



WE ARE THE HARTFORD

A Leading Provider of Property and Casualty
Insurance, Group Benefits and Mutual Funds

The Hartford Financial
Services Group, Inc.
Investor Presentation



SAFE HARBOR STATEMENT



Certain statements made in this presentation should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These include statements about The Hartford's future results of operations. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ, including those discussed in The Hartford's news release issued on October 26, 2023, The Hartford's Quarterly Reports on Form 10-Q, The Hartford's 2022 Annual Report on Form 10-K, and other filings we make with the U.S. Securities and Exchange Commission. We assume no obligation to update this presentation, which speaks as of today's date.

The discussion in this presentation of The Hartford's financial performance includes financial measures that are not derived from generally accepted accounting principles (GAAP). Information regarding these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, is provided in the appendix to this presentation, the news release issued on October 26, 2023 and The Hartford's Investor Financial Supplement for third quarter 2023 which is available at the Investor Relations section of The Hartford's website at <https://ir.thehartford.com>.

From time to time, The Hartford may use its website and/or social media outlets, such as X (formerly known as Twitter) and Facebook, to disseminate material company information. Financial and other important information regarding The Hartford is routinely accessible through and posted on our website at <https://ir.thehartford.com>. In addition, you may automatically receive email alerts and other information about The Hartford when you enroll your email address by visiting the "Email Alerts" section at <https://ir.thehartford.com>.



AN UNWAVERING RESOLVE





WHO WE ARE

CORE BELIEF

We believe people are capable of achieving amazing things with the right encouragement and support.

VALUES

- **Ethics and Integrity** - We do the right thing and hold ourselves to the highest ethical standards.
- **Empathy** - We demonstrate every day that we understand our customers and their expectations for speed, ease and personalized interaction.
- **Ownership and Accountability** - We deliver on our commitments and take the initiative to seek out new and better ways of creating value.
- **Diversity and Inclusion** - We foster a workplace where everyone is welcome, respected for who they are, and encouraged to apply their unique perspectives to ensure we adapt to meet the needs of an increasingly diverse marketplace.
- **Social Responsibility** - We use our resources to make our communities successful, stronger, safer.



WHAT WE DO

PURPOSE

We underwrite human achievement.

MISSION

We provide people with the support and protection they need to pursue their unique ambitions, seize opportunity and prevail through unexpected challenge.

VALUE WE STRIVE TO DELIVER

- Comprehensive and contemporary product offerings and specialized expertise that reduce risk and achieve better outcomes for customers.
- Industry-leading speed and ease of execution.
- Interactions that demonstrate respect and understanding for the needs and expectations of customers and agents.



WHERE WE'RE GOING

VISION

We will be an exceptional company, celebrated for financial performance, character and customer value.

BUSINESS STRATEGY

- Realize the full potential of our products, capabilities and underwriting expertise.
- Become an easier company to do business with.
- Attract, retain and develop talent needed for long-term success.

MEASURES OF SUCCESS

- Growth in book value per share
- Top quartile ESG rankings
- Net Promoter Score >45
- Top quartile employee engagement and enablement



HOW WE DO IT

BEHAVIORS

Be Courageous:
Take action big or small – own it.

Break Through:
Be curious, transparent and innovate together – solve it.

Better the Experience:
Demonstrate our true character to our customers, co-workers and communities – live it.

OUR VALUE PROPOSITION

We are a **Performance Driven Culture** with a history of strong financial and shareholder returns.



We have **the right business lines** to compete in markets and **produce superior risk adjusted returns** to maximize shareholder value.

We have, and will **continue to create value for shareholders** though efficient capital allocations, strong operating performance and expense efficiency.



Invest in The Hartford for consistency, transparency and execution on financial goals.

DIVERSIFIED INSURANCE BUSINESSES

Provide a strong and balanced platform



Leading U.S. Market Positions...

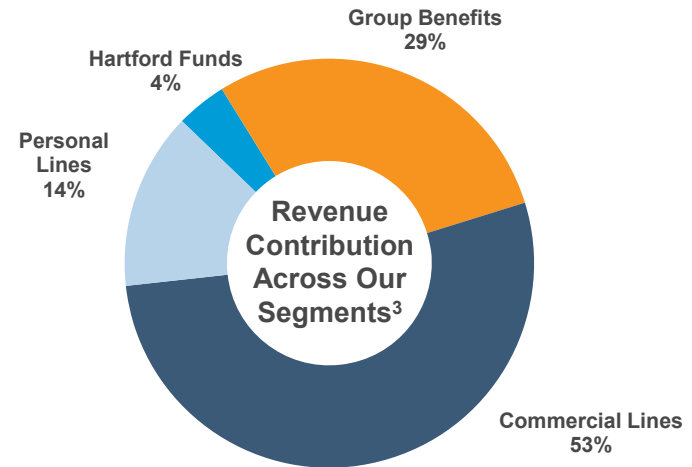
Leader – P&C Small Commercial

- #1 – Fully insured disability inforce²
- #1 – Full insured disability sales²
- #2 – Worker' compensation insurer, based on direct written premiums¹
- #3 – Combined fully insured life and disability inforce²
- #5 – Commercial multi-peril carrier, based on direct written premiums¹

Leader – Hartford Funds with 51% of funds rated 4 or 5 stars by Morningstar as of December 31, 2022

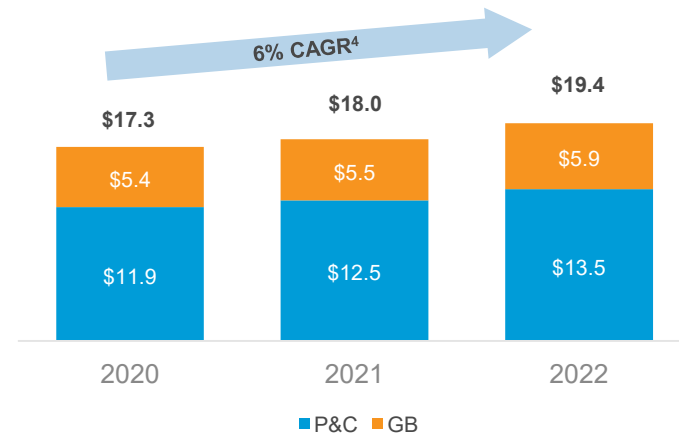
...With Strong Competitive Advantages

- Well-known and admired brand developed over our 200+ year history
- Diversified insurance business
- Broad and deep national distribution partnerships
- Advanced technology, with significant investments in underwriting, claims and customer service
- Recognized for claims excellence



Diversified Earned Premiums

(\$ in billions)



1. Per 2022 S&P Global Data
 2. Per LIMRA, Year-end 2022 Survey
 3. Revenue contribution is for the trailing 12-months, excluding the Corporate segment, for the period ended September 30, 2023
 4. Compound Annual Growth Rate

COMMERCIAL LINES, GROUP BENEFITS & PERSONAL LINES

Continuously investing and improving



Commercial Lines



Small Commercial

Unmatched performance:

- Market leader with unparalleled product and digital capabilities
- Superior agent quoting, self-service, and digital capabilities
- Strong retention and new business growth
- Straight-through underwriting



Middle & Large Commercial

Reinventing and delivering:

- Selling expanded suite of traditional P&C and specialty products
- Growth in all industries as margins improve
- Transforming underwriting capabilities
- Enabling better risk selection and portfolio decisions through data science and analytics



Global Specialty

Accelerating value:

- Cross-selling momentum across commercial P&C with expanded distribution
- Reshaped portfolio, driving improved underlying combined ratios
- Integrating data and actuarial insights to augment decision making and inform risk selection
- Enhancing digital capabilities to drive best-in-class experience



Group Benefits

Leverage scale:

- Reimagine our processes.
- Expand Absence/Leave management capabilities.
- Improve product competitiveness in Life, Disability and Voluntary.
- Maximize enrollment in Core and Voluntary through differentiated capabilities and content.



Personal Lines

Leading Direct Personal Lines insurer:

- Extended exclusive 30-year partnership with AARP through 2032
- New, innovative cloud-based auto and home product, Prevail, launched in 2021
- Investing in digital, leading to a fully online quote, issue and bind experience with robust self-service capabilities.



