

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

FORM 8-K

**Current Report
Pursuant To Section 13 or 15 (d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) - July 27, 2021

Chubb Limited

(Exact name of registrant as specified in its charter)

Switzerland
(State or other jurisdiction
of Incorporation)

1-11778
(Commission
File Number)

98-0091805
(I.R.S. Employer
Identification No.)

**Baerengasse 32
CH-8001 Zurich, Switzerland**
(Address of principal executive offices)

Registrant's telephone number, including area code: +41 (0)43 456 76 00

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, par value CHF 24.15 per share	CB	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 0.30% Senior Notes due 2024	CB/24A	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 0.875% Senior Notes due 2027	CB/27	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 1.55% Senior Notes due 2028	CB/28	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 0.875% Senior Notes due 2029	CB/29A	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 1.40% Senior Notes due 2031	CB/31	New York Stock Exchange
Guarantee of Chubb INA Holdings Inc. 2.50% Senior Notes due 2038	CB/38A	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging growth company

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

Item 2.02. Results of Operations and Financial Condition

On July 27, 2021, Chubb Limited issued a Press Release reporting its second quarter 2021 results and the availability of its second quarter 2021 Financial Supplement. The Press Release and the Financial Supplement are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are hereby incorporated herein by reference.

The information furnished pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits*(d) Exhibits*

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release, Dated July 27, 2021, Reporting Second Quarter 2021 Results
99.2	Second Quarter 2021 Financial Supplement
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chubb Limited

By: /s/ Peter Enns

Peter Enns

Executive Vice President and Chief Financial Officer

DATE: July 27, 2021



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News Release

Chubb Reports Strong Second Quarter Net Income Per Share of \$5.06 and Record Core Operating Income Per Share of \$3.62; Consolidated Net Premiums Written Up 14.3% Globally, with Commercial P&C Lines Up 19.9%; Best Organic P&C Growth in Over 15 Years

- Net income was strong at \$2.27 billion versus a net loss of \$(331) million prior year, and core operating income was a record \$1.62 billion versus a core operating loss of \$(254) million prior year.
- P&C net premiums written were up 15.5% globally for the quarter and 12.6% for the first six months, powered by commercial lines and the best organic P&C growth since 2004. The quarter's result comprised growth of 20.7% in commercial lines excluding Agriculture, 11.0% in Agriculture and 5.6% in P&C consumer lines. Foreign exchange had a positive impact on P&C net premiums written growth of 2.8 percentage points in the quarter.
- The P&C combined ratio was 85.5% compared with 112.3% prior year. P&C current accident year underwriting income excluding catastrophe losses was a record \$1.20 billion, up 27.0%, driven by a P&C current accident year combined ratio excluding catastrophe losses of 85.4% compared with 87.4% prior year. The 2.0 percentage point decrease was substantially driven by improvement in the loss ratio.
- Pre-tax and after-tax catastrophe losses, net of reinsurance and including reinstatement premiums, were \$280 million and \$226 million, respectively, compared with \$1.81 billion and \$1.51 billion, respectively, prior year.
- Pre-tax net investment income was \$884 million, up 7.0% from the prior year, and adjusted net investment income was \$945 million, up 9.4% from the prior year. Both were record results.
- Annualized return on equity (ROE) and core operating ROE were 15.2% and 11.5%, respectively. Annualized core operating return on tangible equity was 17.7%.
- Book and tangible book value per share were up 4.2% and 5.0%, respectively, for the quarter, and were up 3.8% and 4.3%, respectively, from December 31, 2020.

ZURICH – July 27, 2021 – Chubb Limited (NYSE: CB) today reported net income for the quarter ended June 30, 2021 of \$2.27 billion, or \$5.06 per share, and core operating income of \$1.62 billion, or \$3.62 per share. Book value was favorably impacted by total after-tax net realized and unrealized gains of \$1.52 billion, including a \$1.35 billion gain in the investment portfolio, principally due to lower interest rates and mark-to-market gains on private equities, and favorable foreign exchange of \$215 million. Book and tangible book value per share now stand at \$136.90 and \$91.48, respectively.

Chubb Limited
Second Quarter Summary
(in millions of U.S. dollars, except per share amounts)
(Unaudited)

	2021	2020	Change	(Per Share) (1)		
				2021	2020	Change
Net income (loss)	\$2,265	\$(331)	NM	\$5.06	\$(0.73)	NM
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	14	19	(26.3)%	0.03	0.04	(25.0)%
Adjusted net realized (gains) losses, net of tax	(658)	58	NM	(1.47)	0.13	NM
Core operating income (loss), net of tax	\$1,621	\$(254)	NM	\$3.62	\$(0.56)	NM

(1) Refer to page 12 for information on use of basic and diluted shares.

For the three months ended June 30, 2021 and 2020, the tax expenses (benefits) related to the table above were \$(3) million and \$(5) million for amortization of fair value adjustment of acquired invested assets and long-term debt; \$16 million and \$(11) million, respectively, for adjusted net realized gains and losses; and \$304 million and \$(46) million, respectively, for core operating income (loss).

For the six months ended June 30, 2021, net income was \$4.57 billion, or \$10.13 per share, compared with a net loss of \$(79) million, or \$(0.17) per share, for 2020. Core operating income was \$2.76 billion, or \$6.13 per share, compared with \$966 million, or \$2.13 per share, for 2020. The P&C combined ratio was 88.6% compared to 101.0% prior year, and the current accident year P&C combined ratio excluding catastrophe losses was 85.3% compared to 87.5% prior year. Book value was favorably impacted by after-tax net realized and unrealized gains of \$785 million, including \$264 million in the company's investment portfolio, \$297 million from favorable foreign exchange and \$203 million from mark-to-market gains in the company's variable annuity reinsurance portfolio.

Chubb Limited
Six Months Ended Summary
(in millions of U.S. dollars, except per share amounts)
(Unaudited)

				(Per Share) ⁽¹⁾		
	2021	2020	Change	2021	2020	Change
Net income (loss)	\$4,565	\$(79)	NM	\$10.13	\$(0.17)	NM
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	30	41	(26.8)%	0.07	0.09	(22.2)%
Adjusted net realized (gains) losses, net of tax	(1,832)	1,004	NM	(4.07)	2.22	NM
Use of weighted-average dilutive shares	--	--	--	--	(0.01)	NM
Core operating income, net of tax	\$2,763	\$966	186.0%	\$6.13	\$2.13	187.8%

⁽¹⁾ Refer to page 12 for information on use of basic and diluted shares.

For the six months ended June 30, 2021 and 2020, the tax expenses (benefits) related to the table above were \$(8) million and \$(10) million, respectively, for amortization of fair value adjustment of acquired invested assets and long-term debt; \$149 million and \$(28) million, respectively, for adjusted net realized gains and losses; and \$514 million and \$191 million, respectively, for core operating income.

Evan G. Greenberg, Chairman and Chief Executive Officer of Chubb Limited, commented: “Chubb had simply an outstanding quarter, highlighted by record core operating earnings and underwriting results. We produced the best P&C premium revenue growth globally in over 15 years, powered by our commercial P&C businesses and supported by continued robust commercial P&C pricing. Operating earnings in the quarter were \$1.62 billion or \$3.62 per share.

“Our published and current accident year combined ratios of 85.5% and 85.4%, respectively, reflect 200 basis points of underwriting margin improvement, almost entirely loss ratio-related. Current accident year underwriting income of \$1.2 billion was up 27%, while on the other side of the balance sheet adjusted net investment income in the quarter of \$945 million was also a record and up nearly 9.5% from prior year.

“P&C net premiums written were up 15.5% globally, with commercial premiums excluding agriculture up nearly 21%. For perspective, we have averaged double-digit commercial P&C growth over the past 10 quarters, and both second quarter and year-to-date growth were the strongest since 2004. In North America, we grew our commercial P&C premiums over 16%, while in our international operations premiums grew 33% on a published basis, or 24% in constant dollars. Growth in the quarter was broad based. Net premiums written in our consumer lines remain impacted by the pandemic’s effects on travel and other business and consumer-related activity but are beginning to improve and, in fact, increased 5.6% in the quarter.

“We are capitalizing on a strong commercial P&C pricing environment in most all important regions of the world. Overall rates increased in our North America and international commercial P&C businesses by 13.5% and 16%, respectively, and were well in excess of loss costs. From everything we see today, I am confident these market conditions will continue.

“Our company is firing on all cylinders – we are growing our business while we continue to expand underwriting margins. We will continue to outperform and deliver strong, sustainable shareholder value.”

Operating highlights for the quarter ended June 30, 2021 were as follows:

Chubb Limited

(in millions of U.S. dollars except for percentages)

	Q2 2021	Q2 2020	Change
P&C			
Net premiums written (increase of 12.7% in constant dollars)	\$ 8,931	\$ 7,736	15.5%
Commercial P&C (increase of 17.6% in constant dollars)	\$ 6,398	\$ 5,338	19.9%
Consumer P&C (increase of 2.1% in constant dollars)	\$ 2,533	\$ 2,398	5.6%
Underwriting income (loss)	\$ 1,191	\$ (929)	NM
Combined ratio	85.5%	112.3%	
Current accident year underwriting income excluding catastrophe losses	\$ 1,203	\$ 947	27.0%
Current accident year combined ratio excluding catastrophe losses	85.4%	87.4%	

Global P&C (excludes Agriculture)

Net premiums written (increase of 12.9% in constant dollars)	\$ 8,419	\$ 7,275	15.7%
Commercial P&C (increase of 18.2% in constant dollars)	\$ 5,886	\$ 4,877	20.7%
Consumer P&C (increase of 2.1% in constant dollars)	\$ 2,533	\$ 2,398	5.6%
Underwriting income (loss)	\$ 1,142	\$ (960)	NM
Combined ratio	85.4%	113.4%	
Current accident year underwriting income excluding catastrophe losses	\$ 1,150	\$ 910	26.3%
Current accident year combined ratio excluding catastrophe losses	85.3%	87.3%	

- Consolidated net premiums earned increased 8.4%. P&C net premiums earned increased 9.1%, comprising growth in both commercial P&C lines and consumer lines of 11.6% and 3.8%, respectively.
- The combined ratio included 3.4 percentage points of net catastrophe losses compared with 23.9 percentage points last year.
- Total pre-tax and after-tax favorable prior period development were \$268 million (3.3 percentage points of the combined ratio) and \$224 million, respectively, compared with unfavorable prior period development of \$75 million (1.0 percentage point of the combined ratio) and \$52 million, respectively, last year.
- Pre-tax adjusted net investment income of \$945 million was above the guidance range principally due to increased call activity in the company's corporate bond portfolio and higher private equity distributions.
- Operating cash flow was \$3.12 billion.
- Total capital returned to shareholders in the quarter was \$2.27 billion, including share repurchases of \$1.92 billion, at an average purchase price of \$169.19 per share, and dividends of \$352 million. Total capital returned to shareholders for the six months ended June 30, 2021 was \$3.14 billion, including share repurchases of \$2.44 billion, at an average purchase price of \$168.66 per share, and dividends of \$704 million. The company recently announced that its Board of Directors approved a one-time incremental share repurchase program of up to \$5.0 billion through June 30, 2022.

Details of financial results by business segment are available in the Chubb Limited Financial Supplement. Key segment items for the quarter ended June 30, 2021 are presented below:

Chubb Limited

(in millions of U.S. dollars except for percentages)

	Q2 2021	Q2 2020	Change
Total North America P&C Insurance			
<i>(Comprising NA Commercial P&C Insurance, NA Personal P&C Insurance and NA Agricultural Insurance)</i>			
Net premiums written	\$ 6,160	\$ 5,508	11.8%
Commercial P&C	\$ 4,645	\$ 4,013	15.7%
Consumer P&C	\$ 1,515	\$ 1,495	1.3%
Combined ratio	82.9%	108.9%	
Current accident year combined ratio excluding catastrophe losses	82.4%	84.9%	
North America Commercial P&C Insurance			
Net premiums written	\$ 4,285	\$ 3,720	15.2%
Commercial P&C excluding A&H	\$ 4,133	\$ 3,552	16.3%
Major accounts retail and excess and surplus (E&S) wholesale	\$ 2,487	\$ 2,199	13.1%
Middle market and small commercial	\$ 1,646	\$ 1,353	21.6%
Accident and health (A&H)	\$ 152	\$ 168	(8.9)%
Combined ratio	83.1%	117.3%	
Current accident year combined ratio excluding catastrophe losses	82.9%	86.0%	
North America Personal P&C Insurance			
Net premiums written	\$ 1,363	\$ 1,327	2.6%
Combined ratio	80.7%	88.8%	
Current accident year combined ratio excluding catastrophe losses	79.2%	79.6%	
North America Agricultural Insurance			
Net premiums written	\$ 512	\$ 461	11.0%
Combined ratio	88.1%	91.8%	
Current accident year combined ratio excluding catastrophe losses	87.1%	90.2%	
Overseas General Insurance			
Net premiums written (increase of 15.0% in constant dollars)	\$ 2,497	\$ 2,021	23.6%
Commercial P&C (increase of 23.4% in constant dollars)	\$ 1,479	\$ 1,118	32.4%
Consumer P&C (increase of 4.6% in constant dollars)	\$ 1,018	\$ 903	12.8%
Combined ratio	83.9%	107.1%	
Current accident year combined ratio excluding catastrophe losses	88.4%	90.7%	

- North America Commercial P&C Insurance: The current accident year combined ratio excluding catastrophe losses decreased 3.1 percentage points, including a 2.4 percentage point decrease in the loss ratio.
- North America Personal P&C Insurance: The current accident year combined ratio excluding catastrophe losses decreased 0.4 percentage point, including a 1.1 percentage point decrease in the loss ratio.
- North America Agricultural Insurance: The current accident year combined ratio excluding catastrophe losses decreased 3.1 percentage points, including a 1.8 percentage point decrease in the loss ratio.

- Overseas General Insurance: The current accident year combined ratio excluding catastrophe losses decreased 2.3 percentage points, including a 1.0 percentage point decrease in the loss ratio.
- Global Reinsurance: Net premiums written were \$274 million, up 32.4%. The combined ratio was 86.6% compared with 76.6% prior year. The current accident year combined ratio excluding catastrophe losses was 81.2% compared with 78.2% prior year.
- Life Insurance: Net premiums written were \$615 million, down 0.7%. International life insurance net premiums written increased 11.6%, or 6.3% in constant dollars, while net premiums written and deposits collected were up 55.0%, or 47.8% in constant dollars. Combined Insurance North America net premiums written decreased 5.9%, driven by the impact of the pandemic on face-to-face and worksite sales. Segment income was \$102 million, up 16.1%.

All comparisons are with the same period last year unless otherwise specifically stated.

Please refer to the Chubb Limited Financial Supplement, dated June 30, 2021, which is posted on the company's investor relations website, investors.chubb.com, in the Financials section for more detailed information on individual segment performance, together with additional disclosure on reinsurance recoverable, loss reserves, investment portfolio, and debt and capital.

Chubb Limited will hold its second quarter earnings conference call on Wednesday, July 28, 2021 beginning at 8:30 a.m. Eastern. The earnings conference call will be available via live webcast at investors.chubb.com or by dialing 888-254-3590 (within the United States) or 323-994-2093 (international), passcode 8683056. Please refer to the Chubb website under Events and Presentations for details. A replay of the call will be available until Wednesday, August 11, 2021 and the archived webcast will be available on our website for approximately one month. To listen to the replay, please [click here](#) to register and receive dial-in numbers.

About Chubb

Chubb is the world's largest publicly traded property and casualty insurance company. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs approximately 31,000 people worldwide. Additional information can be found at: www.chubb.com.

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Regulation G - Non-GAAP Financial Measures

In presenting our results, we included and discussed certain non-GAAP measures. These non-GAAP measures, which may be defined differently by other companies, are important for an understanding of our overall results of operations and financial condition. However, they should not be viewed as a substitute for measures determined in accordance with generally accepted accounting principles (GAAP).

Throughout this document there are various measures presented on a constant-dollar basis (i.e., excludes the impact of foreign exchange). We believe it is useful to evaluate the trends in our results exclusive of the effect of fluctuations in exchange rates between the U.S. dollar and the currencies in which our international business is transacted, as these exchange rates could fluctuate significantly between periods and distort the analysis of trends. The impact is determined by assuming constant foreign exchange rates between periods by translating prior period results using the same local currency exchange rates as the comparable current period.

Adjusted net investment income is net investment income excluding the amortization of the fair value adjustment on acquired invested assets from the acquisition of The Chubb Corporation (Chubb Corp) of \$22 million in Q2 2021 and \$48 million for the six months ended June 30, 2021 and including investment income of \$39 million in Q2 2021 and \$80 million for the six months ended June 30, 2021 from partially owned investment companies (private equity partnerships) where our ownership interest is in excess of three percent that are accounted for under the equity method. The mark-to-market movement on these private equity partnerships are included in adjusted net realized gains (losses) as described below. We believe this measure is meaningful as it highlights the underlying performance of our invested assets and portfolio management in support of our lines of business.

Adjusted net realized gains (losses), net of tax, includes net realized gains (losses) and net realized gains (losses) recorded in other income (expense) related to unconsolidated subsidiaries, and excludes realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing impacts underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations, and therefore realized gains (losses) from these derivatives are reclassified to adjusted losses and loss expenses.

P&C underwriting income is calculated by subtracting adjusted losses and loss expenses, policy acquisition costs and administrative expenses from net premiums earned by our P&C operations. We use P&C underwriting income and operating ratios to monitor the results of our operations without the impact of certain factors, including net investment income, other income (expense), interest expense, amortization expense of purchased intangibles, income tax expense and adjusted net realized gains (losses).

P&C current accident year underwriting income excluding catastrophe losses is P&C underwriting income adjusted to exclude catastrophe losses and prior period development (PPD). We believe it is useful to exclude catastrophe losses, as they are not predictable as to timing and amount, and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. We believe the use of these measures enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business.

