

Risk Factors Comparison 2024-02-23 to 2023-02-24 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Factors that could have a material impact on our results of operations or financial condition are outlined below. Additional risks not presently known to us or that we currently deem insignificant may also impair our business or results of operations as they become known or as facts and circumstances change. Any of the risks described below could result in a material adverse effect on our results of operations or financial condition. Insurance Our results of operations or financial condition could be adversely affected by the occurrence of natural and man- made disasters. We have substantial exposure to losses resulting from natural disasters, man- made catastrophes, such as terrorism or cyber- attack, and other catastrophic events, including pandemics. This could impact a variety of our businesses, including our commercial and personal lines, and life and accident and health (A & H) products. Catastrophes can be caused by various events, including hurricanes, typhoons, earthquakes, hailstorms, droughts, explosions, severe winter weather, fires, war, acts of terrorism, nuclear accidents, political instability, and other natural or man-made disasters, including a global or other wide- impact pandemic or a significant cyber- attack. The incidence and severity of catastrophes are inherently unpredictable and our losses from catastrophes could be substantial. In addition, climate change and resulting changes in global temperatures, weather patterns, and sea levels may both increase the frequency and severity of natural catastrophes and the resulting losses in the future and impact our risk modeling assumptions. We cannot predict the impact that changing climate conditions, if any, may have on our results of operations or our financial condition. Additionally, we cannot predict how legal, regulatory and / or social responses to concerns around global climate change and the resulting impact on various sectors of the economy may impact our business. Exposure to cyber risk is increasing systematically due to greater digital dependence and increases possible losses due to a catastrophic cyber event. Cyber catastrophic scenarios are not bound by time or geographic limitations and cyber catastrophic perils ~~don-~~ **do not** ~~+~~ have well- established definitions and fundamental physical properties. Rather, cyber risks are engineered by human actors and thus are continuously evolving, often in ways that are engineered specifically to evade established loss mitigation controls. The occurrence of claims from catastrophic events could result in substantial volatility in our results of operations or financial condition for any fiscal quarter or year. Although we attempt to manage our exposure to such events through the use of underwriting controls, risk models, and the purchase of third- party reinsurance, catastrophic events are inherently unpredictable and the actual nature of such events, when they occur, could be more frequent or severe than contemplated in our pricing and risk management expectations. As a result, the occurrence of one or more catastrophic events could have an adverse effect on our results of operations and financial condition. ~~COVID-19, the effects of global actions taken to contain its spread, and its economic and societal impact could adversely impact our businesses, invested assets, financial condition, and results of operations. Although the adverse impact of COVID-19 and related variants (the "pandemic") is lessening through medical advances (including the widespread distribution of vaccines, antiviral medicines, and other treatments) and the removal or lessening of government restrictions on economic and social activity, COVID-19 continues to threaten further disruption to public health, the global economy, financial markets, and commercial, social and community activity generally. Depending on the course of the pandemic, including the spread of new variants, and government responses, COVID-19 may continue to affect our current and future financial results. We may experience higher levels of loss and, claims activity in certain lines of business in excess of losses we have already recognized, and our premiums could also be adversely affected by any repeated or further suppression of global commercial activity that results in a reduction in insurable assets and other exposure. Financial conditions resulting from the pandemic and the economic consequences of the resulting fiscal and monetary policy may also have a negative effect on the value and quality of our portfolio of invested assets, thereby adversely affecting our investment returns and increasing our credit and related risk. Certain lines of our business, such as our variable annuity life reinsurance business, may require additional forms of collateral in the event of a decline in the securities and benchmarks to which those repayment mechanisms are linked.~~ If actual claims exceed our loss reserves, our financial results could be adversely affected. Our results of operations and financial condition depend upon our ability to accurately assess the potential losses associated with the risks that we insure and reinsure. We establish reserves for unpaid losses and loss expenses, which are estimates of future payments of reported and unreported claims for losses and related expenses, with respect to insured events that have occurred at or prior to the balance sheet date. The process of establishing reserves can be highly complex and is subject to considerable variability as it requires the use of informed estimates and judgments. Actuarial staff in each of our segments regularly evaluates the levels of loss reserves. Any such evaluation could result in future changes in estimates of losses or reinsurance recoverables and would be reflected in our results of operations in the period in which the estimates are changed. Losses and loss expenses are charged to income as incurred. During the loss settlement period, which can be many years in duration for some of our lines of business, additional facts regarding individual claims and trends often will become known which may result in a change in overall reserves. In addition, application of statistical and actuarial methods may require the adjustment of overall reserves upward or downward from time to time. We include in our loss reserves liabilities for latent claims, such as asbestos and environmental (A & E), which are principally related to claims arising from remediation costs associated with hazardous waste sites and bodily- injury claims related to exposure to asbestos products and environmental hazards. At December 31, ~~2022~~ **2023**, gross A & E liabilities represented approximately ~~2.1~~ **0.8** percent of our gross loss reserves. The estimation of these liabilities is subject to many complex variables including: the current legal environment; specific settlements that may be used as precedents to settle future claims; assumptions regarding trends with respect to claim severity and the frequency of higher severity claims; assumptions regarding the ability to allocate liability among defendants (including bankruptcy trusts) and other insurers; the ability of a claimant to

