APRIL 2022

CHRISTOPHER J. SWIFT
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

Dear Shareholders,

In 2021, The Hartford delivered strong financial results, demonstrating our consistent ability to profitably grow and maximize stakeholder value, while continuing to advance our industry-leading sustainability efforts.

Through disciplined execution on our priorities across all business lines, we increased core earnings, advanced operational efficiencies, balanced capital deployment for growth, investment and return to shareholders, and maintained an industry-leading core earnings return on equity (ROE) of 12.7%.[1] At the same time, we maintained our top-quartile environmental, social and governance (ESG) position in the insurance industry.

- Full year 2021 net income available to common stockholders of $2.3 billion, or $6.62 per diluted share
- 2021 core earnings[1] of $2.2 billion, or $6.15 per diluted share
- Net income ROE[2] of 13.1%
- Core earnings ROE[1] of 12.7%
- Book value per diluted share (ex. AOCI)[1] was $50.86 at Dec. 31, 2021, up 8% from year-end 2020

The Hartford's 2021 results reflect outstanding performance and a tenacious approach to achieving our aspirations. Over the past decade, we set ambitious goals and then delivered on our promises to shareholders, customers, distribution partners and employees. We have transformed our portfolio, and today we have an optimal mix of businesses, a forward-looking strategy and a talented team of high-performing professionals to maximize value creation for all stakeholders.

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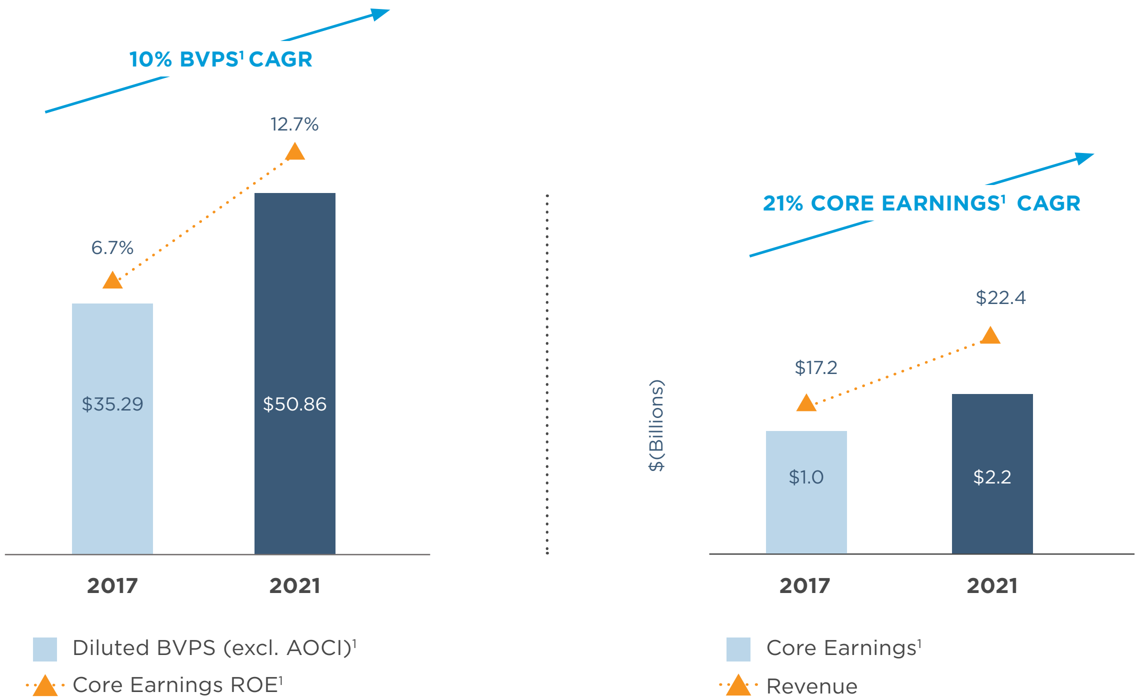
[1] Denotes financial measure not calculated based on GAAP.

