



2022 Environmental, Social and Governance Report

CNA Financial Corporation

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Message From the CEO

At CNA, we are steadfastly committed to Environmental, Social and Governance (ESG) principles. We view ESG not merely as a supplemental consideration for our business, but as fundamental to how we carry out our corporate mission. To this end, we have taken numerous actions over the years to drive our performance in these areas.

This year, for the first time, we are seeking to summarize these developments in a public report so that all our various constituents – shareholders, employees, clients, distribution partners, communities – have full line of sight into our ESG commitment and performance. While we discuss our work in the areas of ESG in more detail below, these actions should be viewed as intertwined components of a company that seeks to act responsibly when carrying out our duties to our various stakeholders.



Environmental

The insurance industry is uniquely positioned to help society evaluate, mitigate, adapt to and rebound from environmental risks. At CNA, we are embracing the many ways in which we can help our clients understand and navigate evolving climate-related challenges, including supporting our clients as they transition to less carbon-intensive energy sources. As this report details, we have engaged in the following work:

- Our risk control function plays a key role in helping clients become more resilient. CNA works with customers to reduce and mitigate their exposure to potential climate events, including flooding, wildfires, hail, freezing and wind. We also partner with trade organizations to promote business resiliency with seasonal campaigns to guide customers in how to prepare for and anticipate extreme weather events. CNA also monitors the risk of our policyholders becoming liable for emitting greenhouse gases or making products that contribute to climate change.
- To further promote a transition to more sustainable construction, CNA has modified our most common property insurance products to facilitate our policyholders' desire to further their sustainability ambitions. Coverage extensions are available that allow policyholders to rebuild any damaged property using green materials and environmentally friendly practices.

Social

We are proud of the many ways in which we seek to foster a diverse, equitable and inclusive workplace, with an empowered and engaged workforce. As this report details, we seek to promote employee well being and give back to the communities in which we work by the following actions, among others:

- CNA's Diversity, Equity and Inclusion (DEI) vision is to cultivate an inclusive culture grounded in equity that celebrates individuals' differences, attracts diverse talent, and fosters an environment that enables all employees to do their best work. To deliver on this DEI vision, CNA has appointed senior leaders to an executive DEI Council. The DEI Council expands and elevates the level of direct accountability for DEI initiatives among our senior leaders, allowing us to efficiently connect and embrace our DEI vision, strategies, and priorities across the Company. CNA also has eight Employee Resource Groups (ERGs) that elevate the voices of underrepresented groups and help to advance our DEI strategy.
- CNA fosters growth in the community by sponsoring educational programs, such as the Girls Who Code two-week Summer Immersion Program for high school students, the Thurgood Marshall College Fund Early Innovators three-day pitch competition, and programs that allow our employees to engage directly with elementary and high school students throughout the academic year.

Governance

Finally, we remain committed to the principles of good governance, so that we have transparent and fair processes and procedures in place to ensure a culture of integrity. In addition to the overall corporate governance created by our Board of Directors and Board Committee framework, we highlight the following, each reflective of robust governance in the ESG space:

- We have established specific governance to drive our ESG performance. In 2021, CNA established two global teams to manage ESG within the organization: the ESG Steering Committee and the ESG Task Force. The ESG Steering Committee, led by our General Counsel, is responsible for overseeing CNA's entire ESG program, including determining key priorities and making recommendations to the Chief Executive Officer and the Board of Directors. The ESG Task Force, chaired by our Chief Risk & Reinsurance Officer, carries out the important work of implementing our ESG strategies on a day-to-day basis.
- In addition, our Board of Directors and Audit Committee receive regular updates on the Company's ESG initiatives. This allows our Board to monitor our progress on ESG and to provide strategic input.

Ongoing Commitment

Economies, businesses, governments and individuals are all grappling with unprecedented rates of change related to ESG issues. This rapid change obviously poses a challenge. Yet, at a deeper level, it creates an opportunity – an opportunity to take stock and envision what the world could and should look like decades into the future. At CNA, we are committed to creating a more sustainable and equitable future, which better serves our policyholders, partners, employees, investors and communities.

Progress regarding ESG principles must be measured over the long run. Because no single annual report can adequately capture a company's ESG commitment, we plan to publish this type of report on a recurring basis. We look forward to updating you on our continued progress regarding this vital work.



Dino E. Robusto

Chairman & Chief Executive Officer



ENVIRONMENTAL

CLIMATE CHANGE IMPACTS ON THE BUSINESS

Management Approach to Climate Change

CNA acknowledges and seeks to address the challenges posed by a changing climate. We also recognize the unique opportunity that our organization has as a property and casualty insurer to assist our policyholders in (1) managing their climate-related risks, and (2) transitioning to a less carbon-intensive future.

CNA views the oversight of trends and decision making related to climate change as the shared responsibility of both corporate leadership and the Board of Directors. We discuss the relevant impact of climate change on the organization in the Emerging Risk Working Group, Emerging Hazards Committee, Enterprise Risk Committee, Enterprise Catastrophe Committee, and with the Board and Board committees. Our Enterprise Risk Management team, led by the Chief Risk & Reinsurance Officer, researches relevant aspects of climate change and educates the Board members and others within the organization. We regularly engage the Board in decisions regarding the management of increased frequency and severity of climate-related events.



To guide our efforts in this regard, CNA has adopted the following underwriting principles:

Consistent yet Flexible Principles-Based Guidelines.

CNA takes a principles-based approach to our underwriting and risk mitigation efforts regarding environmental issues. Our principles are intended to apply globally, with the necessary flexibility to meet local market conditions and regulatory requirements. In addition, these principles are intended to evolve as environmental risks, scientific knowledge and market conditions develop.

Assess, Model, Manage and Reinsure Catastrophe Exposures.

CNA analyzes and models the effect of climate variation with respect to changes in frequency and severity of certain catastrophe perils, such as hurricanes. We use this analysis to engage in active portfolio management with respect to the risks it insures. We also use this analysis to inform our purchase of reinsurance to manage the tail risk of catastrophic perils. These actions are critical to our ability to continue writing insurance and paying claims during and after major catastrophic events.

Knowledge-Based Client Solutions.

CNA harnesses market knowledge, modeling, and our proprietary data, analytics, and insights to help insureds understand, manage, and mitigate their own climate-related risks.

Risk Control Insights. Through CNA's risk control function, which focuses on providing long-term approaches to risk management, we offer specific, action-oriented recommendations to insureds about how they can reduce their current climate-related risks. We also use risk control capabilities to assist policyholders with resiliency planning as they adapt their business strategies in the face of climate variation.

Insurance Support for Energy Transition.

CNA supports clients and prospective clients as they transition to a more diverse set of energy source options including solar, wind, hydropower and battery technology. We will focus on developing new insurance solutions to manage the opportunities and exposures that accompany energy transition.