bring a claim in a state in which it has no residency or exposure; the ability of a policyholder to claim the right to non-products coverage; whether high-level excess policies have the potential to be accessed given the policyholder's claim trends and liability situation; payments to unimpaired claimants; and the potential liability of peripheral defendants. Accordingly, the ultimate settlement of losses, arising from either latent or non-latent causes, may be significantly greater or less than the loss and loss expense reserves held at the balance sheet date. In addition, the amount and timing of the settlement of our P & C liabilities are uncertain and our actual payments could be higher than contemplated in our loss reserves owing to the impact of insurance, judicial decisions, and / or social inflation. If our loss reserves are determined to be inadequate, we may be required to increase loss reserves at the time of the determination and our net income and capital may be reduced. The effects of emerging claim and coverage issues on our business are uncertain. As industry practices and legislative, regulatory, judicial, social, financial, technological and other environmental conditions change, unexpected and unintended issues related to claims and coverage may emerge. These issues may adversely affect our business by either extending coverage beyond our underwriting intent or by increasing the frequency and severity of claims. ~~In some instances, these changes may not become apparent until after we have issued insurance or reinsurance contracts that are affected by the changes.~~ For example, "reviver" legislation in certain states does allow civil claims relating to molestation to be asserted against policyholders that would otherwise be barred by statutes of limitations. As a result, the full extent of liability under our insurance or reinsurance contracts may not be known for many years after issuance. The failure of any of the loss limitation methods we use could have an adverse effect on our results of operations and financial condition. We seek to manage our loss exposure by maintaining a disciplined underwriting process throughout our insurance operations. We also look to limit our loss exposure by writing a number of our insurance and reinsurance contracts on an excess of loss basis. Excess of loss insurance and reinsurance indemnifies the insured against losses in excess of a specified amount. In addition, we limit program size for each client and purchase third-party reinsurance for our own account. In the case of our assumed proportional reinsurance treaties, we seek per occurrence limitations or loss and loss expense ratio caps to limit the impact of losses ceded by the client. In proportional reinsurance, the reinsurer shares a proportional part of the premiums and losses of the reinsured. We also seek to limit our loss exposure by geographic diversification. Geographic zone limitations involve significant underwriting judgments, including the determination of the area of the zones and the inclusion of a particular policy within a particular zone's limits. However, there are inherent limitations in all of these tactics, and no assurance can be given against the possibility of an event or series of events that could result in loss levels that could have an adverse effect on our financial condition or results of operations. It is also possible that losses could manifest themselves in ways that we do not anticipate and that our risk mitigation strategies are not designed to address. Additionally, various provisions of our policies, such as limitations or exclusions from coverage or choice of forum negotiated to limit our risks, may not be enforceable in the manner we intend. As a result, one or more natural or man-made catastrophes, terrorism, or other events could result in claims that substantially exceed our expectations, which could have an adverse effect on our results of operations and financial condition. We may be unable to purchase reinsurance, and / or if we successfully purchase reinsurance, we are subject to the possibility of non-payment. We purchase protection from third parties including, but not limited to, reinsurance to protect against catastrophes and other sources of volatility, to increase the amount of protection we can provide our clients, and as part of our overall risk management strategy. Our reinsurance business also purchases retrocessional protection which allows a reinsurer to cede to another company all or part of the reinsurance originally assumed by the reinsurer. A reinsurer's or retrocessionaire's insolvency or inability or unwillingness to make timely payments under the terms of its reinsurance agreement with us could have an adverse effect on us because we remain liable to the insured. From time to time, market conditions have limited, and in some cases have prevented, insurers and reinsurers from obtaining the types and amounts of reinsurance or retrocessional reinsurance that they consider adequate for their business needs. There is no guarantee our desired amounts of reinsurance or retrocessional reinsurance will be available in the marketplace in the future. In addition to capacity risk, the remaining capacity may not be on terms we deem appropriate or acceptable or with companies with whom we want to do business. Finally, we face some degree of counterparty risk whenever we purchase reinsurance or retrocessional reinsurance. Consequently, the insolvency of these counterparties, or the inability, or unwillingness of any of our present or future reinsurers to make timely payments to us under the terms of our reinsurance or retrocessional agreements could have an adverse effect on us. At December 31, 2022-2023, we had \$ 19-20.2 billion of reinsurance recoverables, net of reserves for uncollectible recoverables. Certain active Chubb companies are primarily liable for A & E and other exposures they have reinsured to our inactive run-off company Century