Core operating income, net of tax, excludes from net income the after-tax impact of adjusted net realized gains (losses) and the amortization of fair value adjustment of acquired invested assets and long-term debt related to the Chubb Corp acquisition. We believe this presentation enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business. We exclude adjusted net realized gains (losses) because the amount of these gains (losses) are heavily influenced by, and fluctuate in part according to, the availability of market opportunities. We exclude the amortization of the fair value adjustments related to purchased invested assets and long-term debt due to

the size and complexity of this acquisition. References to core operating income measures mean net of tax, whether or not noted.

Core operating return on equity (ROE) and Core operating return on tangible equity (ROTE) are annualized non-GAAP financial measures. The numerator includes core operating income (loss), net of tax. The denominator includes the average shareholders' equity for the period adjusted to exclude unrealized gains (losses) on investments, net of tax. For the ROTE calculation, the denominator is also adjusted to exclude goodwill and other intangible assets, net of tax. These measures enhance the understanding of the return on shareholders' equity by highlighting the underlying profitability relative to shareholders' equity and tangible equity excluding the effect of unrealized gains and losses on our investments.

P&C combined ratio is the sum of the loss and loss expense ratio, acquisition cost ratio and the administrative expense ratio excluding the life business and including the realized gains and losses on the crop derivatives, as noted above.

P&C current accident year combined ratio excluding catastrophe losses excludes the impact of P&C catastrophe losses and PPD from the P&C combined ratio. We believe this measure provides a better evaluation of our underwriting performance and enhances the understanding of the trends in our property and casualty business that may be obscured by these items.

Global P&C performance metrics comprise consolidated operating results (including corporate) and exclude the operating results of the company's Life Insurance and North America Agricultural Insurance segments. The agriculture insurance business is a different business in that it is a public sector and private sector partnership in which insurance rates, premium growth, and risk-sharing is not market-driven like the remainder of the company's P&C insurance business. We believe that these measures are useful and meaningful to investors as they are used by management to assess the company's global P&C operations which are the most economically similar. We exclude the North America Agricultural Insurance and Life Insurance segments because the results of these businesses do not always correlate with the results of our global P&C operations.

Tangible book value per common share is shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding. We believe that goodwill and other intangible assets are not indicative of our underlying insurance results or trends and make book value comparisons to less acquisitive peer companies less meaningful.

International life insurance net premiums written and deposits collected includes deposits collected on universal life and investment contracts (life deposits). Life deposits are not reflected as revenues in our consolidated statements of operations in accordance with GAAP. However, we include life deposits in presenting growth in our life insurance business because new life deposits are an important component of production and key to our efforts to grow our business.

See the reconciliation of Non-GAAP Financial Measures on pages 29-35 in the Financial Supplement. These measures should not be viewed as a substitute for measures determined in accordance with GAAP, including premium, net income, return on equity, and net investment income.

NM - not meaningful comparison

Cautionary Statement Regarding Forward-Looking Statements:

Forward-looking statements made in this press release, such as those related to company performance, pricing, economic and market conditions, and our expectations and intentions and other statements that are not historical facts, reflect our current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that could cause actual results to differ materially, including without limitation, the following: competition, pricing and policy term trends, the levels of new and renewal business achieved, the frequency and severity of unpredictable catastrophic events, actual loss experience, uncertainties in the reserving or settlement process, integration activities and performance of acquired companies, loss of key employees or disruptions to our operations, new theories of liability, judicial, legislative, regulatory and other governmental developments, litigation tactics and developments, investigation developments and actual settlement terms, the amount and timing of reinsurance recoverable, credit developments among reinsurers, rating agency action, infection rates and severity of pandemics, including COVID-19, and their effects on our business operations and claims activity, possible terrorism or the outbreak and effects of war, economic, political, regulatory, insurance and reinsurance business conditions, potential strategic opportunities including acquisitions and our ability to achieve and integrate them, as well as management's response to these factors, and other factors identified in our filings with the Securities and Exchange Commission (SEC).

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Chubb Limited
Summary Consolidated Balance Sheets
(in millions of U.S. dollars, except per share data)
(Unaudited)

	June 30 2021	December 31 2020
Assets		
Investments	\$ 121,370	\$ 118,669
Cash	1,843	1,747
Insurance and reinsurance balances receivable	11,720	10,480
Reinsurance recoverable on losses and loss expenses	15,725	15,592
Goodwill and other intangible assets	21,200	21,211
Other assets	25,316	23,075
Total assets	<u>\$ 197,174</u>	<u>\$ 190,774</u>
Liabilities		
Unpaid losses and loss expenses	\$ 70,289	\$ 67,811
Unearned premiums	19,167	17,652
Other liabilities	47,656	45,870
Total liabilities	<u>\$ 137,112</u>	<u>\$ 131,333</u>
Shareholders' equity		
Total shareholders' equity	60,062	59,441
Total liabilities and shareholders' equity	<u>\$ 197,174</u>	<u>\$ 190,774</u>
Book value per common share	\$ 136.90	\$ 131.88
Tangible book value per common share	\$ 91.48	\$ 87.69
Book value per common share excluding cumulative translation losses ⁽¹⁾	\$ 139.92	\$ 135.51
Tangible book value per common share excluding cumulative translation losses ⁽¹⁾	\$ 93.69	\$ 90.24

⁽¹⁾ Cumulative translation losses were \$1.3 billion in 2021 (\$1.0 billion on tangible and \$0.3 billion on intangible net assets) and \$1.6 billion in 2020 (\$1.1 billion on tangible and \$0.5 billion on intangible net assets).

Chubb Limited
Summary Consolidated Financial Data
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2021	2020	2021	2020
Gross premiums written	\$ 11,860	\$ 10,040	\$ 22,405	\$ 19,792
Net premiums written	9,546	8,355	18,208	16,332
Net premiums earned	8,813	8,128	17,034	15,922
Losses and loss expenses	5,006	6,577	10,059	11,062
Policy benefits	185	223	352	352
Policy acquisition costs	1,698	1,593	3,363	3,208
Administrative expenses	775	727	1,519	1,468
Net investment income	884	827	1,747	1,688
Net realized gains (losses)	(33)	30	854	(928)
Interest expense	122	128	244	260
Other income (expense):				
Gains (losses) from separate account assets	15	40	19	(16)
Other	762	(98)	1,248	(97)
Amortization of purchased intangibles	73	72	145	145
Income tax expense (benefit)	317	(62)	655	153
Net income (loss)	\$ 2,265	\$ (331)	\$ 4,565	\$ (79)
Earnings per share: (1)				
Net income (loss)	\$ 5.06	\$ (0.73)	\$ 10.13	\$ (0.17)
Core operating income (loss)	\$ 3.62	\$ (0.56)	\$ 6.13	\$ 2.13
Weighted average shares outstanding (1)	448.0	451.4	450.7	451.6
<i>(1) In periods where core operating loss and net loss are recognized, inclusion of incremental dilution is anti-dilutive and therefore basic shares are used in the calculation of per share earnings. For the three and six months ended June 30, 2020, the effect of dilutive securities was 1,395,951 shares and 2,044,144 shares, respectively. Weighted-average shares outstanding used to calculate earnings per share for the 2021 periods and core operating income per share for the six months ended June 30, 2020 include the effect of dilutive securities.</i>				
P&C combined ratio				
Loss and loss expense ratio	58.7%	85.2%	61.1%	72.8%
Policy acquisition cost ratio	18.4%	18.5%	18.9%	19.3%
Administrative expense ratio	8.4%	8.6%	8.6%	8.9%
P&C combined ratio	85.5%	112.3%	88.6%	101.0%
P&C underwriting income (loss)	\$ 1,191	\$ (929)	\$ 1,813	\$ (151)



Chubb Limited
Financial Supplement
for the Quarter Ended June 30, 2021

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This report is for informational purposes only. It should be read in conjunction with documents filed by Chubb Limited with the Securities and Exchange Commission, including the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Cautionary Statement Regarding Forward-Looking Statements

Any forward-looking statements made in this financial supplement reflect Chubb Limited's current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties which may cause actual results to differ materially from such statements. For example, forward-looking statements related to financial performance, including exposures, reserves and recoverables, could be affected by the frequency and severity of unpredictable catastrophic events, actual loss experience, uncertainties in the reserving or settlement process, currency exchange fluctuations, new theories of liability, judicial, legislative, regulatory and other governmental developments, litigation tactics and developments, investigation developments and actual settlement terms, the amount and timing of reinsurance receivable and credit developments among reinsurers.

Our forward-looking statements could also be affected by, among other things, competition, pricing and policy term trends, market acceptance, changes in demand, actual market developments, rating agency action, possible terrorism or the outbreak and effects of war, and such other factors identified in our filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Chubb Limited
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Chubb Limited
Consolidated Financial Highlights
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

Note: All dollar amounts in the Financial Supplement are rounded. However, percent changes and ratios are calculated using whole dollars. Accordingly, calculations using rounded dollars may differ.

	Three months ended June 30			Constant \$		Six months ended June 30			Constant \$	
	2021	2020	% Change	2020	% Change	2021	2020	% Change	2020	% Change
Gross premiums written	\$ 11,860	\$ 10,040	18.1%	\$ 10,279	15.4%	\$ 22,405	\$ 19,792	13.2%	\$ 20,165	11.1%
Net premiums written	\$ 9,546	\$ 8,355	14.3%	\$ 8,561	11.5%	\$ 18,208	\$ 16,332	11.5%	\$ 16,653	9.3%
P&C net premiums written (1)	\$ 8,931	\$ 7,736	15.5%	\$ 7,922	12.7%	\$ 16,973	\$ 15,068	12.6%	\$ 15,362	10.5%
Net premiums written - Commercial	\$ 6,398	\$ 5,338	19.9%	\$ 5,440	17.6%	\$ 12,105	\$ 10,277	17.8%	\$ 10,451	15.8%
Net premiums written - Consumer	\$ 2,533	\$ 2,398	5.6%	\$ 2,482	2.1%	\$ 4,868	\$ 4,791	1.6%	\$ 4,911	-0.9%
Net premiums earned	\$ 8,813	\$ 8,128	8.4%	\$ 8,347	5.6%	\$ 17,034	\$ 15,922	7.0%	\$ 16,238	4.9%
Net investment income	\$ 884	\$ 827	7.0%	\$ 834	5.9%	\$ 1,747	\$ 1,688	3.5%	\$ 1,698	2.9%
Adjusted net investment income	\$ 945	\$ 865	9.4%	\$ 872	8.3%	\$ 1,875	\$ 1,782	5.2%	\$ 1,792	4.6%
P&C underwriting income (loss)	\$ 1,191	\$ (929)	NM	\$ (936)	NM	\$ 1,813	\$ (151)	NM	\$ (152)	NM
P&C CAY underwriting income ex Cats	\$ 1,203	\$ 947	27.0%	\$ 972	23.7%	\$ 2,333	\$ 1,844	26.6%	\$ 1,884	23.8%
Core operating income (loss)	\$ 1,621	\$ (254)	NM	\$ (254)	NM	\$ 2,763	\$ 966	186.0%	\$ 971	184.6%
Net income (loss)	\$ 2,265	\$ (331)	NM			\$ 4,565	\$ (79)	NM		
Operating cash flow	\$ 3,122	\$ 1,985				\$ 5,227	\$ 3,697			
P&C combined ratio										
Loss and loss expense ratio	58.7%	85.2%				61.1%	72.8%			
Policy acquisition cost and administrative expense ratio	26.8%	27.1%				27.5%	28.2%			
Combined ratio	85.5%	112.3%				88.6%	101.0%			
P&C Current Accident Year (CAY) combined ratio ex Catastrophe losses (Cats)										
CAY loss and loss expense ratio ex Cats	58.6%	60.4%				57.9%	59.3%			
CAY policy acquisition cost and administrative expense ratio ex Cats	26.8%	27.0%				27.4%	28.2%			
CAY combined ratio ex Cats	85.4%	87.4%				85.3%	87.5%			

**Global P&C CAY
combined ratio
ex Cats**

CAY loss and loss expense ratio ex Cats	57.5%	59.3%		57.2%	58.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	27.8%	28.0%		28.1%	28.8%
CAY combined ratio ex Cats	85.3%	87.3%		85.3%	87.4%
ROE	15.2%	-2.5%		15.3%	-0.3%
Core operating return on equity (ROE)	11.5%	-2.0%		9.9%	3.7%
Core operating return on tangible equity (ROTE)	17.7%	-3.2%		15.4%	6.0%
Effective tax rate	12.3%	15.8%		12.5%	206.8%
Core operating effective tax rate	15.8%	15.3%		15.7%	16.5%
Earnings per share (2)					
Net income (loss)	\$ 5.06	\$ (0.73)	NM	\$ 10.13	\$ (0.17) NM
Core operating income (loss)	\$ 3.62	\$ (0.56)	NM	\$ 6.13	\$ 2.13 187.8%
Weighted average basic common shares outstanding	445.1	451.4		447.8	451.6
Weighted average diluted common shares outstanding	448.0	452.8		450.7	453.7
	June 30 2021	March 31 2021	% Change 2Q-21 vs. 1Q-21	December 31 2020	% Change 2Q-21 vs. 4Q-20
Book value per common share	\$ 136.90	\$ 131.37	4.2%	\$ 131.88	3.8%
Tangible book value per common share	\$ 91.48	\$ 87.16	5.0%	\$ 87.69	4.3%

- (1) Q2 2021 P&C net premiums written growth was adversely impacted by lower year-over-year large structured transactions written of \$241 million, partially offset by the prior year COVID-19 related exposure adjustments of \$184 million on in-force policies. Excluding these items, P&C net premiums written increased 16.4% in the quarter and 13.1% YTD.
- (2) In periods where core operating loss and net loss are recognized, inclusion of incremental dilution is anti-dilutive and therefore basic shares are used in the calculation of per share earnings. Refer to page 27 for additional details.

Chubb Limited
Statement of Operations - Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Consolidated Statements of Operations

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Gross premiums written	\$11,860	\$10,545	\$10,249	\$11,220	\$10,040	\$22,405	\$19,792	\$41,261
Net premiums written	9,546	8,662	8,410	9,078	8,355	18,208	16,332	33,820
Net premiums earned	8,813	8,221	8,430	8,765	8,128	17,034	15,922	33,117
Adjusted losses and loss expenses (1)	5,003	5,054	4,810	5,834	6,578	10,057	11,065	21,709
Realized (gains) losses on crop derivatives	(3)	1	(3)	(1)	1	(2)	3	(1)
Losses and loss expenses	5,006	5,053	4,813	5,835	6,577	10,059	11,062	21,710
Adjusted policy benefits (2)	170	163	184	174	183	333	368	726
Gains (losses) from fair value changes in separate account liabilities	(15)	(4)	(50)	(24)	(40)	(19)	16	(58)
Policy benefits	185	167	234	198	223	352	352	784
Policy acquisition costs	1,698	1,665	1,694	1,645	1,593	3,363	3,208	6,547
Administrative expenses	775	744	778	733	727	1,519	1,468	2,979
Adjusted net investment income (3)	945	930	924	900	865	1,875	1,782	3,606
Other (income) expense from private equity partnerships	(39)	(41)	(51)	(32)	(8)	(80)	(32)	(115)
Amortization expense of fair value adjustment on acquired invested assets	(22)	(26)	(26)	(28)	(30)	(48)	(62)	(116)
Net investment income	884	863	847	840	827	1,747	1,688	3,375
Adjusted realized gains (losses) (4)	(36)	888	568	(142)	31	852	(925)	(499)
Realized gains (losses) on crop derivatives	3	(1)	3	1	(1)	2	(3)	1
Net realized gains (losses)	(33)	887	571	(141)	30	854	(928)	(498)
Adjusted interest expense (5)	127	127	131	135	134	254	271	537
Amortization benefit of fair value adjustment on acquired long term debt	(5)	(5)	(5)	(5)	(6)	(10)	(11)	(21)
Interest expense	122	122	126	130	128	244	260	516
Gains (losses) from fair value changes in separate account assets	15	4	50	24	40	19	(16)	58
Net realized gains (losses) related to unconsolidated entities	710	419	506	422	(100)	1,129	(107)	821
Other income (expense) from private equity partnerships	39	41	51	32	8	80	32	115
Other income (expense) - operating	13	26	15	7	(6)	39	(22)	—
Other income (expense)	777	490	622	485	(58)	1,267	(113)	994
Amortization expense of purchased intangibles	73	72	73	72	72	145	145	290
Income tax expense (benefit)	317	338	334	142	(62)	655	153	629
Net income (loss)	\$ 2,265	\$ 2,300	\$ 2,418	\$ 1,194	\$ (331)	\$ 4,565	\$ (79)	\$ 3,533

- (1) Adjusted losses and loss expenses used throughout this report includes realized gains and losses on crop derivatives.
- (2) Adjusted policy benefits used throughout this report excludes gains and losses from fair value changes in separate account liabilities.
- (3) Adjusted net investment income used throughout this report excludes Amortization expense of fair value adjustment on acquired invested assets and includes income from private equity partnerships where we hold more than three percent ownership.
- (4) Adjusted realized gains (losses) used throughout this report excludes realized gains and losses on crop derivatives.
- (5) Adjusted interest expense used throughout this report excludes Amortization benefit of fair value adjustment on acquired long term debt.