Commitment to Research. CNA supports research into the development of new insurance products and services supporting more sustainable business practices.

Future Product Innovation.

As our economy continues to evolve toward new sources of energy generation, CNA will continue to consider what additional products and services it can offer to support this transition.



Planning for the Future

As one of the largest commercial property and casualty insurance companies, we have a unique obligation to support our customers in mitigating the potential risks related to climate change. We are dedicated to working with our customers to address climate-related challenges throughout their value chains. For instance, our Risk Control services anticipate insureds' evolving needs and drive sustainable mitigation, while our partnerships with groups such as the Property Insurance Research Group allow us to collaborate with other industry leaders and stakeholders in developing processes for handling specific insurance projects.



HIGHLIGHT STORY

Industry-Leading Risk Control Services

CNA's Risk Control team offers proprietary sustainable risk mitigation solutions that enable companies to protect against potential sources of exposure before they become claims.

Read more about our Risk Control solutions at www.cna.com.



HIGHLIGHT STORY

Property Insurance Research Group

CNA is a proud member of the Property Insurance Research Group which supports the mission and activities of the Fire Protection Research Foundation in researching industry-relevant fire protection issues, such as lithium battery flammability hazards and fire mitigation for photovoltaic systems.

Read more about the Property Insurance Research Group at www.nfpa.org.

Climate Change Physical Risk

There is scientific consensus that global average temperature is increasing beyond historically observed levels.¹ However, the direct effects of climate change on weather perils can be difficult to establish due to the inherent variability in the modeling and measurement process. Nevertheless, there is evidence that flooding risk in the eastern half of North America and wildfire risk in the western half have increased and will continue to do so. While projected changes in hurricane risk are more nuanced, the United Nation's Intergovernmental Panel on Climate Change, notes that there are indications that storm intensities, total rainfall and storm surge severity could increase with the changing climate. As weather patterns evolve with the changing climate, the frequency and severity of other perils may also deviate from the long-term trends for the industry. Population movements into states with greater or increasing exposure to natural hazards can amplify the risk of potential losses.²

CNA employs experts that use catastrophe models to assess risk, with hurricanes ranking high for the potential for extreme losses. For the impact of climate change risk on our property insurance portfolio, we have customized catastrophe modeling data to determine the impact on insured losses by stressing hurricane model assumptions. We continually evaluate the market and regulatory guidance to proactively manage our climate risk strategy.

Physical risks also have the potential to disrupt CNA operations. We maintain a disaster preparedness and response strategy coordinated by the Business and Operational Resilience team. We have invested in technology designed to enable our employees to securely work remotely in the event that they are not able to work from their physical offices, and we have processes in place to support proper handling of claims in the event that CNA is unable to use our claims handling centers.

1. IPCC, 2021: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, In press, doi:10.1017/9781009157896. <https://www.ipcc.ch/report/sixth-assessment-report-working-group-i/>
2. Iglesias, V., Braswell, A. E., Rossi, M. W., Joseph, M. B., McShane, C., Cattau, M., et al. (2021). Risky development: Increasing exposure to natural hazards in the United States.

Climate Change Transition Risk

The potential physical impacts of climate change will continue to prompt a wide variety of transitional risks and opportunities both globally and for CNA. These transitions may take the form of new regulatory requirements, litigation, dislocations in the reinsurance market, disruptions in economic markets or sectors, and sustainable or resilience-building investments. Furthermore, the timescales for some of these transitions may be significantly faster than the timescales of the physical changes themselves. We consider these factors across underwriting, investing, and operational activities, and we also engage with partners across the insurance industry, government, and customers to better understand and prepare for these risks and opportunities.

CNA conducts a climate change stress test analysis annually to measure the impact of extreme weather events on our insurance and investment portfolios, assessing both physical and transition risks. This stress test was designed internally as there is currently no standard climate change stress test accepted throughout the industry.





CLIMATE FACTORS IN UNDERWRITING

CNA and our stakeholders, including our brokers and agents, believe that how we address climate change is fundamental to our durability as an organization, and this extends to our underwriting strategy.

Management Approach to Underwriting Strategy

Our Global Underwriting Committee was created with the goal of strengthening our underwriting culture around the world and to ensure effective audits, pricing models, global policy standards, authority frameworks, exposure management, and re-insurance utilization. It consists of a key group of senior leaders including the Chief Underwriting Officer,

Chief Risk & Reinsurance Officer, General Counsel, Chief Actuary, Head of Claims, and Head of Field Operations who strive to strengthen our underwriting culture by driving actions and change around exposure management. The ESG Task Force, led by the Chief Risk & Reinsurance Officer, also engages regularly with the Global Underwriting Committee to discuss ESG considerations and to ensure transparency across the organization.

Climate Change in Underwriting Strategy

In our underwriting, CNA uses catastrophe models and claims experience to monitor climate-related risks, which allows us to assess the impact of changing weather assumptions, such as the frequency or severity of weather-related events. We also monitor scientific advances to determine if risks are expected to change materially over time. These fundamental strategies within CNA's underwriting and pricing approach impact both our individual accounts and aggregation management.

CNA views climate change knowledge as a key component to building resiliency. As such, we partner with organizations to conduct research on emerging tools and strategies to incorporate into our underwriting approach. This includes more advanced peril models for natural disasters such as wildfires and floods. Through our membership in the Property Insurance Research Group, we sponsor research on a variety of topics including climate-related options for buildings, such as using mass timber for building materials as a more sustainable alternative for concrete and steel.

"Resilience requires structured and innovative thinking – ideally in advance of disruption."



Steve Hernandez
Senior Vice President, Global Risk Control

To further promote a transition to green construction, CNA has modified our most common property insurance products to facilitate our policyholders' desire to further their sustainability goals. Coverage extensions are available to purchase that allow policyholders to rebuild certain damaged properties using sustainable materials and practices.



Individualized Client Strategies

To provide quality service and maintain customer retention, CNA aims to tailor products to our customers' needs and their climate change approach. At the individual account level, we seek to work with customers to reduce and mitigate their exposure to potential climate change weather related events, including flooding, wildfires, hail, freezing and wind. We also partner with trade organizations to promote business resiliency with seasonal campaigns to guide customers in how to prepare for and anticipate extreme weather events. In addition to catastrophic events, CNA monitors the risk of its policyholders becoming liable for emitting greenhouse gases or making products that contribute to climate change. We also publish publicly available documents on risk mitigation related to extreme weather events such as [hurricanes](#) and [wildfires](#). Additionally, in our [2022 Strategic Business Resilience Report](#), we noted how these types of weather events pose a risk to even the most well-prepared organizations, especially as our society constructs buildings and businesses in previously undeveloped areas where these impacts might be greater.

