



The Hartford's Second Quarter 2024 Financial Results

The Hartford Financial Services Group, Inc. | July 25, 2024





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 July 25, 2024, The Hartford's Quarterly Reports on Form 10-Q, The Hartford's 2023 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 is provided in the appendix to this presentation, the news release issued on July 25, 2024 and The Hartford's Investor Financial Supplement for second quarter 2024 and previous periods which are available at the Investor Relations section of The Hartford's website at <https://ir.thehartford.com>.

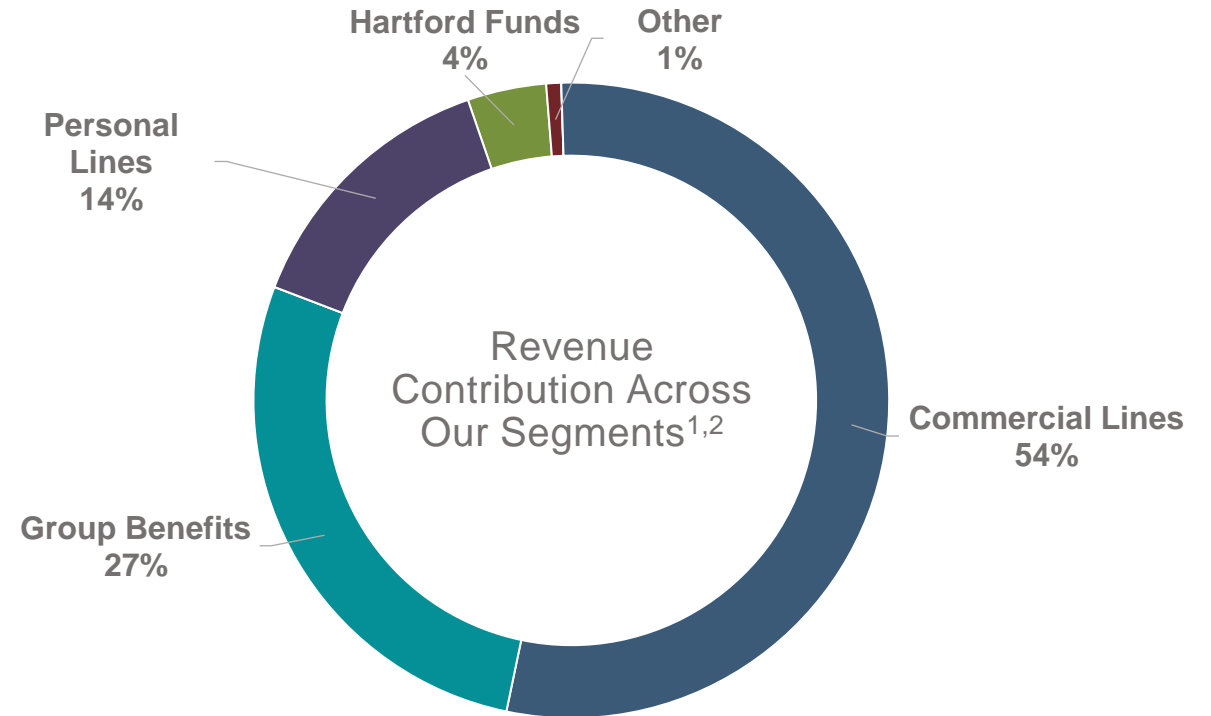
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THE HARTFORD

Diversified insurer with core strengths and market leadership

- ▶ **Market leader** in desirable segments with high return characteristics
- ▶ Delivering consistently strong results across **diversified businesses** with significant contribution from investment portfolio
- ▶ Leveraging **core strengths** of underwriting excellence, risk management, claims, products and distribution
- ▶ Investing in **differentiating capabilities** to strengthen competitive advantage to enable profitable growth
- ▶ **Ethics, people and performance** driven culture



Unique portfolio of complementary underwriting businesses all contributing to our success.

¹ Revenue contribution is for the trailing 12-months for the period ended June 30, 2024

² "Other" includes revenue of \$67 million for Property & Casualty Other Operations and \$126 million for Corporate



SECOND QUARTER 2024 – DISCIPLINED EXECUTION

The Hartford delivered...

Growth:

- ▶ P&C net written premium growth of 12%, including 11% in Commercial Lines and 14% in Personal Lines
- ▶ Group Benefits fully insured ongoing premium growth of 2%

Profitability:

- ▶ Commercial Lines combined ratio of 89.8 and underlying combined ratio¹ of 87.4
- ▶ Group Benefits core earnings margin¹ of 10.0%

Balance sheet & capital management:

- ▶ Proactive capital management – repurchased \$350 million of shares and paid \$140 million in common stockholder dividends
- ▶ Year to date, the company has returned \$981 million to stockholders including \$700 million in share repurchases and \$281 million in common stockholder dividends paid
- ▶ Announced new \$3.3 billion share repurchase authorization effective through 2026

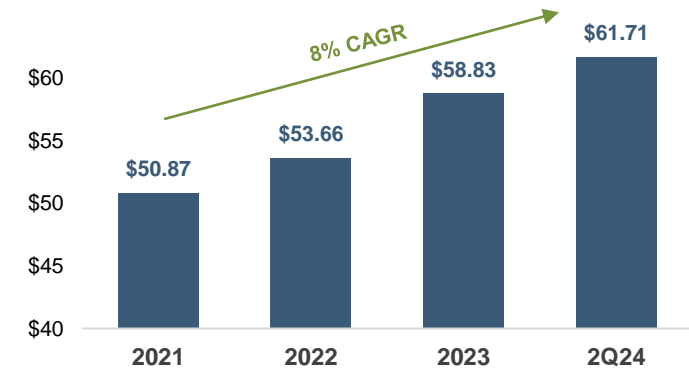
Superior risk-adjusted returns:

- ▶ 17.4% core earnings return on equity (ROE)^{1,3}

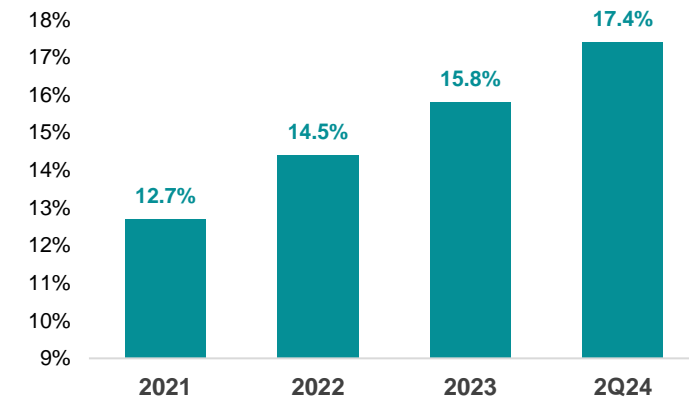
High Quality Investment Portfolio:

- ▶ A+ average credit rating with net investment income of \$602 million, before tax, benefiting from a higher level of invested assets, the impact of reinvesting at higher rates, and a higher yield on variable-rate securities

Book Value Per Diluted Share (ex AOCI)^{1,2}



Core Earnings ROE^{1,3}



Maximizing Value Creation for All Stakeholders



¹ Denotes financial measure not calculated based on GAAP

² Accumulated other comprehensive income

³ ROE based on trailing 12-month average common equity, ex. AOCI and trailing 12-month core earnings



2Q24 CORE EARNINGS¹ OF \$750 MILLION, EPS^{1,2} OF \$2.50, ROE^{1,3} OF 17.4%

Core Earnings (loss) By Segment <i>(\$ in millions, except per share amounts)</i>	2Q24	2Q23	Change⁴
Commercial Lines	\$551	\$493	12%
Personal Lines	(4)	(57)	93%
P&C Other Operations	14	10	40%
Property & Casualty Total	561	446	26%
Group Benefits	178	133	34%
Hartford Funds	43	44	(2)%
Sub-total	782	623	26%
Corporate	(32)	(35)	9%
Core earnings	750	588	28%
Net realized gains (losses), before tax	(58)	(53)	(9)%
Restructuring and other costs, before tax	—	(3)	100%
Integration and other non-recurring M&A costs, before tax	(2)	(2)	—%
Change in deferred gain on retroactive reinsurance, before tax	37	—	NM
Income tax benefit (expense)	6	12	(50)%
Net income available to common stockholders	733	542	35%
Add back: Preferred stock dividends	5	5	—%
Net Income	\$738	\$547	35%
Core earnings per diluted share	\$2.50	\$1.88	33%
Net income available to common stockholders per diluted share	\$2.44	\$1.73	41%
Wtd. avg. diluted shares outstanding	299.9	313.3	(4)%
Common shares outstanding and dilutive potential common shares	298.4	311.0	(4)%
Book value per diluted share	\$51.43	\$44.43	16%
Book value per diluted share (excluding AOCI) ¹	\$61.71	\$55.76	11%
Net income ROE, last 12 months	19.8%	14.4%	5.4 pts
Core earnings ROE, last 12 months	17.4%	13.6%	3.8 pts

¹ Denotes financial measure not calculated based on GAAP

² Core earnings per diluted share (EPS)

³ Core earnings ROE

⁴ The Hartford defines increases or decreases greater than or equal to 200%, or changes from a net gain to a net loss position, or vice versa, as "NM" or not meaningful



2Q24 KEY BUSINESS HIGHLIGHTS VS. 2Q23

PROPERTY & CASUALTY

Strong contribution from Commercial Lines with growth across the segment

Written premiums
\$4.5B ▲ **12%**

Combined ratio (%)
93.6 ▼ **2.6 pts**

Underlying combined ratio¹ (%)
89.5 ▼ **1.6 pts**

	Written premiums	Combined ratio (%)	Underlying combined ratio ¹ (%)
Commercial Lines	\$3.5B ▲ 11%	89.8 ▼ 1.4 pts.	87.4 ▼ 0.9 pts.
Small Commercial	\$1.4B ▲ 8%	88.7 ▼ 2.1 pts.	86.8 ▼ 2.9 pts.
Middle & Large Commercial	\$1.1B ▲ 13%	95.9 ▲ 2.3 pts.	89.6 ▲ 0.9 pts.
Global Specialty	\$1.0B ▲ 14%	83.4 ▼ 3.9 pts.	85.2 ▲ 0.2 pts.
Personal Lines	\$913M ▲ 14%	107.4 ▼ 7.5 pts.	96.7 ▼ 5.0 pts.
Auto ²	\$617M ▲ 14%	105.4 ▼ 11.0 pts.	104.9 ▼ 6.9 pts.
Homeowners	\$296M ▲ 14%	114.5 ▼ 0.6 pts.	77.8 ▼ 1.8 pts.

Group Benefits

Core earnings margin¹ of 10.0% and an increase in premiums deliver profitable growth

Fully Insured Ongoing Premiums
\$1.6B ▲ **2%**

Core earnings margin
10.0% ▲ **2.4 pts.**

Life loss ratio (%)
74.9% ▼ **9.2 pts.**

Disability loss ratio (%)
67.1% ▲ **0.1 pts.**

¹ Denotes financial measure not calculated based on GAAP

² Taking into consideration the adverse accident year development that was booked in the second quarter of 2023 for the first quarter of 2023, the second quarter auto underlying combined ratio of 111.8 would be 2.9 points lower

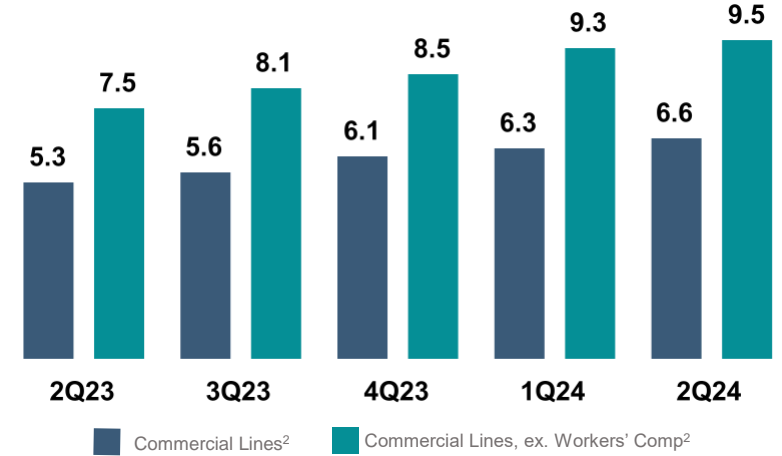


COMMERCIAL LINES

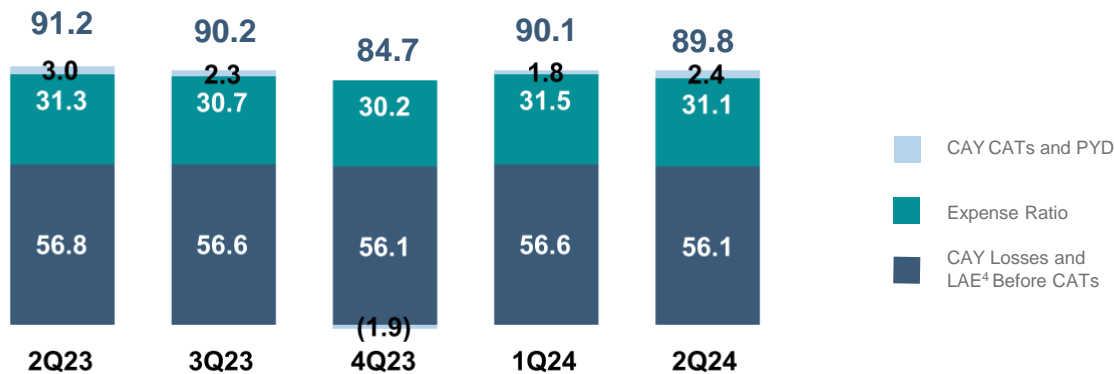
Strong contributions from each business continue to deliver profitable growth