Chubb Limited
P&C Underwriting Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Chubb Limited P&C Underwriting Results

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
P&C underwriting income (loss) (Including Corporate and excluding Life Insurance)								
Gross premiums written	\$11,208	\$9,890	\$9,571	\$10,575	\$9,387	\$21,098	\$18,456	\$38,602
Net premiums written	8,931	8,042	7,770	8,468	7,736	16,973	15,068	31,306
Net premiums earned	8,208	7,626	7,786	8,166	7,520	15,834	14,683	30,635
Adjusted losses and loss expenses	4,818	4,856	4,642	5,651	6,407	9,674	10,692	20,985
Policy acquisition costs	1,507	1,486	1,479	1,470	1,397	2,993	2,832	5,781
Administrative expenses	692	662	696	653	645	1,354	1,310	2,659
P&C underwriting income (loss)	<u>\$ 1,191</u>	<u>\$ 622</u>	<u>\$ 969</u>	<u>\$ 392</u>	<u>\$ (929)</u>	<u>\$ 1,813</u>	<u>\$ (151)</u>	<u>\$ 1,210</u>
P&C CAY underwriting income ex Cats	\$ 1,203	\$1,130	\$1,059	\$ 1,171	\$ 947	\$ 2,333	\$ 1,844	\$ 4,074
% Change versus prior year period								
Net premiums written	15.5%	9.7%	5.4%	5.7%	-0.4%	12.6%	3.9%	4.8%
Net premiums written - Commercial	19.9%	15.6%	10.0%	10.4%	4.2%	17.8%	7.5%	8.9%
Net premiums written - Consumer	5.6%	-2.5%	-3.9%	-4.6%	-9.2%	1.6%	-3.0%	-3.6%
Net premiums earned	9.1%	6.5%	6.3%	5.7%	2.7%	7.8%	5.7%	5.8%
Net premiums written constant \$	12.7%	8.1%	5.0%	6.4%	1.4%	10.5%	5.1%	5.4%
Net premiums written - Commercial	17.6%	13.9%	9.5%	10.8%	5.4%	15.8%	8.4%	9.3%
Net premiums written - Consumer	2.1%	-3.9%	-4.0%	-3.3%	-6.6%	-0.9%	-1.3%	-2.5%
Net premiums earned constant \$	6.3%	5.1%	6.0%	6.3%	4.6%	5.8%	6.8%	6.5%
P&C combined ratio								
Loss and loss expense ratio	58.7%	63.7%	59.6%	69.2%	85.2%	61.1%	72.8%	68.5%
Policy acquisition cost ratio	18.4%	19.5%	19.0%	18.0%	18.5%	18.9%	19.3%	18.9%
Administrative expense ratio	8.4%	8.6%	9.0%	8.0%	8.6%	8.6%	8.9%	8.7%
Combined ratio	<u>85.5%</u>	<u>91.8%</u>	<u>87.6%</u>	<u>95.2%</u>	<u>112.3%</u>	<u>88.6%</u>	<u>101.0%</u>	<u>96.1%</u>
CAY P&C combined ratio ex Cats								
CAY loss and loss expense ratio ex Cats	58.6%	57.2%	58.5%	59.7%	60.4%	57.9%	59.3%	59.2%
CAY policy acquisition cost and administrative expense ratio ex Cats	26.8%	28.0%	27.9%	26.0%	27.0%	27.4%	28.2%	27.5%
CAY combined ratio ex Cats	<u>85.4%</u>	<u>85.2%</u>	<u>86.4%</u>	<u>85.7%</u>	<u>87.4%</u>	<u>85.3%</u>	<u>87.5%</u>	<u>86.7%</u>
Other ratios								
Net premiums written/gross premiums written	80%	81%	81%	80%	82%	80%	82%	81%
Expense ratio	26.8%	28.1%	28.0%	26.0%	27.1%	27.5%	28.2%	27.6%
Expense ratio excluding A&H	25.1%	26.4%	26.0%	24.0%	25.2%	25.7%	26.3%	25.6%
Catastrophe reinstatement premiums (expensed) collected - pre-tax	\$ 8	\$ (18)	\$ 3	\$ 7	\$ (20)	\$ (10)	\$ (20)	\$ (10)
Catastrophe losses - pre-tax	\$ 288	\$ 682	\$ 299	\$ 932	\$1,781	\$ 970	\$ 2,018	\$ 3,249
Unfavorable (favorable) prior period development (PPD) - pre-tax	\$ (268)	\$ (192)	\$ (206)	\$ (146)	\$ 75	\$ (460)	\$ (43)	\$ (395)
Impact of catastrophe losses ex COVID-19 on P&C								
combined ratio - Unfavorable	3.4%	9.1%	3.8%	11.3%	5.8%	6.2%	4.5%	6.1%
Impact of COVID-19 catastrophe losses on P&C combined ratio - Unfavorable								
Impact of catastrophe losses on P&C combined ratio - Unfavorable	3.4%	9.1%	3.8%	11.3%	23.9%	6.2%	13.8%	10.6%
Impact of PPD on P&C combined ratio - Unfavorable (favorable)	-3.3%	-2.5%	-2.6%	-1.8%	1.0%	-2.9%	-0.3%	-1.2%
Impact of Cats and PPD on P&C combined ratio - Unfavorable								
Unfavorable	0.1%	6.6%	1.2%	9.5%	24.9%	3.3%	13.5%	9.4%

Chubb Limited
Global P&C Underwriting Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Global P&C includes the company's North America Commercial P&C Insurance segment (refer to page 11), North America Personal P&C Insurance segment (refer to page 12), Overseas General Insurance segment (refer to page 14), Global Reinsurance segment (refer to page 15), and Corporate (refer to page 17). Global P&C excludes the North America Agricultural Insurance and Life Insurance segments.

Global P&C (Including Corporate and excluding Agriculture)

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Global P&C underwriting income (loss)								
Gross premiums written	\$10,502	\$9,624	\$9,259	\$9,243	\$8,735	\$20,126	\$17,584	\$36,086
Net premiums written	8,419	7,859	7,528	7,482	7,275	16,278	14,450	29,460
Net premiums earned	7,798	7,516	7,405	7,195	7,144	15,314	14,213	28,813
Adjusted losses and loss expenses	4,487	4,771	4,321	4,806	6,094	9,258	10,314	19,441
Policy acquisition costs	1,480	1,474	1,452	1,414	1,368	2,954	2,792	5,658
Administrative expenses	689	659	699	648	642	1,348	1,303	2,650
Global P&C underwriting income (loss)	<u>\$ 1,142</u>	<u>\$ 612</u>	<u>\$ 933</u>	<u>\$ 327</u>	<u>\$ (960)</u>	<u>\$ 1,754</u>	<u>\$ (196)</u>	<u>\$ 1,064</u>
Global P&C CAY underwriting income ex Cats	<u>\$ 1,150</u>	<u>\$ 1,114</u>	<u>\$ 1,025</u>	<u>\$ 1,078</u>	<u>\$ 910</u>	<u>\$ 2,264</u>	<u>\$ 1,799</u>	<u>\$ 3,902</u>
% Change versus prior year period								
Net premiums written	15.7%	9.5%	6.0%	5.8%	-0.3%	12.6%	3.9%	4.9%
Net premiums earned	9.1%	6.3%	7.3%	6.0%	2.9%	7.8%	5.6%	6.1%
Net premiums written constant \$	12.9%	7.9%	5.7%	6.6%	1.6%	10.4%	5.2%	5.7%
Net premiums earned constant \$	6.2%	5.0%	6.9%	6.7%	4.9%	5.6%	6.8%	6.8%
Combined ratio								
Loss and loss expense ratio	57.5%	63.5%	58.4%	66.8%	85.3%	60.5%	72.6%	67.5%
Policy acquisition cost ratio	19.0%	19.6%	19.6%	19.7%	19.1%	19.2%	19.6%	19.6%
Administrative expense ratio	8.9%	8.8%	9.4%	9.0%	9.0%	8.8%	9.2%	9.2%
Combined ratio	<u>85.4%</u>	<u>91.9%</u>	<u>87.4%</u>	<u>95.5%</u>	<u>113.4%</u>	<u>88.5%</u>	<u>101.4%</u>	<u>96.3%</u>
CAY combined ratio ex Cats								
CAY loss and loss expense ratio ex Cats	57.5%	57.0%	57.0%	56.4%	59.3%	57.2%	58.6%	57.6%
CAY policy acquisition cost and administrative expense ratio ex Cats	27.8%	28.2%	29.1%	28.6%	28.0%	28.1%	28.8%	28.9%
CAY combined ratio ex Cats	<u>85.3%</u>	<u>85.2%</u>	<u>86.1%</u>	<u>85.0%</u>	<u>87.3%</u>	<u>85.3%</u>	<u>87.4%</u>	<u>86.5%</u>
Other ratios								
Net premiums written/gross premiums written	80%	82%	81%	81%	83%	81%	82%	82%
Expense ratio	27.9%	28.4%	29.0%	28.7%	28.1%	28.0%	28.8%	28.8%
Expense ratio excluding A&H	26.1%	26.6%	27.2%	26.7%	26.2%	26.4%	26.9%	26.9%
Catastrophe reinstatement premiums (expensed) collected - pre-tax	\$ 8	\$ (18)	\$ 4	\$ 7	\$ (20)	\$ (10)	\$ (20)	\$ (9)
Catastrophe losses - pre-tax	\$ 284	\$ 674	\$ 288	\$ 922	\$ 1,775	\$ 958	\$ 2,004	\$ 3,214
Unfavorable (favorable) prior period development (PPD) - pre-tax	\$ (268)	\$ (190)	\$ (192)	\$ (164)	\$ 75	\$ (458)	\$ (29)	\$ (385)

Chubb Limited
Summary Consolidated Balance Sheets
(in millions of U.S. dollars, except per share data)
(Unaudited)

	<u>June 30</u> <u>2021</u>	<u>March 31</u> <u>2021</u>	<u>December 31</u> <u>2020</u>
Assets			
Fixed maturities available for sale, at fair value	\$ 92,163	\$ 91,071	\$ 90,699
Fixed maturities held to maturity, at amortized cost	10,673	11,132	11,653
Equity securities, at fair value	4,607	4,405	4,027
Short-term investments, at fair value	4,470	3,735	4,345
Other investments	9,457	8,636	7,945
	<u>121,370</u>	<u>118,979</u>	<u>118,669</u>
Cash	1,843	1,684	1,747
Securities lending collateral	2,369	2,076	1,844
Insurance and reinsurance balances receivable	11,720	10,573	10,480
Reinsurance recoverable on losses and loss expenses	15,725	15,914	15,592
Deferred policy acquisition costs	5,605	5,443	5,402
Value of business acquired	255	258	263
Prepaid reinsurance premiums	3,141	2,835	2,769
Goodwill and other intangible assets	21,200	21,161	21,211
Investments in partially-owned insurance companies	2,983	2,871	2,813
Other assets	10,963	10,183	9,984
Total assets	<u>\$197,174</u>	<u>\$191,977</u>	<u>\$ 190,774</u>
Liabilities			
Unpaid losses and loss expenses	\$ 70,289	\$ 69,255	\$ 67,811
Unearned premiums	19,167	18,040	17,652
Future policy benefits	5,930	5,839	5,713
Insurance and reinsurance balances payable	7,525	6,566	6,708
Securities lending payable	2,369	2,076	1,844
Accounts payable, accrued expenses, and other liabilities	15,989	15,456	15,457
Deferred tax liabilities	581	482	892
Long-term debt	14,954	14,879	14,948
Trust preferred securities	308	308	308
Total liabilities	<u>137,112</u>	<u>132,901</u>	<u>131,333</u>
Shareholders' equity			
Total shareholders' equity, excl. AOCI	58,240	58,118	56,572
Accumulated other comprehensive income (loss) (AOCI)	1,822	958	2,869
Total shareholders' equity	<u>60,062</u>	<u>59,076</u>	<u>59,441</u>
Total liabilities and shareholders' equity	<u>\$197,174</u>	<u>\$191,977</u>	<u>\$ 190,774</u>
Book value per common share	<u>\$ 136.90</u>	<u>\$ 131.37</u>	<u>\$ 131.88</u>
% change over prior quarter	4.2%	-0.4%	5.5%
Tangible book value per common share	<u>\$ 91.48</u>	<u>\$ 87.16</u>	<u>\$ 87.69</u>
% change over prior quarter	5.0%	-0.6%	8.1%

Chubb Limited
Consolidated Net Premiums Written by Line of Business
(in millions of U.S. dollars)
(Unaudited)

	<u>2Q-21</u>	<u>2Q-20</u>	<u>% Change</u>	<u>Constant \$ % Change</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>% Change</u>	<u>Constant \$ % Change</u>
Net premiums written								
Commercial multiple peril ⁽¹⁾	\$ 316	\$ 267	18.0%	18.0%	\$ 579	\$ 508	13.9%	13.9%
Commercial casualty	1,609	1,478	8.9%	8.5%	3,258	2,819	15.6%	14.7%
Workers' compensation	546	467	17.0%	17.0%	1,109	1,053	5.3%	5.3%
Professional liability	1,263	997	26.7%	23.0%	2,353	1,909	23.3%	20.3%
Surety	138	117	18.5%	14.3%	296	267	11.2%	10.7%
Property and other short-tail lines	1,740	1,344	29.5%	24.0%	3,334	2,678	24.5%	20.1%
Total Commercial P&C lines	5,612	4,670	20.2%	17.7%	10,929	9,234	18.4%	16.3%
Agriculture	512	461	11.0%	11.0%	695	618	12.4%	12.4%
Personal automobile	364	353	3.2%	-1.0%	751	794	-5.5%	-6.2%
Personal homeowners	1,025	980	4.5%	3.5%	1,800	1,753	2.6%	1.9%
Personal other	464	402	15.5%	9.0%	932	820	13.6%	8.6%
Total Personal lines	1,853	1,735	6.8%	3.9%	3,483	3,367	3.4%	1.7%
Total Property and Casualty lines	7,977	6,866	16.2%	13.8%	15,107	13,219	14.3%	12.4%
Global A&H lines ⁽²⁾	951	951	0.1%	-4.2%	1,933	2,018	-4.2%	-7.5%
Reinsurance lines	274	207	32.4%	30.7%	481	425	13.1%	11.7%
Life	344	331	3.8%	-0.6%	687	670	2.5%	-0.3%
Total consolidated	<u>\$9,546</u>	<u>\$8,355</u>	14.3%	11.5%	<u>\$18,208</u>	<u>\$16,332</u>	11.5%	9.3%

(1) Commercial multiple peril represents retail package business (property and general liability).

(2) For purposes of this schedule only, A&H results from our Combined North America and International businesses, normally included in the Life Insurance and Overseas General Insurance segments, respectively, as well as the A&H results of our North America Commercial P&C segment, are included in Global A&H lines above.

Chubb Limited
Consolidated Results - Three months ended June 30, 2021
(in millions of U.S. dollars, except ratios)
(Unaudited)

Q2 2021	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 4,285	\$ 1,363	\$ 512	\$ 2,497	\$ 274	\$ —	\$ 8,931	\$ 615	\$ 9,546
Net premiums earned	3,803	1,224	410	2,579	192	—	8,208	605	8,813
Adjusted losses and loss expenses	2,426	676	331	1,186	110	89	4,818	185	5,003
Adjusted policy benefits	—	—	—	—	—	—	—	170	170
Policy acquisition costs	489	245	27	699	47	—	1,507	191	1,698
Administrative expenses	245	67	3	279	10	88	692	83	775
Underwriting income (loss)	643	236	49	415	25	(177)	1,191	(24)	1,167
Adjusted net investment income	535	64	8	149	81	7	844	101	945
Other income (expense) - operating	(14)	5	—	(2)	—	(2)	(13)	26	13
Amortization expense of purchased intangibles	—	(3)	(6)	(13)	—	(50)	(72)	(1)	(73)
Segment income (loss)	\$ 1,164	\$ 302	\$ 51	\$ 549	\$ 106	\$ (222)	\$ 1,950	\$ 102	\$ 2,052
Adjusted interest expense						(127)			(127)
Income tax expense						(304)			(304)
Core operating income (loss)						(653)			1,621
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$3 million tax benefit						(14)			(14)
Adjusted net realized gains (losses), net of \$16 million tax (1)						658			658
Net income (loss)						\$ (9)			\$ 2,265
Combined ratio	83.1%	80.7%	88.1%	83.9%	86.6%		85.5%		
CAY combined ratio ex Cats	82.9%	79.2%	87.1%	88.4%	81.2%		85.4%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results - Six months ended June 30, 2021
(in millions of U.S. dollars, except ratios)
(Unaudited)

YTD 2021	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 7,949	\$ 2,461	\$ 695	\$ 5,387	\$ 481	\$ —	\$16,973	\$ 1,235	\$ 18,208
Net premiums earned	7,477	2,408	520	5,057	372	—	15,834	1,200	17,034
Adjusted losses and loss expenses	4,986	1,495	416	2,449	230	98	9,674	383	10,057
Adjusted policy benefits	—	—	—	—	—	—	—	333	333
Policy acquisition costs	1,003	492	39	1,367	92	—	2,993	370	3,363
Administrative expenses	499	127	6	545	18	159	1,354	165	1,519
Underwriting income (loss)	989	294	59	696	32	(257)	1,813	(51)	1,762
Adjusted net investment income	1,075	129	15	290	151	16	1,676	199	1,875
Other income (expense) - operating	(16)	4	—	(3)	—	(6)	(21)	60	39
Amortization expense of purchased intangibles	—	(6)	(13)	(25)	—	(99)	(143)	(2)	(145)
Segment income (loss)	<u>\$ 2,048</u>	<u>\$ 421</u>	<u>\$ 61</u>	<u>\$ 958</u>	<u>\$ 183</u>	<u>\$ (346)</u>	<u>\$ 3,325</u>	<u>\$ 206</u>	<u>\$ 3,531</u>
Adjusted interest expense						(254)			(254)
Income tax expense						(514)			(514)
Core operating income (loss)						(1,114)			2,763
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$8 million tax benefit						(30)			(30)
Adjusted net realized gains (losses), net of \$149 million tax (1)						1,832			1,832
Net income (loss)						<u>\$ 688</u>			<u>\$ 4,565</u>
Combined ratio	86.8%	87.8%	88.7%	86.2%	91.3%		88.6%		
CAY combined ratio ex Cats	83.6%	78.9%	86.6%	88.1%	79.6%		85.3%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results - Three months ended June 30, 2020
(in millions of U.S. dollars, except ratios)
(Unaudited)