[2] Return on common stockholders' equity

THE HARTFORD

Most recently, The Hartford's strategic acquisitions added critical capabilities for growth. In 2017, the purchase of Aetna's group benefits business expanded our product and distribution scale. In 2019, through the Navigators acquisition, we enhanced our existing offerings with added specialty products and distribution, including wholesale, accelerating organic growth in commercial lines. As a result, The Hartford strengthened our overall financial performance as a leading Property and Casualty and Group Benefits provider in highly profitable market segments.

> Performance Following Business Acquisitions



> Cultivating Long-Term Value

Two years ago, the COVID-19 pandemic upended virtually every aspect of our lives and accelerated technological advances that were years in the making. While vaccines and therapeutic breakthroughs yielded encouraging progress, 2021 was again wrought with challenges including disruptions to supply chains and the labor market.

As people increasingly adopt new ways of working, the demand for digital interactions will remain strong. In 2021, customers sought more streamlined experiences and enhanced capabilities. The Hartford delivered, building on our well-established digital tools to meet the changing needs of businesses, distribution partners and consumers.

> *The Hartford benefits from a rich history and deep industry expertise, yet we also operate with agility and relentless energy to seize opportunities and create long-term value.*

The Hartford benefits from a rich history and deep industry expertise, yet we also operate with agility and relentless energy to seize opportunities and create long-term value. In recent years, we advanced our underwriting and risk-management excellence, created a better customer experience by applying robust data insights and further developed a workforce that embodies our core value of service. I am exceedingly proud of how our employees support each other, our customers and the communities where we live and work.

I am confident The Hartford is poised for continued profitable growth and market-leading returns as we realize the benefits of investments we made in our business over the past decade.

> Highlighting our 2021 Performance

In **Property and Casualty**, The Hartford achieved outstanding new business growth and margin expansion, driven by exceptional results in Commercial Lines with written premium that exceeded $10 billion, up 12% for the year.

In **Small Commercial**, we proudly hold a clear leadership position. In 2021, we celebrated written premium that eclipsed $4 billion for the first time as we delivered customized solutions, digital platforms and data analytics that set us apart from the competition. For the third year in a row, The Hartford was recognized by Keynova as the Small Commercial carrier with the best customer-facing digital capabilities.

Middle and Large Commercial grew written premium 12% for the year and saw improvement in its combined ratio, benefiting from years of transformative investments in underwriting as well as an innovative digital and data science agenda that includes telematics and the Internet of Things.

Global Specialty reinvented our international business and consistently delivered top quartile profitability. In a collaborative approach, our Global Specialty and Middle and Large Commercial teams now go to market as a one-stop shop for customers' broad product needs. As a result, The Hartford exceeded ambitious premium cross-sell goals one full year ahead of target.

Personal Lines delivered solid operating results including strong core earnings, built on years of transformative work and our unique AARP relationship. In 2021, The Hartford launched Prevail, an innovative, cloud-based platform that streamlines customer experiences and delivers data and analytics enabling new-business growth in the profitable 50-plus age segment. In addition, The Hartford now ranks highest in customer satisfaction with both the auto and home insurance claims experience.[3]

Despite pandemic headwinds, performance in **Group Benefits** remains solid, and key business metrics demonstrate our market leadership position. Group Benefits experienced elevated excess mortality and higher short-term disability claim incidents. Through it all, The Hartford's Claims professionals demonstrated our culture of caring as they supported customers, while also re-imagining the customer experience in unique and market-leading ways. Benefits continue to play an increasingly important role in the relationship between businesses and their employees, and our Group Benefits voluntary product suite helped meet growing demand.

[3] Visit TheHartford.com/newsroom. The 2021 U.S. Auto Claims Satisfaction Study was fielded November 2020 through September 2021. The 2022 U.S. Property Claims Satisfaction Study was conducted April through December 2021. The Hartford received the highest score in the J.D. Power 2021 Auto Claims Satisfaction Study and the highest score in a tie in the J.D. Power 2022 U.S. Property Claims Satisfaction Study of customers' satisfaction with their auto and home insurance claims experience, respectively. Visit jdpower.com/awards for more details.