FINANCIAL STABILITY

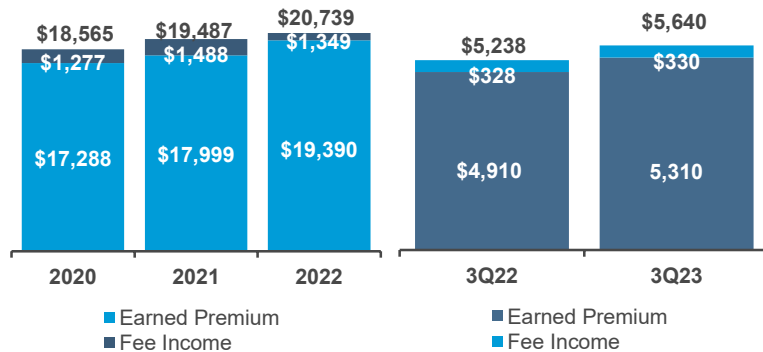
FINANCIAL SNAPSHOT

Solid franchise creating meaningful returns

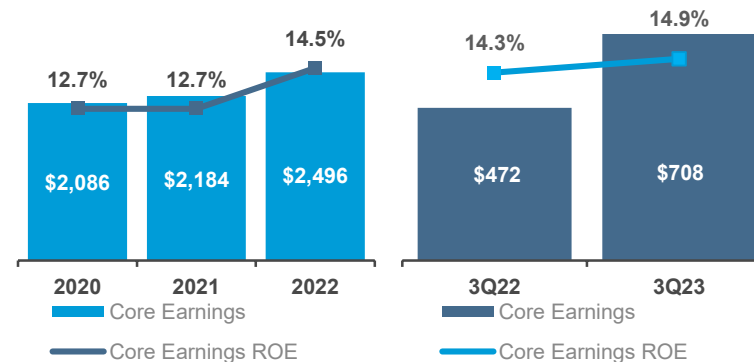


(\$ in millions)

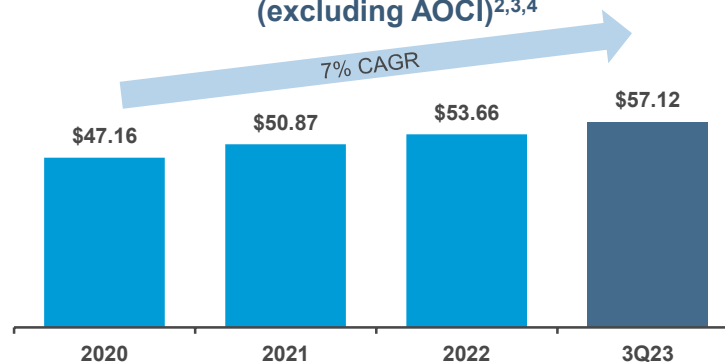
Earned Premiums and Fees



Core Earnings^{2,4} and Core Earnings ROE^{1,2,4}



Book Value Per Diluted Share (BVPS) (excluding AOCI)^{2,3,4}



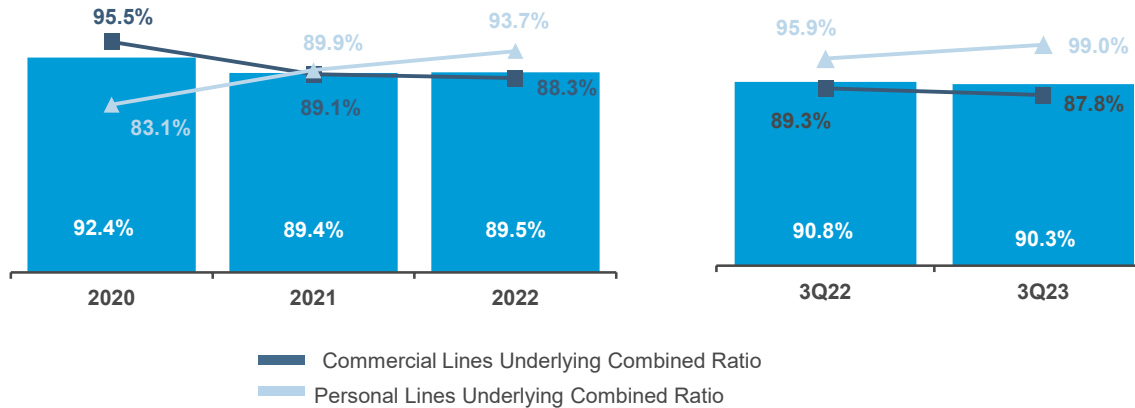
1. Core Earnings ROE based on trailing 12-month average common equity, ex. AOCI and trailing 12-month core earnings
2. Denotes financial measure not calculated based on GAAP
3. Accumulated Other Comprehensive Income
4. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

FINANCIAL SNAPSHOT

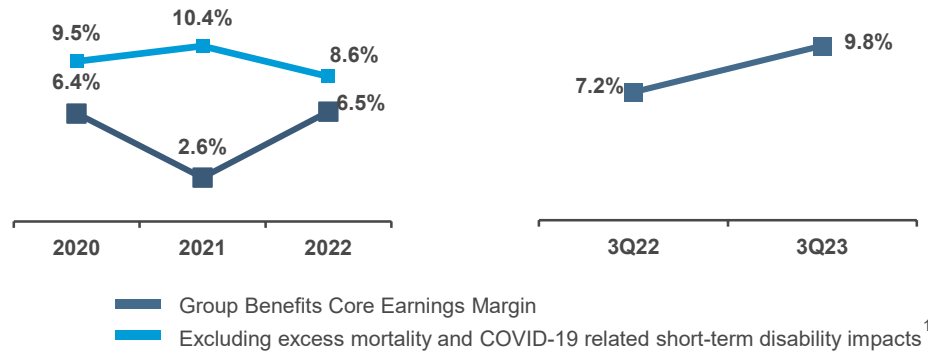
Solid franchise creating meaningful returns



P&C Underlying Combined Ratio¹



Group Benefits Core Earnings Margin^{1,2,3}



1. Denotes financial measure not calculated based on GAAP

2. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

3. Beginning in 2023, due to decreasing impacts of the pandemic, the Company no longer discloses results excluding pandemic-related impacts

BALANCE SHEET

Well positioned with low leverage and strong ratings



(\$ in millions)

Recent Capital Management Actions

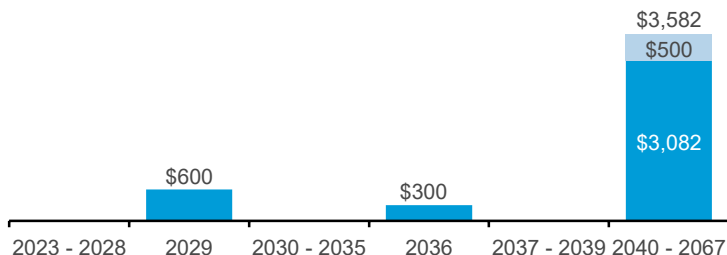
- Board of directors authorized a \$3.0 billion share repurchase program, effective from Aug. 1, 2022, through the end of 2024.
- Repurchased \$350 million of shares and paid \$131 million in common stockholder dividends in 3Q23 and announced an increase to the quarterly common dividend per share by 11%.
- Total debt and preferred stock to capitalization, excluding AOCI^{1,3,5} was 21.4% at December 31, 2022.