Q2 2020	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 3,720	\$ 1,327	\$ 461	\$ 2,021	\$ 207	\$ —	\$7,736	\$ 619	\$ 8,355
Net premiums earned	3,595	1,192	376	2,194	163	—	7,520	608	8,128
Adjusted losses and loss expenses	3,498	762	313	1,485	73	276	6,407	171	6,578
Adjusted policy benefits	—	—	—	—	—	—	—	183	183
Policy acquisition costs	471	231	29	624	42	—	1,397	196	1,593
Administrative expenses	249	66	3	241	9	77	645	82	727
Underwriting income (loss)	(623)	133	31	(156)	39	(353)	(929)	(24)	(953)
Adjusted net investment income	509	65	7	121	60	8	770	95	865
Other income (expense) - operating	(6)	(1)	(1)	(5)	(1)	(9)	(23)	17	(6)
Amortization expense of purchased intangibles	—	(3)	(6)	(11)	—	(51)	(71)	(1)	(72)
Segment income (loss)	<u>\$ (120)</u>	<u>\$ 194</u>	<u>\$ 31</u>	<u>\$ (51)</u>	<u>\$ 98</u>	<u>\$ (405)</u>	<u>\$ (253)</u>	<u>\$ 87</u>	<u>\$ (166)</u>
Adjusted interest expense						(134)			(134)
Income tax benefit						46			46
Core operating loss						(493)			(254)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$5 million tax benefit						(19)			(19)
Adjusted net realized gains (losses), net of \$11 million tax benefit (1)						(58)			(58)
Net loss						<u>\$ (570)</u>			<u>\$ (331)</u>
Combined ratio	117.3%	88.8%	91.8%	107.1%	76.6%		112.3%		
CAY combined ratio ex Cats	86.0%	79.6%	90.2%	90.7%	78.2%		87.4%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Consolidated Results - Six months ended June 30, 2020
(in millions of U.S. dollars, except ratios)
(Unaudited)

YTD 2020	North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C	Life Insurance	Total Consolidated
Net premiums written	\$ 6,972	\$ 2,434	\$ 618	\$ 4,619	\$ 425	\$ —	\$15,068	\$ 1,264	\$ 16,332
Net premiums earned	6,971	2,392	470	4,501	349	—	14,683	1,239	15,922
Adjusted losses and loss expenses	5,679	1,445	378	2,743	160	287	10,692	373	11,065
Adjusted policy benefits	—	—	—	—	—	—	—	368	368
Policy acquisition costs	963	476	40	1,266	87	—	2,832	376	3,208
Administrative expenses	508	134	7	499	19	143	1,310	158	1,468
Underwriting income (loss)	(179)	337	45	(7)	83	(430)	(151)	(36)	(187)
Adjusted net investment income	1,034	131	16	266	129	16	1,592	190	1,782
Other income (expense) - operating	(12)	(3)	(1)	(9)	(1)	(25)	(51)	29	(22)
Amortization expense of purchased intangibles	—	(6)	(13)	(23)	—	(101)	(143)	(2)	(145)
Segment income (loss)	<u>\$ 843</u>	<u>\$ 459</u>	<u>\$ 47</u>	<u>\$ 227</u>	<u>\$ 211</u>	<u>\$ (540)</u>	<u>\$ 1,247</u>	<u>\$ 181</u>	<u>\$ 1,428</u>
Adjusted interest expense						(271)			(271)
Income tax expense						(191)			(191)
Core operating income (loss)						(1,002)			966
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of \$10 million tax benefit						(41)			(41)
Adjusted net realized gains (losses), net of \$28 million tax benefit (1)						(1,004)			(1,004)
Net loss						<u>\$ (2,047)</u>			<u>\$ (79)</u>
Combined ratio	102.6%	85.9%	90.4%	100.2%	76.3%		101.0%		
CAY combined ratio excluding Cats	86.2%	80.4%	90.4%	90.2%	79.2%		87.5%		

(1) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Commercial P&C Insurance

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Gross premiums written	\$5,456	\$4,545	\$4,780	\$4,841	\$4,401	\$10,001	\$8,612	\$18,233
Net premiums written	4,285	3,664	3,724	3,778	3,720	7,949	6,972	14,474
Net premiums earned	3,803	3,674	3,537	3,456	3,595	7,477	6,971	13,964
Losses and loss expenses	2,426	2,560	2,006	2,444	3,498	4,986	5,679	10,129
Policy acquisition costs	489	514	490	489	471	1,003	963	1,942
Administrative expenses	245	254	255	243	249	499	508	1,006
Underwriting income (loss)	643	346	786	280	(623)	989	(179)	887
Adjusted net investment income	535	540	517	510	509	1,075	1,034	2,061
Other income (expense) - operating	(14)	(2)	(4)	(7)	(6)	(16)	(12)	(23)
Segment income (loss)	<u>\$1,164</u>	<u>\$ 884</u>	<u>\$1,299</u>	<u>\$ 783</u>	<u>\$ (120)</u>	<u>\$ 2,048</u>	<u>\$ 843</u>	<u>\$ 2,925</u>
CAY underwriting income ex Cats	\$ 652	\$ 581	\$ 568	\$ 527	\$ 504	\$ 1,233	\$ 961	\$ 2,056

Combined ratio

Loss and loss expense ratio	63.8%	69.7%	56.7%	70.7%	97.3%	66.7%	81.5%	72.5%
Policy acquisition cost ratio	12.9%	14.0%	13.9%	14.2%	13.1%	13.4%	13.8%	14.0%
Administrative expense ratio	6.4%	6.9%	7.2%	7.0%	6.9%	6.7%	7.3%	7.2%
Combined ratio	<u>83.1%</u>	<u>90.6%</u>	<u>77.8%</u>	<u>91.9%</u>	<u>117.3%</u>	<u>86.8%</u>	<u>102.6%</u>	<u>93.7%</u>

CAY combined ratio ex Cats

CAY loss and loss expense ratio ex Cats	63.7%	63.4%	62.8%	63.8%	66.1%	63.6%	65.2%	64.2%
CAY policy acquisition cost and administrative expense ratio ex Cats	19.2%	20.8%	21.1%	21.1%	19.9%	20.0%	21.0%	21.1%
CAY combined ratio ex Cats	<u>82.9%</u>	<u>84.2%</u>	<u>83.9%</u>	<u>84.9%</u>	<u>86.0%</u>	<u>83.6%</u>	<u>86.2%</u>	<u>85.3%</u>
Catastrophe reinstatement premiums expensed - pre-tax	\$ —	\$ —	\$ —	\$ —	\$ (3)	\$ —	\$ (3)	\$ (3)
Catastrophe losses - pre-tax	\$ 165	\$ 362	\$ 33	\$ 447	\$ 1,270	\$ 527	\$ 1,388	\$ 1,868
Favorable prior period development (PPD) - pre-tax	\$ (156)	\$ (127)	\$ (251)	\$ (200)	\$ (146)	\$ (283)	\$ (251)	\$ (702)

% Change versus prior year period

Net premiums written (1)	15.2%	12.7%	8.3%	9.4%	5.3%	14.0%	7.5%	8.2%
Net premiums written - Commercial	16.3%	14.7%	10.0%	11.2%	6.9%	15.6%	8.6%	9.6%
Net premiums written - Consumer	-8.9%	-18.5%	-19.1%	-18.1%	-20.3%	-14.1%	-8.9%	-13.8%
Net premiums earned	5.8%	8.8%	8.4%	8.5%	6.1%	7.3%	7.7%	8.1%

Other ratios

Net premiums written/gross premiums written	79%	81%	78%	78%	85%	79%	81%	79%
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Production by Size - Net premiums written (2)

Major Accounts & Specialty	\$2,622	\$2,140	\$2,229	\$2,294	\$2,350	\$ 4,762	\$4,224	\$ 8,747
Commercial	<u>1,663</u>	<u>1,524</u>	<u>1,495</u>	<u>1,484</u>	<u>1,370</u>	<u>3,187</u>	<u>2,748</u>	<u>5,727</u>
Total	<u>\$4,285</u>	<u>\$3,664</u>	<u>\$3,724</u>	<u>\$3,778</u>	<u>\$3,720</u>	<u>\$ 7,949</u>	<u>\$6,972</u>	<u>\$14,474</u>

(1) Q2 2021 net premiums written growth was adversely impacted by lower year-over-year large structured transactions written of \$241 million, partially offset by the prior year COVID-19 related exposure adjustments of \$160 million on in-force policies. Excluding these items, net premiums written increased 18.0% in the quarter and 15.5% YTD.

(2) Major Accounts & Specialty: large corporate accounts and wholesale business. Commercial: principally middle market and small commercial accounts.

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Personal P&C Insurance

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Gross premiums written	\$ 1,544	\$ 1,275	\$ 1,348	\$ 1,448	\$ 1,511	\$ 2,819	\$ 2,776	\$ 5,572
Net premiums written	1,363	1,098	1,201	1,285	1,327	2,461	2,434	4,920
Net premiums earned	1,224	1,184	1,243	1,231	1,192	2,408	2,392	4,866
Losses and loss expenses	676	819	781	961	762	1,495	1,445	3,187
Policy acquisition costs	245	247	250	248	231	492	476	974
Administrative expenses	67	60	71	65	66	127	134	270
Underwriting income (loss)	236	58	141	(43)	133	294	337	435
Net investment income	64	65	65	64	65	129	131	260
Other income (expense) - operating	5	(1)	(1)	(1)	(1)	4	(3)	(5)
Amortization expense of purchased intangibles	(3)	(3)	(3)	(2)	(3)	(6)	(6)	(11)
Segment income	<u>\$ 302</u>	<u>\$ 119</u>	<u>\$ 202</u>	<u>\$ 18</u>	<u>\$ 194</u>	<u>\$ 421</u>	<u>\$ 459</u>	<u>\$ 679</u>
CAY underwriting income ex Cats	\$ 253	\$ 258	\$ 254	\$ 310	\$ 242	\$ 511	\$ 468	\$ 1,032
Combined ratio								
Loss and loss expense ratio	55.2%	69.2%	62.8%	78.1%	63.8%	62.1%	60.4%	65.5%
Policy acquisition cost ratio	20.0%	20.9%	20.1%	20.1%	19.4%	20.4%	19.9%	20.0%
Administrative expense ratio	5.5%	5.0%	5.7%	5.3%	5.6%	5.3%	5.6%	5.6%
Combined ratio	<u>80.7%</u>	<u>95.1%</u>	<u>88.6%</u>	<u>103.5%</u>	<u>88.8%</u>	<u>87.8%</u>	<u>85.9%</u>	<u>91.1%</u>
CAY combined ratio ex Cats								
CAY loss and loss expense ratio ex Cats	53.6%	53.2%	53.4%	49.2%	54.7%	53.4%	54.9%	53.1%
CAY policy acquisition cost and administrative expense ratio ex Cats	25.6%	25.4%	25.9%	25.6%	24.9%	25.5%	25.5%	25.6%
CAY combined ratio ex Cats	<u>79.2%</u>	<u>78.6%</u>	<u>79.3%</u>	<u>74.8%</u>	<u>79.6%</u>	<u>78.9%</u>	<u>80.4%</u>	<u>78.7%</u>
Catastrophe reinstatement premiums (expensed)								
collected - pre-tax	\$ 7	\$ (23)	\$ —	\$ —	\$ (1)	\$ (16)	\$ (1)	\$ (1)
Catastrophe losses - pre-tax	\$ 68	\$ 217	\$ 98	\$ 305	\$ 109	\$ 285	\$ 130	\$ 533
Unfavorable (favorable) prior period development (PPD) - pre-tax	\$ (44)	\$ (40)	\$ 15	\$ 48	\$ (1)	\$ (84)	\$ —	\$ 63
% Change versus prior year period								
Net premiums written	2.6%	-0.8%	2.5%	2.8%	1.4%	1.1%	2.9%	2.8%
Net premiums earned	2.7%	-1.3%	4.9%	3.8%	2.1%	0.7%	3.0%	3.7%
Other ratios								
Net premiums written/gross premiums written	88%	86%	89%	89%	88%	87%	88%	88%

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

North America Agricultural Insurance

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Gross premiums written	\$ 706	\$ 266	\$ 312	\$ 1,332	\$ 652	\$ 972	\$ 872	\$ 2,516
Net premiums written	512	183	242	986	461	695	618	1,846
Net premiums earned	410	110	381	971	376	520	470	1,822
Adjusted losses and loss expenses (1)	331	85	321	845	313	416	378	1,544
Policy acquisition costs	27	12	27	56	29	39	40	123
Administrative expenses	3	3	(3)	5	3	6	7	9
Underwriting income	49	10	36	65	31	59	45	146
Net investment income	8	7	7	7	7	15	16	30
Other income (expense) - operating	—	—	—	—	(1)	—	(1)	(1)
Amortization expense of purchased intangibles	(6)	(7)	(7)	(7)	(6)	(13)	(13)	(27)
Segment income	\$ 51	\$ 10	\$ 36	\$ 65	\$ 31	\$ 61	\$ 47	\$ 148
CAY underwriting income ex Cats	\$ 53	\$ 16	\$ 34	\$ 93	\$ 37	\$ 69	\$ 45	\$ 172
Combined ratio								
Loss and loss expense ratio	80.7%	77.5%	84.1%	87.1%	83.1%	80.0%	80.4%	84.7%
Policy acquisition cost ratio	6.7%	10.7%	7.0%	5.8%	7.8%	7.6%	8.5%	6.8%
Administrative expense ratio	0.7%	2.7%	-0.6%	0.4%	0.9%	1.1%	1.5%	0.5%
Combined ratio	88.1%	90.9%	90.5%	93.3%	91.8%	88.7%	90.4%	92.0%
CAY combined ratio ex Cats								
CAY loss and loss expense ratio ex Cats	79.7%	71.2%	86.3%	84.2%	81.5%	77.9%	80.4%	83.7%
CAY policy acquisition cost and administrative expense ratio ex Cats	7.4%	13.5%	4.8%	6.2%	8.7%	8.7%	10.0%	6.8%
CAY combined ratio ex Cats	87.1%	84.7%	91.1%	90.4%	90.2%	86.6%	90.4%	90.5%
Catastrophe reinstatement premiums expensed - pre-tax	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ —	\$ —	\$ (1)
Catastrophe losses - pre-tax	\$ 4	\$ 8	\$ 11	\$ 10	\$ 6	\$ 12	\$ 14	\$ 35
Unfavorable (favorable) prior period development (PPD) - pre-tax	\$ —	\$ (2)	\$ (14)	\$ 18	\$ —	\$ (2)	\$ (14)	\$ (10)
% Change versus prior year period								
Net premiums written	11.0%	16.5%	-12.2%	5.0%	-1.1%	12.4%	3.8%	2.0%
Net premiums earned	8.9%	16.7%	-9.4%	3.2%	-0.5%	10.5%	8.6%	1.5%
Other ratios								
Net premiums written/gross premiums written	72%	69%	78%	74%	71%	71%	71%	73%

(1) Includes Realized gains (losses) on crop derivatives.

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Overseas General Insurance

	2Q-21	1Q-21	4Q-20	3Q-20	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Gross premiums written	\$3,166	\$3,574	\$ 3,001	\$ 2,756	\$2,561	\$6,740	\$ 5,692	\$ 11,449
Net premiums written	2,497	2,890	2,478	2,238	2,021	5,387	4,619	9,335
Net premiums earned	2,579	2,478	2,447	2,337	2,194	5,057	4,501	9,285
Losses and loss expenses	1,186	1,263	1,320	1,192	1,485	2,449	2,743	5,255
Policy acquisition costs	699	668	665	637	624	1,367	1,266	2,568
Administrative expenses	279	266	275	260	241	545	499	1,034
Underwriting income (loss)	415	281	187	248	(156)	696	(7)	428
Adjusted net investment income	149	141	138	130	121	290	266	534
Other income (expense) - operating	(2)	(1)	(3)	(1)	(5)	(3)	(9)	(13)
Amortization expense of purchased intangibles	(13)	(12)	(12)	(10)	(11)	(25)	(23)	(45)
Segment income (loss)	\$ 549	\$ 409	\$ 310	\$ 367	\$ (51)	\$ 958	\$ 227	\$ 904
CAY underwriting income ex Cats	\$ 299	\$ 306	\$ 258	\$ 283	\$ 207	\$ 605	\$ 442	\$ 983

Combined ratio

Loss and loss expense ratio	46.0%	51.0%	53.9%	51.0%	67.7%	48.4%	61.0%	56.6%
Policy acquisition cost ratio	27.1%	27.0%	27.2%	27.3%	28.4%	27.0%	28.1%	27.7%
Administrative expense ratio	10.8%	10.7%	11.3%	11.1%	11.0%	10.8%	11.1%	11.1%
Combined ratio	83.9%	88.7%	92.4%	89.4%	107.1%	86.2%	100.2%	95.4%

CAY combined ratio ex Cats

CAY loss and loss expense ratio ex Cats	50.6%	49.9%	51.0%	49.5%	51.6%	50.3%	51.2%	50.7%
CAY policy acquisition cost and administrative expense ratio ex Cats	37.8%	37.7%	38.5%	38.4%	39.1%	37.8%	39.0%	38.7%
CAY combined ratio ex Cats	88.4%	87.6%	89.5%	87.9%	90.7%	88.1%	90.2%	89.4%

Catastrophe reinstatement premiums (expensed) collected - pre-tax	\$ —	\$ —	\$ 1	\$ —	\$ (16)	\$ —	\$ (16)	\$ (15)
Catastrophe losses - pre-tax	\$ 40	\$ 50	\$ 122	\$ 95	\$ 383	\$ 90	\$ 473	\$ 690
Favorable prior period development (PPD) - pre-tax	\$ (156)	\$ (25)	\$ (50)	\$ (60)	\$ (36)	\$ (181)	\$ (40)	\$ (150)

% Change versus prior year period

Net premiums written	23.6%	11.2%	4.1%	0.5%	-10.5%	16.6%	-0.7%	0.8%
Net premiums written - Commercial	32.4%	20.3%	14.2%	10.4%	-1.6%	25.4%	5.8%	9.1%
Net premiums written - Consumer	12.8%	-1.3%	-8.0%	-10.9%	-19.6%	5.1%	-8.3%	-8.9%
Net premiums earned	17.6%	7.4%	7.0%	3.6%	-1.5%	12.4%	3.7%	4.5%
Net premiums written constant \$	15.0%	7.1%	3.3%	2.8%	-5.1%	10.6%	2.7%	2.9%
Net premiums written - Commercial	23.4%	15.2%	12.6%	12.2%	3.5%	18.8%	9.1%	10.8%
Net premiums written - Consumer	4.6%	-4.2%	-8.1%	-8.1%	-14.0%	-0.1%	-4.7%	-6.4%
Net premiums earned constant \$	9.1%	3.7%	6.0%	5.7%	4.2%	6.4%	7.4%	6.6%

Other ratios: Net premiums written/gross premiums written

	79%	81%	83%	81%	79%	80%	81%	82%
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Production by Region - Net premiums written	2Q-21	2Q-20	% Change	Constant \$ % Change	YTD 2021	YTD 2020	% Change	Constant \$ % Change
Europe, Middle East and Africa	\$ 1,188	\$ 879	35.2%	25.6%	\$2,739	\$2,156	27.1%	18.7%
Latin America	451	389	16.3%	8.2%	988	972	1.7%	1.4%
Asia	825	721	14.4%	6.7%	1,586	1,409	12.5%	5.7%
Other (1)	33	32	1.9%	-6.5%	74	82	-10.3%	-15.5%
Total	\$2,497	\$2,021	23.6%	15.0%	\$5,387	\$4,619	16.6%	10.6%

(1) Includes the company's international supplemental A&H business of Combined Insurance and other international operations.