Hartford Funds assets under management grew to $158 billion (as of Dec. 31, 2021), and we built on our extensive product line of mutual funds and exchange-traded funds (ETFs) with offerings that reflect a growing focus on ESG investments. The Hartford's mutual fund net inflows were positive for five consecutive quarters.

The Hartford's investment portfolio continued to deliver important financial contributions to our earnings. Our investments support our strategic and financial objectives, in alignment with our ESG focus.

> Creating Consistent and Sustainable Shareholder Value

The Hartford's 2021 financial results highlight our strengths – for today and the future. In our continuing long-term value creation journey, we are well positioned to pursue profitable organic growth across our business lines, achieve market-leading ROEs driven by underwriting excellence and deploy capital to optimize shareholder returns. At the same time, we will sustain our top-quartile ESG performance and elevate our reputation as a destination for top talent.

We will accomplish this by advancing our underwriting excellence, delivering a differentiated customer experience with digital tools and data science insights, enabling our talented workforce to contribute to their full potential and driving organizational efficiency. Now in its third year, our Hartford Next program contributes greatly to the company's overall competitiveness, exceeding expense-reduction targets and putting us securely on track for $540 million in savings by year-end 2022.

The Hartford's businesses actively collaborate to share expertise and build scalable solutions that can be applied across our portfolio. For example, our Commercial Lines teams work in concert to drive growth through cross sell of our comprehensive range of products. Our Personal Lines business offers customers a differentiated digital experience supported by sophisticated data capabilities perfected in Small Commercial. Group Benefits is reaching small employers by building on our small business expertise. Our maturing digital and data science capabilities are delivering best-in-class experiences and further advancing our already market-leading underwriting. We work with our distribution partners as one company, maximizing the value of those relationships and our broad product set to capture market share.

In all we do, The Hartford focuses on the creation of long-term value. Our integrated portfolio of complementary business lines and differentiated capabilities offer further potential. We have everything we need to continue delivering market-leading results.

> Perspectives on the Industry and Economy

Like many around the world, we are deeply concerned by the ongoing conflict and ensuing humanitarian crisis in Ukraine and paying close attention to the situation as it continues to unfold. Events in Ukraine have driven an increase in energy and food inflation, which will likely lead to disinflation in other goods and services as we enter the second half of 2022. Additionally, the Federal Reserve appears to be taking a more aggressive approach to raising rates given its focus on tempering inflation. Consumer financial health, however, was quite strong entering 2022 and unemployment continues to decline, which should continue to support economic activity. Thus, while growth rates are slowing, we continue to expect U.S. economic growth to be at least in line with historical levels.

Lower unemployment and GDP growth favor our employment-centric workers' compensation and Group Benefits businesses, playing to The Hartford's strengths. The Hartford insures more small businesses in the U.S. than any other insurance company and strong new business formation, fostered by an expanding economy, creates increased opportunity for our Small Commercial products as well as other commercial line offerings.

While monetary policy normalization may lead to capital market volatility, our well-diversified and high-quality investment portfolio is constructed to withstand this market dynamic.

This combination of factors – a favorable economic backdrop, profitable growth, expanding margins in P&C and Group Benefits and proactive capital management – position The Hartford to generate a 13 to 14% core earnings ROE in 2022 and continuing into 2023, taking into account current pandemic assumptions.

As a company in the business of managing risk, The Hartford is highly attuned to monitoring and managing through the geopolitical landscape. Cybersecurity is foremost among these threats, as risk continues to escalate worldwide. The Hartford maintains security programs and crisis management protocols to mitigate operational risk. With the volume, speed, magnitude and complexity of cyber-attacks continuing to evolve, we also continue to invest to better understand potential security threats and enhance our capabilities.

Given its scale and potential for severity, cybersecurity demands aggressive, coordinated collaboration across the private sector and between the private and public sectors to better protect our nation's infrastructure and the collective power of the American economy. The Hartford is committed to sharing knowledge with and gaining insights from industry peers related to threat intelligence and mitigation.

As part of a highly regulated industry, The Hartford relies on government to assure a fair and effective system that allows companies to compete freely in a manner that benefits all stakeholders. The regulatory environment has become increasingly difficult to navigate due to polarized political views. A true bipartisan, cooperative approach is needed as laws and regulations formulated through partisan action are proving inherently less durable, yielding greater uncertainty and imposing more barriers to product innovation and service delivery.