Indemnity Company (Century). At December 31, 2022-2023, the aggregate reinsurance balances ceded by our active subsidiaries to Century were approximately \$ 1.9-8 billion. Should Century's loss reserves experience adverse development in the future and should Century be placed into rehabilitation or liquidation, the reinsurance recoverables due from Century to its affiliates would be payable only after the payment in full of third-party expenses and liabilities, including administrative expenses and direct policy liabilities. Thus, the intercompany reinsurance recoverables would be at risk to the extent of the shortage of assets remaining to pay these recoverables. While we believe the intercompany reinsurance recoverables from Century are not impaired at this time, we cannot assure that adverse development with respect to Century's loss reserves, if manifested, will not result in Century's insolvency, which could result in our recognizing a loss to the extent of any uncollectible reinsurance from Century. This could have an adverse effect on our results of operations and financial condition. Our net income and Shareholders' equity may be volatile because certain products sold by our Life life Insurance insurance business businesses expose us to future policy benefit (FPB) reserve and fair value liability market risk benefits changes that are directly affected by market and other factors and assumptions. Our pricing, establishment of liabilities for life insurance and annuity products, including reinsurance programs, are based upon various assumptions, including but not limited to equity market changes, interest rates, mortality rates, morbidity rates, and policyholder behavior. **With the adoption of** Effective January 1, 2023, we adopted new U. S. GAAP accounting guidance for long-duration contracts **targeted improvements** (LDTI), that affects the accounting for **our FPB reserves is also sensitive to changing interest rate**

conditions. We are required to update for changes in discount rates quarterly and review assumptions at least annually, which could cause volatility in our net income and shareholders' equity. ~~guaranteed~~ **Guaranteed** minimum death benefits (GMDB) and guaranteed living benefits (GLB), principally guaranteed minimum income benefits (GMIB), associated with variable annuity contracts, **are** collectively referred to as market risk benefits (MRB). The process of establishing MRB liabilities relies on our ability to accurately estimate insured events that have not yet occurred but that are expected to occur in future periods. Significant deviations in actual experience from assumptions used for pricing and for MRB liabilities could have an adverse effect on the profitability of our products and our business. Under reinsurance programs covering variable annuity guarantees, we assumed the risk of GMDB and GMIB, associated with variable annuity contracts. We ceased writing this business in 2007. Our net income is directly impacted by the ~~change~~ **changes** in the fair value of the MRB liability **reflecting market conditions, policyholder behavior, and other changes in assumptions**. We view our variable annuity reinsurance business as having a similar risk profile to that of catastrophe reinsurance, with the probability of long- term economic loss relatively small at the time of pricing. Adverse changes in market factors and policyholder behavior will have an impact on consolidated net income. ~~With the adoption of LDTI, effective January 1, 2023, the accounting for our FPB reserves will also be sensitive to changing interest rate conditions. The LDTI guidance requires that we update FPB reserves for changes in discount rates quarterly which could cause volatility in our shareholders' equity.~~ Payment of obligations under surety bonds could have an adverse effect on our results of operations. The surety business tends to be characterized by infrequent but potentially high severity losses. The majority of our surety obligations are intended to be performance- based guarantees. When losses occur, they may be mitigated, at times, by recovery rights to the customer' s assets, contract payments, and collateral and bankruptcy recoveries. We have substantial commercial and construction surety exposure for current and prior customers. In that regard, we have exposures related to surety bonds issued on behalf of companies that have experienced or may experience deterioration in creditworthiness. If the financial condition of these companies were adversely affected by the economy or otherwise, we may experience an increase in filed claims and may incur high severity losses, which could have an adverse effect on our results of operations. Our exposure to various commercial and contractual counterparties, our reliance on brokers, and certain of our policies may subject us to credit risk. We have exposure to counterparties through a variety of commercial transactions and arrangements, including reinsurance transactions; agreements with banks, hedge funds and other investment vehicles; and derivative transactions, that expose us to credit risk in the event our counterparty fails to perform its obligations. This includes exposure to financial institutions in the form of secured and unsecured debt instruments and equity securities. ~~Moreover, deposits paid in connection with our agreements to acquire additional shares of Huatai Group expose us to risk if the transactions are not completed.~~ In accordance with industry practice, we generally pay amounts owed on claims to brokers who, in turn, remit these amounts to the insured or ceding insurer. Although the law is unsettled and depends upon the facts and circumstances of the particular case, in some jurisdictions, if a broker fails to make such a payment, we might remain liable to the insured or ceding insurer for the deficiency. Conversely, in certain jurisdictions, if a broker does not remit premiums paid for these policies over to us, these premiums might be considered to have been paid and the insured or ceding insurer will no longer be liable to us for those amounts, whether or not we have actually received the premiums from the broker. Consequently, we assume a degree of credit risk associated with a broker with whom we transact business. However, due to the unsettled and fact- specific nature of the law, we are unable to quantify our exposure to this risk. To date, we have not experienced any material losses related to this credit risk. Under the terms of certain high- deductible policies which we offer, such as workers' compensation and general liability, our customers are