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars, except ratios)
(Unaudited)

Global Reinsurance

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Gross premiums written	\$ 336	\$ 230	\$ 130	\$ 198	\$ 262	\$ 566	\$ 504	\$ 832
Net premiums written	274	207	125	181	207	481	425	731
Net premiums earned	192	180	178	171	163	372	349	698
Losses and loss expenses	110	120	121	154	73	230	160	435
Policy acquisition costs	47	45	47	40	42	92	87	174
Administrative expenses	10	8	9	9	9	18	19	37
Underwriting income (loss)	25	7	1	(32)	39	32	83	52
Adjusted net investment income	81	70	93	85	60	151	129	307
Other income (expense) - operating	—	—	(1)	—	(1)	—	(1)	(2)
Segment income	<u>\$ 106</u>	<u>\$ 77</u>	<u>\$ 93</u>	<u>\$ 53</u>	<u>\$ 98</u>	<u>\$ 183</u>	<u>\$ 211</u>	<u>\$ 357</u>
CAY underwriting income ex Cats	\$ 35	\$ 40	\$ 33	\$ 30	\$ 36	\$ 75	\$ 73	\$ 136

Combined ratio

Loss and loss expense ratio	56.8%	66.9%	68.3%	89.6%	45.5%	61.7%	46.0%	62.3%
Policy acquisition cost ratio	24.7%	24.9%	25.9%	23.5%	25.5%	24.8%	25.0%	24.9%
Administrative expense ratio	5.1%	4.6%	5.4%	5.2%	5.6%	4.8%	5.3%	5.3%
Combined ratio	<u>86.6%</u>	<u>96.4%</u>	<u>99.6%</u>	<u>118.3%</u>	<u>76.6%</u>	<u>91.3%</u>	<u>76.3%</u>	<u>92.5%</u>

CAY combined ratio ex Cats

CAY loss and loss expense ratio ex Cats	50.9%	48.3%	49.3%	49.7%	46.8%	49.6%	48.7%	49.1%
CAY policy acquisition cost and administrative expense ratio ex Cats	<u>30.3%</u>	<u>29.7%</u>	<u>32.0%</u>	<u>31.1%</u>	<u>31.4%</u>	<u>30.0%</u>	<u>30.5%</u>	<u>31.0%</u>
CAY combined ratio ex Cats	<u>81.2%</u>	<u>78.0%</u>	<u>81.3%</u>	<u>80.8%</u>	<u>78.2%</u>	<u>79.6%</u>	<u>79.2%</u>	<u>80.1%</u>
Catastrophe reinstatement premiums collected - pre-tax	\$ 1	\$ 5	\$ 3	\$ 7	\$ —	\$ 6	\$ —	\$ 10
Catastrophe losses - pre-tax	\$ 11	\$ 45	\$ 35	\$ 75	\$ 13	\$ 56	\$ 13	\$ 123
Favorable prior period development (PPD) - pre-tax	\$ —	\$ (7)	\$ —	\$ (6)	\$ (16)	\$ (7)	\$ (23)	\$ (29)

% Change versus prior year period

Net premiums written as reported	32.4%	-5.1%	14.4%	28.4%	4.6%	13.1%	6.5%	12.6%
Net premiums earned as reported	17.8%	-3.3%	6.5%	6.7%	2.9%	6.6%	6.8%	6.7%
Net premiums written constant \$	30.7%	-6.2%	12.9%	27.2%	4.9%	11.7%	6.4%	12.1%
Net premiums earned constant \$	15.1%	-4.3%	5.1%	5.4%	4.0%	4.8%	7.2%	6.2%

Other ratios

Net premiums written/gross premiums written	81%	90%	96%	91%	79%	85%	84%	88%
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Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Life Insurance

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Gross premiums written	\$ 652	\$ 655	\$ 678	\$ 645	\$ 653	\$ 1,307	\$ 1,336	\$ 2,659
Net premiums written	615	620	640	610	619	1,235	1,264	2,514
Net premiums earned	605	595	644	599	608	1,200	1,239	2,482
Losses and loss expenses	185	198	168	183	171	383	373	724
Adjusted policy benefits	170	163	184	174	183	333	368	726
Policy acquisition costs	191	179	215	175	196	370	376	766
Administrative expenses	83	82	82	80	82	165	158	320
Net investment income	101	98	100	95	95	199	190	385
Life Insurance underwriting income (1)	77	71	95	82	71	148	154	331
Other income (expense) - operating	26	34	22	23	17	60	29	74
Amortization expense of purchased intangibles	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(4)
Segment income	<u>\$ 102</u>	<u>\$ 104</u>	<u>\$ 116</u>	<u>\$ 104</u>	<u>\$ 87</u>	<u>\$ 206</u>	<u>\$ 181</u>	<u>\$ 401</u>
% Change versus prior year period								
Net premiums written	-0.7%	-3.8%	3.0%	-0.4%	7.0%	-2.3%	9.2%	5.1%
Net premiums earned	-0.4%	-5.7%	5.0%	0.0%	6.5%	-3.1%	9.5%	5.9%
Net premiums written constant \$	-4.0%	-4.7%	3.1%	0.2%	8.5%	-4.3%	9.9%	5.6%
Net premiums earned constant \$	-3.7%	-6.7%	5.2%	0.7%	8.0%	-5.2%	10.2%	6.5%

(1) We assess the performance of our Life Insurance business based on Life Insurance underwriting income which includes Net investment income and (Gains) losses from fair value changes in separate account assets.

International life insurance net premiums written and deposits breakdown (excludes Combined North America and Life reinsurance businesses):

	<u>2Q-21</u>	<u>2Q-20</u>	<u>% Change</u>	<u>Constant \$ % Change</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>% Change</u>	<u>Constant \$ % Change</u>
International life insurance net premiums written	\$ 324	\$ 290	11.6%	6.3%	\$ 648	\$ 585	10.7%	7.2%
International life insurance deposits (2)	605	309	95.8%	86.9%	1,156	752	53.7%	45.7%
Total international life insurance net premiums written and deposits	<u>\$ 929</u>	<u>\$ 599</u>	55.0%	47.8%	<u>\$ 1,804</u>	<u>\$ 1,337</u>	34.9%	29.1%
International life insurance segment income	<u>\$ 35</u>	<u>\$ 37</u>	-6.2%	-6.8%	<u>\$ 87</u>	<u>\$ 82</u>	5.8%	4.8%

(2) Includes deposits collected on universal life and investment contracts. Consistent with GAAP, premiums collected on universal life and investment contracts are considered deposits and excluded from revenues.

Chubb Limited
Segment Results - Consecutive Quarters
(in millions of U.S. dollars)
(Unaudited)

Corporate

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Gross premiums written	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Net premiums written	—	—	—	—	—	—	—	—
Net premiums earned	—	—	—	—	—	—	—	—
Losses and loss expenses (1)	89	9	93	55	276	98	287	435
Policy acquisition costs	—	—	—	—	—	—	—	—
Administrative expenses	88	71	89	71	77	159	143	303
Underwriting loss	(177)	(80)	(182)	(126)	(353)	(257)	(430)	(738)
Adjusted net investment income	7	9	4	9	8	16	16	29
Other income (expense) - operating	(2)	(4)	2	(7)	(9)	(6)	(25)	(30)
Adjusted interest expense	(127)	(127)	(131)	(135)	(134)	(254)	(271)	(537)
Amortization expense of purchased intangibles	(50)	(49)	(50)	(52)	(51)	(99)	(101)	(203)
Income tax (expense) benefit	(304)	(210)	(259)	(172)	46	(514)	(191)	(622)
Core operating loss	(653)	(461)	(616)	(483)	(493)	(1,114)	(1,002)	(2,101)
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(14)	(16)	(18)	(19)	(19)	(30)	(41)	(78)
Adjusted net realized gains (losses), net of tax (2)	658	1,174	996	306	(58)	1,832	(1,004)	298
Net income (loss)	<u>\$ (9)</u>	<u>\$ 697</u>	<u>\$ 362</u>	<u>\$ (196)</u>	<u>\$ (570)</u>	<u>\$ 688</u>	<u>\$ (2,047)</u>	<u>\$ (1,881)</u>
Unfavorable prior period development (PPD) - pre-tax	\$ 88	\$ 9	\$ 94	\$ 54	\$ 274	\$ 97	\$ 285	\$ 433

(1) Q2 and YTD 2021 includes \$68 million of unfavorable PPD for legacy exposures for molestation claims, compared with \$254 million prior year.

Excluded from this amount is \$5 million recorded in the North America Commercial P&C Insurance segment in Q2 and YTD 2020.

(2) Includes Net realized gains (losses) related to unconsolidated entities.

Chubb Limited
Loss Reserve Rollforward
(in millions of U.S. dollars, except ratios)
(Unaudited)

	Unpaid Losses			Net Paid to Incurred Ratio
	Gross	Ceded	Net	
Balance at December 31, 2019	\$62,690	\$14,181	\$48,509	
Losses and loss expenses incurred	5,569	1,084	4,485	
Losses and loss expenses paid	(5,345)	(1,090)	(4,255)	95%
Other (incl. foreign exch. revaluation)	(700)	(135)	(565)	
Balance at March 31, 2020	\$62,214	\$14,040	\$48,174	
Losses and loss expenses incurred	7,825	1,248	6,577	
Losses and loss expenses paid	(4,874)	(1,024)	(3,850)	59%
Other (incl. foreign exch. revaluation)	534	97	437	
Balance at June 30, 2020	\$65,699	\$14,361	\$51,338	
Losses and loss expenses incurred	7,288	1,453	5,835	
Losses and loss expenses paid	(5,342)	(1,084)	(4,258)	73%
Other (incl. foreign exch. revaluation)	260	37	223	
Balance at September 30, 2020	\$67,905	\$14,767	\$53,138	
Losses and loss expenses incurred	6,029	1,216	4,813	
Losses and loss expenses paid	(6,492)	(1,421)	(5,071)	105%
Other (incl. foreign exch. revaluation)	369	85	284	
Balance at December 31, 2020	\$67,811	\$14,647	\$53,164	
Losses and loss expenses incurred	6,467	1,414	5,053	
Losses and loss expenses paid	(5,100)	(1,207)	(3,893)	77%
Other (incl. foreign exch. revaluation)	77	6	71	
Balance at March 31, 2021	\$69,255	\$14,860	\$54,395	
Losses and loss expenses incurred	5,898	892	5,006	
Losses and loss expenses paid	(5,100)	(1,107)	(3,993)	80%
Other (incl. foreign exch. revaluation)	236	76	160	
Balance at June 30, 2021	\$70,289	\$14,721	\$55,568	
Add net recoverable on paid losses	—	1,004	(1,004)	
Balance including net recoverable on paid losses	\$70,289	\$15,725	\$54,564	

Chubb Limited
Reinsurance Recoverable Analysis
(in millions of U.S. dollars)
(Unaudited)

Net Reinsurance Recoverable by Division

	June 30 2021	March 31 2021	December 31 2020
Reinsurance recoverable on paid losses and loss expenses			
Active operations	\$ 885	\$ 915	\$ 789
Brandywine and Other Run-off	176	198	213
Total	<u>\$ 1,061</u>	<u>\$ 1,113</u>	<u>\$ 1,002</u>
Reinsurance recoverable on unpaid losses and loss expenses			
Active operations	\$13,707	\$ 13,868	\$ 13,629
Brandywine and Other Run-off	1,279	1,250	1,275
Total	<u>\$14,986</u>	<u>\$ 15,118</u>	<u>\$ 14,904</u>
Gross reinsurance recoverable			
Active operations	\$14,592	\$ 14,783	\$ 14,418
Brandywine and Other Run-off	1,455	1,448	1,488
Total	<u>\$16,047</u>	<u>\$ 16,231</u>	<u>\$ 15,906</u>
Provision for uncollectible reinsurance (1)			
Active operations	\$ (187)	\$ (181)	\$ (178)
Brandywine and Other Run-off	(135)	(136)	(136)
Total	<u>\$ (322)</u>	<u>\$ (317)</u>	<u>\$ (314)</u>
Net reinsurance recoverable			
Active operations	\$14,405	\$ 14,602	\$ 14,240
Brandywine and Other Run-off	1,320	1,312	1,352
Total	<u>\$15,725</u>	<u>\$ 15,914</u>	<u>\$ 15,592</u>

(1) The provision for uncollectible reinsurance is based on a default analysis applied to gross reinsurance, net of usable collateral of approximately \$3.5 billion.

Chubb Limited
Investment Portfolio
(in millions of U.S. dollars)
(Unaudited)

	June 30 2021		March 31 2021		December 31 2020	
Market Value						
Fixed maturities available for sale	\$ 92,163		\$ 91,071		\$ 90,699	
Fixed maturities held to maturity	11,343		11,752		12,510	
Short-term investments	4,470		3,735		4,345	
Total fixed maturities	<u>\$ 107,976</u>		<u>\$ 106,558</u>		<u>\$ 107,554</u>	
Asset Allocation by Market Value						
U.S. Treasury / Agency	\$ 3,560	3%	\$ 3,724	3%	\$ 4,122	4%
Corporate and asset-backed securities	39,889	37%	38,711	36%	38,769	36%
Mortgage-backed securities	21,445	20%	21,434	20%	20,616	19%
Municipal	10,834	10%	11,437	11%	11,943	11%
Non-U.S.	27,778	26%	27,517	26%	27,759	26%
Short-term investments	4,470	4%	3,735	4%	4,345	4%
Total fixed maturities	<u>\$ 107,976</u>	<u>100%</u>	<u>\$ 106,558</u>	<u>100%</u>	<u>\$ 107,554</u>	<u>100%</u>
Credit Quality by Market Value						
AAA	\$ 16,274	15%	\$ 15,462	15%	\$ 15,622	15%
AA	35,412	33%	35,930	33%	36,125	33%
A	19,720	18%	19,420	18%	19,712	18%
BBB	17,479	16%	17,214	16%	17,542	16%
BB	9,495	9%	9,308	9%	9,699	9%
B	9,004	8%	8,646	8%	8,267	8%
Other	592	1%	578	1%	587	1%
Total fixed maturities	<u>\$ 107,976</u>	<u>100%</u>	<u>\$ 106,558</u>	<u>100%</u>	<u>\$ 107,554</u>	<u>100%</u>
Cost/Amortized Cost, net						
Fixed maturities available for sale	\$ 88,254		\$ 87,858		\$ 85,168	
Fixed maturities held to maturity	10,673		11,132		11,653	
Short-term investments	4,471		3,736		4,349	
Subtotal fixed maturities (1)	<u>103,398</u>		<u>102,726</u>		<u>101,170</u>	
Equity securities	4,607		4,405		4,027	
Other investments	9,457		8,636		7,945	
Total investment portfolio	<u>\$ 117,462</u>		<u>\$ 115,767</u>		<u>\$ 113,142</u>	
Avg. duration of fixed maturities	4.2 years		4.3 years		4.0 years	
Avg. market yield of fixed maturities	2.0%		2.1%		1.7%	
Avg. credit quality	A/Aa		A/Aa		A/Aa	
Avg. yield on invested assets (2)	3.2%		3.2%		3.3%	

(1) Net of valuation allowance for expected credit losses.

(2) Calculated using adjusted net investment income.

