, the obligations contained in this Agreement, including but not limited to the covenants set forth in Sections 7 through 15, shall survive the expiration of the Term.

27. Headings. All section numbers and headings contained herein are for reference only and are not intended to qualify, limit or otherwise affect the meaning or interpretation of any provision contained herein.

28. Notices. Notices and all other communications provided for in this Agreement shall be in writing and shall be either delivered personally or sent by a prepaid overnight courier to the parties at the addresses set forth below (or such other addresses as shall be specified by the parties by like notice) or via e-mail with confirmatory writing as described above. Such notices, demands, claims and other communications shall be deemed given:

- (a) in the case of delivery by overnight service with guaranteed next day delivery, the next day or the day designated for delivery; or
- (b) in the case of e-mail, the date upon which the transmitting party received confirmation of receipt by e-mail; provided, however, that in no event shall any such communications be deemed to be given later than the date they are actually received.

Communications that are to be delivered by overnight service are to be delivered to the addresses set forth below:

If to the Company:

CNA Financial Corporation
151 North Franklin St.
Chicago, IL 60606
Attn: Executive Vice President & General Counsel
E-mail: Susan.Stone@cna.com

If to Executive:

The last home address on file in the Company's records, with a copy to:

John D. Geelan, Esq.
Arnold & Porter Kaye Scholer LLP
250 West 55th Street
New York, NY 10019-9710
E-mail: John.Geelan@arnoldporter.com

or to such other address as either party shall furnish to the other party in writing in accordance with the provisions of this Section 28.

29. Gender. The masculine, feminine or neuter pronouns used herein shall be interpreted without regard to gender, and the use of the singular or plural shall be deemed to include the other whenever the context so requires.

30. Arbitration of All Disputes. Except as otherwise set forth herein, any controversy or claim arising out of or relating to this Agreement (or the breach thereof) shall be settled by final, binding and non-appealable arbitration in New York, NY by three arbitrators. Except as otherwise expressly provided in this Section 30, the arbitration shall be conducted in accordance with the rules for resolution of employment disputes of the American Arbitration Association (the "Association") then in effect. One of the arbitrators shall be appointed by the Company, one shall be appointed by Executive, and the third shall be appointed by the first two arbitrators. If the first two arbitrators cannot agree on the third arbitrator within 30 days of the appointment of the second arbitrator, then the third arbitrator shall be appointed by the Association, provided, however, that either party may seek injunctive relief in addition to arbitration, including with respect to any subject matter or controversy relating to Sections 7 through 15 of this Agreement from any courts located in Wilmington, Delaware and parties hereby submit to the jurisdiction of such courts.

31. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement and all of which, when taken together, shall be deemed to constitute one and the same agreement. Signatures may be exchanged by electronic means including via facsimile or PDF.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth below.

CNA FINANCIAL CORPORATION

By: _____ */s/ Susan Stone*
Name: Susan Stone
Title: Executive Vice President & General Counsel
Date: June 5, 2024

DOUGLAS M. WORMAN

/s/ Douglas
Worman _____
Date: June 5, 2024

EXHIBIT A

FORM OF RELEASE

THIS RELEASE OF CLAIMS (this "Release") is entered into as of _____ [the date Executive executes this Release] (the "Release Date"), by and between Douglas M. Worman ("Executive") and CNA Financial Corporation (the "Company"). Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Employment Agreement by and between the Company and Executive, dated June 5, 2024 (the "Employment Agreement").

1. Release by Executive.

(a) Executive, on behalf of himself and his beneficiaries, estate and legal representatives (collectively, with Executive, the "Executive Releasors") hereby releases, acquits and forever discharges the Company, its Affiliates, and each of their respective successors, assigns, officers, directors, and employees (collectively, the "Company Released Parties") from any and all claims, causes of actions, demands, suits, costs, expenses and damages of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, at law or in equity, that any Executive Releasor may have, or may have had, or may hereafter have, and that are based in whole or in part on facts, whether or not now known, existing prior to the Release Date, and that arise out of or relate to Executive's employment with or services for the Company or its Affiliates, or the termination of such employment or services, other than claims arising under or preserved by the Section 6 of the Employment Agreement. Executive agrees to promptly indemnify the Company and the other Company Released Parties against, and to hold them harmless against, any claims released pursuant to this Section 1(a).