responsible to reimburse us for an agreed- upon dollar amount per claim. In nearly all cases, we are required under such policies to pay covered claims first and then seek reimbursement for amounts within the applicable deductible from our customers. This obligation subjects us to credit risk from these customers. While we generally seek to mitigate this risk through collateral agreements and maintain a provision for uncollectible accounts associated with this credit exposure, an increased inability of customers to reimburse us in this context could have an adverse effect on our financial condition and results of operations. In addition, a lack of credit available to our customers could impact our ability to collateralize this risk to our satisfaction, which in turn, could reduce the amount of high- deductible policies we could offer. Since we depend on a few brokers and agents for a large portion of our revenues, loss of business provided by any one of them could adversely affect us. We market our insurance and reinsurance worldwide, primarily through independent insurance agents, insurance and reinsurance brokers, and bancassurance relationships. Accordingly, our business is dependent on the willingness of these agents and brokers to recommend our products to their customers, who may also promote and distribute the products of our competitors. Deterioration in relationships with our agent and broker distribution network or their increased promotion and distribution of our competitors' products could adversely affect our ability to sell our products. Loss of all or a substantial portion of the business provided by one or more of these agents and brokers could have an adverse effect on our business. **Financial** Our investment performance may affect our financial results and our ability to conduct business. Our investment assets are invested by professional investment management firms under the direction of our management team in accordance with investment guidelines approved by the Risk & Finance Committee of the Board of Directors. Although our investment guidelines stress diversification of risks and conservation of principal and liquidity, our investments are subject to market risks and risks inherent in individual securities. Our investment performance is highly sensitive to many factors, including interest rates, inflation, monetary and fiscal policies, and domestic and international political conditions. The volatility of our losses may force us to liquidate securities, which may cause us to incur capital losses. Realized and unrealized losses in our investment portfolio would reduce our book value, and if significant, can affect our ability to conduct business. Volatility in interest rates could impact the performance of our investment portfolio which could have an adverse effect on our investment income and operating results. Although we take measures to manage the risks of investing in a changing interest rate environment, we may not be able to effectively mitigate interest rate sensitivity. Our mitigation efforts include maintaining a high- quality portfolio of primarily fixed income investments with a relatively short duration to reduce the effect of interest rate changes on book value. A

significant increase in interest rates would generally have an adverse effect on our book value. Our life insurance investments typically focus on longer duration bonds to better match the obligations of this business. For the life insurance business, policyholder behavior may be influenced by changing interest rate conditions and require a re-balancing of duration to effectively manage our asset / liability position. As stated, our fixed income portfolio is primarily invested in high quality, investment- grade securities. However, a smaller portion of the portfolio, approximately 17 percent at December 31, 2022-2023, is invested in below investment- grade securities. These securities, which pay a higher rate of interest, also have a higher degree of credit or default risk and may also be less liquid in times of economic weakness or market disruptions. While we have put in place procedures to monitor the credit risk and liquidity of our invested assets, it is possible that, in periods of economic weakness (such as recession), we may experience credit or default losses in our portfolio, which could adversely affect our results of operations and financial condition. As a part of our ongoing analysis of our investment portfolio, we are required to assess current expected credit losses for ~~all our private debt held to for investment maturity securities~~ and evaluate expected credit losses for available- for- sale securities when fair value is below amortized cost, which considers reasonable and supportable forecasts of future economic conditions in addition to information about past events and current conditions. This analysis requires a high degree of judgment. Financial assets with similar risk characteristics and relevant historical loss information are included in the development of an estimate of expected lifetime losses. Declines in relevant stock and other financial markets and other factors impacting the value of our investments could result in an adverse effect on our net income and other financial results. We may require additional capital or financing sources in the future, which may not be available or may be available only on unfavorable terms. Our future capital and financing requirements depend on many factors, including our ability to write new business successfully and to establish premium rates and reserves at levels sufficient to cover losses, as well as our investment performance and capital expenditure obligations, including with respect to acquisitions. We may need to raise additional funds through financings or access funds through existing or new credit facilities or through short- term repurchase agreements. We also from time to time seek to refinance debt or credit as amounts become due or commitments expire. Any equity or debt financing or refinancing, if available at all, may be on terms that are not favorable to us. In the case of equity financings, dilution to our shareholders could result, and in any case, such securities may have rights, preferences, and privileges that are senior to those of our Common Shares. Our access to funds under existing credit facilities is dependent on the ability of the banks that are parties to the facilities to meet their funding commitments. Under Swiss law, we would be prohibited from selling shares in an equity financing at a purchase price below our then- current par value. If we cannot obtain