Capital Structure

	2020	2021	2022	3Q23
Total Debt ²	\$4,352	\$4,944	\$4,357	\$4,361
Preferred stock	\$334	\$334	\$334	\$334
Common stockholders' equity, ex. AOCI ^{3,5}	\$17,052	\$17,343	\$17,183	\$17,523
Total Capitalization ex. AOCI, net of tax^{3,5}	\$21,738	\$22,621	\$21,874	\$22,218

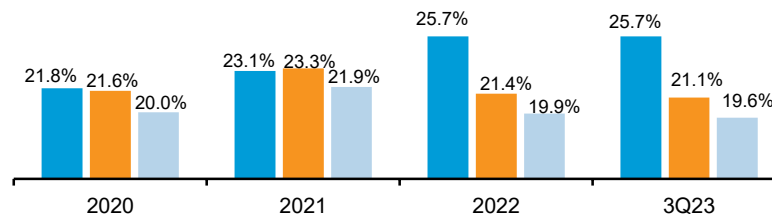
Debt Maturity Profile As of December 31, 2022

■ Senior Notes ■ Junior Subordinated



Financial Leverage

■ Rating agency adjusted^{4,5}
 ■ Total Debt and Preferred Stock to Capitalization, ex. AOCI
 ■ Total debt to capitalization, ex. AOCI^{3,5}



1. Total debt and preferred stock ratio = Total debt, including hybrids, and preferred stock divided by total capitalization excluding AOCI

2. Net of unamortized discount and debt issuance cost

3. Denotes financial measure not calculated based on GAAP

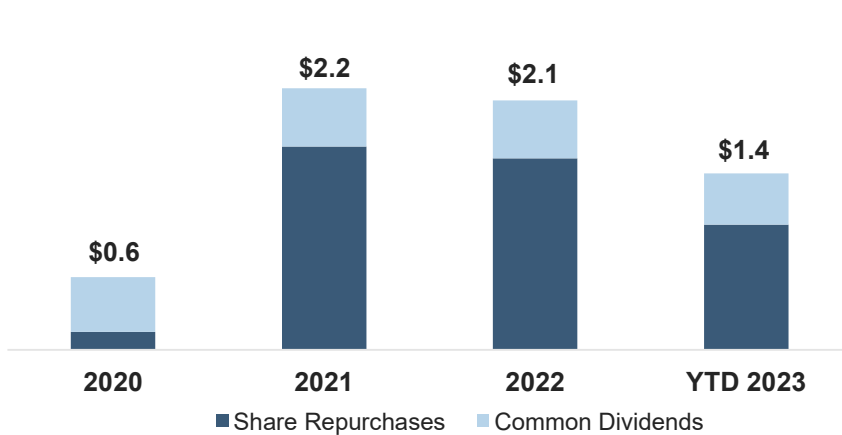
4. The leverage calculation reflects adjustments related to the Company's defined benefit plans' unfunded pension liability, the Company's rental expense on operating leases and uncollateralized letters of credit for Lloyd's of London for a total adjustment of \$1.0 billion, \$0.5 billion, \$0.3 billion, and \$0.3 billion as of 2020, 2021, 2022, and 3Q23, respectively.

5. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

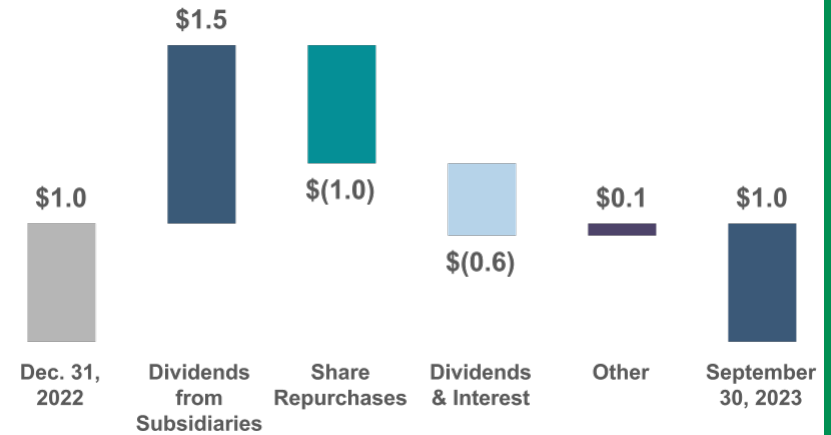
CAPITAL MANAGEMENT



Capital Returned to Stockholders¹
(\$ in billions)



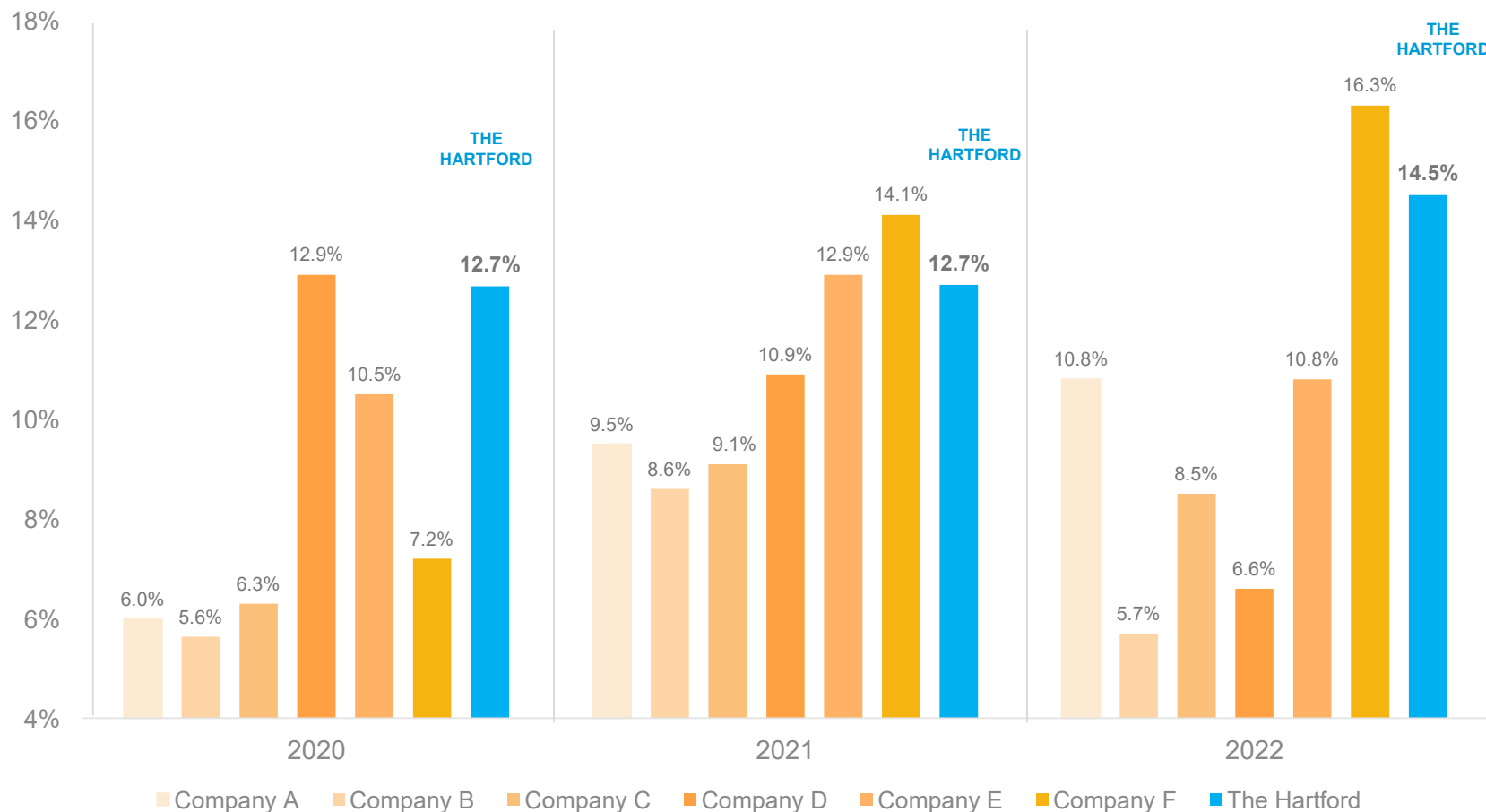
Corporate Holding Company Resources
(\$ in billions)



- Board of directors authorized a new \$3.0 billion share repurchase program, effective from Aug. 1, 2022, through the end of 2024
- In 2022, the company returned \$2.1 billion to stockholders including \$1.6 billion in share repurchases and \$506 million in common stockholder dividends paid
- Increased the quarterly common dividend per share in fourth quarter 2023 by 11% to \$0.47, which is the 10th increase in the quarterly common stock dividend in the last decade
- In the third quarter of 2023, the company returned approximately \$0.5 billion to stockholders including \$350 million of share repurchases and \$131 million paid in common stockholder dividends
- Prudently managed debt levels and leverage ratios
- Expected sources of holding company resources in fiscal year 2023 include:
 - Net P&C dividends of approximately \$1.5 billion
 - Group Benefits dividends of approximately \$400 million
 - Hartford Funds dividends of approximately \$125 million

1. Share Repurchases planned in 2020 were reduced to replace capital used in funding acquisitions

CORE EARNINGS RETURN ON EQUITY^{1,2,3,4}



1. Core Earnings ROE based on trailing 12-month average common equity, ex. AOCI and trailing 12-month core earnings
2. Denotes financial measure not calculated based on GAAP
3. 2020 values for the Hartford do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial
4. Peer comparisons are based on external disclosure available at the time of publication which may or may not have been restated for the accounting guidance noted in footnote 3 above.