- ▶ Written premiums of \$3.5 billion in 2Q24 were up 11% from 2Q23 with increases across the segment, including strong double-digit new business growth in Small Commercial and Middle Market and the effect of renewal written price increases
- ▶ Excluding workers' compensation, renewal written price increases of 9.5% is up 20 bps from 1Q24. Workers' compensation renewal written pricing between 2Q24 and 1Q24 was relatively flat
- ▶ Combined ratio of 89.8 in 2Q24 compared to 91.2 in 2Q23 and underlying combined ratio¹ of 87.4 in 2Q24 compared to 88.3 in 2Q23
- ▶ Underlying combined ratio of 87.4 improved from 88.3 in 2Q23 primarily due to a 0.7 point decrease in the underlying loss and loss adjustment expense ratio¹

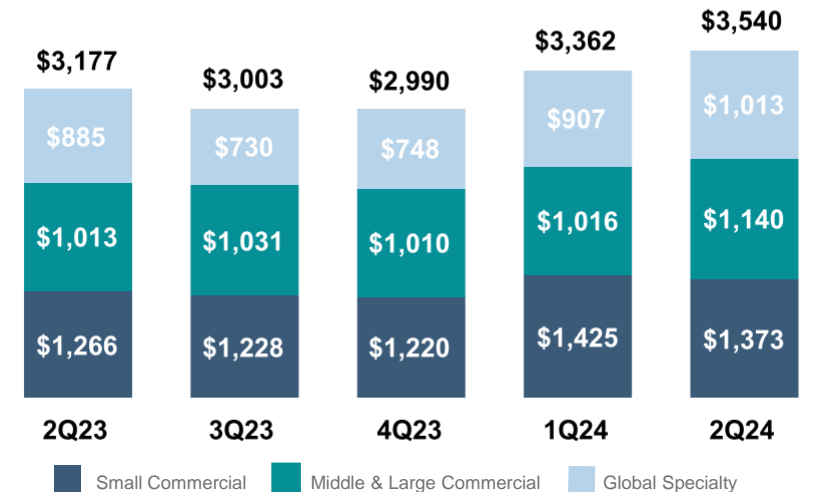
Commercial Lines Renewal Written Pricing %



Commercial Lines Combined Ratio³



Commercial Lines Written Premiums⁵
(\$ in millions)



¹ Denotes financial measure not calculated based on GAAP

² Excludes Middle Market loss sensitive and programs businesses, Global Re, offshore energy policies, credit and political risk insurance policies, political violence and terrorism policies, and any business under which the managing agent of our Lloyd's Syndicate 1221 delegates underwriting authority to coverholders and other third parties

³ Combined ratio includes policyholder dividends ratio

⁴ Loss adjustment expense (LAE)

⁵ Commercial Lines written premiums include immaterial amounts from Other Commercial

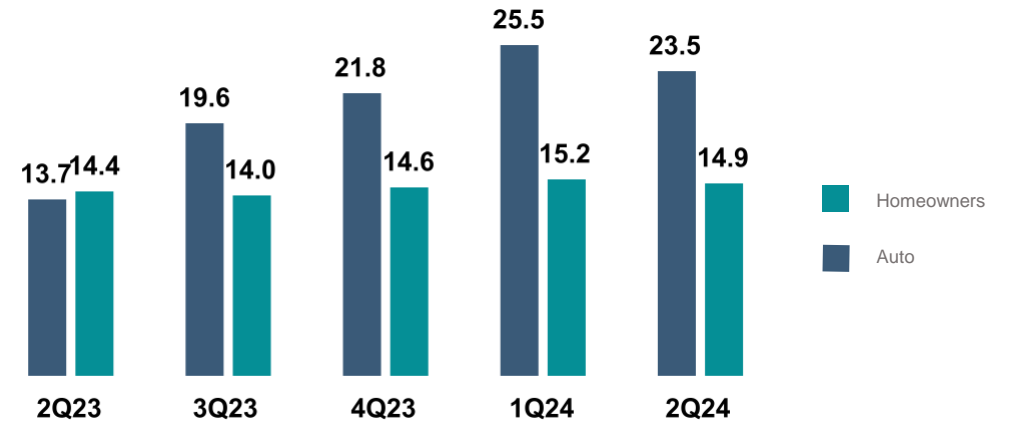


PERSONAL LINES

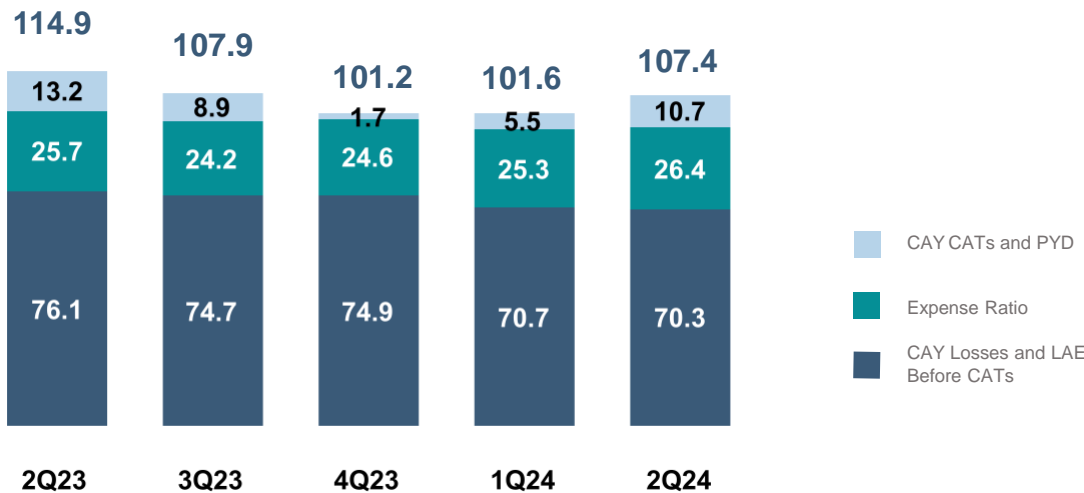
Double-digit rate actions being taken to address higher auto claim loss costs

- ▶ Written premiums of \$913 million increased by 14% compared to 2Q23
- ▶ Renewal written price increase in auto of 23.5% in 2Q24 compared to 25.5% in 1Q24, and in home, 14.9% in 2Q24 compared to 15.2% in 1Q24
- ▶ Combined ratio of 107.4 in 2Q24 improved from 114.9 in 2Q23, primarily due to 3.6 points of more favorable PYD and a 5.8 point improvement in the underlying loss and loss adjustment expense ratio¹
- ▶ Underlying combined ratio¹ of 96.7 improved from 101.7 in 2Q23 primarily due to improvement in the underlying loss and loss adjustment expense ratio in auto and homeowners driven by the impact of earned pricing increases