adequate capital or sources of credit on favorable terms, or at all, we could be forced to use assets otherwise available for our business operations, and our business, results of operations, and financial condition could be adversely affected. We may be required to post additional collateral because of changes in our reinsurance liabilities to regulated insurance companies, or because of regulatory changes that affect our companies. If our reinsurance liabilities increase, including in our property & casualty and variable annuity reinsurance businesses, we may be required to post additional collateral for insurance company clients. In addition, regulatory changes sometimes affect our obligations to post collateral. The need to post this additional collateral, if significant enough, may require us to sell investments at a loss in order to provide securities of suitable credit quality or otherwise secure adequate capital at an unattractive cost. This could adversely impact our net income and liquidity and capital resources. U. S. and global economic and financial industry events and their consequences could harm our business, our liquidity and financial condition, and our stock price. The consequences of adverse global or regional market and economic conditions may affect (among other aspects of our business) the demand for and claims made under our products, the ability of customers, counterparties, and others to establish or maintain their relationships with us, our ability to access and efficiently use internal and external capital resources, the availability of reinsurance protection, the risks we assume under reinsurance programs covering variable annuity guarantees, and our investment performance. The increasing impact of climate change could affect our cost of claims, loss ratios, and financial results. Volatility in the U. S. and other securities markets may adversely affect our stock price. A decline in our financial strength ratings could affect our standing among distribution partners and customers and cause our premiums and earnings to decrease. A decline in our ~~debt credit~~ ratings could increase our borrowing costs and impact our ability to access capital markets. Ratings are an important factor in establishing the competitive position of insurance and reinsurance companies. The objective of these rating systems is to provide an opinion of an insurer' s financial strength and ability to meet ongoing obligations to its policyholders. A ratings downgrade could result in a substantial loss of business as insureds, ceding companies, and brokers move to other insurers and reinsurers with higher ratings. If one or more of our debt ratings were downgraded, we could also incur higher borrowing costs, and our ability to access the capital markets could be impacted. Additionally, we could be required to post collateral or be faced with the cancellation of policies and resulting premium in certain circumstances. We cannot give any assurance regarding whether or to what extent any of the rating agencies might downgrade our ratings in the future. Our ability to pay dividends and / or to make payments on indebtedness may be constrained by our holding company structure. Chubb Limited is a holding company that owns shares of its operating insurance and reinsurance subsidiaries along with several loans receivable from affiliates. Beyond this it does not itself have any significant operations or liquid assets. Repayment of loans receivable, guarantee fees and dividends and other permitted distributions from our insurance subsidiaries are its primary sources of funds to meet ongoing cash requirements, including any future debt service payments, other expenses, repurchases of its shares, and ~~paying to pay~~ dividends to our shareholders. Some of our insurance subsidiaries are subject to significant regulatory restrictions limiting their ability to declare and pay dividends. The inability of our insurance subsidiaries to pay dividends (or other intercompany amounts due, such as intercompany debt obligations) in an amount sufficient to enable us to meet our cash requirements at the holding company level could have an adverse effect on our operations and our ability to repurchase shares and pay dividends to our shareholders. Swiss law imposes certain restrictions on our ability to repurchase our shares. Swiss law imposes certain withholding tax and other restrictions on a Swiss company' s ability to return earnings or capital to its shareholders, including through the repurchase of its own shares. We

may only repurchase shares to the extent that sufficient freely distributable reserves are available. In addition, Swiss law requires that the total par value of Chubb's treasury shares must not be in excess of 10 percent of its total share capital, although an exemption from the 10 percent limit applies for repurchased treasury shares dedicated for cancellation and acquired pursuant to a shareholder-ratified repurchase program. As a result, in order to maintain our share repurchase program, our shareholders must periodically approve a reduction in our share capital through the cancellation of designated blocks of repurchased shares held in treasury and may from time to time as necessary, in a separate vote, ratify our share repurchase program. If our shareholders do not approve the cancellation of repurchased shares or, if necessary, ratify our share repurchase program, we may be restricted or unable to return capital to shareholders through share repurchases in the future. Furthermore, our current repurchase program relies on Swiss tax rulings. Any future revocation, lapse, expiration, or loss of our Swiss tax rulings or the inability to conduct repurchases in accordance with these rulings could jeopardize our ability to continue repurchasing our shares. Our operating results and shareholders' equity may be adversely affected by currency fluctuations. Our reporting currency is the U. S. dollar. In general, we match assets and liabilities in local currencies. Where possible, capital levels in local currencies are limited to satisfy minimum regulatory requirements and to support local insurance operations. The principal currencies creating foreign exchange risk are the Korean won, Chinese yuan, Canadian dollar, Australian dollar, Taiwan dollar, Mexican peso, Brazilian real, Thai baht, Japanese yen, British pound sterling, and euro, and Hong Kong dollar. At December 31, 2022-2023, approximately 33-31.3-8 percent of our unhedged net assets were denominated in foreign currencies. We may experience losses resulting from fluctuations in the values of non- U. S. currencies, which