(b) The claims released by Executive include, to the extent set forth in Section 1(a), any and all claims under federal, state or local laws pertaining to employment, including Title VII of the Civil Rights Act of 1964, the Fair Labor Standards Act, the Americans with Disabilities Act, the Reconstruction Era Civil Rights Act, the Rehabilitation Act of 1973, the Family and Medical Leave Act of 1992, the Older Workers Benefit Protection Act of 1990, the Family and Medical Leave Act, the National Labor Relations Act, the Employee Retirement Income Security Act, the Worker Adjustment and Retraining Notification Act, the Illinois Human Rights Act, the Victims' Economic Security and Safety Act, the Illinois Wage Payment and Collection Act, the Illinois Right to Privacy in the Workplace Act, the Illinois Equal Pay Act of 2003, the Illinois Equal Wage Act, the Illinois Wages for Women and Minors Act, the Illinois Religious Freedom Restoration Act, the Illinois Minimum Wage Law, the Illinois Whistleblower Act, the Illinois WARN Act, including all amendments to each named act, and any and all state or local laws regarding employment discrimination and/or U.S. federal, state or local laws of any type or description regarding employment, including but not limited to any claims in any way arising from or derivative of Executive's employment with the Company or any of its Affiliates or the termination of such employment, as well as any claims under state contract or tort law or otherwise.

2. Release by the Company. The Company, on behalf of itself and the other Company Released Parties, hereby releases, acquits and forever discharges Executive Releasors from any

and all claims, causes of actions, demands, suits, costs, expenses and damages of whatsoever nature and kind, whether known or unknown, whether now existing or hereafter arising, at law or in equity, that any Company Released Party may have, may have had, or may hereafter have, and that are based in whole or in part on facts, whether or not now known, existing prior to the Termination Date, and that arise out of or relate to Executive's employment with or services for the Company or any of its Affiliates, or the termination of such employment or services, other than claims based on willful misconduct, intentional fraud or gross neglect and claims under Sections 7, 8, 9, 10, 12 or 13 of the Employment Agreement. The Company hereby agrees to promptly indemnify Executive and the other Executive Releasors against, and to hold Executive and such other Executive Releasors harmless against, any claims released pursuant to this Section 2.

3. Covenant not to Sue. A "covenant not to sue" is a legal term which means a promise not to file a lawsuit in court. It is different from the release of claims provided for in Sections 1 and 2 above. In addition to waiving and releasing the claims provided for in Sections 1 and 2 above, in consideration for the promises set forth in this Release, and to the extent permitted by law, each party covenants that he or it will not file, commence, institute, or prosecute any lawsuits, class actions, complaints by himself or itself or collectively in any state or federal court, against the other party or any of the Company Released Parties or Executive Releasors, as applicable, based on, arising out of, or connected with any of the claims released by such party under this Release. If Executive breaches the covenant contained in this Section 3, payment of the Severance (as defined in Section 5) shall cease, and Company shall have no further obligation at any time to pay any of the Severance. In addition, if either party breaches the covenants contained in this Section 3, such party will indemnify the Company Released Parties or the Executive Releasors, as applicable, for all damages, costs and expenses, including, without limitation, legal fees, incurred by such person in defending, participating in, or investigating any matter or proceeding covered by this Section 3. Alternatively, if Executive breaches the covenant contained in this Section 3, Executive may, at the Company's option, be required to return all but \$100 of the Severance received by Executive pursuant to the Employment Agreement. Notwithstanding this covenant not to sue, each party retains the right: (i) to participate in any proceeding with an appropriate federal, state, or local government agency or court; (ii) to make truthful statements or disclosures regarding alleged unlawful employment practices; and (iii) to make truthful statements and testify truthfully in any government agency or court proceeding; and in addition Executive retains the right to file a charge with an appropriate governmental agency. However, under this covenant not to sue, Executive will no longer have a right to recover any money or benefit from Company for any reason whatsoever, including but not limited to recovering any money or benefit in connection with a charge or claim filed by Employee or any other individual(s), in a class or collective action, or by the Equal Employment Opportunity Commission or any other federal or state agency. Nothing in Section 3 bars Executive from filing suit to enforce this Release, or the Company from filing suit to enforce Section 7, 8, 9, 10, 12 or 13 of the Employment Agreement.