OPERATIONAL RISK MANAGEMENT

CNA values environmental stewardship, not just because climate change will impact our business operations and strategy, but because the environment matters to our employees, to our customers, and to the communities in which we operate. With this in mind, we are working to create a cohesive operational footprint management approach that will help us better understand and strategically reduce our environmental impact as an organization.

Sustainability in Our Operations

CNA maintains a number of systems in our Chicago headquarters that contribute to its certification as the first WELL v1 Gold Certified Core & Shell high-rise building in the U.S. These features include:



Electric fuel stations to accommodate alternative fuel vehicles



15,000 square feet of vegetated roof



Water-efficient landscaping using drip irrigation

The building also incorporates technology and services that support energy and waste efficiency, including refrigerant safety technology, water fixtures, recycling and salvage programs, and battery and e-waste recycling. Across our global offices, we encourage our employees with an ongoing “good practice” campaign to remind them to recycle and conserve energy in their daily lives.

Emissions Reporting and Reduction

CNA is currently gathering baseline emissions data to measure, with the aim to reduce, the carbon footprint of our global operations. The effort will help us better understand the current deployment and lifespan of equipment across our global real estate portfolio, as well as how we can make investments to improve our systems.

We have undertaken a program that will reduce our emissions which includes approved projects reducing our long-term building space by approximately 150,000 square feet (or ~10% of our total footprint) since project inception in January 2022, of which we have already removed 40,000 rentable square feet (RSF) as of December 31, 2022. There are several additional projects at various stages of analysis and strategy development. Such projects, once approved, will have the potential to reduce our overall footprint and our corresponding emissions even further.





SOCIAL

COMMUNITY INVOLVEMENT

At CNA, we aim to support resilient communities through local involvement; disaster preparedness; diversity, equity and inclusion; protecting the environment; and science, technology, engineering and mathematics (STEM) education. We carry out this objective through corporate sponsorships, funding organizations directly, employee giving and employee volunteering. By leveraging our resources and partnerships to give back, we support our communities, employees and customers.

Community Involvement Management Approach

CNA employs a cross-functional approach, involving various internal departments, to manage community involvement. The Corporate Social Responsibility team consults with both leaders and colleagues from across the enterprise to gather input on focus areas for community involvement. Our Chief Executive Officer keeps the Board informed of ongoing and upcoming initiatives. Together, we work to ensure our corporate partnerships have a long-lasting and meaningful impact.

Current Programs and Initiatives

Our employees support our community involvement strategy through charitable giving and volunteering. CNA promotes charitable giving by matching employee contributions to qualified nonprofit organizations, dollar for dollar, up to \$5,000 per year. We offer three different charitable giving programs: Matching Gift Plan, Payroll Donation Program and Corporate Donations. Employees also have opportunities to participate in a wide array of volunteer activities throughout the calendar year. Specifically, since 2016, CNA employees have participated in an annual global volunteer initiative, Volunteer-a-thon, providing direct impact in local communities.

\$647,492

In Charitable Donations



Amount of employee charitable donations from 2022: 2% increase, YoY, from 1,987 employees

7,611

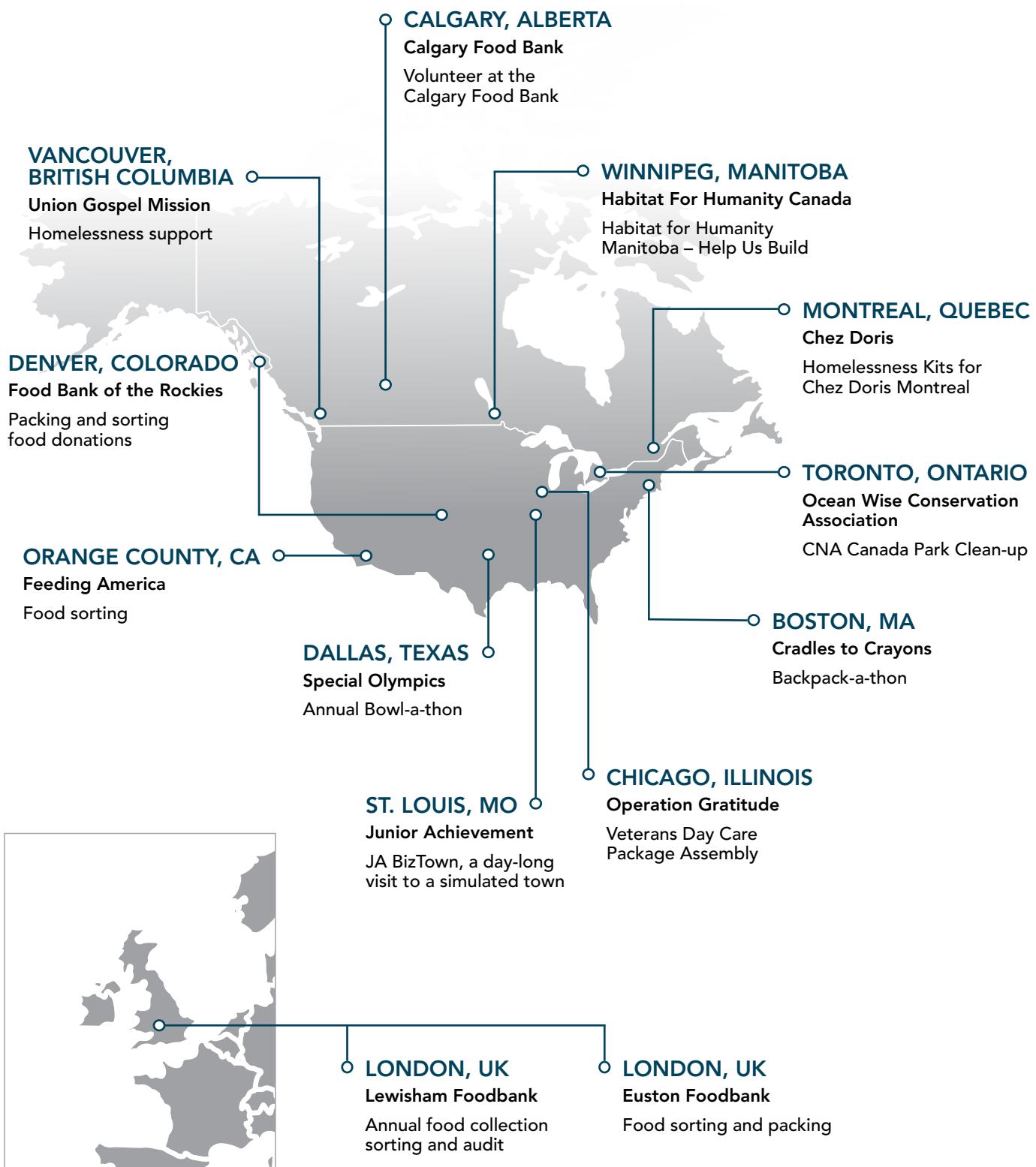
Volunteer Hours



Number of employee volunteer hours from 2022: 130% increase, YoY, from 1,011 employees

Volunteerism Around the Globe

CNA employees volunteered with 250 nonprofits addressing the most pressing needs in more than 100 communities. Below is a sample of the impact made by our employees.