could adversely impact our results of operations and financial condition. Operational The regulatory and political regimes under which we operate, and their volatility, could have an adverse effect on our business. We may from time -to- time face challenges resulting from changes in applicable law and regulations in particular jurisdictions, or changes in approach to oversight of our business from insurance or other regulators. Our insurance and reinsurance subsidiaries conduct business globally. Our businesses in each jurisdiction are subject to varying degrees of regulation and supervision. The laws and regulations of the jurisdictions in which our insurance and reinsurance subsidiaries are domiciled require, among other things, maintenance of minimum levels of statutory capital, surplus, and liquidity; various solvency standards; and periodic examinations of subsidiaries' financial condition. In some jurisdictions, laws and regulations also restrict payments of dividends and reductions of capital. Applicable statutes, regulations, and policies may also restrict the ability of these subsidiaries to write insurance and reinsurance policies, to make certain investments, and to distribute funds. The purpose of insurance laws and regulations generally is to protect policyholders and ceding insurance companies, not our shareholders. For example, some jurisdictions have enacted various consumer protection laws that make it more burdensome for insurance companies to sell policies and interact with customers in personal lines businesses. Failure to comply with such regulations can lead to significant penalties and reputational injury. The foreign and U. S. federal and state laws and regulations that are applicable to our operations are complex and may increase the costs of regulatory compliance or subject our business to the possibility of regulatory actions or proceedings. Laws and regulations not specifically related to the insurance industry include trade sanctions that relate to certain countries, anti- money laundering laws, and anti- corruption laws. The insurance industry is also affected by political, judicial, and legal developments that may create new and expanded regulations and theories of liability. The current economic and financial climates present additional uncertainties and risks relating to increased regulation and the potential for increased involvement of the U. S. and other governments in the financial services industry. **Furthermore, governments, regulators, investors, customers, and other stakeholders have increased their focus on climate change risk reporting. A variety of governments and regulators have adopted or are in the process of adopting climate change and greenhouse gas emissions disclosure requirements for which Chubb and certain of its individual subsidiaries are or will be subject to in the future. Chubb also receives requests for information from investors, customers and other stakeholders from time to time on various aspects of its policies and strategies relating to climate change. This has resulted in expanded and increasingly complex expectations related to reporting under multiple, various, disparate and potentially inconsistent requirements, increased due diligence, and potential requirements for the reporting of scope 3 emissions. Responding to such disclosure requirements and requests involves risks and uncertainties, including depending in part on estimates and third- party data that is outside our control. New reporting standards, regulations and requirements with various aims and goals could expose us to legal, regulatory, investor and other stakeholder scrutiny, and customers that disagree with our actions or reporting on climate change may determine not to do business with us, all of which may adversely affect our business, reputation and results of operations.** Regulators in countries where we have operations continue to work with the International Association of Insurance Supervisors (IAIS) to consider changes to insurance company supervision, including with respect to group supervision and solvency requirements. The IAIS has developed a Common Framework for the Supervision of Internationally Active Insurance Groups (ComFrame), which is focused on the effective group- wide supervision of international active insurance groups (IAIGs), such as Chubb. As part of ComFrame, the IAIS is developing an international capital standard for such IAIGs. The details of this global capital standard and its applicability to Chubb are evolving and uncertain at this time. In addition, Chubb businesses across the European Union (EU) are subject to Solvency II, a capital and risk management regime, and our Bermuda businesses are subject to an equivalent of the EU's Solvency II regime. Also applicable to Chubb businesses are the requirements of the Swiss Financial Market Supervisory Authority (FINMA) whose regulations include Swiss Solvency Tests. There are also Risk Based Capital (RBC) requirements in the U. S. which are also subject to revision in response to global developments. The impact to Chubb of these developments remains uncertain, although currently we do not expect that our capital management strategies, results of operations and financial condition will be materially affected by these regulatory changes. Evolving privacy and data security regulations could adversely affect our business. We are subject to numerous U. S. federal and state laws and non- U. S. regulations governing the protection of personal and confidential information of our clients and employees, including in relation to medical records, credit card data and