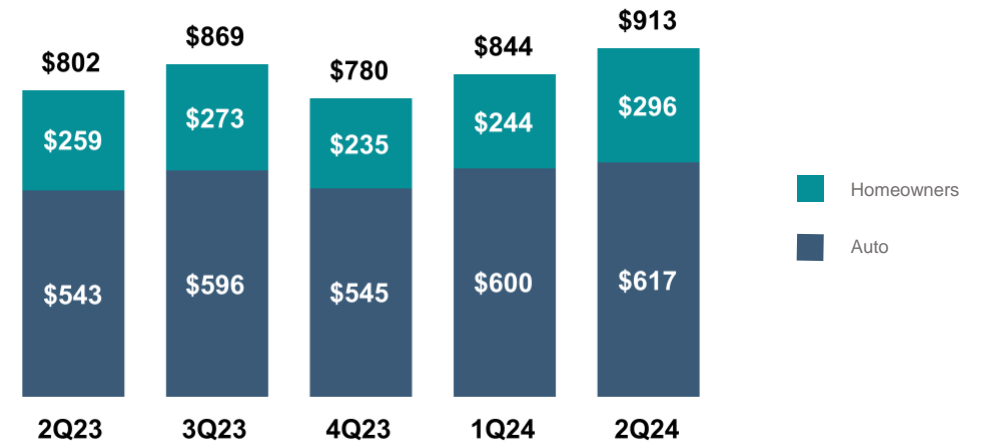
Personal Lines Renewal Written Price Increase %



Personal Lines Combined Ratio



Written Premiums (\$ in millions)



¹ Denotes financial measure not calculated based on GAAP



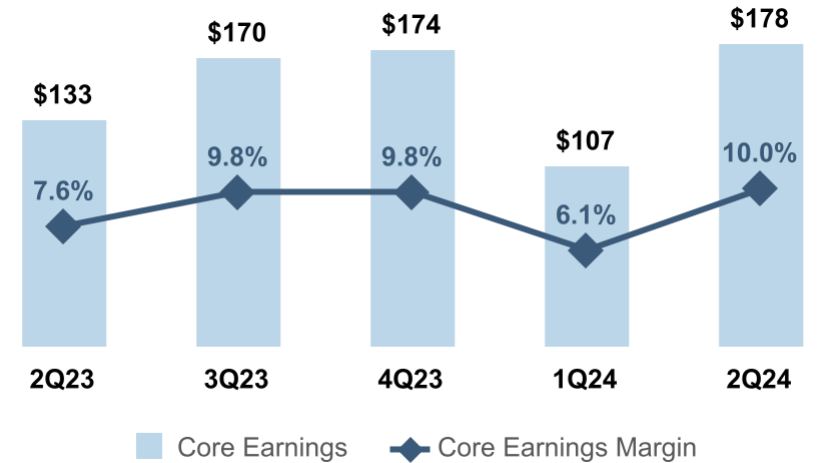
GROUP BENEFITS

Stellar results in 2Q24 driven by improvement in Life loss ratio

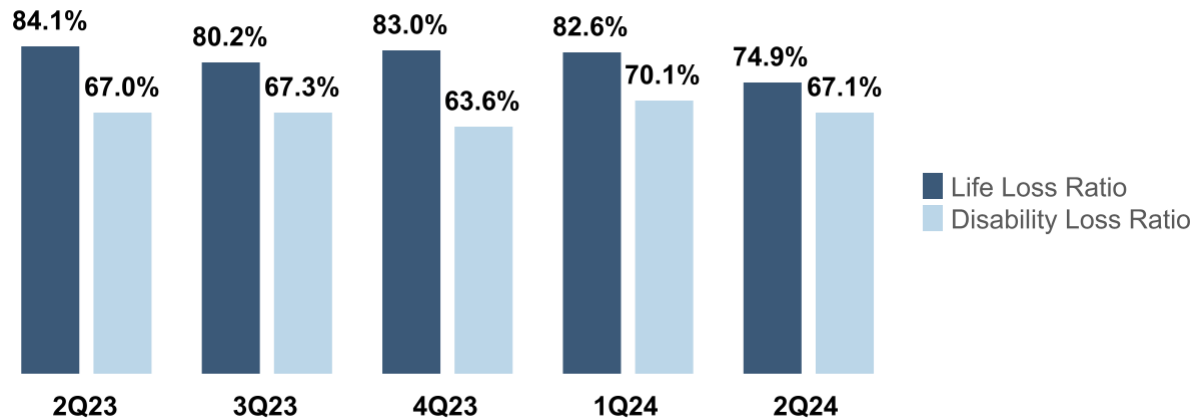
- ▶ Core earnings margin¹ of 10.0% increased from 7.6% in 2Q23 largely driven by improvement in the group life loss ratio
- ▶ The loss ratio of 68.9% improved 3.2 points from 2Q23:
 - ▶ Group life loss ratio of 74.9 improved 9.2 points largely driven by lower claim severity experience
 - ▶ Group disability loss ratio of 67.1 was essentially flat with second quarter 2023, driven by lower long-term disability claim incidence and a higher New York paid family leave risk adjustment benefit, offset primarily by a higher loss ratio in paid family and medical leave products
- ▶ 2Q24 fully insured ongoing premiums increased 2%, including an increase in exposure on existing accounts, new business sales, and persistency in excess of 90%, though slightly below the prior year period

Core Earnings¹ and Core Earnings Margin

(\$ in millions)

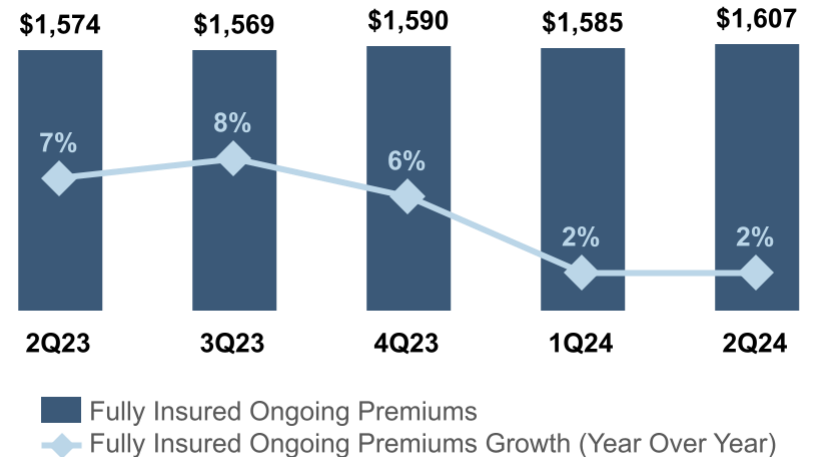


Loss Ratio



Fully Insured Ongoing Premiums & Growth

(\$ in millions)