P&C peers include CB, CINF, CNA, THG, TRV, WRB



BUSINESS OFFERINGS TO MEET CLIENT NEEDS

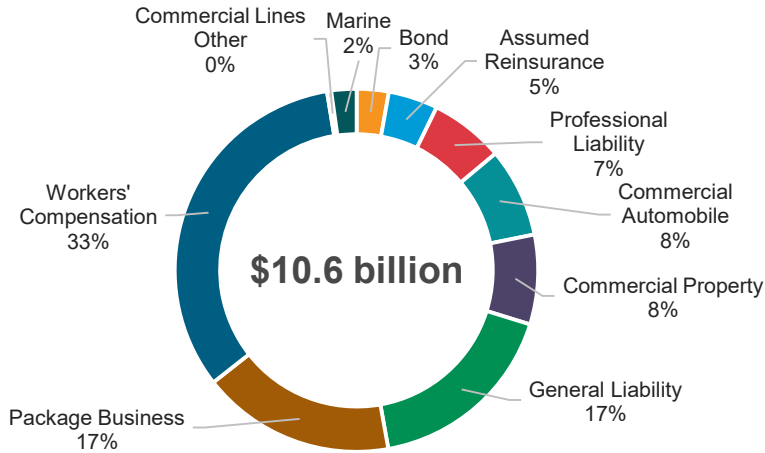
COMMERCIAL LINES

Overview

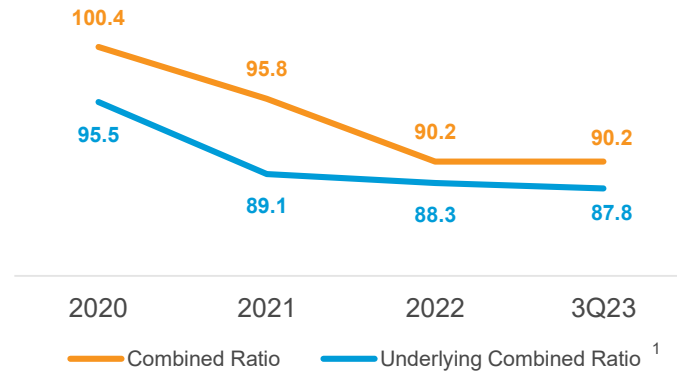


Diversified Premium Mix & Strengthened Market Position

2022 Earned Premiums by Product

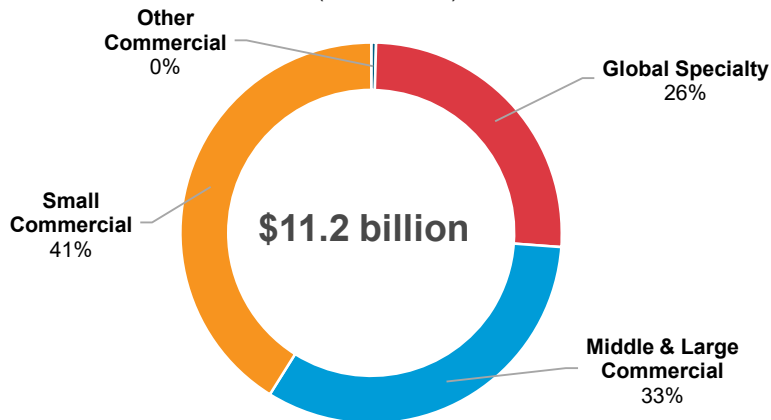


Strong Underwriting Discipline & Profitability



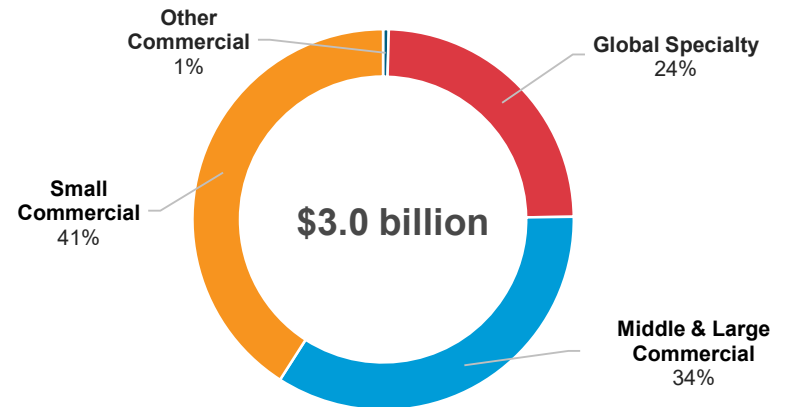
2022 Written Premiums by Business

(\$ in millions)



3Q23 Written Premiums by Business

(\$ in millions)



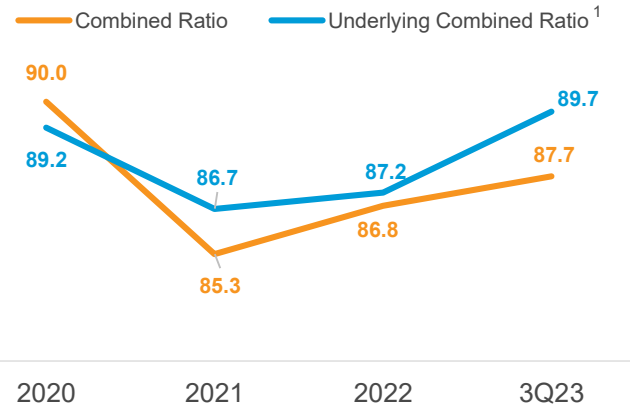
1. Denotes financial measure not calculated based on GAAP and excludes 4.5, 5.2, 4.2, and 3.9 points for catastrophes and 0.5, 1.5, (2.2) and (1.6) points for PYD in 2020, 2021, 2022, and 3Q23 respectively



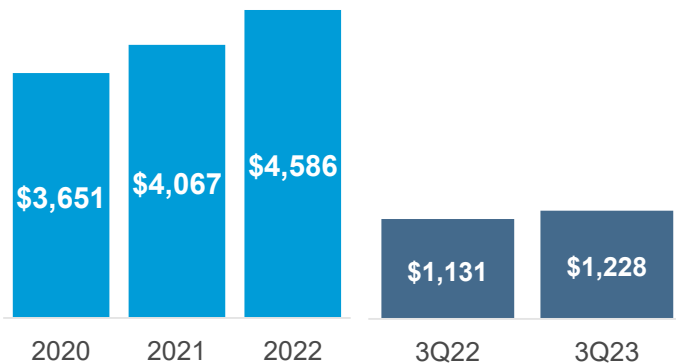
SMALL COMMERCIAL

- Market leader with unparalleled product and digital capabilities.
- Leading Worker’s Compensation provider for Small Businesses and rebuilt pre-eminent Business Owner’s Product (Spectrum), providing tailored coverage with simplified language and real time quote pricing.
- Strong new business and retention driving growth.
- Improving efficiency and the customer/partner experience with best-in-class technology.

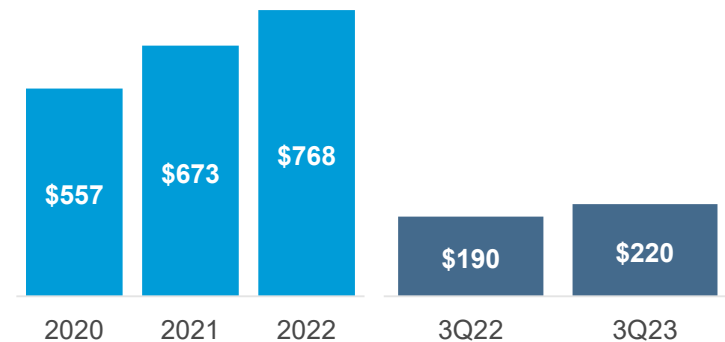
Strong Profitability



Written Premiums (\$ in millions)



Net New Business Premiums (\$ in millions)