financial information. These laws and regulations are increasing in complexity and number, change frequently, sometimes conflict, and could expose Chubb to significant monetary damages, regulatory enforcement actions, fines and / or criminal prosecution in one or more jurisdictions. For example, we are subject to the New York Department of Financial Services' Cybersecurity Regulation (the NYDFS Cybersecurity Regulation) which mandates detailed cybersecurity standards **and other obligations** for all institutions, including insurance entities, authorized by the NYDFS to operate in New York. The NYDFS Cybersecurity Regulation has increased our compliance costs and could increase the risk of noncompliance and subject us to regulatory enforcement actions and penalties, as well as reputation risk. Additionally, the National Association of Insurance Commissioners (NAIC) adopted an Insurance Data Security Model Law, which requires licensed insurance entities to comply with detailed information security requirements. A number of states have enacted it into law, and it is not yet known whether or not, and to what extent, additional states will enact it. Such enactments, especially if inconsistent between states or with existing laws and regulations could raise compliance costs or increase the risk of noncompliance, with the attendant risk of being subject to regulatory enforcement actions and penalties, as well as reputational harm. The EU General Data Protection Regulation (the GDPR) is a comprehensive regulation applying across all EU member states. All our business units (regardless of whether they are located in the EU) may be subject to the GDPR when personal data is processed in relation to the offer of goods and services to individuals within the EU. Our failure to comply with GDPR and other countries' privacy or data security- related laws, rules or regulations could result in significant penalties imposed by regulators, which could have an adverse effect on our business, financial condition, and results of operations. Significant other comprehensive privacy laws have been enacted by other jurisdictions, most notably the California Consumer Privacy Act (CCPA), the California Privacy Rights Act (CPRA), and Brazil' s Lei Geral de Protecao de Dados (LGPD), which may affect our use of data and could affect our operations and subject us to fines and actions for noncompliance. In the U. S., several other states are considering similar legislation, and there are ongoing discussions regarding a National Privacy Law. New laws similar to the GDPR and the CCPA are expected to be enacted in coming years in various countries and jurisdictions in which we operate. **Regulatory standards relating to the use of artificial intelligence are evolving in the countries where we do business, and may increase risks associated with bias, unfair discrimination, transparency, and information security. The application of existing law and introduction of new or revised laws and regulations may require changes in our operations and increase compliance costs.** Our worldwide operations, particularly in developing nations, expose us to global geopolitical developments that could have an adverse effect on our business, liquidity, results of operations, and financial condition. With operations in 54 countries and territories, we provide insurance and reinsurance products and services to a diverse group of clients worldwide, including operations in various developing nations. Both current and future foreign operations could be adversely affected by unfavorable geopolitical developments, including law changes; tax changes; changes in trade policies; changes to visa or immigration policies; regulatory restrictions; government leadership changes; political events and upheaval; sociopolitical instability; social, political or economic instability resulting from climate change; and nationalization of our operations without compensation. Adverse activity in any one country could negatively impact operations, increase our loss exposure under certain of our insurance products, and could, otherwise, have an adverse effect on our business, liquidity, results of operations, and financial condition depending on the magnitude of the events and our net financial exposure at that time in that country. A failure in our operational systems or infrastructure or those of third parties, including due to security breaches or cyber- attacks, could disrupt business, damage our reputation, and cause losses. Our operations rely on the secure processing, storage, and transmission of confidential and other information and assets, including in our computer systems and networks and those of third- party service providers. Our business depends on effective information security and systems and the integrity and timeliness of the data our information systems use to run our business. Our ability to adequately price products and services, to establish reserves, to provide effective, efficient and secure service to our customers, to value our investments and to timely and accurately report our financial results also depends significantly on the integrity and availability of the data we maintain, including that within our information systems, as well as data in and assets held through third- party service providers and systems. Like all global companies, our systems ~~have~~ and those of our third- party service providers, have been, and will likely continue to be, **targeted by or** subject to ~~threats from~~ viruses, **malware** or other malicious codes, unauthorized access, cyber- attacks, cyber frauds, **ransomware** or other computer ~~unauthorized occurrences, on or conducted through our information systems, which jeopardize the confidentiality, integrity or availability of our information or information systems. Cybersecurity threats are rapidly evolving and those threats and the means for obtaining access to our systems are becoming increasingly sophisticated. Cybersecurity threats can originate from a wide variety of sources including terrorists, nation states, financially motivated actors, internal actors, or third parties, such as external service providers, and the techniques used change frequently or are often not recognized until after they have been launched. The rapid evolution and increased adoption of artificial intelligence technologies may intensify our cybersecurity risks including the deployment of artificial intelligence by bad actors intent on finding and exploiting vulnerabilities, their use of " deep fakes," and long - related penetrations-term persistent attacks~~. Although we have implemented administrative and technical controls and have taken protective actions **designed** to reduce the risk of cyber incidents and to protect our information technology and assets, including conducting due diligence security reviews and negotiating agreements with third- party service providers, and we additionally endeavor to modify such procedures and agreements as circumstances warrant, such measures may be insufficient to prevent unauthorized access, computer viruses, malware or other malicious code or cyber- attack, **ransomware, phishing scams, or similar attempts to fraudulently induce our employees or others to take actions which compromise our information or information systems**, business compromise attacks, catastrophic events, system failures and disruptions, employee errors, negligence or malfeasance, loss of assets or data and other events that could have security consequences (each, a Security Event). As the breadth and complexity of our security infrastructure continues to grow, the ~~potential~~ risk of a Security Event increases. Such an event or events may jeopardize Chubb' s or its clients' or counterparties' confidential and other information