¹ Denotes financial measure not calculated based on GAAP

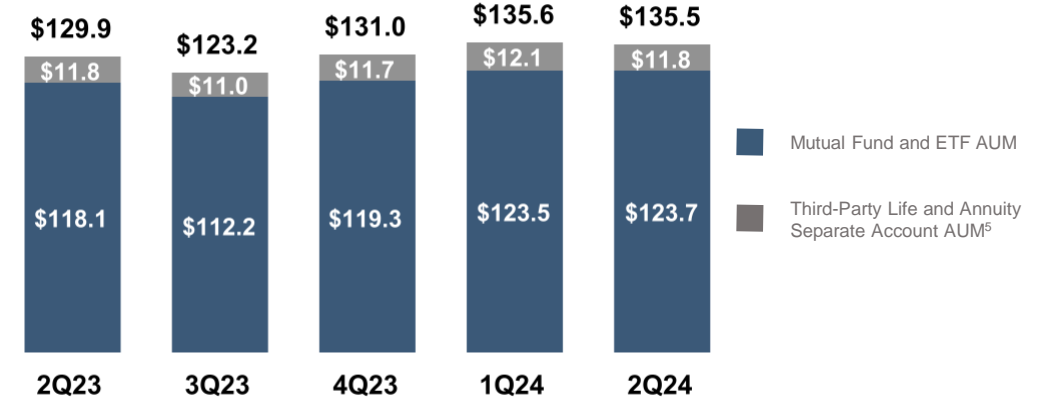


HARTFORD FUNDS

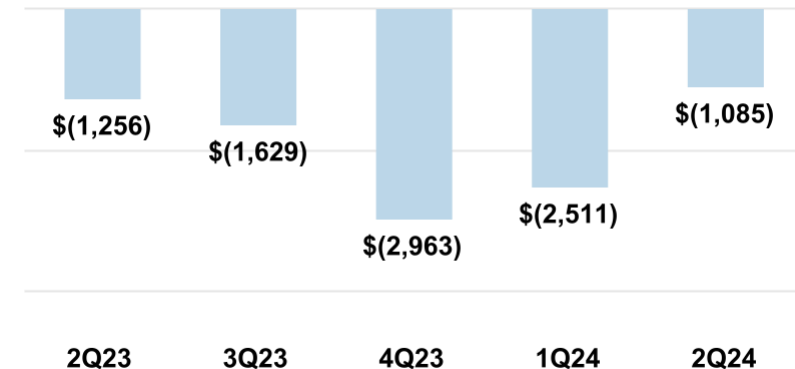
High return, fee generating business

- ▶ Core earnings¹ of \$43 million in 2Q24 compared to \$44 million in 2Q23
- ▶ Mutual fund and Exchange-traded funds (ETF) net outflows of \$1.1 billion in 2Q24, compared with net outflows of \$1.3 billion in 2Q23
- ▶ 55% of overall funds are outperforming peers on a 1-year basis³, 53% on a 3-year basis³, 57% on a 5-year basis³ and 61% on a 10-year basis³
- ▶ 41% of funds are rated 4 or 5 stars by Morningstar as of June 30, 2024
 - 83% are rated 3 stars or better

Total AUM⁴
(\$ in billions)



Mutual Fund and ETF Net Flows²
(\$ in millions)



¹ Denotes financial measure not calculated based on GAAP

² Includes Mutual fund AUM (mutual funds sold through retail, bank trust, registered investment advisor and 529 plan channels) and ETFs. Excludes third-party Life and Annuity Separate Account

³ Hartford Funds (non HLS) and ETFs on Morningstar net of fees basis at June 30, 2024

⁴ Includes Mutual Fund, ETF and third-party life and annuity separate account AUM as of end of period

⁵ Represents AUM of the life and annuity business sold in May 2018 that are still managed by Hartford Funds



CORPORATE

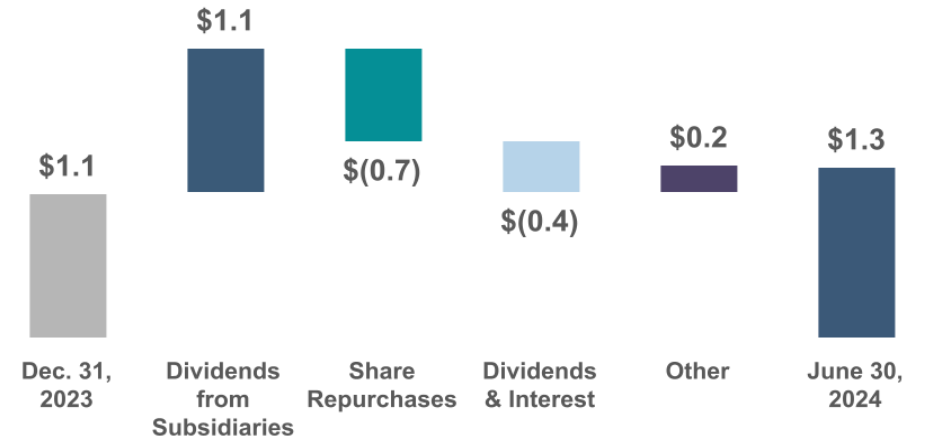
Core loss¹ of \$32 million compared to a core loss of \$35 million in 2Q23

Components of Corporate Core Losses

(\$ in millions)	2Q23	3Q23	4Q23	1Q24	2Q24
Net investment income, after tax	\$6	\$10	\$14	\$13	\$11
Interest expense, after tax	(40)	(40)	(39)	(40)	(40)
Preferred stock dividends	(5)	(6)	(5)	(5)	(5)
All others ^{2,3} , after tax	4	(16)	(6)	7	2
Corporate core losses	\$(35)	\$(52)	\$(36)	\$(25)	\$(32)

Corporate Holding Company Resources

(\$ in billions)



¹ Denotes financial measure not calculated based on GAAP

² Includes investment management fees and expenses related to managing third-party business, incurred losses related to run-off structured settlement and terminal funding agreement liabilities and other corporate expenses

³ For the third quarter of 2023, includes an after tax \$11 million capital-based state tax expense covering several years recorded in the 2023 period related to recently released guidance