Preparing the Next Generation

CNA fosters growth in certain communities by engaging with local schools and sponsoring educational programs, such as the Girls Who Code two-week Summer Immersion Program for high school students and the Thurgood Marshall College Fund [Early Innovators three-day pitch competition](#), and engaging with elementary and high school students throughout the academic year through programs, such as Junior Achievement. We also have a long-standing commitment to sponsoring nonprofits in diverse communities in which we live and work.



HIGHLIGHT STORY

Thurgood Marshall College Fund

CNA teams up with Guidewire Software and Thurgood Marshall College Fund as high school students participate in the Early Innovators Pitch Competition, working to solve some of Chicago's biggest challenges.

[LinkedIn Post](#)



HIGHLIGHT STORY

Girls Who Code

CNA is proud to team up with Girls Who Code, empowering students to pursue degrees in computer science while simultaneously building mentorship from CNA employees.

[GWC Press Release](#)

[LinkedIn Post](#)

[LinkedIn Post](#)

Protecting Our Environment

As CNA continues to engage in community involvement initiatives, we aim to focus on charitable and volunteer causes related to sustainability and environmental preservation. Currently, in addition to volunteering with American Rivers' National River Cleanup year-round and supporting natural disaster initiatives with the American Red Cross, we encourage employees to direct their charitable giving to communities that have been affected by natural disasters such as hurricanes and wildfires. This type of giving aligns with our values as an insurance company and demonstrates our care for the planet. With this in mind, we are focused on supporting more environmental impact and protection organizations in the future.



HIGHLIGHT STORY

American Red Cross

CNA and the American Red Cross hosted a National Preparedness Month webinar with subject matter experts from CNA's Risk Control, Claims and Business Resiliency teams alongside a Regional Disaster Officer from the American Red Cross to discuss how colleagues can prepare themselves, their customers and their communities in times of disaster.



HIGHLIGHT STORY

American Rivers

American Rivers is a leading organization in protecting and restoring rivers throughout the United States. CNA employees participate year-round in their National River Cleanup in support of their priority to protect 1 million miles of river.



HIGHLIGHT STORY

Nature Force (Canada)

Nature Force is an action-oriented climate resilience initiative funded by a collective of insurance companies in partnership with leading national non-profit conservation solutions provider Ducks Unlimited Canada. CNA is proud to be a partner in support of the work they do to conserve the environment for future generations.

HUMAN CAPITAL MANAGEMENT

At CNA, we are focused on success, individually and collectively. We pride ourselves on promoting an inclusive culture – one that connects, challenges, and engages our people through continuous learning and development, support of their holistic well-being, and an environment that enables everyone to be who they are. Our dedication to employee engagement, continuous learning and development, and the open exchange of ideas is the cornerstone of our business. We strive to advance DEI principles throughout recruitment, development, retention, and promotion, and we foster a culture where giving back to the larger community is encouraged and supported.

Talent Recruitment and Development

We focus on attracting, developing and retaining top-tier talent to reflect the specialist nature of our business.

CNA's trainee and internship programs continue to leverage relationships with colleges to attract new and diverse talent. We have implemented programs designed for our employees to grow their technical expertise, collaborate with one another and achieve their career goals. We offer a wide range of learning and development opportunities, including mentorship and reverse mentorship programs, apprenticeship and sponsorship programs, tuition reimbursement, technical training and specialized leadership development programs.

CNA leaders engage regularly with our employees on their performance, professional development, and overall engagement. We gather employee feedback through pulse surveys and ongoing dialogue with ERGs and leaders from across the enterprise. While we foster a culture of open dialogue and ongoing feedback for all employees and teams, we also maintain formalized feedback processes to support consistency and transparency. Employees receive feedback and recognition through our annual talent management process, which ensures continuous performance and development conversations between managers and their direct reports. Additionally, this

process is designed to ensure that employees have clear goals and development plans to pursue and refresh at least annually.

Employee Benefits

We regularly review and evolve our benefit offerings and design them to match our employee needs. Over the past year, we modernized our workforce policies and employee benefit programs to support greater resource accessibility. CNA offers a comprehensive compensation and benefits package to eligible employees, including a 401k/retirement plan, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, and certain family assistance programs, including paid family leave, flexible work arrangements, and surrogacy and adoption assistance plans.

In recent years, we have provided new benefits geared toward enhancing physical, mental, financial and social health. These include a holistic well-being incentive program with resources for both employees and their families, employee mental health assistance programs, and stress management programs. In response to the COVID-19 pandemic, CNA offered remote working options and today continues to promote a hybrid working environment that provides our employees with flexibility and opportunities to interact and collaborate in person with colleagues.

Diversity, Equity and Inclusion Vision and Structure

CNA's DEI vision is to cultivate an inclusive culture grounded in equity that celebrates individuals' differences, attracts diverse talent and fosters an environment that enables all employees to do their best work. To act on this vision, CNA has appointed senior leaders to an executive DEI Council, for which our Chairman and CEO serves as the Executive Sponsor. The DEI Council seeks to expand and elevate the level of direct accountability for DEI initiatives among our senior leaders, allowing us to efficiently connect and embrace our DEI vision, strategies, and priorities across the Company. The DEI Council works closely with internal DEI subject matter experts and with our eight ERGs to create and drive strategic DEI initiatives.

Our ERGs each have a formal leadership structure. We have a selection process for these leadership positions, and governance designed to ensure each ERG's workplace, workforce, and marketplace efforts are aligned to and supported by our DEI vision.

23%

Membership Growth



Employee Resource Group membership grew 23% YoY

CNA's eight ERGs are designed to elevate the voices of underrepresented groups and help advance our DEI strategy.



Asian Professionals for Excellence (APEX)



Organization of Hispanics and Latine Americanos (OHLA)



Advocacy for Visible and Invisible Disabilities (AVID)



Pride



Empowering Black Professionals (EBP)



Veterans



Generational Perspectives



Women Impacting Leadership (WIL)

Diversity, Equity and Inclusion Initiatives

CNA has established a robust DEI agenda and specific areas of focus: diversity recruitment, diverse talent development, a continued evolution of our workforce policies and employee benefits, strategic partnerships, and DEI education for all employees.

For the past several years, CNA has offered a suite of DEI learning opportunities, in multiple modalities, for all employees – in addition to inclusive leadership training required for all our people leaders. This will continue as we move forward. As it does, we will continue delivering meaningful opportunities for our employees to learn and connect with one another – particularly in forums made possible through our ERGs and courageous conversations encouraged within and across teams company wide.