Chubb Limited
Investment Portfolio - 2
(in millions of U.S. dollars)
(Unaudited)

Mortgage-backed Fixed Income Portfolio

Mortgage-backed securities

	S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
Market Value at June 30, 2021						
Agency residential mortgage-backed securities (RMBS)	\$ 99	\$17,605	\$ —	\$ —	\$ —	\$17,704
Non-agency RMBS	236	38	72	26	8	380
Commercial mortgage-backed securities	2,915	269	155	16	6	3,361
Total mortgage-backed securities at market value	\$3,250	\$17,912	\$ 227	\$ 42	\$ 14	\$21,445

U.S. Corporate and Asset-backed Fixed Income Portfolios

Market Value at June 30, 2021

	S&P Credit Rating					Total
	Investment Grade					
	AAA	AA	A	BBB		
Asset-backed	\$ 4,082	\$ 700	\$ 28	\$ 35		\$ 4,845
Banks	—	9	1,834	2,097		3,940
Basic Materials	—	—	101	232		333
Communications	—	218	438	1,549		2,205
Consumer, Cyclical	—	222	567	836		1,625
Consumer, Non-Cyclical	60	581	1,905	1,872		4,418
Diversified Financial Services	8	203	380	345		936
Energy	—	106	192	754		1,052
Industrial	—	13	991	906		1,910
Utilities	—	3	1,100	582		1,685
All Others	241	604	1,522	1,229		3,596
Total	\$ 4,391	\$2,659	\$9,058	\$ 10,437		\$26,545

Market Value at June 30, 2021

	S&P Credit Rating				Total
	Below Investment Grade				
	BB	B	CCC		
Asset-backed	\$ 16	\$ 4	\$ 2		\$ 22
Banks	—	—	—		—
Basic Materials	342	185	10		537
Communications	829	961	78		1,868
Consumer, Cyclical	1,100	1,189	129		2,418
Consumer, Non-Cyclical	1,145	1,568	79		2,792
Diversified Financial Services	208	192	5		405
Energy	826	420	9		1,255
Industrial	595	916	21		1,532
Utilities	395	44	1		440
All Others	860	1,176	39		2,075
Total	\$6,316	\$6,655	\$ 373		\$13,344

Chubb Limited
Investment Portfolio - 3
(in millions of U.S. dollars)
(Unaudited)

Non-U.S. Fixed Income Portfolio

June 30, 2021

Non-U.S. Government Securities

	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
Republic of Korea	\$ —	\$ 1,050	\$ —	\$ —	\$ —	\$ 1,050
Canada	1,035	—	—	—	—	1,035
United Kingdom	—	824	—	—	—	824
Province of Ontario	—	—	714	—	—	714
Kingdom of Thailand	—	—	632	—	—	632
United Mexican States	—	—	—	571	—	571
Federative Republic of Brazil	—	—	—	—	555	555
Province of Quebec	—	470	—	—	—	470
Commonwealth of Australia	436	—	1	—	—	437
Socialist Republic of Vietnam	—	—	—	—	426	426
Other Non-U.S. Government Securities	581	1,978	1,299	785	1,091	5,734
Total	<u>\$ 2,052</u>	<u>\$ 4,322</u>	<u>\$ 2,646</u>	<u>\$ 1,356</u>	<u>\$ 2,072</u>	<u>\$ 12,448</u>

Non-U.S. Corporate Securities

	Market Value by S&P Credit Rating					Total
	AAA	AA	A	BBB	BB and below	
United Kingdom	\$ 64	\$ 41	\$ 863	\$ 1,070	\$ 520	\$ 2,558
Canada	79	157	542	612	450	1,840
France	8	47	634	479	74	1,242
United States (1)	—	—	208	278	675	1,161
Australia	72	178	329	303	25	907
Japan	—	2	622	67	—	691
Germany	83	37	118	301	69	608
Switzerland	54	7	307	184	40	592
Netherlands	43	7	227	132	130	539
China	—	7	294	111	69	481
Other Non-U.S. Corporate Securities	384	319	1,021	1,703	1,284	4,711
Total	<u>\$ 787</u>	<u>\$ 802</u>	<u>\$ 5,165</u>	<u>\$ 5,240</u>	<u>\$ 3,336</u>	<u>\$ 15,330</u>

(1) Countries represent the ultimate parent company's country of risk. Non-U.S. corporate securities could be issued by foreign subsidiaries of U.S. corporations.

Chubb Limited
Investment Portfolio - 4
(in millions of U.S. dollars)
(Unaudited)

Fixed Maturity Investment Portfolio

Top 10 Global Corporate Exposures

	June 30, 2021	Market Value	Rating
1	Wells Fargo & Co	\$ 726	BBB+
2	Bank of America Corp	657	A-
3	JP Morgan Chase & Co	615	A-
4	Comcast Corp	507	A-
5	Verizon Communications Inc	489	BBB+
6	Morgan Stanley	474	BBB+
7	AT&T Inc	430	BBB
8	Citigroup Inc	419	BBB+
9	HSBC Holdings Plc	393	A-
10	Goldman Sachs Group Inc	379	BBB+

Chubb Limited
Net Realized and Unrealized Gains (Losses)
(in millions of U.S. dollars)
(Unaudited)

	Three months ended June 30, 2021								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (1)	\$ (79)	\$ 19	\$ (60)	\$ 694	\$ (113)	\$ 581	\$ 615	\$ (94)	\$ 521
Public equity:									
Realized gains (losses) on sales	45	(9)	36	—	—	—	45	(9)	36
Mark-to-market	105	(23)	82	—	—	—	105	(23)	82
Private equity:									
Realized gains (losses) on sales	—	—	—	—	—	—	—	—	—
Mark-to-market	736	(24)	712	—	—	—	736	(24)	712
Total investment portfolio	807	(37)	770	694	(113)	581	1,501	(150)	1,351
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (2)	(72)	—	(72)	—	—	—	(72)	—	(72)
Foreign exchange	(97)	22	(75)	308	(18)	290	211	4	215
Partially-owned entities (3)	36	(1)	35	—	—	—	36	(1)	35
Other	—	—	—	(9)	2	(7)	(9)	2	(7)
Net gains (losses)	\$ 674	\$ (16)	\$ 658	\$ 993	\$ (129)	\$ 864	\$ 1,667	\$ (145)	\$ 1,522

- (1) The quarter includes pre-tax realized losses on fixed income derivatives of \$91 million, a net reduction of the valuation allowance of expected credit losses of \$10 million, and impairments of \$1 million for fixed maturities.
- (2) The quarter includes \$64 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (3) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.

	Three months ended June 30, 2020								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses)	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax	Pre-Tax	Benefit	After-Tax
Fixed income investments (4)	\$ (19)	\$ —	\$ (19)	\$ 3,281	\$ (524)	\$ 2,757	\$ 3,262	\$ (524)	\$ 2,738
Public equity (4):									
Realized gains (losses) on sales	187	(39)	148	—	—	—	187	(39)	148
Mark-to-market	(39)	11	(28)	—	—	—	(39)	11	(28)
Private equity:									
Realized gains (losses) on sales	—	—	—	—	—	—	—	—	—
Mark-to-market	(200)	11	(189)	—	—	—	(200)	11	(189)
Total investment portfolio	(71)	(17)	(88)	3,281	(524)	2,757	3,210	(541)	2,669
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (5)	110	—	110	—	—	—	110	—	110
Foreign exchange	(61)	20	(41)	445	6	451	384	26	410
Partially-owned entities (6)	(7)	—	(7)	—	—	—	(7)	—	(7)
Other	(40)	8	(32)	(22)	5	(17)	(62)	13	(49)
Net gains (losses)	\$ (69)	\$ 11	\$ (58)	\$ 3,704	\$ (513)	\$ 3,191	\$ 3,635	\$ (502)	\$ 3,133

- (4) The quarter includes pre-tax realized gains on fixed income derivatives of \$14 million, realized gains related to the adoption of new accounting guidance that required the acceleration of certain mark-to-market losses on fixed maturities, previously classified as unrealized gains, as realized gains of \$104 million, and impairment of \$31 million for fixed maturities written to market entering default and our intent to sell certain securities during the quarter.
- (5) The quarter includes \$103 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (6) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.

Chubb Limited
Net Realized and Unrealized Gains (Losses)
(in millions of U.S. dollars)
(Unaudited)

	Six months ended June 30, 2021								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
Fixed income investments (1)	\$ 54	\$ (5)	\$ 49	\$(1,623)	\$ 292	\$(1,331)	\$(1,569)	\$ 287	\$(1,282)
Public equity:									
Realized gains (losses) on sales	90	(16)	74	—	—	—	90	(16)	74
Mark-to-market	427	(91)	336	—	—	—	427	(91)	336
Private equity:									
Realized gains (losses) on sales	—	—	—	—	—	—	—	—	—
Mark-to-market	1,174	(38)	1,136	—	—	—	1,174	(38)	1,136
Total investment portfolio	1,745	(150)	1,595	(1,623)	292	(1,331)	122	142	264
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (2)	203	—	203	—	—	—	203	—	203
Foreign exchange	(21)	4	(17)	330	(16)	314	309	(12)	297
Partially-owned entities (3)	55	(3)	52	—	—	—	55	(3)	52
Other	(1)	—	(1)	(37)	7	(30)	(38)	7	(31)
Net gains (losses)	<u>\$ 1,981</u>	<u>\$ (149)</u>	<u>\$ 1,832</u>	<u>\$(1,330)</u>	<u>\$ 283</u>	<u>\$ (1,047)</u>	<u>\$ 651</u>	<u>\$ 134</u>	<u>\$ 785</u>

- (1) Year to date includes pre-tax realized gains on fixed income derivatives of \$18 million, a net reduction of the valuation allowance of expected credit losses of \$16 million, and impairments of \$1 million for fixed maturities.
- (2) Year to date includes \$108 million of losses on applicable hedges. These losses are both pre-tax and after-tax.
- (3) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.

	Six months ended June 30, 2020								
	Realized Gains (Losses)			Unrealized Gains (Losses)			Realized and Unrealized Gains (Losses)		
	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax	Gains (Losses) Pre-Tax	Tax (Expense) Benefit	Gains (Losses) After-Tax
Fixed income investments (4)	\$ (365)	\$ 40	\$ (325)	\$ 1,121	\$ (240)	\$ 881	\$ 756	\$ (200)	\$ 556
Public equity (4):									
Realized gains (losses) on sales	205	(42)	163	—	—	—	205	(42)	163
Mark-to-market	(44)	3	(41)	—	—	—	(44)	3	(41)
Private equity:									
Realized gains (losses) on sales	—	—	—	—	—	—	—	—	—
Mark-to-market	(207)	2	(205)	—	—	—	(207)	2	(205)
Total investment portfolio	(411)	3	(408)	1,121	(240)	881	710	(237)	473
Mark-to-market from variable annuity reinsurance derivative transactions, net of applicable hedges (5)	(450)	—	(450)	—	—	—	(450)	—	(450)
Foreign exchange	(129)	17	(112)	(414)	40	(374)	(543)	57	(486)
Partially-owned entities (6)	(2)	—	(2)	—	—	—	(2)	—	(2)
Other	(40)	8	(32)	(36)	8	(28)	(76)	16	(60)
Net gains (losses)	<u>\$(1,032)</u>	<u>\$ 28</u>	<u>\$ (1,004)</u>	<u>\$ 671</u>	<u>\$ (192)</u>	<u>\$ 479</u>	<u>\$(361)</u>	<u>\$ (164)</u>	<u>\$(525)</u>

- (4) Year to date includes pre-tax realized gains on equity derivatives of \$42 million, realized losses on fixed income derivatives of \$13 million, realized losses related to the adoption of new accounting guidance that required the acceleration of certain mark-to-market losses on fixed maturities, previously classified as unrealized losses, as realized losses of \$46 million, and impairments of \$152 million related to certain securities the company intended to sell and securities written to market entering default.
- (5) Year to date includes \$22 million of gains on applicable hedges. These gains are both pre-tax and after-tax.
- (6) Partially-owned entities are investments where we hold more than an insignificant percentage of the investee's shares. Refer to the Non-GAAP financial measures section for additional details.

Chubb Limited
Debt and Capital
(in millions of U.S. dollars, except ratios)
(Unaudited)

	<u>June 30 2021</u>	<u>March 31 2021</u>	<u>December 31 2020</u>	<u>December 31 2019</u>
Financial Debt:				
Total short-term debt	\$ —	\$ —	\$ —	\$ 1,299
Total long-term debt	14,954	14,879	14,948	13,559
Total financial debt	\$14,954	\$ 14,879	\$ 14,948	\$ 14,858
Hybrid debt:				
Total trust preferred securities	308	308	308	308
Total	<u>\$15,262</u>	<u>\$ 15,187</u>	<u>\$ 15,256</u>	<u>\$ 15,166</u>
Capitalization:				
Shareholders' equity	\$60,062	\$ 59,076	\$ 59,441	\$ 55,331
Hybrid debt	308	308	308	308
Financial debt	14,954	14,879	14,948	14,858
Total capitalization	<u>\$75,324</u>	<u>\$ 74,263</u>	<u>\$ 74,697</u>	<u>\$ 70,497</u>
Leverage ratios (based on total capital):				
Hybrid debt	0.4%	0.4%	0.4%	0.4%
Financial debt	19.9%	20.0%	20.0%	21.1%
Total hybrid & financial debt	20.3%	20.4%	20.4%	21.5%

Note: As of June 30, 2021, there was \$1.4 billion usage of credit facilities on total capacity of \$3.7 billion.

Chubb Limited
Computation of Basic and Diluted Earnings Per Share
(in millions of U.S. dollars, except share and per share data)
(Unaudited)

	Three months ended June 30		Six months ended June 30	
	2021	2020	2021	2020
Numerator				
Core operating income (loss) to common shares	\$ 1,621	\$ (254)	\$ 2,763	\$ 966
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(17)	(24)	(38)	(51)
Tax benefit on amortization adjustment	3	5	8	10
Adjusted net realized gains (losses), pre-tax	674	(69)	1,981	(1,032)
Tax (expense) benefit on adjusted net realized gains (losses)	(16)	11	(149)	28
Net income (loss)	<u>\$ 2,265</u>	<u>\$ (331)</u>	<u>\$ 4,565</u>	<u>\$ (79)</u>
Rollforward of Common Shares Outstanding				
Shares - beginning of period	449,676,959	451,367,782	450,732,625	451,971,567
Repurchase of shares	(11,355,400)	—	(14,465,400)	(2,266,150)
Shares issued (cancelled), excluding option exercises	63,905	(64,658)	1,071,010	1,027,562
Issued for option exercises	331,749	56,899	1,378,978	627,044
Shares - end of period	<u>438,717,213</u>	<u>451,360,023</u>	<u>438,717,213</u>	<u>451,360,023</u>
Denominator				
Weighted average shares outstanding (1)	445,094,678	451,402,807	447,802,079	451,635,733
Effect of other dilutive securities (2)	2,857,242	—	2,900,440	—
Adj. wtd. avg. shares outstanding and assumed conversions	<u>447,951,920</u>	<u>451,402,807</u>	<u>450,702,519</u>	<u>451,635,733</u>
Basic earnings per share				
Core operating income (loss)	\$ 3.64	\$ (0.56)	\$ 6.17	\$ 2.14
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.03)	(0.04)	(0.07)	(0.09)
Adjusted net realized gains (losses), net of tax	1.48	(0.13)	4.10	(2.22)
Net income (loss)	<u>\$ 5.09</u>	<u>\$ (0.73)</u>	<u>\$ 10.20</u>	<u>\$ (0.17)</u>
Diluted earnings per share				
Core operating income (loss) (2)	\$ 3.62	\$ (0.56)	\$ 6.13	\$ 2.13
Amortization of fair value adjustment of acquired invested assets and long-term debt, net of tax	(0.03)	(0.04)	(0.07)	(0.09)
Adjusted net realized gains (losses), net of tax	1.47	(0.13)	4.07	(2.22)
Use of weighted-average dilutive shares	—	—	—	0.01
Net income (loss) (2)	<u>\$ 5.06</u>	<u>\$ (0.73)</u>	<u>\$ 10.13</u>	<u>\$ (0.17)</u>

- (1) Includes unvested restricted stock units that are not included in common shares outstanding as the shares are not issued until time of vesting, but are eligible to receive dividends (participating securities).
- (2) In periods where core operating loss and net loss are recognized, inclusion of incremental dilution is anti-dilutive and therefore basic shares are used in the calculation of per share earnings. For the three and six months ended June 30, 2020, the effect of dilutive securities was 1,395,951 shares and 2,044,144 shares, respectively. Weighted-average shares outstanding used to calculate earnings per share for the 2021 periods and core operating income per share for the six months ended June 30, 2020 include the effect of dilutive securities.

Chubb Limited
Book Value and Book Value per Common Share
(in millions of U.S. dollars, except share and per share data)
(Unaudited)

Reconciliation of Book Value per Common Share

	June 30 2021	March 31 2021	December 31 2020	June 30 2020
Shareholders' equity	\$ 60,062	\$ 59,076	\$ 59,441	\$ 54,760
Less: goodwill and other intangible assets, net of tax	19,930	19,881	19,916	19,783
Numerator for tangible book value per share	<u>\$ 40,132</u>	<u>\$ 39,195</u>	<u>\$ 39,525</u>	<u>\$ 34,977</u>
Book value - % change over prior quarter	1.7%	-0.6%	5.4%	4.9%
Tangible book value - % change over prior quarter	2.4%	-0.8%	8.0%	7.2%
Denominator	<u>438,717,213</u>	<u>449,676,959</u>	<u>450,732,625</u>	<u>451,360,023</u>
Book value per common share	\$ 136.90	\$ 131.37	\$ 131.88	\$ 121.32
Tangible book value per common share	\$ 91.48	\$ 87.16	\$ 87.69	\$ 77.49

Reconciliation of Book Value

Shareholders' equity, beginning of quarter	\$ 59,076	\$ 59,441	\$ 56,413	\$ 52,188
Core operating income (loss)	1,621	1,142	1,440	(254)
Amortization of fair value adjustment of acquired invested assets and long-term debt	(14)	(16)	(18)	(19)
Adjusted net realized gains (losses) (1)	658	1,174	996	(58)
Net unrealized gains (losses) on investments	581	(1,912)	706	2,757
Repurchase of shares	(1,921)	(519)	(190)	—
Dividend declared on common shares	(352)	(352)	(352)	(353)
Cumulative translation gains (losses)	290	24	443	451
Postretirement benefit liability	(7)	(23)	(136)	(17)
Other (2)	130	117	139	65
	<u>\$ 60,062</u>	<u>\$ 59,076</u>	<u>\$ 59,441</u>	<u>\$ 54,760</u>

(1) Includes net realized gains (losses) related to unconsolidated entities.

(2) Other primarily includes proceeds from exercise of stock options and stock compensation, offset by the value of any share cancellations for restricted stock vesting taxes.

Chubb Limited
Non-GAAP Financial Measures
(Unaudited)

Regulation G - Non-GAAP Financial Measures

In presenting our results, we included and discussed certain non-GAAP measures. These non-GAAP measures, which may be defined differently by other companies, are important for an understanding of our overall results of operations and financial condition. However, they should not be viewed as a substitute for measures determined in accordance with generally accepted accounting principles (GAAP).