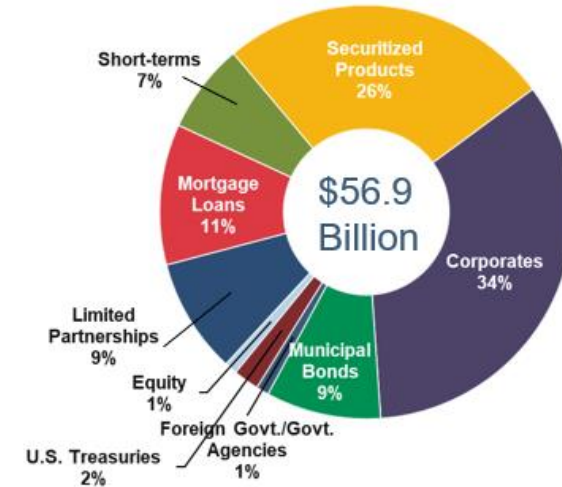
THE INVESTMENT PORTFOLIO

High quality and diversified

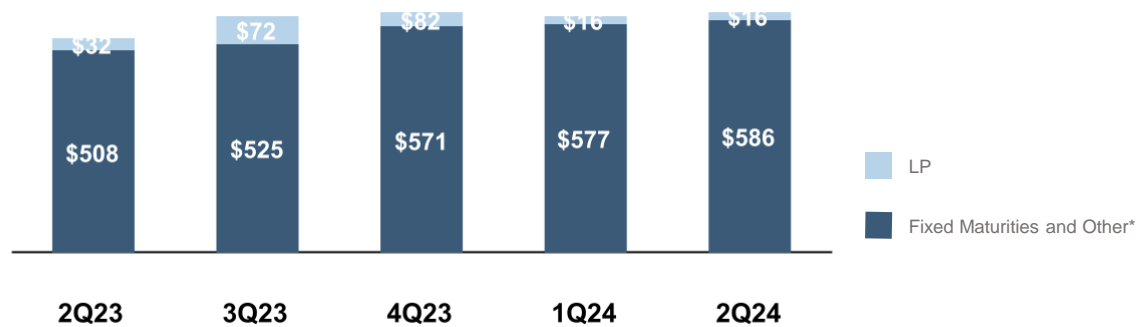
- ▶ Net investment income of \$602 million increased from \$540 million in 2Q23, benefiting from a higher level of invested assets, the impact of reinvesting at higher rates and a higher yield on variable-rate securities
- ▶ LP¹ annualized yield of 1.3%, or \$16 million of net investment income, before tax. LP returns are expected to increase in second half of 2024, with full year LP income to be below 2023 levels
- ▶ High quality portfolio, approximately 94% of the credit portfolio is investment grade, with ~72% of fixed maturities rated A or better, and an average credit rating of A+
- ▶ Investment portfolio designed to generate attractive risk adjusted returns to support our financial goals and objectives

Invested Assets^{3,4} by Sector

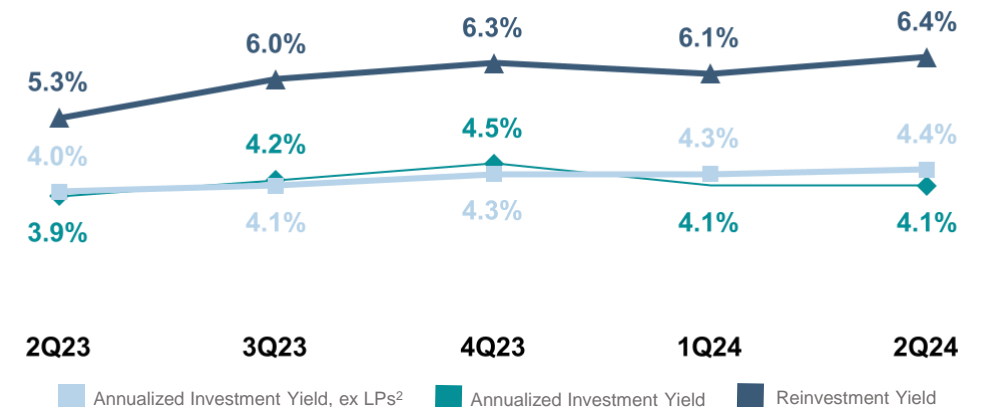
\$56.9B as of June 30, 2024



Net Investment Income (\$ in millions)



Annualized Investment Yield, Before Tax

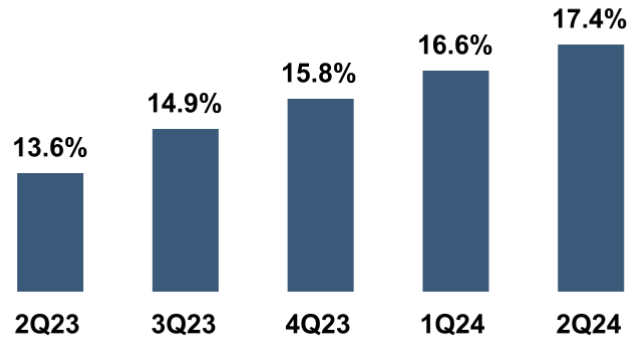


* Includes investment expenses of \$23 million, \$22 million, \$22 million, \$27 million and \$23 million in 2Q23, 3Q23, 4Q23, 1Q24 and 2Q24 respectively
¹Limited partnerships and other alternative investments
²Denotes financial measure not calculated based on GAAP
³Invested assets represents fixed and equity securities at fair value, mortgage loans at amortized cost and LPs based on underlying capital statements
⁴Securitized Products include Fixed Maturities, FVO

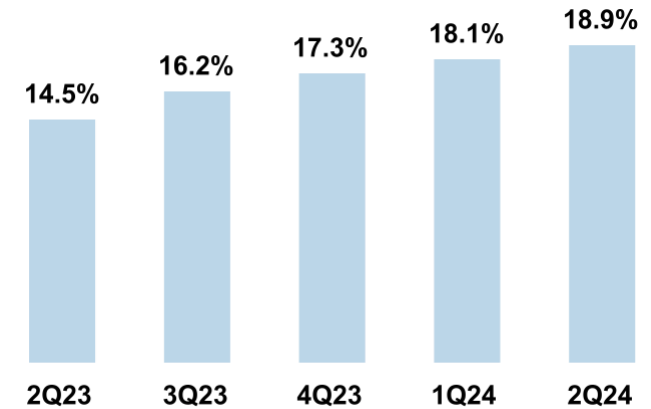


CORE EARNINGS ROE¹ OF 17.4% IN 2Q24

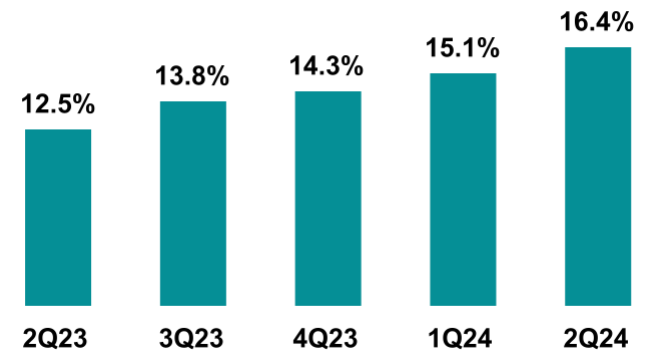
Consolidated Core Earnings ROE



P&C Core Earnings ROE



Group Benefits Core Earnings ROE



Net income ROE of 19.8% versus 14.4% in 2Q23

Core earnings ROE of 17.4% versus 13.6% in 2Q23

- 2Q24 trailing 12-month core earnings¹ increased 32% to \$3.1 billion from \$2.35 billion in 2Q23