Critical components of our DEI vision include:



Skill building

In 2021, we launched a new DEI learning program aimed to build allyship across the global enterprise. It includes various forms of allyship training and education for our employees – providing them with opportunities to learn and practice new skills.



Leadership training

CNA requires every people leader and officer to complete inclusive leadership training. We also provide additional networking and learning opportunities for leaders to support the critical role they play in creating an inclusive workplace culture.



Talent development

In 2021, we launched a new talent sponsorship program that seeks to accelerate the development of high-performing diverse employees, diversify our leadership ranks and broadly build inclusive leadership skills. In addition, we offer mentoring and reverse mentoring program opportunities to our employees.



Representation

We seek to increase the representation of diverse talent throughout the organization. We monitor our representation of diverse talent and review our trends in relation to the labor market and industry to understand how we can increase it. We also report this information regularly to our Board of Directors.



Partnerships

CNA has established new and expanded several existing partnerships with organizations whose DEI values align with our own. Through these partnerships, we uncover new sources of talent, support minority-owned businesses, contribute to the development of students from underserved communities, and provide opportunities for our employees to volunteer in their local communities.



Policies and benefits

We regularly review our workplace policies and employee benefits and seek to evolve them to the changing needs of our employees.

Company of Allies

CNA's support for inclusion was exemplified through our Company of Allies program. Started in 2021, the Company of Allies program took place over a year. Together as an enterprise, across every geography and segment of the organization, our goal was to strengthen allyship at CNA – one habit per quarter. Every employee was given opportunities to explore a wide variety of resources and experiences related to each habit, and managers received additional support resources to use when leading their teams.

The Four Habits CNA Seeks to Promote Through Company of Allies



EXPLORE DIFFERENT PERSPECTIVES

Proactively pursue input from a variety of people and leverage their ideas.



DIVERSIFY YOUR NETWORK

Connect with others whose backgrounds and experiences are different from your own, and build trusted, mutually beneficial relationships with them.



PRACTICE ENGAGED LISTENING

Be fully present. Have complete focus on what's being communicated and on who is communicating.



SPEAK UP AND STAND UP FOR OTHERS

Use the privilege we have in certain situations to help others who don't benefit from the same privilege.

Anti-Harassment and Discrimination

In addition to our broader DEI initiatives, CNA seeks to provide its employees with a safe, nurturing environment free from unlawful discrimination, harassment and retaliation. CNA will not tolerate discrimination or harassment against any of its employees on the basis of race, color, age, gender, national origin, religion, disability, pregnancy status, sexual orientation, gender identity or expression, military or veteran status, genetic information, familial status, or any other protected status under federal, state, or local law. CNA also will not tolerate retaliation against any employee who exercises rights under this policy or the law. Additionally, we require all employees to complete annual harassment prevention training.



HIGHLIGHT STORY

Special Olympics

CNA employees and interns participated in an interactive gaming tournament with Special Olympics athletes, supporting the organization's commitment to inclusion.

[LinkedIn Post](#)



HIGHLIGHT STORY

DEI Focused Giving

CNA increased DEI giving by 35% from 2021 to 2022, and in the process, we expanded our partnerships with organizations such as Thurgood Marshall College Fund, The Trevor Project, Operation Gratitude and others.



Awards

HUMAN RIGHTS CAMPAIGN

100% score on Corporate Equality Index for seven consecutive years from 2016–2022

LGBT CHAMBER OF COMMERCE OF ILLINOIS

ERG of the Year Award
(Pride, both 2018 and 2021)

PROSPANICA WORKPLACE CULTURE IMPACT AWARD

(OHLA, 2019)

EXCELLENCE IN DIVERSITY, EQUITY & INCLUSION

CNA Canada is awarded the 2023 Insurance Business Canada Award



Associations and Partnerships

BLACK INSURANCE INDUSTRY COLLECTIVE (BIIC)

We became a founding sponsor of BIIC in 2022 whose primary goal is to support and accelerate the advancement of Black insurance professionals and increase industry representation of Black leadership.

INTERNATIONAL ASSOCIATION OF BLACK ACTUARIES COMMITMENT TO CHANGE

CNA became a signatory in 2021 (pledge to support and improve the representation of Black actuaries in the profession).

DIVE IN

CNA is a long-standing partner with Dive In, the industry's leading global DEI event, offering DEI events around the world.

BUSINESS COALITION FOR THE EQUALITY ACT

In 2019, we joined a group of leading U.S. companies who support bipartisan federal legislation that would provide the same basic protections to LGBTQ+ people as others protected under federal law.

CEO ACTION FOR DIVERSITY & INCLUSION

We became a signatory in 2017 and our executives also serve as mentors in a program focused on building the skills and networks of cohorts of diverse executives countrywide.

SUPPLIER DIVERSITY AND ENGAGEMENT

Supplier Diversity

CNA seeks to have a diverse supply base, which reflects the demographics and values of our organization, clients and communities. We seek to increase the number of relationships with qualified businesses owned and operated by underrepresented groups. Our mission is to reduce barriers, promote economic empowerment, and ensure competitive access to contract and purchasing opportunities for a diverse base of suppliers.

"Inclusion leads to workplace excellence where all are valued, seen and heard."



Joe Hamilton
SVP, Procurement & Corporate Real Estate

In 2022, we established our program vision and governance framework in alignment with enterprise-wide goals, formed the Supplier Diversity Working Group comprised of leaders across the business, and launched our internal communication strategy. Simultaneously, we began building out our sourcing capabilities, qualified diverse supplier pipeline, stakeholder-training program, and accountability metrics to allow us to scale program impact in 2023.

CNA recently engaged Disability:IN as a new corporate partner to promote alignment with our internal ERGs. We are also members of the following organizations or their regional affiliates, which support our program goals:

- [National Minority Supplier Development Council](#)
- [Women's Business Enterprise National Council](#)
- [National LGBT Chamber of Commerce](#)
- [National Veteran-Owned Business Association](#)

We track supplier spending using a digital procurement tool and have tracked our baseline of diverse spend over the last several years. Our program includes the following classifications of diverse suppliers: minority-owned, women-owned, LGBT-owned, veteran-owned, disability-owned, and small business enterprises.

Total spending with diverse and small suppliers in 2022:

- Tier 1 (direct suppliers): \$22 million
- Tier 2 (suppliers of our Tier 1 suppliers working directly on CNA projects): \$3 million

You can find out more about our supplier diversity program [here](#).