4. Incorporation of Specific Provisions. The following Sections of the Employment Agreement shall be deemed incorporated by reference in this Release and shall be treated as if

set forth in full herein, except that references in them to this "Agreement" shall be deemed to be references to this "Release": Sections 19, 20, 21, 22, 25, 27, 28, 29, 30 and 31.

5. Review and Revocation Period. Executive hereby represents that he has read this Release carefully and fully understands the terms hereof, and that he has been advised to consult with an attorney and has had the opportunity to consult with an attorney prior to signing this Release. Executive acknowledges that he is executing this Release voluntarily and knowingly, without duress or coercion, and that he has not relied on any representations, promises or agreements of any kind, other than those set forth in this Release. Executive further represents that he has had 21 [45] days to review this Release. If Executive has executed this Release in fewer than 21 [45] days after its delivery, Executive hereby acknowledges that his decision to execute this Release prior to the expiration of such 21 [45]-day period was entirely voluntary. Any change to the terms of this Release agreed to between the parties shall not have the effect of restarting such 21 [45] day period. Executive may revoke his acceptance of this Release within seven days after he has signed it and delivered it to the Company (the "**Revocation Period**") by sending written notice to the Company that Executive wishes to revoke his acceptance of it and not be bound by it. If Executive timely revokes this Release, the Company shall have no obligation to provide to Executive the benefits described in Sections 6.1(a)(ii), 6.1(b), 6.1(c), 6.3(a)(ii), 6.3(a)(iii), 6.3(b), 6.3(c), or 6.4(b), as applicable, of the Employment Agreement (collectively the "**Severance**"). This Release shall become effective on the 7th day after Executive signs it unless revoked in accordance with the procedure set forth in the prior sentence. This Release shall be null and void if not countersigned by the Company, and delivered to Executive, within seven (7) days after expiration of the Revocation Period.

IN WITNESS WHEREOF, the Parties have executed this Release as of the date and year first above written.

CNA FINANCIAL CORPORATION

By: _____ Name: _____
Title: _____ Date: _____

DOUGLAS M. WORMAN

Date: _____

SARBANES-OXLEY ACT SECTION 302

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Dino E. Robusto, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CNA Financial Corporation;
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, in light of the circumstances under which 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 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 officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of 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 that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which 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.

Dated: July 29, 2024

By

/s/ Dino E. Robusto

Dino E. Robusto

Chief Executive Officer

SARBANES-OXLEY ACT SECTION 302

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Scott R. Lindquist, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of CNA Financial Corporation;
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, in light of the circumstances under which 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 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 officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of 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 that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which 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.

Dated: July 29, 2024

By _____

/s/ Scott R. Lindquist

Scott R. Lindquist
Chief Financial Officer

Written Statement of the Chief Executive Officer

of CNA Financial Corporation

Pursuant to 18 U.S.C. § 1350

(As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)

The undersigned, the Chief Executive Officer of CNA Financial Corporation (the Company), hereby certifies that, to his knowledge:

- the Company's Quarterly Report on Form 10-Q for the year ended June 30, 2024 filed on the date hereof with the Securities and Exchange Commission (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 29, 2024

By

/s/ Dino E. Robusto

Dino E. Robusto

Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

Written Statement of the Chief Financial Officer

of CNA Financial Corporation

Pursuant to 18 U.S.C. § 1350

(As adopted by Section 906 of the Sarbanes-Oxley Act of 2002)

The undersigned, the Chief Financial Officer of CNA Financial Corporation (the Company), hereby certifies that, to his knowledge:

- the Company's Quarterly Report on Form 10-Q for the year ended June 30, 2024 filed on the date hereof with the Securities and Exchange Commission (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 29, 2024

By

/s/ Scott R. Lindquist

Scott R. Lindquist
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.