Core earnings ROE remained strong

- P&C: 18.9% in 2Q24 versus 14.5% in 2Q23
- Group Benefits: 16.4% in 2Q24 versus 12.5% in 2Q23
- Hartford Funds: 38.4% in 2Q24 versus 41.6% in 2Q23

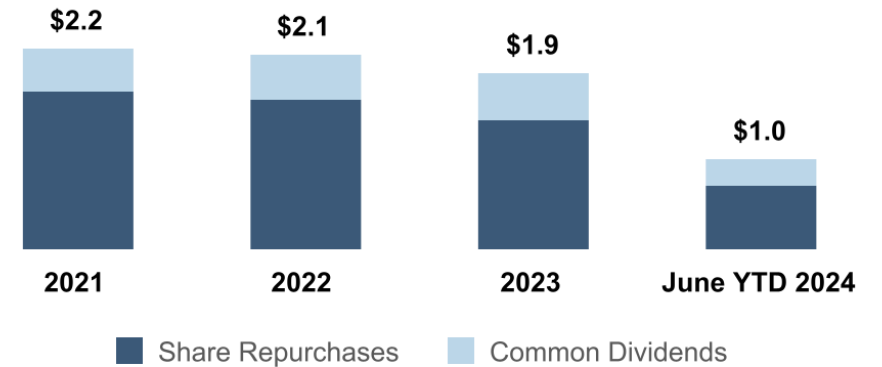
¹ Denotes financial measure not calculated based on GAAP



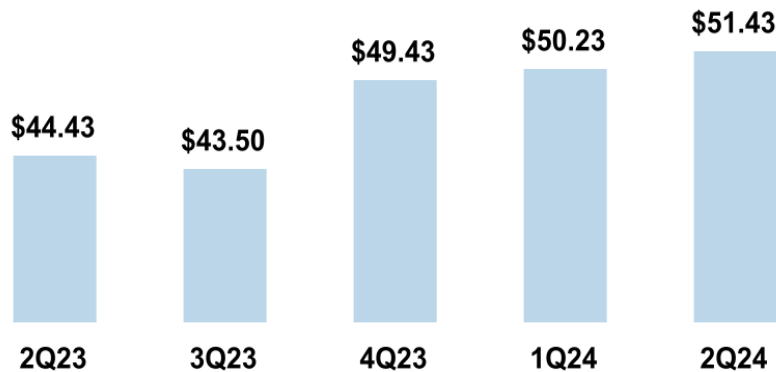
BVPS (EX. AOCI)¹ OF \$61.71 AT JUNE 30, 2024

- ▶ Book value per diluted share of \$51.43 increased from \$49.43 at December 31, 2023, principally due to net income in excess of stockholder dividends
- ▶ In 2Q24, the company returned \$490 million to stockholders including \$350 million in share repurchases and \$140 million in common stockholder dividends paid
 - ▶ Year to date, the company has returned \$981 million to stockholders including \$700 million in share repurchases and \$281 million in common stockholder dividends paid
 - ▶ Announced new \$3.3 billion share repurchase authorization effective through 2026. As of June 30th, 2024, the existing share repurchase authorization had approximately \$650 million remaining through the end of this year
- ▶ Including common stockholder dividends paid, SVC² was 14% over last 12 months

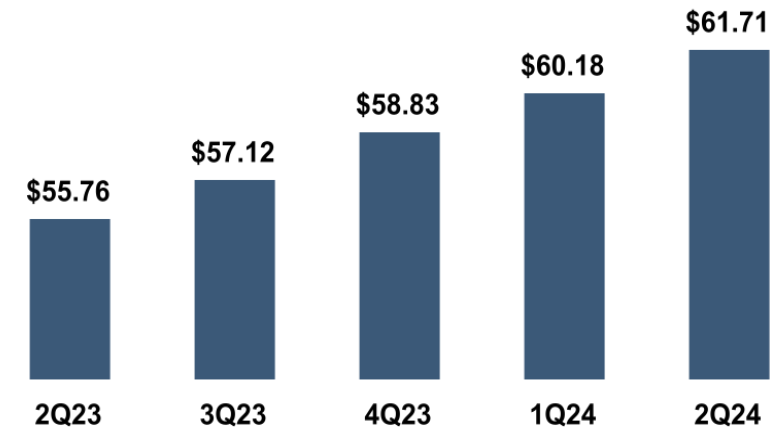
Capital Returned to Stockholders (\$ in billions)



Book Value Per Diluted Share (BVPS)



Book Value Per Diluted Share (ex. AOCI)



¹ Denotes financial measure not calculated based on GAAP

² Stockholder value creation (SVC) in a period is defined as the change in BVPS (ex. AOCI) plus common stockholder dividends paid during the period, divided by BVPS (ex. AOCI) at beginning of period



THE HARTFORD'S PRIORITIES

Our focused strategies to produce desired outcomes

- ▶ Advance leading **underwriting capabilities** across our portfolio to offer expanded products and services

- ▶ Emphasize **digital, data and analytics, and data science** that enhance the customer experience and improve underwriting and claims decision making

- ▶ Maximize **distribution channels and product breadth** to increase market share