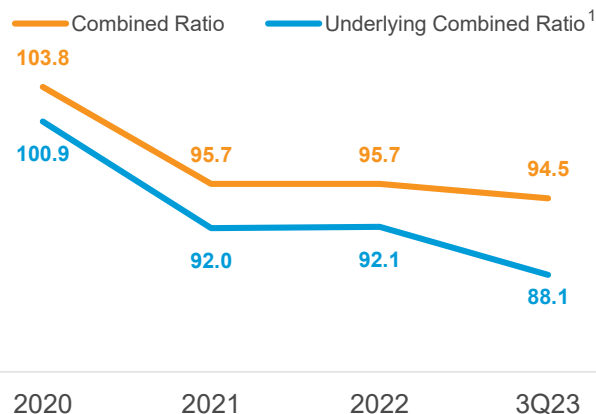
1. Denotes financial measure not calculated based on GAAP



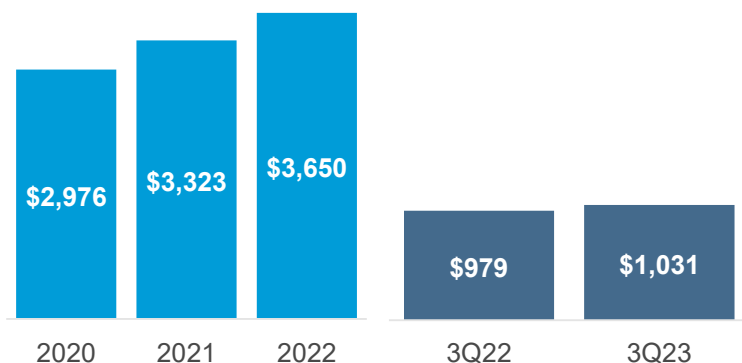
MIDDLE & LARGE COMMERCIAL

- Selling expanded suite of traditional P&C and specialty products, while growing specialized industry verticals in a high touch business.
- Pricing continues to improve with focus on underwriting and pricing discipline to grow profitably in competitive markets.
- Enabling better risk selection and portfolio decisions through data science and analytics capabilities.
- Increasing speed to quote and strong net promoter scores through digital capabilities.
- Identified attractive opportunities to cross-sell specialty products.

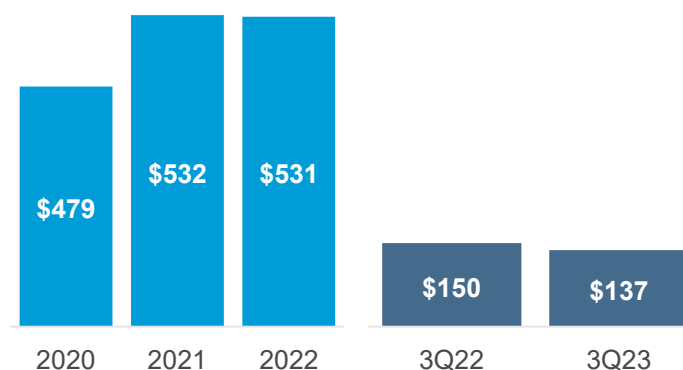
Improving Profitability Through Disciplined Underwriting



Written Premiums (\$ in millions)



Net New Business Premiums² (\$ in millions)



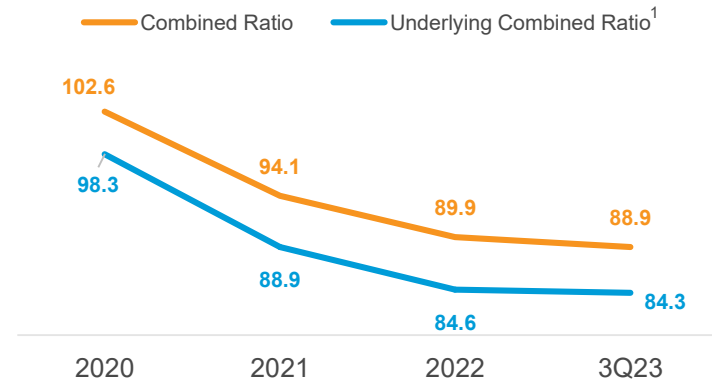
1. Denotes financial measure not calculated based on GAAP

2. Only includes Middle Market and excludes loss sensitive and programs businesses

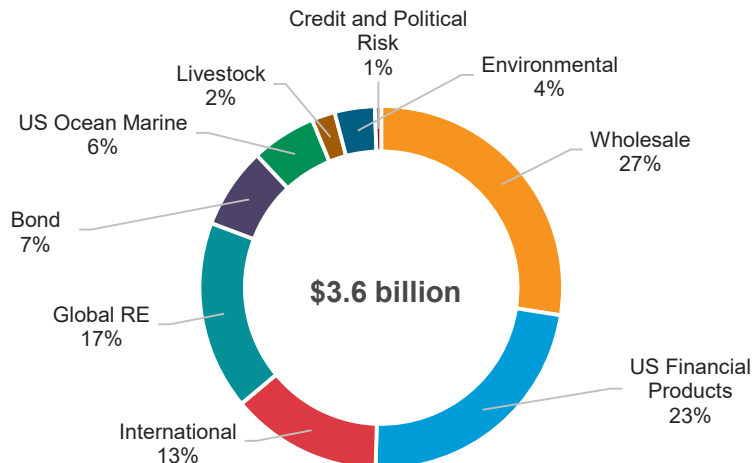
GLOBAL SPECIALTY

- Venerable specialty franchise with broad product portfolio
- Cross-selling momentum across commercial P&C with expanded distribution
- Reshaped portfolio, with rigorous execution on renewal rate, driving improved underlying combined ratios
- Integrating data and actuarial insights to augment decision making and inform risk selection
- Enhancing digital capabilities to drive best-in-class experiences

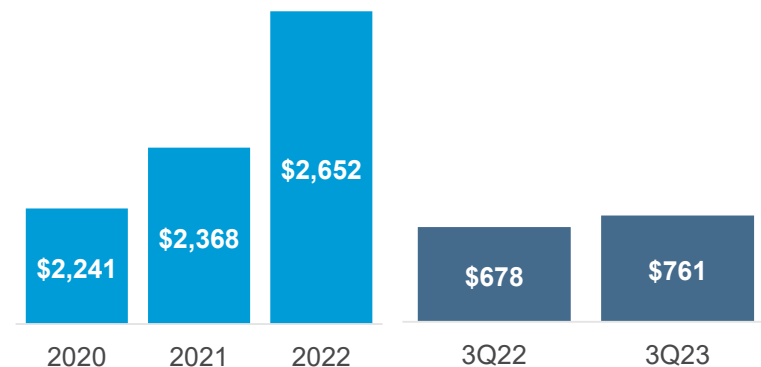
Strong Underlying Underwriting Results



2022 Gross Written Premiums



Earned Premiums (\$ in millions)



1. Denotes financial measure not calculated based on GAAP

PERSONAL LINES

Leading Direct Personal Lines Insurer

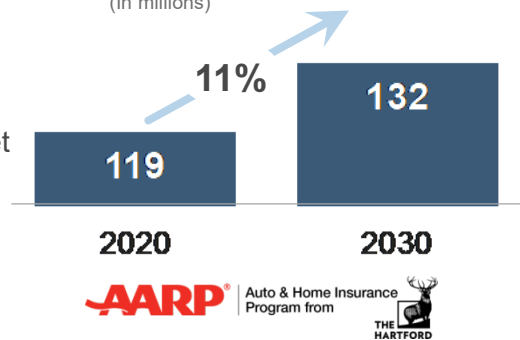
- Focus on niche market through exclusive partnership with AARP recently renewed through 2032
- New, innovative and cloud-based auto and home product Prevail, launched in 2021
- Significant focus on telematics including new partnership with Cambridge Mobile Telematics
- Investing in digital, leading to a fully online quote, issue and bind experience with robust self-service capabilities
- Continue to respond with rate filings to address inflationary pressure. In the third quarter of 2023, written pricing increases accelerated to 19.7 percent in auto.

AARP's Focus – Growing 50+ Age Market

50+ U.S. Population* Growth Rate

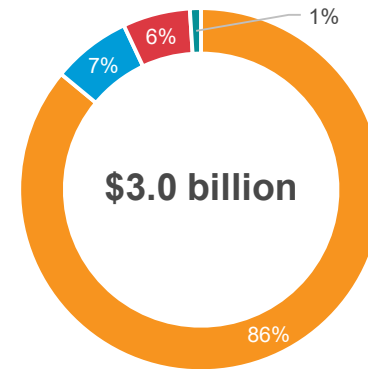
(In millions)

Well positioned to grow with increased target market.