Vendor Engagement

CNA has systems in place to maintain a low-risk supplier base that provides value to the Company and those we insure. This includes planning and selection, risk due diligence, contracting, procure to pay, ongoing monitoring and engaging key stakeholders in Procurement, Law, Finance and Technology to provide advisory support to supplier relationship owners in the business in each stage of the supplier lifecycle. We also use a digital solution to help automate sourcing, diligence, contracting and procure-to-pay activities. Our Third-Party Risk Management program also provides increased transparency and is designed to ensure compliance with relevant laws and regulations.





GOVERNANCE

CORPORATE GOVERNANCE

CNA maintains risk management structures that involve all levels of our organization. This includes our Board of Directors, which is tasked with oversight of risk across the business, and includes our employees, who are tasked with identifying and escalating risks in our day-to-day operations. Each committee and business unit at CNA is designed to take ownership of their role in risk management, and functions communicate with one another to stay resilient in the face of emerging risks.

The insurance industry is subject to comprehensive and detailed regulation and supervision. As our insurance operations are conducted in both domestic and foreign jurisdictions, we are subject to a number of regulatory agency requirements and regularly engage with our regulators. These include, but are not limited to, the State of Illinois Department of Insurance (which is our global group-wide supervisor), the U.K. Prudential Regulatory Authority and Financial Conduct Authority, the Office of the Superintendent of Financial Institutions in Canada, the Luxembourg insurance regulator Commissariat aux Assurances, and the Bermuda Monetary Authority.

Board of Directors Composition and Oversight

The CNA Board of Directors monitors the effectiveness of policy and decision making across the organization with the purpose of growing shareholder value over the long term. The Board's responsibilities include selecting qualified candidates for membership, and they consider the strength of candidates based on their character, judgement, business experience, and areas of expertise. Loews has approximately 90% ownership in CNA, and five out of 10 directors on CNA's Board of Directors represent Loews. Our Chief Executive Officer serves on the Board as Chairman and the remaining four directors are independent. The four independent directors comprise the sole members of both the Audit Committee and the Compensation Committee.

The Audit Committee oversees financial reporting, controls, Internal Audit, and independent accountants. This committee has oversight of policies and procedures related to risk management, including material changes to risk appetite, emerging risk exposure, the compliance

and ethics program, legal risk, accounting policies, and financial statement disclosures and internal controls over financial reporting. The Compensation Committee reviews, determines, and approves all compensation terms and matters as they relate to the Chief Executive Officer and other executive officers of the Company, including equity-based compensation terms. Information about Board of Director oversight and compensation can be found in our annual proxy statement.

Enterprise Risk Management

CNA has a formalized risk governance structure that starts with the Board of Directors and cascades to underlying company committees, business units, and ultimately, all employees. We seek to promote a strong risk management culture and the belief that effective risk management is the responsibility of all of its employees. Risk governance at CNA is integrated in a Three Lines of Defense approach for managing and mitigating risks.

CNA has an Enterprise Risk Committee ("ERC") that is chaired by the Chief Risk & Reinsurance Officer and meets quarterly. Membership includes senior executives from all relevant business and functional areas functional areas (e.g., Investments, Underwriting, Actuarial, Claims, Finance). The ERC is responsible for the oversight of the risk management framework of CNA on an enterprise-wide basis. At the ERC's quarterly meetings, risk owners are expected to provide updates on their key risks and controls, as well as updates on key risk indicators. These updates form the basis of the Enterprise Risk Management function's quarterly Enterprise Risk Report. The Chief Risk & Reinsurance Officer also reports quarterly to the Audit Committee of the Board of Directors.



ESG Governance Framework

In 2021, CNA established two cross-functional, global teams to manage ESG within the organization: the ESG Steering Committee and the ESG Task Force. The ESG Steering Committee is responsible for overseeing our entire ESG program, including determining key objectives and priorities and staying informed to make recommendations to the Chief Executive and Board of Directors. This committee is comprised of several members of the Company's executive management team, namely our Chief Financial Officer, Chief Risk & Reinsurance Officer, General Counsel, Chief Human Resources Officer and Chief Operations Officer.

The ESG Task Force's objectives include supporting the Steering Committee in driving ESG initiatives and priorities, monitoring and assessing key internal and external ESG trends, and making recommendations to the Steering Committee and other internal stakeholder groups. The Task Force meets regularly, and its membership includes global representatives from Investor Relations, Internal Audit, Compliance, IT and Data Security, Marketing and Distribution, and Procurement and Real Estate.

The Task Force identifies ESG specific goals for the organization which are assigned to members of the Task Force to execute. The ESG Steering Committee and ESG Task Force are responsible for elevating key ESG concerns up to the members of the Board and Board committees through the Chief Risk & Reinsurance Officer and to provide such membership comprehensive information as meaningful developments occur in the organization and in the broader industry and regulatory landscape.

Voluntary and Regulatory ESG Disclosure

CNA recognizes that voluntary and regulatory ESG disclosure is an expectation within the insurance industry and the global business marketplace. Our current public disclosures include The National Association of Insurance Commissioners (NAIC) Climate Risk Survey, our quarterly and annual reports and other Securities and Exchange Commission submissions, and other narratives and statements on our website. Through this report, we have consolidated and updated certain ESG-related information for the ease of our stakeholders.

INVESTMENTS

Our Investment Approach

The primary objectives in management of our investment portfolio are the preservation of principal, to maintain liquidity to meet known and potentially unanticipated cash requirements, and to maximize total returns relative to the corresponding needs of the underlying liabilities. We strive to maintain a prudent approach and require investment personnel to always act with an appropriate amount of care and in the best interests of the Company in the management of our investment portfolio.

Governance of Investment Portfolio

CNA's Finance Committee of the Board of Directors reviews investment portfolio performance and investment activity in quarterly meetings with the asset manager. All statutory insurance company transactions are reviewed and approved quarterly by the Board of Directors. At least annually, the Board reviews and approves the investment policy statement of each statutory company. Our investment policy statement provides guidance for our investment decisions. The portfolio is managed to duration and credit quality targets – and we believe it is broadly diversified – and considers asset liability management, as well as prepayment, interest rate, and credit risks. In addition, an operating group meets monthly to discuss and monitor investment results, trading activity, and portfolio metrics relative to targets.