The Hartford is taking action to address this regulatory volatility. As an industry leader, we are encouraging lawmakers to work together on public policy solutions that make good sense and create a stable regulatory environment. Where societal issues intersect with insurance regulation, our industry is engaging with policymakers to better understand the challenges and uncover solutions as part of insurance regulation or broader reforms. In addition, as a board director and executive committee member of the American Property Casualty Insurance Association (APCIA), I advocate for strong market-based solutions and effective public policy.

Turning the tide on this atmosphere of political divisiveness will take a concerted effort from many stakeholders, not just political leaders. The business community must play a role in promoting civil discourse and bipartisan public policy – and The Hartford is stepping up to this responsibility. We detail our efforts to help amplify the voice of our company, customers and shareholders through leadership and advocacy in our Political Engagement statements on TheHartford.com.[4]

[4] Visit ir.thehartford.com/corporate-governance/political-engagement/

Leading the Way

The Hartford enters its 212th year celebrating our deep, long-standing commitment to sustainability and resilience and embracing the role we play in addressing society's greatest challenges. We recognize the connection among shareholders, customers, partners, employees and communities, and we are encouraged by the broader trend toward stakeholder capitalism. Serving these varied interests starts with The Hartford's diverse team of creative, innovative and dedicated employees who operate with a unified purpose – underwriting human achievement.

We understand that our purpose transcends the products and services we offer. It compels us to make positive contributions to society, build resilience in our communities, empower personal and business success for our customers and create an inclusive culture where our employees can thrive.

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At The Hartford, employees are encouraged to share their perspectives and are empowered to perform at their best. We are guided by our commitment to workplace environments that foster flexibility, innovation, equity and inclusivity and by our belief in programs that support employees' physical, mental, social and financial well-being.

Our culture of caring extends beyond the workplace. In 2021, The Hartford's employees contributed nearly 100,000 volunteer hours and donated more than $3.2 million to causes important to them, impacting 2.2 million lives in our local communities.

As a company that continues to integrate purpose into our value-creation strategy, The Hartford in 2021 was recognized as the #1 insurer and 14th company overall on America's Most JUST Companies list. We also became one of the first P&C insurance companies to sign the United Nations Global Compact, joining organizations worldwide to implement universal sustainability principles that advance societal goals.

Environment

In 2021, The Hartford announced additional climate priorities, including a commitment to invest $2.5 billion over the next five years in technologies, companies and funds that are advancing the energy transition and addressing climate change.

In addition, The Hartford exited tar-sands investments at the end of 2021 in alignment with our coal and tar sands policy, two years ahead of our announced commitment, and we are on track to exit coal investment holdings that do not align with our policy by the end of 2023.[5]

As evidence of our climate ambition, The Hartford has announced a goal of net zero Greenhouse Gas emissions (GHG emissions) for the full range of our businesses and operations by 2050, in alignment with the Paris Climate Accord.[6] This goal is in addition to the company's existing targets to operate with 100% renewable-energy-source consumption for its facilities by 2030 and to reduce select GHG emissions by at least 2.1% each year starting in 2015 for a total reduction of 46.2% by 2037.[7]

[5] Visit TheHartford.com/about-us/sustainability-reporting.

[6] Visit TheHartford.com/newsroom.

[7] Visit TheHartford.com/about-us/environment. Scope 1 and Scope 2 emissions are direct from sources controlled or owned by an organization; Scope 3 emissions include indirect sources of GHG emissions. For more information, visit the U.S. Environmental Protection Agency's Center for Corporate Climate Leadership at epa.gov.

Last year we demonstrated increased transparency by releasing our first Sustainability Accounting Standards Board (SASB) report; we continue to publish our Task Force on Climate Related Financial Disclosure (TCFD); and we outline our progress and plans for the future in our Climate Priorities and Climate Change Statement. All reports are available on the Corporate Sustainability section of TheHartford.com.[8]

Social

The Hartford continued to advance initiatives designed to foster social equity, support human achievement, respond to the critical needs of our neighbors and support the causes our employees care about most.