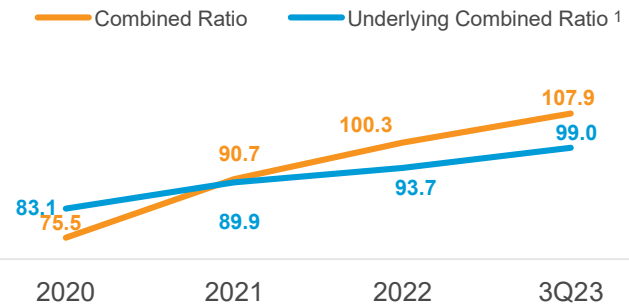
* Source: U.S. Census Bureau 2017 National Projections; Entire U.S. population projected to grow 7% while 50+ population (AARP membership eligible group) projected to grow 11% from 2020 to 2030

Centered on AARP Relationship 2022 Written Premiums by Distribution



■ AARP Direct ■ AARP Agency ■ Other Agency ■ Other

Personal Lines Combined Ratios



1. Denotes financial measure not calculated based on GAAP



GROUP BENEFITS

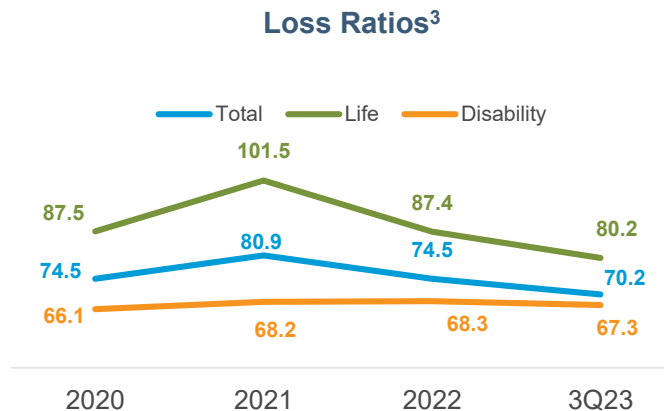
Market Leader

#1 Fully insured disability inforce¹

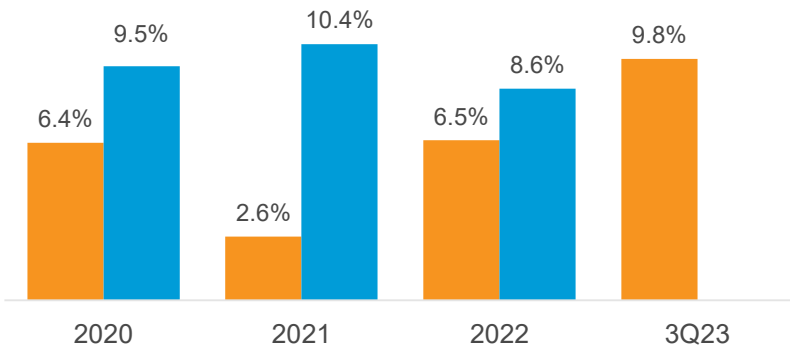
#1 Full insured disability sales¹

#3 Combined fully insured life and disability inforce¹

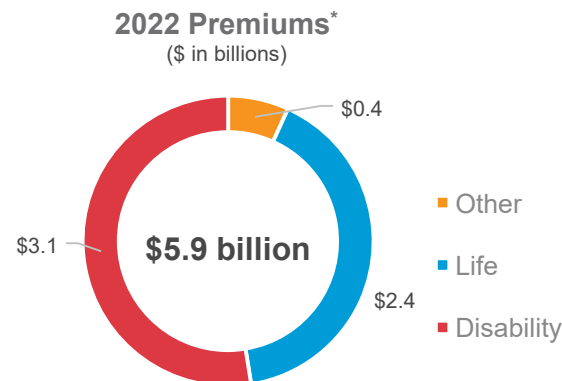
- Continued synergies and similarities with P&C business



Core Earnings Margin^{2,3,4}



Balanced Book of Business



* Fully insured ongoing premiums

1. Per LIMRA, Year-end 2022 Survey

2. Denotes financial measure not calculated based on GAAP

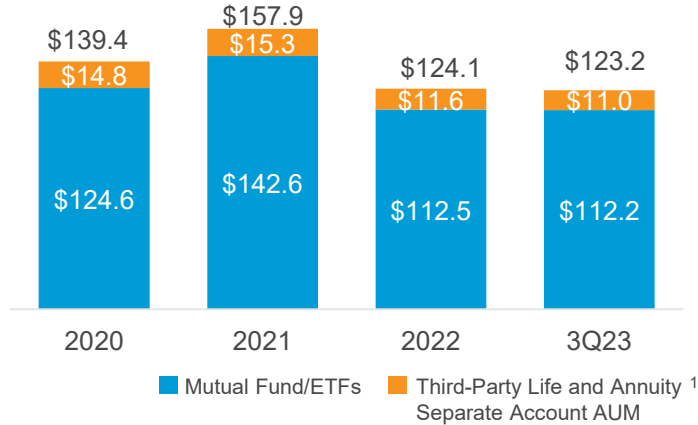
3. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

4. Beginning in 2023, due to decreasing impacts of the pandemic, the Company no longer discloses results excluding pandemic-related impacts.

HARTFORD FUNDS

Assets Under Management

(\$ in billions)

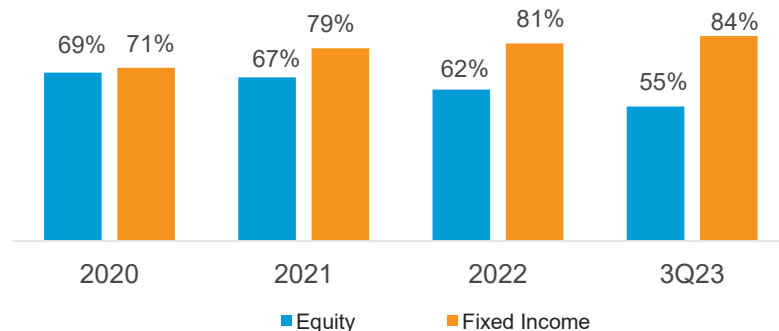


Investment Platform Leverages Expertise From Institutional Money Managers

- Leveraging the full capabilities of institutional quality sub-advisors
 - Wellington Management
 - Schroders
- Funds include fixed income, domestic and international equity, alternatives and multi-strategy asset classes.
- Provider of active and multi-factor exchange-traded funds (ETFs) across domestic and international strategies.

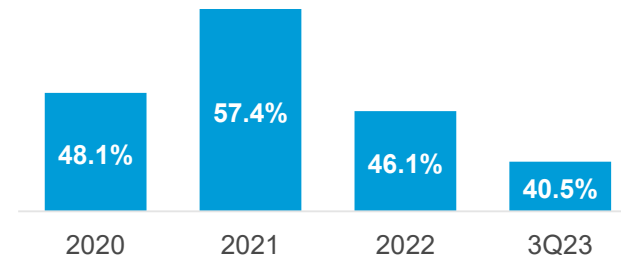
Track Record of Strong Investment Fund Performance

% Hartford Funds Outperforming Morningstar Peers²



Hartford Funds Is a High ROE and Capital Generating Business

Core Earnings ROE³



1. Represents AUM of the life and annuity business sold in May 2018 that are still managed by Hartford Funds
 2. Mutual funds and ETFs outperforming Morningstar peers over a rolling 5-year time period on a net of fees basis
 3. Denotes financial measure not calculated based on GAAP

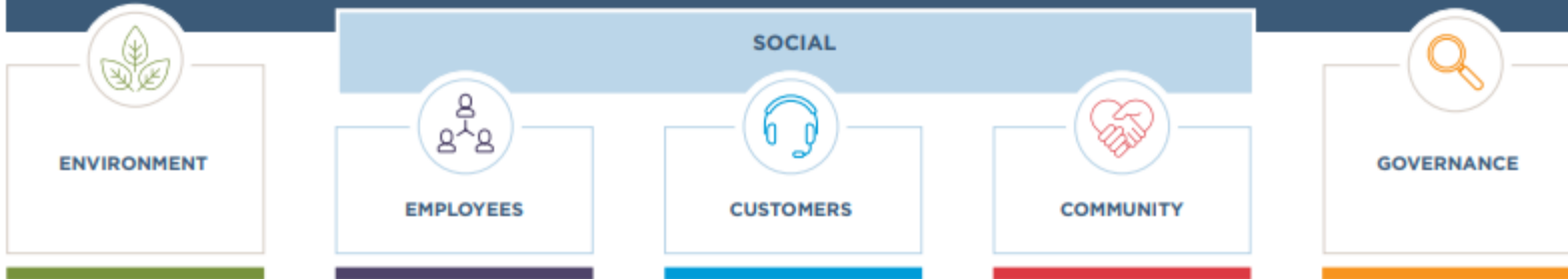


ETHICAL RESPONSIBILITY AT THE FOREFRONT



PROGRESSING WITH PURPOSE: Our Approach to Sustainability

We believe embedding environmental, social and governance principles and practices into our businesses and operations will drive value for all stakeholders.