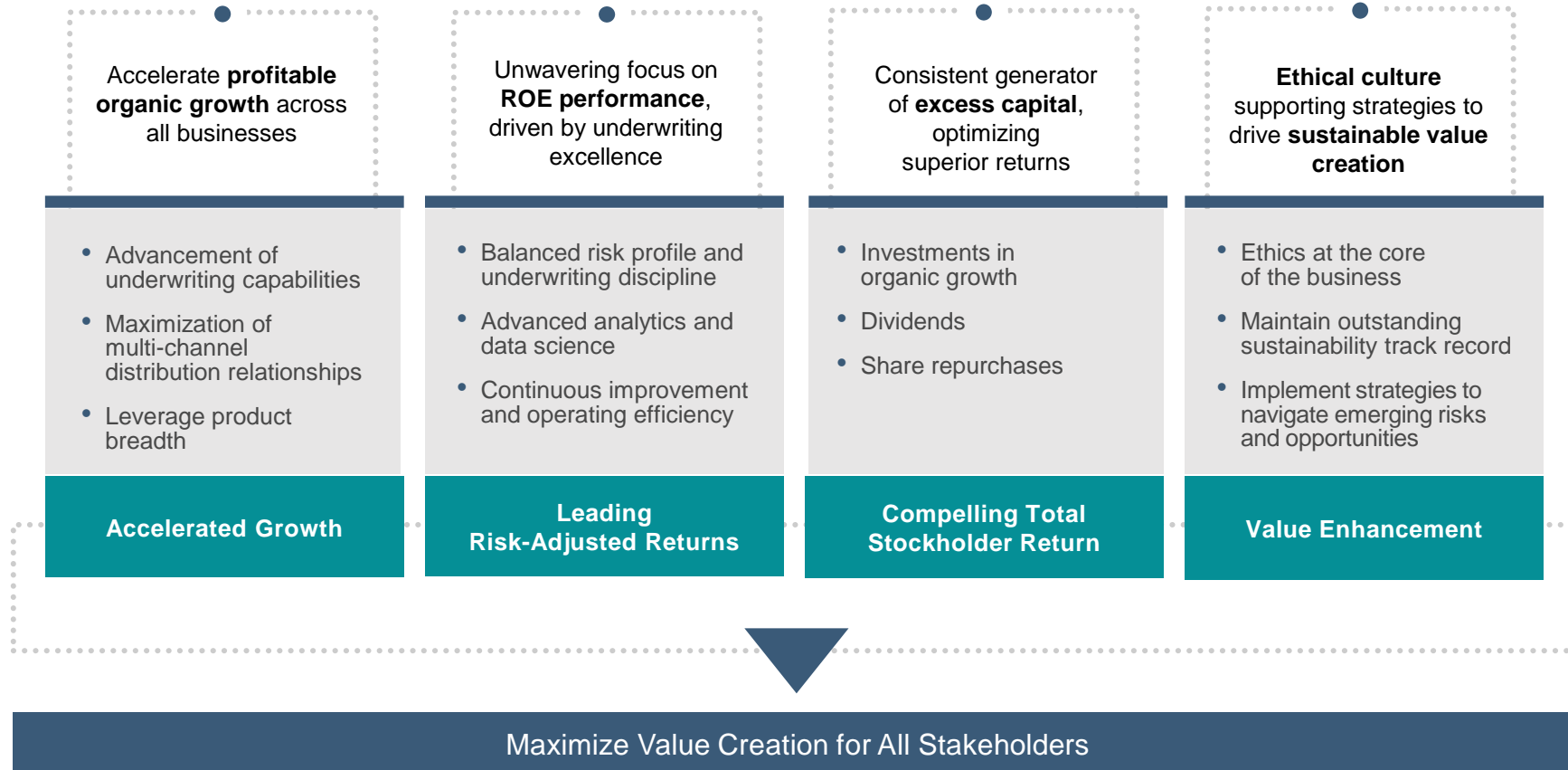
- ▶ Optimize **organizational efficiency** with a focus on continuous improvement

- ▶ **Balance of excess capital** for organic growth, investments in the business, and return to stockholders through dividends and share repurchases

- ▶ Continue to advance **sustainability** in order to attract and retain top talent and enhance value to stakeholders

STOCKHOLDER VALUE CREATION

A clear roadmap to continue to generate superior risk-adjusted returns





APPENDIX



IMPACT OF DEFERRED GAIN AMORTIZATION

Navigators and Asbestos & Environmental Adverse Development Covers

Adverse Development Covers

Navigators ADC (NAV ADC)

- Cumulatively ceded full limit of \$300 million, before tax.
- \$209 million, before tax, total deferred gain recognized within other liabilities as of December 31, 2023.
- Based on cash recoveries received in the six-month period ended June 30, 2024, \$61 million, before tax, was amortized of the total \$125 million, before tax, expected in 2024. \$84 million, before tax, is expected in 2025.
- **\$148 million**, before tax, deferred gain remaining on balance sheet as of June 30, 2024 (\$209 million less \$61 million amortization in the six-month period ended June 30, 2024).

Asbestos & Environmental ADC (A&E ADC)

- Cumulatively ceded \$1.438 billion, before tax, with \$62 million of limit remaining.
- **\$788 million**, before tax, has been recorded as a deferred gain within other liabilities as of June 30, 2024.
- Amortization of the deferred gain begins when The Hartford starts collecting recoveries:
 - Recoveries from NICO will be collected once The Hartford has paid cumulative A&E claims since December 31, 2016, above the \$1.7 billion attachment point. Through June 30, 2024, \$1.4 billion has been paid.
- Annual A&E review is conducted during the fourth quarter.

Combined Deferred Gain

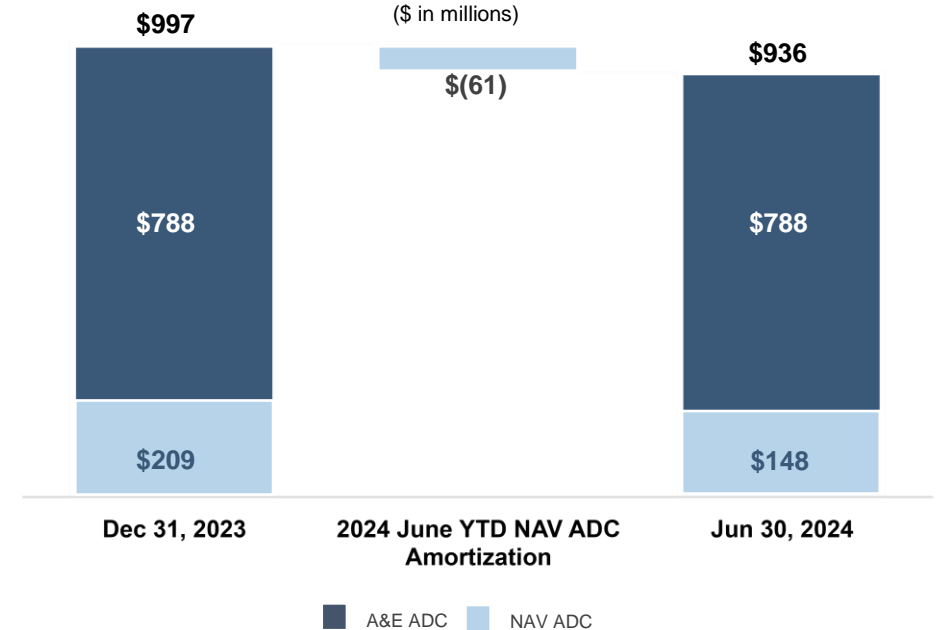
- **\$936 million**, before tax, deferred gain on the balance sheet as of June 30, 2024 (\$148 million NAV ADC + \$788 million A&E ADC).

Financial Impacts of Deferred Gain Amortization

- + Increases Net income and Earnings per common share (EPS)
- + Increases Book value and BVPS
- No impact to Core earnings or Core EPS
- Recorded in the income statement as favorable, non-core prior year development (PYD)

Combined Deferred Gain, before tax

(\$ in millions)





DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



DISCUSSION AND RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The Hartford uses non-GAAP financial measures in this presentation to assist investors in analyzing The Hartford'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 in The Hartford's news release issued on July 25, 2024, The Hartford's Investor Financial Supplement for second quarter 2024 and previous periods which are available at the Investor Relations section of The Hartford's website at <https://ir.thehartford.com>.