We have a well-established and widely recognized reputation for our diversity, equity and inclusion (DEI) efforts.[9] I am proud to share that we met and exceeded our 2021 DEI commitments through increased pay transparency, leader accountability, rigorous in-house and industry talent development and mobility, and strengthened inclusive capabilities. We operate with DEI criteria embedded into our long-term incentive program metrics to hold senior leaders accountable for achieving representation goals. We continue to foster equitable workplaces where everyone is welcome, respected for who they are and encouraged to apply their unique abilities to meet the needs of an increasingly diverse and competitive marketplace.

As a signatory to the CEO Action for Diversity & Inclusion™ pledge and a governing committee member with the CEO Action for Racial Equity organization, I remain personally committed to advocating for change in our business and industry.

The Hartford is steadfast in our commitment to advance economic, educational and workplace opportunities for all. This year we announced a $1 million grant to the city of Hartford's Asylum Hill neighborhood – The Hartford's home for more than 100 years – to help restore the historic beauty of the neighborhood, reduce blight and expand homeownership.

In addition, we committed $1 million to provide scholarships to 50 University of Connecticut students who are residents of Hartford, covering the gap between a student's existing financial aid package and remaining tuition to allow a fully tuition-free four-year college experience.[9]

Continuing our important work to further a national dialogue on mental health and addiction and foster stigma-free environments, The Hartford proudly partnered again in 2021 with the National Alliance on Mental Illness (NAMI) and launched a partnership with the Yale School of Medicine to pilot a training program for treating addiction and managing pain while dispelling stigma.

[8] Visit TheHartford.com/about-us/sustainability-reporting.

[9] Visit TheHartford.com/newsroom.

Governance

Ethics and compliance are deeply embedded in our culture. In 2021, 95% of employees surveyed in our annual engagement study reported a strong belief that The Hartford demonstrates a commitment to ethical business decisions and conduct.

With strong support from the company's board of directors, The Hartford remains committed to sustaining our top-quartile rankings among U.S. insurance peers for our ESG performance. I encourage you to review our proxy statement and our upcoming Sustainability Highlight Report for details on how our purpose-driven strategy is addressing some of society's most pressing issues.

Building our Momentum

The Hartford is a proven performer. We respond with agility to market opportunities, combining speed, empathy and superior execution as we deliver for customers. We are competitively positioned with the right portfolio of businesses and a winning formula to consistently achieve superior risk-adjusted returns. I am confident that we have the talent we need today and the tools and opportunities to attract tomorrow's industry leaders.

> *We are competitively positioned with the right portfolio of businesses and a winning formula to consistently achieve superior risk-adjusted returns.*

As we move ahead, we will again leverage our strengths, reinforcing our reputation for doing the right thing and making good on our promises. We will enrich customer interactions and deepen distribution relationships. Data and analytics will inform our enhanced digital tools, empowering customers and agents with knowledge and choice. At the same time, we will maintain our brand as an attractive and inclusive talent destination that offers career growth and purposeful, meaningful work.

The Hartford is energized to perform and has never been in a better position to grow, deliver on our promises and maximize value creation for all stakeholders.

Thank you for your continued support.

Christopher J. Swift

CHRISTOPHER J. SWIFT
CHAIRMAN AND
CHIEF EXECUTIVE OFFICER

*__DISCUSSION OF NON-GAAP FINANCIAL MEASURES.__ The Hartford uses non-GAAP financial measures in this letter 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 letter can be found below, in The Hartford's news release issued on February 3, 2022, The Hartford's Quarterly Reports on Form 10-Q, The Hartford's 2021 Annual Report on Form 10-K, and other filings made with the U.S. Securities and Exchange Commission, which are available on The Hartford's website, https://ir.thehartford.com.