ENVIRONMENT

We recognize the risks that climate change poses to people, businesses and communities and understand the role our industry plays in managing and mitigating those risks. We are committed to reducing our own environmental impact and supporting customers and business partners as we collectively transition to a greener society.

SOCIAL | EMPLOYEES

Responsible growth rests with attracting, developing and retaining top talent. Talent which reflects and understands the needs and aspirations of the diverse customers and communities that we serve. We believe that this can only be achieved if everyone feels able to bring their authentic selves to work, and we are committed to creating an inclusive culture in which all employees can thrive.

SOCIAL | CUSTOMERS

Putting customers first is our top priority. Our insight-led products and commitment to empathetic, high-quality service bring peace of mind to our customers and support them through the most challenging of times; while empowering them to build resilience to future incidents.

SOCIAL | COMMUNITY

Our purpose of underwriting human achievement transcends the products and services we offer to include using our knowledge, data, people and resources to make positive contributions to society. Our community engagement is focused on advancing social equity, addressing the critical needs of our neighbors, enabling human achievement and supporting the causes our employees care about most.

GOVERNANCE

Doing the right thing every day is core to our character—and we are proud of our reputation for being a company that places ethics and integrity above all else.

To learn more, please access our Sustainability Report at: <https://www.thehartford.com/about-us/sustainability-reporting>

DIVERSE AND INCLUSIVE CULTURE

Industry leading

We take pride in the recognition we received from others that reflect our commitment to being inclusive of our many valued stakeholders



Additional Awards Received:

- Best Companies for Multicultural Women; Working Mother
- Seramont's 2022 Top Companies for Executive Women
- The Best Employers for Women; Forbes
- 5-star company in the area of Employment; Hispanic Association on Corporate Responsibility (HACR)





TRANSPARENCY THAT CAN BE TRUSTED



DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The Hartford uses non-GAAP financial measures in this presentation to assist investors in analyzing the company's operating performance for the periods presented herein. Because The Hartford's calculation of these measures may differ from similar measures used by other companies, investors should be careful when comparing The Hartford's non-GAAP financial measures to those of other companies. Definitions and calculations of non-GAAP and other financial measures used in this presentation can be found below.

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

- Certain realized gains and losses - Generally realized gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to the insurance and underwriting aspects of our business. Accordingly, core earnings excludes the effect of all realized gains and losses that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized gains and losses are integrally related to our insurance operations, so core earnings includes net realized gains and losses such as net periodic settlements on credit derivatives. These net realized gains and losses are directly related to an offsetting item included in the income statement such as net investment income.
- Restructuring and other costs - Costs incurred as part of a restructuring plan are not a recurring operating expense of the business.
- Loss on extinguishment of debt - Largely consisting of make-whole payments or tender premiums upon paying debt off before maturity, these losses are not a recurring operating expense of the business.
- Gains and losses on reinsurance transactions - Gains or losses on reinsurance, such as those entered into upon sale of a business or to reinsure loss reserves, are not a recurring operating expense of the business.
- Integration and other non-recurring M&A costs - These costs, including transaction costs incurred in connection with an acquired business, are incurred over a short period of time and do not represent an ongoing operating expense of the business.
- Change in loss reserves upon acquisition of a business - These changes in loss reserves are excluded from core earnings because such changes could obscure the ability to compare results in periods after the acquisition to results of periods prior to the acquisition.
- Deferred gain resulting from retroactive reinsurance and subsequent changes in the deferred gain - Retroactive reinsurance agreements economically transfer risk to the reinsurers and excluding the deferred gain on retroactive reinsurance and related amortization of the deferred gain from core earnings provides greater insight into the economics of the business.
- Change in valuation allowance on deferred taxes related to non-core components of before tax income - These changes in valuation allowances are excluded from core earnings because they relate to non-core components of before tax income, such as tax attributes like capital loss carryforwards.
- Results of discontinued operations - These results are excluded from core earnings for businesses sold or held for sale because such results could obscure the ability to compare period over period results for our ongoing businesses.

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

Net income (loss) and net income (loss) available to common stockholders are the most directly comparable U.S. GAAP measures to core earnings. Core earnings should not be considered as a substitute for net income (loss) or net income (loss) available to common stockholders and does not reflect the overall profitability of the Company's business. Therefore, The Hartford believes that it is useful for investors to evaluate net income (loss), net income (loss) available to common stockholders, and core earnings when reviewing the Company's performance. A reconciliation of net income (loss) to core earnings (loss) for the Company and its individual reporting segments are provided for the specified periods in the tables set forth below:

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(\$ in millions)	CONSOLIDATED				
	3 Months Ended		Year Ended		
	Sep 30 2023	Sep 30 2022	Dec 31 2022	Dec 31 2021	Dec 31 2020 ¹
Net income	\$ 651	\$ 340	\$ 1,819	\$ 2,371	\$ 1,737
Preferred stock dividends	6	6	21	21	21
Net income available to common stockholders	645	334	1,798	2,350	1,716
Adjustments made to reconcile income from continuing operations, net of tax, available to common stockholders to core earnings per share:					
Net realized losses (gains), excluded from core earnings, before tax	76	166	626	(505)	18
Loss on extinguishment of debt, before tax	—	—	9	—	—
Restructuring and other costs, before tax	1	3	13	1	104
Integration and other non-recurring M&A costs, before tax	2	5	21	58	51
Change in deferred gain on retroactive reinsurance, before tax	—	—	229	246	312
Income tax expense (benefit)	(16)	(36)	(200)	34	(115)
Core earnings	\$ 708	\$ 472	\$ 2,496	\$ 2,184	\$ 2,086

- 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



Core Earnings Return on Equity- The Company provides different measures of the return on stockholders' equity (ROE). Core earnings ROE is calculated based on non-GAAP financial measures. Core earnings ROE is calculated by dividing (a) the non-GAAP measure core earnings for the prior four fiscal quarters by (b) the non-GAAP measure average common stockholders' equity, excluding AOCI. Net income ROE is the most directly comparable U.S. GAAP measure. The Company excludes AOCI in the calculation of core earnings ROE to provide investors with a measure of how effectively the Company is investing the portion of the Company's net worth that is primarily attributable to the Company's business operations. The Company provides to investors return on equity measures based on its non-GAAP core earnings financial measure for the reasons set forth in the core earnings definition. A reconciliation of Net income ROE to Core earnings ROE is set forth below:

	CONSOLIDATED				
	Last twelve months ended				
	Sep 30 2023	Sep 30 2022	Dec 31 2022	Dec 31 2021	Dec 31 2020¹
Net income ROE	17.7%	12.8%	11.7%	13.2%	10.0%
Adjustments to reconcile net income ROE to core earnings ROE:					
Net realized losses (gains), excluded from core earnings, before tax	0.9%	2.9%	4.1%	(2.8%)	0.1%
Restructuring and other costs, before tax	0.1%	0.1%	0.1%	—%	0.6%
Loss on extinguishment of debt, before tax	—%	0.1%	0.1%	—%	—%
Integration and other non-recurring M&A costs, before tax	0.1%	0.1%	0.1%	0.3%	0.3%
Change in deferred gain on retroactive reinsurance, before tax	1.8%	1.1%	1.5%	1.4%	1.8%
Income tax expense (benefit) on items not included in core earnings	(0.6%)	(0.9%)	(1.3%)	0.2%	(0.7%)
Impact of AOCI, excluded from denominator of core earnings ROE	(5.1%)	(1.9%)	(1.8%)	0.4%	0.6%
Core earnings ROE	14.9%	14.3%	14.5%	12.7%	12.7%