Throughout this document there are various measures presented on a constant-dollar basis (i.e., excludes the impact of foreign exchange). We believe it is useful to evaluate the trends in our results exclusive of the effect of fluctuations in exchange rates between the U.S. dollar and the currencies in which our international business is transacted, as these exchange rates could fluctuate significantly between periods and distort the analysis of trends. The impact is determined by assuming constant foreign exchange rates between periods by translating prior period results using the same local currency exchange rates as the comparable current period.

P&C underwriting income (loss) excludes the Life Insurance segment and is calculated by subtracting adjusted losses and loss expenses, adjusted policy benefits, policy acquisition costs and administrative expenses from net premiums earned. We use underwriting income (loss) and operating ratios to monitor the results of our operations without the impact of certain factors, including net investment income, other income (expense), interest expense, amortization expense of purchased intangibles, income tax expense and adjusted net realized gains (losses).

P&C CAY underwriting income excluding catastrophe losses (Cats) is P&C underwriting income (loss) adjusted to exclude P&C Cats and prior period development (PPD). We believe it is useful to exclude Cats, as they are not predictable as to timing and amount, and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. We believe the use of these measures enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business.

Adjusted losses and loss expenses include realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing impacts underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations, and therefore realized gains (losses) from these derivatives are reclassified to adjusted losses and loss expenses.

Adjusted policy benefits includes gains and losses from fair value changes in separate account assets, as well as the offsetting movement in separate account liabilities, for purposes of reporting Life Insurance underwriting income. The gains and losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP have been reclassified from Other (income) expense. We view gains and losses from fair value changes in both separate account assets and liabilities as part of the results of our underwriting operations, and therefore these gains and losses are reclassified to adjusted policy benefits.

Adjusted net investment income is net investment income excluding the amortization of the fair value adjustment on acquired invested assets from the acquisition of The Chubb Corporation (Chubb Corp) and including investment income from partially-owned investment companies (private equity partnerships) where our ownership interest is in excess of three percent that are accounted for under the equity method. The mark-to-market movement on these private equity partnerships are included in adjusted net realized gains (losses) as described below. We believe this measure is meaningful as it highlights the underlying performance of our invested assets and portfolio management in support of our lines of business.

Adjusted net realized gains (losses), net of tax, includes net realized gains (losses) and net realized gains (losses) recorded in other income (expense) related to unconsolidated subsidiaries, and excludes realized gains and losses on crop derivatives.

Adjusted interest expense is interest expense excluding the amortization of the fair value adjustment on acquired long-term debt, related to the Chubb Corp acquisition due to the size and complexity of this acquisition.

Other income (expense) - operating excludes from consolidated Other income (expense) the portion of net realized gains and losses related to unconsolidated entities, other income (expense) from private equity partnerships, and gains and losses from fair value changes in separate account assets that do not qualify for separate account reporting under GAAP. Net realized gains (losses) related to unconsolidated entities is excluded from core operating income (loss) in order to enhance the understanding of our results of underwriting operations as they are heavily influenced by, and fluctuate in part according to, market conditions. Other income (expense) from private equity partnerships and net realized gains and losses related to unconsolidated entities are recorded to Other income (expense) in our income statement on a GAAP basis.

P&C combined ratio excludes the Life Insurance segment. P&C loss and loss expense ratio and P&C combined ratio include adjusted losses and loss expenses in the ratio numerator. P&C expense ratio and P&C combined ratio include policy acquisition costs and administrative expenses in the ratio numerator. A reconciliation of combined ratio to P&C combined ratio is provided on pages 32-35.

CAY P&C combined ratio excluding catastrophe losses excludes Cats and PPD from the P&C combined ratio. We exclude Cats as they are not predictable as to timing and amount and PPD as these unexpected loss developments on historical reserves are not indicative of our current underwriting performance. The combined ratio numerator is adjusted to exclude Cats, net premiums earned adjustments on PPD, prior period expense adjustments and reinstatement premiums on PPD, and the denominator is adjusted to exclude net premiums earned adjustments on PPD and reinstatement premiums on Cats and PPD. In periods where there are adjustments on loss sensitive policies, these adjustments are excluded from PPD and net premiums earned when calculating the ratios. We believe this measure provides a better evaluation of our underwriting performance and enhances the understanding of the trends in our P&C business that may be obscured by these items. This measure is commonly reported among our peer companies and allows for a better comparison.

Expense ratio excluding accident and health (A&H) excludes the impact of our A&H business from our expense ratio. The expense ratio for the A&H business is typically higher than our traditional P&C business, and we believe that this measure provides better comparison to our peer companies that may

not have a significant A&H block of business.

Global P&C performance metrics comprise consolidated operating results (including corporate) and exclude the operating results of the company's Life Insurance and North America Agricultural Insurance segments. The agriculture insurance business is a different business in that it is a public sector and private sector partnership in which insurance rates, premium growth, and risk-sharing is not market-driven like the remainder of the company's P&C insurance business. We believe that these measures are useful and meaningful to investors as they are used by management to assess the company's global P&C operations which are the most economically similar. We exclude the North America Agricultural Insurance and Life Insurance segments because the results of these businesses do not always correlate with the results of our global P&C operations.

Core operating income (loss), net of tax, excludes from net income, the after-tax impact of adjusted net realized gains (losses) and the amortization of fair value adjustment of acquired invested assets and long-term debt related to the Chubb Corp acquisition. We believe this presentation enhances the understanding of our results of operations by highlighting the underlying profitability of our insurance business. We exclude adjusted net realized gains (losses) because the amount of these gains (losses) are heavily influenced by, and fluctuate in part according to the availability of market opportunities. We exclude the amortization of the fair value adjustments related to purchased invested assets and long-term debt due to the size and complexity of this acquisition. References to core operating income measures mean net of tax, whether or not noted.

Core operating effective tax rate is income tax expense (benefit) excluding tax expense (benefit) on adjusted net realized gains (losses) and tax benefit on amortization of fair value of acquired invested assets and debt, divided by income excluding adjusted net realized gains (losses) before tax and amortization of fair value of acquired invested assets and debt before tax. We believe the use of this measure is meaningful to show the tax on the underlying performance of our insurance business, by excluding the tax on adjusted net realized gains (losses), the tax on amortization of the fair value adjustments related to purchased invested assets and long-term debt. Refer to the definition of core operating income (loss), net of tax above for more information on these adjustments.

Book value per common share, is shareholders' equity divided by the shares outstanding. Tangible book value per common share, is shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding. We believe that goodwill and other intangible assets are not indicative of our underlying insurance results or trends and make book value comparisons to less acquisitive peer companies less meaningful. Book value per common share excluding mark-to-market, excludes unrealized investment gains (losses). Tangible book value per common share excluding mark-to-market, excludes goodwill and other intangible assets, net of tax, as well as unrealized investment gains (losses), net of tax. We exclude unrealized investment gains (losses) because the amount of these gains (losses) is heavily influenced by changes in market conditions, including interest rate changes, and we believe that excluding these gains and losses would highlight the underlying growth in book value and tangible book value.

International life insurance net premiums written and deposits collected includes deposits collected on universal life and investment contracts (life deposits). Life deposits are not reflected as revenues in our consolidated statements of operations in accordance with GAAP. However, we include life deposits in presenting growth in our life insurance business because new life deposits are an important component of production and key to our efforts to grow our business.

Chubb Limited
Non-GAAP Financial Measures - 2
(in millions of U.S. dollars, except per share data and ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

Core operating effective tax rate

The following table presents the reconciliation of effective tax rate to the Core operating effective tax rate:

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Tax expense (benefit), as reported	\$ 317	\$ 338	\$ 334	\$ 142	\$ (62)	\$ 655	\$ 153	\$ 629
Less: tax benefit on amortization of fair value of acquired invested assets and debt	(3)	(5)	(3)	(4)	(5)	(8)	(10)	(17)
Less: tax expense (benefit) on adjusted net realized gains (losses)	16	133	78	(26)	(11)	149	(28)	24
Tax expense (benefit), adjusted	<u>\$ 304</u>	<u>\$ 210</u>	<u>\$ 259</u>	<u>\$ 172</u>	<u>\$ (46)</u>	<u>\$ 514</u>	<u>\$ 191</u>	<u>\$ 622</u>
Income (loss) before tax, as reported	\$2,582	\$2,638	\$2,752	\$1,336	\$ (393)	\$5,220	\$ 74	\$ 4,162
Less: amortization of fair value of acquired invested assets and debt	(17)	(21)	(21)	(23)	(24)	(38)	(51)	(95)
Less: adjusted realized gains (losses)	(36)	888	568	(142)	31	852	(925)	(499)
Less: realized gains (losses) related to unconsolidated entities	710	419	506	422	(100)	1,129	(107)	821
Core operating income (loss) before tax	<u>\$1,925</u>	<u>\$1,352</u>	<u>\$1,699</u>	<u>\$1,079</u>	<u>\$ (300)</u>	<u>\$3,277</u>	<u>\$1,157</u>	<u>\$ 3,935</u>
Effective tax rate	12.3%	12.8%	12.1%	10.7%	15.8%	12.5%	206.8%	15.1%
Adjustment for tax impact of amortization of fair value of acquired invested assets and debt	0.0%	0.1%	0.0%	0.0%	-0.4%	0.1%	0.1%	0.1%
Adjustment for tax impact of adjusted net realized gains (losses)	3.5%	2.6%	3.1%	5.3%	-0.1%	3.1%	-190.4%	0.6%
Core operating effective tax rate	<u>15.8%</u>	<u>15.5%</u>	<u>15.2%</u>	<u>16.0%</u>	<u>15.3%</u>	<u>15.7%</u>	<u>16.5%</u>	<u>15.8%</u>

Core operating income

The following table presents the reconciliation of Net income (loss) to Core operating income (loss):

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Net income (loss), as reported	\$2,265	\$2,300	\$2,418	\$1,194	\$ (331)	\$4,565	\$ (79)	\$ 3,533
Amortization of fair value adjustment of acquired invested assets and long-term debt, pre-tax	(17)	(21)	(21)	(23)	(24)	(38)	(51)	(95)
Tax benefit on amortization adjustment	3	5	3	4	5	8	10	17
Adjusted realized gains (losses), pre-tax	(36)	888	568	(142)	31	852	(925)	(499)
Net realized gains (losses) related to unconsolidated entities, pre-tax ⁽¹⁾	710	419	506	422	(100)	1,129	(107)	821
Tax (expense) benefit on adjusted net realized gains (losses)	(16)	(133)	(78)	26	11	(149)	28	(24)
Core operating income (loss)	<u>\$1,621</u>	<u>\$1,142</u>	<u>\$1,440</u>	<u>\$ 907</u>	<u>\$ (254)</u>	<u>\$2,763</u>	<u>\$ 966</u>	<u>\$ 3,313</u>
Catastrophe losses - after-tax	\$ 226	\$ 570	\$ 271	\$ 797	\$1,510	\$ 796	\$ 1,709	\$ 2,777
Unfavorable (favorable) prior period development (PPD) - after-tax	\$ (224)	\$ (156)	\$ (189)	\$ (126)	\$ 52	\$ (380)	\$ (42)	\$ (357)
Core operating income (loss) per share	\$ 3.62	\$ 2.52	\$ 3.18	\$ 2.00	\$ (0.56)	\$ 6.13	\$ 2.13	\$ 7.31
Impact of Cats on Core operating income per share - Unfavorable	\$ (0.50)	\$ (1.26)	\$ (0.60)	\$ (1.76)	\$ (3.35)	\$ (1.77)	\$ (3.77)	\$ (6.12)
Impact of PPD on Core operating income per share - Favorable (unfavorable)	\$ 0.50	\$ 0.35	\$ 0.42	\$ 0.28	\$ (0.11)	\$ 0.85	\$ 0.10	\$ 0.79
Impact of Cats and PPD on Core operating income per share - Unfavorable	\$ —	\$ (0.91)	\$ (0.18)	\$ (1.48)	\$ (3.46)	\$ (0.92)	\$ (3.67)	\$ (5.33)

(1) Realized gains (losses) on partially-owned entities, which are investments where we hold more than an insignificant percentage of the investee's shares. The net income or loss is included in other income (expense).

P&C Underwriting income and P&C CAY underwriting income ex Cats

The following table presents the reconciliation of Net income (loss) to P&C CAY underwriting income ex Cats:

	<u>2Q-21</u>	<u>1Q-21</u>	<u>4Q-20</u>	<u>3Q-20</u>	<u>2Q-20</u>	<u>YTD 2021</u>	<u>YTD 2020</u>	<u>Full Year 2020</u>
Net income (loss), as reported	\$2,265	\$2,300	\$2,418	\$1,194	\$ (331)	\$4,565	\$ (79)	\$ 3,533
Less: Income tax (expense) benefit	(317)	(338)	(334)	(142)	62	(655)	(153)	(629)
Amortization expense of purchased intangibles	(73)	(72)	(73)	(72)	(72)	(145)	(145)	(290)
Other income (expense)	777	490	622	485	(58)	1,267	(113)	994
Interest expense	(122)	(122)	(126)	(130)	(128)	(244)	(260)	(516)
Net investment income	884	863	847	840	827	1,747	1,688	3,375
Net realized gains (losses)	(33)	887	571	(141)	30	854	(928)	(498)
Life Insurance underlying loss (1)	(39)	(31)	(55)	(37)	(64)	(70)	(20)	(112)
Add: Realized gains (losses) on crop derivatives	3	(1)	3	1	(1)	2	(3)	1
P&C underwriting income (loss)	\$1,191	\$ 622	\$ 969	\$ 392	\$ (929)	\$1,813	\$ (151)	\$ 1,210
Add: Catastrophe losses (including reinstatement premiums) - pre-tax	280	700	296	925	1,801	980	2,038	3,259
Unfavorable (favorable) prior period development (PPD) - pre-tax	(268)	(192)	(206)	(146)	75	(460)	(43)	(395)
P&C CAY underwriting income ex Cats	<u>\$1,203</u>	<u>\$1,130</u>	<u>\$1,059</u>	<u>\$1,171</u>	<u>\$ 947</u>	<u>\$2,333</u>	<u>\$ 1,844</u>	<u>\$ 4,074</u>

(1) Life Insurance underlying loss is calculated by subtracting losses and loss expenses, policy benefits, policy acquisition costs and administrative expenses from net premiums earned related to the Life Insurance segment.

Chubb Limited
Non-GAAP Financial Measures - 3
(in millions of U.S. dollars, except share, per share data, and ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

Core operating ROE

Core operating return on equity (ROE) and Core operating return on tangible equity (ROTE) are annualized non-GAAP financial measures. The numerator includes core operating income (loss), net of tax. The denominator includes the average shareholders' equity for the period adjusted to exclude unrealized gains (losses) on investments, net of tax. For the ROTE calculation, the denominator is also adjusted to exclude goodwill and other intangible assets, net of tax. These measures enhance the understanding of the return on shareholders' equity by highlighting the underlying profitability relative to shareholders' equity and tangible equity excluding the effect of unrealized gains and losses on our investments.

	2Q-21	2Q-20	YTD 2021	YTD 2020	Full Year 2020
Net income (loss)	\$ 2,265	\$ (331)	\$ 4,565	\$ (79)	\$ 3,533
Core operating income (loss)	\$ 1,621	\$ (254)	\$ 2,763	\$ 966	\$ 3,313
Equity - beginning of period, as reported	\$ 59,076	\$ 52,188	\$ 59,441	\$ 55,259	\$ 55,259
Less: unrealized gains (losses) on investments, net of deferred tax	2,761	667	4,673	2,543	2,543
Equity - beginning of period, as adjusted	\$ 56,315	\$ 51,521	\$ 54,768	\$ 52,716	\$ 52,716
Less: goodwill and other intangible assets, net of tax	\$ 19,881	\$ 19,569	\$ 19,916	\$ 20,012	\$ 20,012
Equity - beginning of period, as adjusted ex goodwill and other intangible assets	\$ 36,434	\$ 31,952	\$ 34,852	\$ 32,704	\$ 32,704
Equity - end of period, as reported	\$ 60,062	\$ 54,760	\$ 60,062	\$ 54,760	\$ 59,441
Less: unrealized gains (losses) on investments, net of deferred tax	3,342	3,424	3,342	3,424	4,673
Equity - end of period, as adjusted	\$ 56,720	\$ 51,336	\$ 56,720	\$ 51,336	\$ 54,768
Less: goodwill and other intangible assets, net of tax	19,929	19,783	19,929	19,783	19,916
Equity - end of period, as adjusted ex goodwill and other intangible assets	\$ 36,791	\$ 31,553	\$ 36,791	\$ 31,553	\$ 34,852
Weighted average equity, as reported	\$ 59,569	\$ 53,474	\$ 59,752	\$ 55,010	\$ 57,350
Weighted average equity, as adjusted	\$ 56,518	\$ 51,429	\$ 55,744	\$ 52,026	\$ 53,742
Weighted average equity, as adjusted ex goodwill and other intangible assets	\$ 36,613	\$ 31,753	\$ 35,822	\$ 32,129	\$ 33,778
ROE	15.2%	-2.5%	15.3%	-0.3%	6.2%
Core operating ROE	11.5%	-2.0%	9.9%	3.7%	6.2%
Core operating ROTE	17.7%	-3.2%	15.4%	6.0%	9.8%
Private equities realized gains (losses), after-tax (1)	\$ 712	\$ (189)	\$ 1,136	\$ (205)	\$ 690
Impact of Private equities if included in Core operating ROE - Favorable (unfavorable) (1)	5.0 pts	-1.5 pts	4.1 pts	-0.8 pt	1.3 pts

Reconciliation of Book Value and Tangible Book Value per Share, excluding mark-to-market

	June 30 2021	March 31 2021	December 31 2020	QTD % Change	YTD % Change
Book value	\$ 60,062	\$ 59,076	\$ 59,441		
Less: unrealized gains (losses) on investments, net of deferred tax	3,342	2,761	4,673		
Book value excluding mark-to-market	56,720	56,315	54,768		
Less: goodwill and other intangible assets, net of tax	19,929	19,881	19,916		
Tangible book value excluding mark-to-market	\$ 36,791	\$ 36,434	\$ 34,852		
Denominator	438,717,213	449,676,959	450,732,625		
Book value per share excluding mark-to-market	\$ 129.29	\$ 125.23	\$ 121.51	3.2%	6.4%
Tangible book value per share excluding mark-to-market	\$ 83.86	\$ 81.02	\$ 77.32	3.5%	8.5%

(1) We record the change in the fair value mark and gains (losses) on sales of private equity funds as realized gains (losses) instead of investment income.