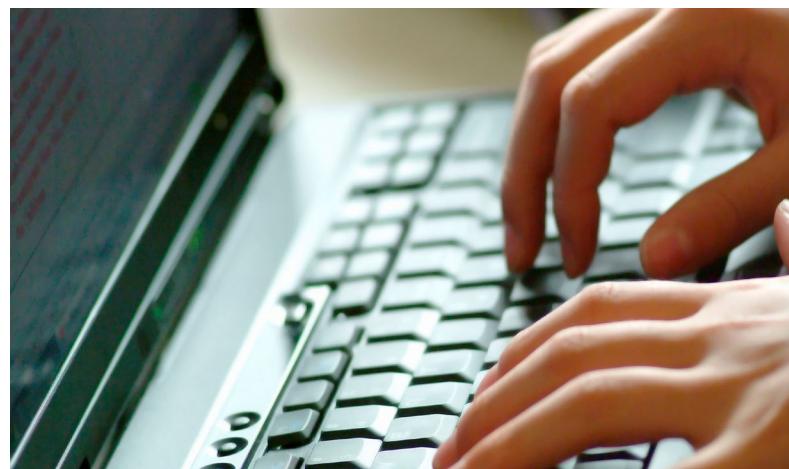
CNA regularly assesses risks, both to its investment portfolio and individual holdings, in light of emerging trends and their potential impact on specific sectors. Risk assessments could include ESG-related risks such as climate-related impacts, energy prices, litigation exposure, public perception of corporate social responsibility and legal compliance. We also conduct research on certain ESG-related topics to better inform our investment strategy. For example, we recently analyzed electric vehicles to inform our analysis of

the automobile industry and other aspects of carbon transition in the economy. We aim to be disciplined in our evaluation of each investment's risk return profile and the risks related to our entire investment portfolio.

Our Investments

Our portfolio is high credit quality, and our asset allocation is primarily fixed income, which provides a stable source of investment income. As of December 31, 2022, 88% of our invested assets were fixed income, of which, 95% was investment grade.

A portion of our investments have had the added effect of supporting certain environmental and social improvements. Our fixed income portfolio includes \$8.3 billion in municipal bonds, supporting communities through providing funding for education, transportation infrastructure, water and sewer projects, and general liquidity needed to support the operations of communities. In addition, we have invested \$172 million in solar bonds that allow consumers to finance and install residential solar powered systems. We have also provided financing for \$43 million of renewable energy projects, which will help in the transition from fossil fuels. Also, in 2022, we invested in securities supporting utilities related to disaster recovery efforts in California, Louisiana, Texas and Oklahoma.





ETHICS AND COMPLIANCE

At CNA, we commit to a high standard of business integrity, and view ethics and compliance as essential to maintaining trust with our employees and external stakeholders. We believe our dedication to ethics, integrity, and proper business conduct helps us keep promises that we make to our customers, meet regulatory and legal expectations, and preserve our reputation as a leading insurance company.

Management Approach to Ethics and Compliance

At CNA, we promote a culture of integrity, and our leaders stress the importance of conducting business ethically. Each employee at CNA is responsible for upholding our reputation and must personally attest to the [Code of Business Conduct and Ethics](#) and the [Commitment to Professional Conduct](#). In addition, we require all employees to read and acknowledge their understanding of the Global Anti-Corruption Policy, which covers the approach to behaviors and expectations addressed in major anti-corruption laws globally.

Our Compliance and Ethics Council plays a key role in promoting a strong ethics and compliance program across the organization and keeping internal stakeholders aware of current performance. Additionally, the Chief Compliance Officer receives monthly reports and has a dashboard to track metrics. At the Board level, the Audit Committee receives quarterly updates on compliance issues, including qualitative metrics on items such as complaints and quantitative measures on topics, including fines and penalties. This keeps the Board aware of the Company's performance with regard to these issues in real time and helps them maintain oversight over the long term.

Current Programs and Initiatives

CNA has multiple programs and systems in place to monitor ethics and compliance issues on a regular basis. Every year, the Enterprise Risk Management (ERM) team conducts a risk assessment and we utilize regulatory tools specific to each region (such as Ethidex for Canada) to monitor ongoing controls and assess risks in the organization.

“Proper business conduct goes beyond the practice of avoiding wrong. It is also a matter of choosing to do what is right.”

Garrett Williams
SVP, Chief Compliance Officer

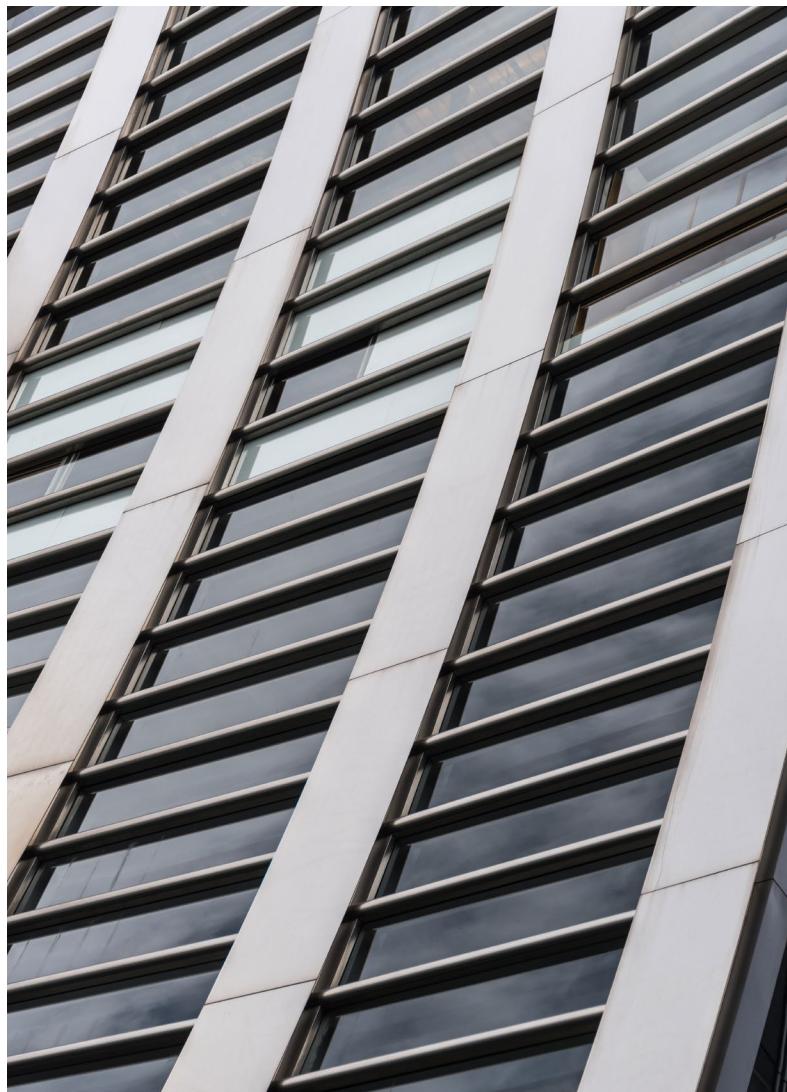


In addition to our policy documents that govern the way our employees do business, we have a variety of training programs designed to help sharpen employee awareness of ethics and compliance issues, including an annual Conflicts of Interest training for all employees. We also conduct mandatory training on privacy and workplace harassment and offer stand-alone anti-bribery training to all employees.