	HARTFORD FUNDS			
	Last twelve months ended			
	Sep 30 2023	Dec 31 2022	Dec 31 2021	Dec 31 2020
Net income ROE	44.9%	42.4%	57.8%	49.9%
Adjustments to reconcile net income ROE to core earnings ROE:				
Net realized losses (gains), excluded from core earnings, before tax	(2.4%)	6.5%	(1.1%)	(2.4%)
Income tax expense on items not included in core earnings	0.5%	(1.6%)	0.3%	0.3%
Impact of AOCI, excluded from denominator of core earnings ROE	(2.5%)	(1.2%)	0.4%	0.3%
Core earnings ROE	40.5%	46.1%	57.4%	48.1%

- 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



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

P&C	Three Months Ended		Year Ended		
	Sep 30	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2022	2021	2020
Combined ratio	94.0	97.7	94.6	96.3	96.4
Adjustments to reconcile combined ratio to underlying combined ratio:					
Current accident year catastrophe	(4.9)	(8.5)	(4.8)	(5.3)	(5.1)
Prior accident year development	1.2	1.5	(0.3)	(1.6)	1.1
Underlying combined ratio	90.3	90.8	89.5	89.4	92.4

SMALL COMMERCIAL	Three Months Ended	Year Ended		
	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2021	2020
Combined ratio	87.7	86.8	85.3	90.0
Adjustments to reconcile combined ratio to underlying combined ratio:				
Current accident year catastrophes	(3.2)	(4.2)	(5.1)	(6.0)
Prior accident year development	5.2	4.6	6.5	5.1
Underlying combined ratio	89.7	87.2	86.7	89.2

GLOBAL SPECIALTY	Three Months Ended	Year Ended		
	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2021	2020
Combined ratio	88.9	89.9	94.1	102.6
Adjustments to reconcile combined ratio to underlying combined ratio:				
Current accident year catastrophes	(4.3)	(5.1)	(3.5)	(2.0)
Prior accident year development	(0.3)	(0.2)	(1.7)	(2.3)
Underlying combined ratio	84.3	84.6	88.9	98.3

COMMERCIAL LINES	Three Months Ended		Year Ended		
	Sep 30	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2022	2021	2020
Combined ratio	90.2	94.3	90.2	95.8	100.4
Adjustments to reconcile combined ratio to underlying combined ratio:					
Current accident year catastrophes	(3.9)	(6.6)	(4.2)	(5.2)	(4.5)
Prior accident year development	1.6	1.6	2.2	(1.5)	(0.5)
Underlying combined ratio	87.8	89.3	88.3	89.1	95.5

PERSONAL LINES	Three Months Ended		Year Ended		
	Sep 30	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2022	2021	2020
Combined ratio	107.9	109.6	100.3	90.7	75.5
Adjustments to reconcile combined ratio to underlying combined ratio:					
Current accident year catastrophes	(8.8)	(15.2)	(7.1)	(5.7)	(6.9)
Prior accident year development	(0.1)	1.5	0.4	4.9	14.6
Underlying combined ratio	99.0	95.9	93.7	89.9	83.1

MIDDLE & LARGE COMMERCIAL	Three Months Ended	Year Ended		
	Sep 30	Dec 31	Dec 31	Dec 31
	2023	2022	2021	2020
Combined ratio	94.5	95.7	95.7	103.8
Adjustments to reconcile combined ratio to underlying combined ratio:				
Current accident year catastrophes	(4.5)	(3.5)	(6.7)	(4.5)
Prior accident year development	(1.8)	(0.1)	2.9	1.6
Underlying combined ratio	88.1	92.1	92.0	100.9

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



Core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts - For the Group Benefits segment, The Hartford uses the non-GAAP measure core earnings margin to evaluate, and believes it is an important measure of, the Group Benefits segment's operating performance. Core earnings margin is calculated by dividing core earnings by revenues, excluding buyouts and realized gains (losses). The Hartford also uses the non-GAAP measure core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts to evaluate Group Benefits' operating performance as it removes the impact of volatile and unpredictable COVID-19 related short-term disability and excess mortality losses. Net income margin, calculated by dividing net income by revenues, is the most directly comparable U.S. GAAP measure. The Company believes that core earnings margin provides investors with a valuable measure of the performance of Group Benefits because it reveals trends in the business that may be obscured by the effect of buyouts and realized gains (losses) as well as other items excluded in the calculation of core earnings. The Company believes that core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts provides investors with a valuable measure of the performance of Group Benefits because it reveals trends in the business that may be obscured by the effect of volatile and unpredictable COVID-19 related losses as well as the effect of buyouts and realized gains (losses), and other items excluded in the calculation of core earnings. Core earnings margin and core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts should not be considered as a substitute for net income margin and does not reflect the overall profitability of Group Benefits. Therefore, the Company believes it is important for investors to evaluate core earnings margin, core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts and net income margin when reviewing performance. A reconciliation of net income margin to core earnings margin and core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts is set forth below:

	GROUP BENEFITS				
	Three months ended		Year ended		
	Sep 30 2023	Sep 30 2022	Dec 31 2022	Dec 31 2021	Dec 31 2020 ¹
Net income margin	8.5%	5.4%	5.1%	4.0%	6.4%
Adjustments to reconcile net income margin to core earnings margin:					
Net realized losses (gains) excluded from core earnings, before tax	1.5%	2.3%	1.8%	(2.0%)	(0.4%)
Integration and other non-recurring M&A costs, before tax	0.1%	0.1%	0.1%	0.1%	0.3%
Income tax expense (benefit)	(0.3%)	(0.6%)	(0.5%)	0.5%	—%
Impact of excluding buyouts from denominator of core earnings margin	—%	—%	—%	—%	0.1%
Core earnings margin	9.8%	7.2%	6.5%	2.6%	6.4%
Excess mortality and COVID-19 related short-term disability impacts, before tax			2.6%	9.8%	3.9%
Income tax benefit			(0.5%)	(2.0%)	(0.8%)
Core earnings margin excluding pandemic related excess mortality and COVID-19 related short-term disability impacts			8.6%	10.4%	9.5%

1. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



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

	As of			
	Sep 30 2023	Dec 31 2022	Dec 31 2021	Dec 31 2020 ¹
Book value per diluted share	\$43.50	\$41.67	\$51.25	\$50.39
Per diluted share impact of AOCI	13.62	11.99	(0.38)	(3.23)
Book value per diluted share (excluding AOCI)	\$57.12	\$53.66	\$50.87	\$47.16

1. 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial

DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



Common stockholders' equity, excluding AOCI- This non-GAAP measure is calculated as total stockholders' equity less preferred stock and AOCI. Total stockholders' equity is the most directly comparable GAAP measure. The Company provides this measure to enable investors to analyze the amount of the Company's net worth that is primarily attributable to the Company's business operations. The Company believes that excluding AOCI is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates. A reconciliation of common stockholders' equity, excluding AOCI to its most directly comparable GAAP measure, total stockholders' equity, is set forth below:

	As of			
	Sep 30 2023	Dec 31 2022	Dec 31 2021	Dec 31 2020 ¹
Total stockholders' equity	\$13,679	\$13,676	\$17,805	\$18,556
Less: Preferred stock	334	334	334	334
Less: AOCI	(4,178)	(3,841)	128	1,170
Common stockholders' equity, excluding AOCI	\$ 17,523	\$17,183	\$17,343	\$17,052

Total capitalization, excluding AOCI, net of tax- This non-GAAP measure is calculated as total debt plus total stockholders' equity, excluding the impacts of AOCI included in shareholders' equity. Total capitalization, including AOCI, net of tax is the most directly comparable GAAP measure. Total debt to capitalization ratio, excluding AOCI is calculated by dividing total debt to total capitalization, excluding AOCI, net of tax. The Company provides this measure to enable investors to analyze the Company's financial leverage. The Company believes that excluding AOCI is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates. A reconciliation of total capitalization, excluding AOCI, net of tax, to its most directly comparable GAAP measure, total capitalization, including AOCI, net of tax, is set forth below:

	As of			
	Sep 30 2023	Dec 31 2022	Dec 31 2021	Dec 31 2020 ¹
Total capitalization, including AOCI, net of tax	\$18,040	\$18,033	\$22,749	\$22,908
Less: AOCI	(4,178)	(3,841)	128	1,170
Total capitalization, excluding AOCI, net of tax	\$22,218	\$21,874	\$22,621	\$21,738

- 2020 values do not reflect the adoption of updated FASB guidance on accounting for long duration insurance contracts; however, the impact of such guidance on Company results for the other periods shown is immaterial