Chubb Limited
Non-GAAP Financial Measures - 4
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

P&C combined ratio

The P&C combined ratio includes the impact of realized gains and losses on crop derivatives. These derivatives were purchased to provide economic benefit, in a manner similar to reinsurance protection, in the event that a significant decline in commodity pricing will impact underwriting results. We view gains and losses on these derivatives as part of the results of our underwriting operations.

The following tables present the calculation of combined ratio, as reported, for each segment to P&C combined ratio, adjusted for catastrophe losses (Cats) and prior period development (PPD).

Q2 2021		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 2,426	\$ 676	\$ 334	\$ 1,186	\$ 110	\$ 89	\$4,821
Realized (gains) losses on crop derivatives		—	—	(3)	—	—	—	(3)
Adjusted losses and loss expenses	A	<u>\$ 2,426</u>	<u>\$ 676</u>	<u>\$ 331</u>	<u>\$ 1,186</u>	<u>\$ 110</u>	<u>\$ 89</u>	<u>\$4,818</u>
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(165)	(61)	(4)	(40)	(10)	—	(280)
Reinstatement premiums collected (expensed) on catastrophe losses		—	7	—	—	1	—	8
Catastrophe losses, gross of related adjustments		<u>(165)</u>	<u>(68)</u>	<u>(4)</u>	<u>(40)</u>	<u>(11)</u>	<u>—</u>	<u>(288)</u>
PPD and related adjustments								
PPD, net of related adjustments - favorable (unfavorable)		156	44	—	156	—	(88)	268
Net premiums earned adjustments on PPD - unfavorable (favorable)		11	—	—	—	—	—	11
PPD reinstatement premiums - unfavorable (favorable)		6	1	—	7	(2)	—	12
PPD, gross of related adjustments - favorable (unfavorable)		<u>173</u>	<u>45</u>	<u>—</u>	<u>163</u>	<u>(2)</u>	<u>(88)</u>	<u>291</u>
CAY loss and loss expense ex Cats	B	<u>\$ 2,434</u>	<u>\$ 653</u>	<u>\$ 327</u>	<u>\$ 1,309</u>	<u>\$ 97</u>	<u>\$ 1</u>	<u>\$4,821</u>
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 734	\$ 312	\$ 30	\$ 978	\$ 57	\$ 88	\$2,199
Expense adjustments - favorable (unfavorable)		—	—	—	—	—	—	—
Policy acquisition costs and administrative expenses, adjusted	D	<u>\$ 734</u>	<u>\$ 312</u>	<u>\$ 30</u>	<u>\$ 978</u>	<u>\$ 57</u>	<u>\$ 88</u>	<u>\$2,199</u>
Denominator								
Net premiums earned	E	\$ 3,803	\$ 1,224	\$ 410	\$ 2,579	\$ 192		\$8,208
Reinstatement premiums (collected) expensed on catastrophe losses		—	(7)	—	—	(1)		(8)
Net premiums earned adjustments on PPD - unfavorable (favorable)		11	—	—	—	—		11
PPD reinstatement premiums - unfavorable (favorable)		6	1	—	7	(2)		12
Net premiums earned excluding adjustments	F	<u>\$ 3,820</u>	<u>\$ 1,218</u>	<u>\$ 410</u>	<u>\$ 2,586</u>	<u>\$ 189</u>		<u>\$8,223</u>
P&C combined ratio								
Loss and loss expense ratio	A/E	63.8%	55.2%	80.7%	46.0%	56.8%		58.7%
Policy acquisition cost and administrative expense ratio	C/E	19.3%	25.5%	7.4%	37.9%	29.8%		26.8%
P&C combined ratio		<u>83.1%</u>	<u>80.7%</u>	<u>88.1%</u>	<u>83.9%</u>	<u>86.6%</u>		<u>85.5%</u>
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	63.7%	53.6%	79.7%	50.6%	50.9%		58.6%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	19.2%	25.6%	7.4%	37.8%	30.3%		26.8%
CAY P&C combined ratio ex Cats		<u>82.9%</u>	<u>79.2%</u>	<u>87.1%</u>	<u>88.4%</u>	<u>81.2%</u>		<u>85.4%</u>

Combined ratio

Combined ratio	85.5%
Add: impact of gains and losses on crop derivatives	<u>0.0%</u>
P&C combined ratio	<u><u>85.5%</u></u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

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Non-GAAP Financial Measures - 5
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

YTD 2021		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 4,986	\$ 1,495	\$ 418	\$ 2,449	\$ 230	\$ 98	\$ 9,676
Realized (gains) losses on crop derivatives		—	—	(2)	—	—	—	(2)
Adjusted losses and loss expenses	A	\$ 4,986	\$ 1,495	\$ 416	\$ 2,449	\$ 230	\$ 98	\$ 9,674
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(527)	(301)	(12)	(90)	(50)	—	(980)
Reinstatement premiums collected (expensed) on catastrophe losses		—	(16)	—	—	6	—	(10)
Catastrophe losses, gross of related adjustments		(527)	(285)	(12)	(90)	(56)	—	(970)
PPD and related adjustments								
PPD, net of related adjustments - favorable (unfavorable)		283	84	2	181	7	(97)	460
Net premiums earned adjustments on PPD - unfavorable (favorable)		11	—	(2)	—	—	—	9
Expense adjustments - unfavorable (favorable)		3	—	—	—	—	—	3
PPD reinstatement premiums - unfavorable (favorable)		6	1	—	7	1	—	15
PPD, gross of related adjustments - favorable (unfavorable)		303	85	—	188	8	(97)	487
CAY loss and loss expense ex Cats	B	\$ 4,762	\$ 1,295	\$ 404	\$ 2,547	\$ 182	\$ 1	\$ 9,191
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 1,502	\$ 619	\$ 45	\$ 1,912	\$ 110	\$ 159	\$ 4,347
Expense adjustments - favorable (unfavorable)		(3)	—	—	—	—	—	(3)
Policy acquisition costs and administrative expenses, adjusted	D	\$ 1,499	\$ 619	\$ 45	\$ 1,912	\$ 110	\$ 159	\$ 4,344
Denominator								
Net premiums earned	E	\$ 7,477	\$ 2,408	\$ 520	\$ 5,057	\$ 372		\$15,834
Reinstatement premiums (collected) expensed on catastrophe losses		—	16	—	—	(6)		10
Net premiums earned adjustments on PPD - unfavorable (favorable)		11	—	(2)	—	—		9
PPD reinstatement premiums - unfavorable (favorable)		6	1	—	7	1		15
Net premiums earned excluding adjustments	F	\$ 7,494	\$ 2,425	\$ 518	\$ 5,064	\$ 367		\$15,868
P&C combined ratio								
Loss and loss expense ratio	A/E	66.7%	62.1%	80.0%	48.4%	61.7%		61.1%
Policy acquisition cost and administrative expense ratio	C/E	20.1%	25.7%	8.7%	37.8%	29.6%		27.5%
P&C combined ratio		86.8%	87.8%	88.7%	86.2%	91.3%		88.6%
CAY P&C combined ratio ex Cats								

Loss and loss expense ratio, adjusted	B/F	63.6%	53.4%	77.9%	50.3%	49.6%	57.9%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	20.0%	25.5%	8.7%	37.8%	30.0%	27.4%
CAY P&C combined ratio ex Cats		<u>83.6%</u>	<u>78.9%</u>	<u>86.6%</u>	<u>88.1%</u>	<u>79.6%</u>	<u>85.3%</u>
Combined ratio							
Combined ratio							88.6%
Add: impact of gains and losses on crop derivatives							<u>0.0%</u>
P&C combined ratio							<u>88.6%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

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Non-GAAP Financial Measures - 6
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

Q2 2020		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 3,498	\$ 762	\$ 312	\$ 1,485	\$ 73	\$ 276	\$ 6,406
Realized (gains) losses on crop derivatives		—	—	1	—	—	—	1
Adjusted losses and loss expenses	A	\$ 3,498	\$ 762	\$ 313	\$ 1,485	\$ 73	\$ 276	\$ 6,407
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(1,273)	(110)	(6)	(399)	(13)	—	(1,801)
Reinstatement premiums collected (expensed) on catastrophe losses		(3)	(1)	—	(16)	—	—	(20)
Catastrophe losses, gross of related adjustments		(1,270)	(109)	(6)	(383)	(13)	—	(1,781)
PPD and related adjustments								
PPD, net of related adjustments - favorable (unfavorable)		146	1	—	36	16	(274)	(75)
Net premiums earned adjustments on PPD - unfavorable (favorable)		4	—	—	—	—	—	4
Expense adjustments - unfavorable (favorable)		1	—	—	—	—	—	1
PPD reinstatement premiums - unfavorable (favorable)		—	—	—	—	(1)	—	(1)
PPD, gross of related adjustments - favorable (unfavorable)		151	1	—	36	15	(274)	(71)
CAY loss and loss expense ex Cats	B	\$ 2,379	\$ 654	\$ 307	\$ 1,138	\$ 75	\$ 2	\$ 4,555
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 720	\$ 297	\$ 32	\$ 865	\$ 51	\$ 77	\$ 2,042
Expense adjustments - favorable (unfavorable)		(1)	—	—	—	—	—	(1)
Policy acquisition costs and administrative expenses, adjusted	D	\$ 719	\$ 297	\$ 32	\$ 865	\$ 51	\$ 77	\$ 2,041
Denominator								
Net premiums earned	E	\$ 3,595	\$ 1,192	\$ 376	\$ 2,194	\$ 163	—	\$ 7,520
Reinstatement premiums (collected) expensed on catastrophe losses		3	1	—	16	—	—	20
Net premiums earned adjustments on PPD - unfavorable (favorable)		4	—	—	—	—	—	4
PPD reinstatement premiums - unfavorable (favorable)		—	—	—	—	(1)	—	(1)
Net premiums earned excluding adjustments	F	\$ 3,602	\$ 1,193	\$ 376	\$ 2,210	\$ 162	—	\$ 7,543
P&C combined ratio								
Loss and loss expense ratio	A/E	97.3%	63.8%	83.1%	67.7%	45.5%	—	85.2%
Policy acquisition cost and administrative expense ratio	C/E	20.0%	25.0%	8.7%	39.4%	31.1%	—	27.1%
P&C combined ratio		117.3%	88.8%	91.8%	107.1%	76.6%	—	112.3%
CAY P&C combined ratio ex Cats								

Loss and loss expense ratio, adjusted	B/F	66.1%	54.7%	81.5%	51.6%	46.8%	60.4%
Policy acquisition cost and administrative expense ratio, adjusted	D/F	19.9%	24.9%	8.7%	39.1%	31.4%	27.0%
CAY P&C combined ratio ex Cats		<u>86.0%</u>	<u>79.6%</u>	<u>90.2%</u>	<u>90.7%</u>	<u>78.2%</u>	<u>87.4%</u>
Combined ratio							
Combined ratio							112.3%
Add: impact of gains and losses on crop derivatives							<u>0.0%</u>
P&C combined ratio							<u>112.3%</u>

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Non-GAAP Financial Measures - 7
(in millions of U.S. dollars, except ratios)
(Unaudited)

Regulation G - Non-GAAP Financial Measures (continued)

P&C combined ratio (continued)

YTD 2020		North America Commercial P&C Insurance	North America Personal P&C Insurance	North America Agricultural Insurance	Overseas General Insurance	Global Reinsurance	Corporate	Total P&C
Numerator								
Losses and loss expenses								
Losses and loss expenses		\$ 5,679	\$ 1,445	\$ 375	\$ 2,743	\$ 160	\$ 287	\$10,689
Realized (gains) losses on crop derivatives		—	—	3	—	—	—	3
Adjusted losses and loss expenses	A	\$ 5,679	\$ 1,445	\$ 378	\$ 2,743	\$ 160	\$ 287	\$10,692
Catastrophe losses and related adjustments								
Catastrophe losses, net of related adjustments		(1,391)	(131)	(14)	(489)	(13)	—	(2,038)
Reinstatement premiums collected (expensed) on catastrophe losses		(3)	(1)	—	(16)	—	—	(20)
Catastrophe losses, gross of related adjustments		(1,388)	(130)	(14)	(473)	(13)	—	(2,018)
PPD and related adjustments								
PPD, net of related adjustments - favorable (unfavorable)		251	—	14	40	23	(285)	43
Net premiums earned adjustments on PPD - unfavorable (favorable)		4	—	3	—	—	—	7
PPD reinstatement premiums - unfavorable (favorable)		—	—	—	—	(1)	—	(1)
PPD, gross of related adjustments - favorable (unfavorable)		255	—	17	40	22	(285)	49
CAY loss and loss expense ex Cats	B	\$ 4,546	\$ 1,315	\$ 381	\$ 2,310	\$ 169	\$ 2	\$ 8,723
Policy acquisition costs and administrative expenses								
Policy acquisition costs and administrative expenses	C	\$ 1,471	\$ 610	\$ 47	\$ 1,765	\$ 106	\$ 143	\$ 4,142
Expense adjustments - favorable (unfavorable)		—	—	—	—	—	—	—
Policy acquisition costs and administrative expenses, adjusted	D	\$ 1,471	\$ 610	\$ 47	\$ 1,765	\$ 106	\$ 143	\$ 4,142
Denominator								
Net premiums earned	E	\$ 6,971	\$ 2,392	\$ 470	\$ 4,501	\$ 349		\$14,683
Reinstatement premiums (collected) expensed on catastrophe losses		3	1	—	16	—		20
Net premiums earned adjustments on PPD - unfavorable (favorable)		4	—	3	—	—		7
PPD reinstatement premiums - unfavorable (favorable)		—	—	—	—	(1)		(1)
Net premiums earned excluding adjustments	F	\$ 6,978	\$ 2,393	\$ 473	\$ 4,517	\$ 348		\$14,709
P&C combined ratio								
Loss and loss expense ratio	A/E	81.5%	60.4%	80.4%	61.0%	46.0%		72.8%
Policy acquisition cost and administrative expense ratio	C/E	21.1%	25.5%	10.0%	39.2%	30.3%		28.2%
P&C combined ratio		102.6%	85.9%	90.4%	100.2%	76.3%		101.0%
CAY P&C combined ratio ex Cats								
Loss and loss expense ratio, adjusted	B/F	65.2%	54.9%	80.4%	51.2%	48.7%		59.3%

Policy acquisition cost and administrative expense ratio, adjusted	D/F	21.0%	25.5%	10.0%	39.0%	30.5%	28.2%
CAY P&C combined ratio ex Cats		86.2%	80.4%	90.4%	90.2%	79.2%	87.5%
Combined ratio							
Combined ratio							101.0%
Add: impact of gains and losses on crop derivatives							0.0%
P&C combined ratio							101.0%

Note: The ratios above are calculated using whole U.S. dollars. Accordingly, calculations using rounded amounts may differ. Letters A, B, C, D, E, and F included in the table are references for calculating the ratios above.

Chubb Limited
Glossary

Chubb Limited Consolidated comprises all segments including Corporate.

P&C combined ratio: The sum of the loss and loss expense ratio, policy acquisition cost ratio and the administrative expense ratio excluding the life business and including the realized gains and losses on the crop derivatives.

Book value per common share: Shareholders' equity divided by the shares outstanding.

Tangible book value per common share: Shareholders' equity less goodwill and other intangible assets, net of tax, divided by the shares outstanding.

Average market yield of fixed maturities: Weighted average yield to maturity of our fixed income portfolio based on the market prices of the holdings as of that date.

Average yield on invested assets: Adjusted net investment income divided by average cost of fixed maturities and other investments, and average market value of equity securities.

Total capitalization: The sum of the short-term debt, long-term debt, trust preferreds, and shareholders' equity.

Catastrophe losses (Cats): We generally define catastrophe loss events consistent with the definition of the Property Claims Service (PCS) for events in the U.S. and Canada. PCS defines a catastrophe as an event that causes damage of \$25 million or more in insured losses and affects a significant number of insureds, including from pandemics such as COVID-19. For events outside of the U.S. and Canada, we generally use a similar definition. Catastrophe loss events are events that occurred in the current calendar year only. Changes in catastrophe loss estimates in the current calendar year that relate to loss events that occurred in previous calendar years are considered prior period development.

Prior period development (PPD) arises from changes to loss estimates recognized in the current year that relate to loss events that occurred in previous calendar years and excludes the effect of losses from the development of earned premium from previous accident years.

Reinstatement premiums are additional premiums paid on certain reinsurance agreements in order to reinstate coverage that had been exhausted by loss occurrences. The reinstatement premium amount is typically a pro rata portion of the original ceded premium paid based on how much of the reinsurance limit had been exhausted.

Net premiums earned adjustments within prior period development are adjustments to the initial premium earned on retrospectively rated policies based on actual claim experience that develops after the policy period ends. The premium adjustments correlate to the prior period loss development on these same policies and are fully earned in the period the adjustments are recorded.

Prior period expense adjustments typically relate to either profit commission reserves or policyholder dividend reserves based on actual claim experience that develops after the policy period ends. The expense adjustments correlate to the prior period loss development on these same policies.

Segment income (loss) includes underwriting income (loss), adjusted net investment income, other income (expense) – operating, and amortization expense of purchased intangibles.

Commercial P&C lines includes Commercial P&C, Agriculture and Reinsurance lines of business.

Consumer P&C lines includes Personal and Global accident and health (A&H) lines of business.

NM: Not meaningful.