CNA has partnerships with a variety of industry organizations and peers to stay aware of best practices in the ethics and compliance sphere. We regularly engage with the Society for Corporate Compliance and Ethics and with an informal group of peers in an Insurance Compliance Round Table to discuss thought leadership and gather input on compliance issues.

Public Policy and Political Engagement

CNA monitors and engages in public policy activities to support state and federal laws and regulations that align with its core business values. CNA partners with industry trade associations and meets directly with public officials to discuss issues that are important to key stakeholders and the business. The Government Relations team ensures CNA acts responsibly in these engagements and works with internal business leaders to define key advocacy priorities. CNA participates in the political action process by contributing to candidates who support our positions on key industry issues. To provide transparency on these activities, they are reported annually on www.cna.com.



DIGITIZATION, DATA PRIVACY AND SECURITY

Protecting data privacy and security is a critical concern for CNA, not only for the sake of our customers and employees, but also for our reputation. Our stakeholders expect us to be vigilant with protecting their data, and CNA has established structures and programs to manage and address data privacy and security at the senior executive level and at the employee level.

Management Approach to Data Privacy and Security

CNA's information security and data privacy programs are designed to protect the confidentiality of non-public, sensitive personal and business information and the integrity and security of our information systems. These programs provide administrative and technical safeguards that seek to mitigate against cybersecurity risks and secure the Company's information assets and data.

At the senior executive level, the Chief Information Security Officer oversees these programs and has a responsibility to establish and implement the security strategy alongside the Chief Information Officer and the Chief Compliance Officer, who have a responsibility to update and implement the data privacy program and policies.

CNA has designed and implemented our information security program consistent with industry standards using the National Institute of Standards and Technology Cybersecurity Framework and the programs are routinely evaluated by internal and external auditors. Further, we track information security metrics globally from the U.S., U.K., and Canada related to phishing campaigns, security events, vulnerabilities, third-party risk, and critical security initiatives. To elevate this information within the organization, our Chief Risk & Reinsurance Officer presents a comprehensive dashboard on these metrics to the Audit Committee every quarter.

CNA's data privacy program is designed to align to the legal requirements and expectations of the regulators in the jurisdictions in which we do business. Our privacy policies communicate the Company's privacy practices to consumers and are available on www.cna.com.



Current Security Programs and Initiatives

CNA's security program employs a "defense-in-depth" strategy that involves the layering of controls that are intended to ensure that if one layer fails, there are additional layers to detect and respond to threats. The program utilizes an "active defense" security operations approach meant to proactively identify risk in the environment by leveraging threat intelligence, correlating and contextualizing data, testing controls, anticipating attacks, and blocking suspected activity. The program continuously focuses on strengthening our defense based on the threat landscape and has controls and tools focused on:

- Assuring operational visibility and capability to detect and respond to anomalous activity
- Managing access to high-value assets
- Detection and preventive controls
- Monitoring and protecting critical data

"CNA is committed to positioning our people, processes and technology towards fostering a better tomorrow."



Mahmood Khan
SVP, Global Chief Information Security Officer

Data privacy and information security are utmost concerns for CNA, our customers and our stakeholders. To assist our workforce with the knowledge and tools to address these issues, we require all employees to complete information security and privacy training on an annual basis. This comprehensive training covers relevant policies and makes clear that noncompliance can result in disciplinary actions. Certain employees hold designations such as Certified Information Systems Security Professional, International Association of Privacy Professional Certified, and certified professionals under the Security Industry Cybersecurity Certification, which helps us maintain a high standard of quality control in the organization.



Digitization Efforts

CNA views digitization as an opportunity to improve our business processes and efficiency. We have gradually moved away from paper-based processes in favor of digital processes, from underwriting and claim files to processing checks manually. Not only do these changes help us reduce our impact on the environment, but we believe they also reduce costs and improve the level of services that we are able to provide to our clients.

Digitization also enables us to be more connected to our partners, including our network of brokers and agents. Through online portals, automation and digital solutions, we can digitally transmit information across our global network. CNA pursues opportunities to utilize innovative technology, including artificial intelligence and robotics, to optimize efficiencies. We often develop these solutions in-house or work with external partners to integrate these tools into our systems.



ONGOING COMMITMENT

This report addresses CNA's approach and progress on ESG focus areas across our global operations.* Through stakeholder engagement, strategic alignment and external landscape analysis, our ESG Task Force, comprised of a cross-sectional group of global senior leaders, identified priority ESG topic areas that form the basis of this report. We strive to maintain our ongoing strategic focus across the evolving ESG landscape, with the purpose of sustaining a successful business enterprise in the long term. Executing on our ESG strategy will be an ongoing initiative at CNA. We look forward to making continued progress, which we will share in future reports.

* This current ESG report replaces all prior CNA statements on sustainability and ESG-related disclosures in our Sustainability Scorecards, but it does not replace statements in our filings with the Securities and Exchange Commission, which speak as of the date made.



About CNA

CNA is one of the largest U.S. commercial property and casualty insurance companies. Backed by more than 120 years of experience, CNA provides a broad range of standard and specialized insurance products and services for businesses and professionals in the U.S., Canada and Europe.



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Forward Looking Statement Disclaimer — CNA ESG Report

This report contains a number of forward-looking statements that relate to anticipated future events rather than actual present conditions or historical events. Statements that do not relate strictly to historical or current facts are based on current expectations, estimates, projections, opinions, or beliefs of CNA Financial, its affiliates, subsidiaries, or its sources of information (collectively, the "Company") as of the date of this report. 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," "seeks," "strives," "could," "would," "may," "forecast," "approximate," "project," "plans" and similar expressions. 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 statement. We cannot control many of these risks and uncertainties.

Our forward-looking statements speak only as of the date of the filing of this report, 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 filing of this report, even if our expectations or any related events or circumstances change.

No part of this report shall be taken to constitute an invitation or inducement to invest in CNA Financial, nor should this report be relied upon in making investment decisions.

Similarly, there can be no assurance that the Company's ESG policies and procedures as described in this report will continue; such policies and procedures could change, even materially. The Company is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives, policies and procedures based on cost, timing, or other considerations.

Additionally, terms such as "ESG" and "sustainability" can be subjective in nature, and there is no representation or guarantee that these terms, as used in the report, will reflect the beliefs or values, policies, principles, frameworks, or preferred practices of any particular investor or other third-party or reflect market trends. The ESG, climate, DEI or sustainability goals, commitments, incentives and initiatives outlined in this report are purely voluntary; are not binding on the Company's business or investment decisions and/or management; and do not constitute a guarantee, promise, or commitment regarding actual or potential positive impacts or outcomes. The Company has established, and may in the future establish, certain ESG, climate or impact goals, commitments, incentives and initiatives, including but not limited to those relating to diversity, equity and inclusion.

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