Some of the statements in this letter, including those related to our goal of achieving net zero GHG emissions for the full range of our businesses and operations by 2050, may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Factors that could cause actual results to differ, possibly materially, from those in the forward-looking statements include, but are not limited to, our ability to formulate and implement plans to reduce our Scope 1 and 2 GHG emissions as anticipated; our reliance on third parties, whose actions are outside our control, to reduce our Scope 3 GHG emissions; and the lack of widely accepted standards for measuring greenhouse gas emissions associated with underwriting, insurance and investment activities, as well as other factors discussed in our 2021 Annual Report on Form 10-K, subsequent Quarterly Reports on Forms 10-Q, and the other filings we make with the Securities and Exchange Commission. We assume no obligation to update this letter, which speaks as of the date issued.

From time to time, The Hartford may use its website 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.

A quantitative reconciliation of net income (loss) return on equity to core earnings (loss) return on equity for The Hartford is not calculable on a forward-looking basis because it is not possible to provide a reliable forecast of realized gains and losses, which typically vary substantially from period to period.

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 – Some 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.
- Pension settlement – The costs of settling pension obligations is excluded from core earnings as it does not represent an ongoing cost 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 including the full benefit from retroactive reinsurance in 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 available to common stockholders, 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) available to common stockholders to core earnings for the years ended Dec. 31, 2021 and 2017 is set forth below.

	YEAR ENDED DECEMBER 31,	
	2021	**2017**
Net income (loss) available to common stockholders	**$2,344**	**(3,131)**
Adjustments to reconcile net income available to common stockholders to core earnings:		
Net realized losses (gains) excluded from core earnings, before tax	(505)	(160)
Restructuring and other costs, before tax	1	—
Pension settlement, before tax	—	750
Integration and other non-recurring M&A costs, before tax	58	17
Change in deferred gain on retroactive reinsurance, before tax	246	—
Income tax expense	34	669
Loss (income) from discontinued operations, net of tax	—	2,869
Core earnings	**$2,178**	**$1,014**

Core Earnings Per Diluted Share

This non-GAAP per share measure is calculated using the non-GAAP financial measure core earnings rather than the GAAP measure net income. The Company believes that core earnings per diluted share provides investors with a valuable measure of the Company's operating performance for the same reasons applicable to its underlying measure, core earnings. Net income (loss) available to common stockholders per diluted common share is the most directly comparable GAAP measures. Core earnings per diluted share should not be considered as a substitute for net income (loss) available to common stockholders per diluted common share and does not reflect the overall profitability of the Company's business. Therefore, the Company believes that it is useful for investors to evaluate net income (loss) available to common stockholders per diluted common share and core earnings per diluted share when reviewing the Company's performance. A reconciliation of net income available to common stockholders per diluted share to core earnings per diluted share is set forth below.

	YEAR ENDED DECEMBER 31, 2021
Net Income available to common stockholders per diluted share	**$6.62**
Adjustments made to reconcile net income available to common stockholders per diluted share to core earnings per diluted share:	
Net realized losses (gains), excluded from core earnings, before tax	(1.43)
Integration and other non-recurring M&A costs, before tax	0.16
Change in deferred gain on retroactive reinsurance, before tax	0.69
Income tax expense on items excluded from core earnings	0.11
Core earnings per diluted share	**$6.15**

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 (loss) ROE to Core earnings ROE is set forth below:

	LAST 12 MONTHS ENDED DECEMBER 31,	
	2021	2017
Net income (loss) ROE	**13.1%**	**(20.6%)**
Adjustments to reconcile net income (loss) ROE to core earnings ROE:		
Net realized losses (gains), excluded from core earnings, before tax	(2.8%)	(1.1%)
Pension settlement, before tax	—	4.9%
Integration and other non-recurring M&A costs, before tax	0.3%	0.1%
Change in deferred gain on retroactive reinsurance, before tax	1.4%	—
Income tax expense on items not included in core earnings	0.2%	4.4%
Loss from discontinued operations, net of tax	—	18.9%
Impact of AOCI, excluded from denominator of core earnings ROE	0.5%	0.1%
Core earnings ROE	**12.7%**	**6.7%**

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.

FOR THE YEARS ENDED DECEMBER 31,	2021	2020	2017
Book value per diluted share	**$51.36**	**$50.39**	**$37.11**
Per diluted share impact of AOCI	(0.50)	(3.23)	(1.82)
Book value per diluted share (excluding AOCI)	**$50.86**	**$47.16**	**$35.29**

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