processed and stored within Chubb, and transmitted through its **computer information systems and networks**, or otherwise cause interruptions, delays, or malfunctions in Chubb's, its clients', its counterparties', or third parties' operations, or result in data loss or loss of assets which could result in significant losses, reputational damage or an adverse effect on our operations and critical business functions. Chubb may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures and to pursue recovery of lost data or assets and we may be subject to litigation costs and losses, regulatory penalties (as described above) and financial losses that are either not insured against or not fully covered by insurance maintained. In instances where we rely on third parties to perform business functions and process data on our behalf, Chubb may be exposed to additional data security risk **as a result of Security Events that impact the third party or others upon whom they rely**. Despite the contingency plans and facilities, we have in place and our efforts to observe the regulatory requirements surrounding information security, our ability to conduct business may be adversely affected by a disruption of the infrastructure that supports our business in the communities in which we are located, or of outsourced services or functions. This may include a disruption involving electrical, communications, transportation, or other services used by Chubb **or third parties on whom we rely**. If a disruption occurs in one location and Chubb employees in that location are unable to ~~occupy our offices and~~ conduct business or communicate with or travel to other locations, our ability to service and interact with clients may suffer and we may not be able to successfully implement contingency plans that depend on communication or travel. We use analytical models to assist our decision-making in key areas, such as underwriting, claims, reserving, and catastrophe risks, but actual results could differ materially from the model outputs and related analyses. We use various modeling techniques (e. g., scenarios, predictive, stochastic and / or forecasting) and data analytics to analyze and estimate exposures, loss trends and other risks associated with our assets and liabilities. We use the modeled outputs and related analyses to assist us in decision-making (e. g., underwriting, pricing, claims, reserving, reinsurance, and catastrophe risk) and to maintain competitive advantage. The modeled outputs and related analyses are subject to various assumptions, uncertainties, model errors and the inherent limitations of any statistical analysis, including the use of historical internal and industry data. In addition, the modeled outputs and related analyses may from time to time contain inaccuracies, perhaps in material respects, including as a result of inaccurate inputs or applications thereof. Climate change may make modeled outcomes less certain or produce new, non-modeled risks. Consequently, actual results may differ materially from our modeled results. If, based upon these models or other factors, we misprice our products or underestimate the frequency and / or severity of loss events, or overestimate the risks we are exposed to, new business growth and retention of our existing business may be adversely affected which could have an adverse effect on our results of operations and financial condition. We could be adversely affected by the loss of one or more key executives or by an inability to attract and retain qualified personnel. Our success depends on our ability to retain the services of our existing key executives and to attract and retain additional qualified personnel in the future. The loss of the services of any of our key executives or the inability to hire and retain other highly qualified personnel in the future could adversely affect our ability to conduct or grow our business. This risk may be particularly acute for us relative to some of our competitors because some of our senior executives work in countries where they are not citizens, and work permit and immigration issues could adversely affect the ability to retain or hire key persons. We do not maintain key person life insurance policies with respect to our employees. Employee error and misconduct may be difficult to detect and prevent and could adversely affect our business, results of operations, and financial condition. Losses may result from, among other things, fraud, errors, failure to document transactions properly, failure to obtain proper internal authorization, failure to comply with underwriting or other internal guidelines, or failure to comply with regulatory requirements. It is not always possible to deter or prevent employee misconduct, and the precautions that we take to prevent and detect this activity may not be effective in all cases. Resultant losses could adversely affect our business, results of operations, and financial condition. Strategic The continually changing landscape, including competition, technology and products, and existing and new market entrants could reduce our margins and adversely impact our business and results of operations. Insurance and reinsurance markets are highly competitive. We compete on an international and regional basis with major U. S., Bermuda, European, and other international insurers and reinsurers and with underwriting syndicates, some of which have greater financial, technological, marketing, distribution and / or management resources than we do. In addition, capital market participants have created alternative products that are intended to compete with reinsurance products. We also compete with new companies and existing companies that move into the insurance and reinsurance markets. If competition, or technological or other changes to the insurance markets in which we operate, limits our ability to retain existing business or write new business at adequate rates or on appropriate terms, our business and results of operations could be materially and adversely affected. Increased competition could also result in fewer submissions, lower premium rates, and less favorable policy terms and conditions, which could reduce our profit margins and adversely impact our net income and shareholders' equity. Recent technological advancements in the insurance industry and information technology industry present new and fast-evolving competitive risks as participants seek to increase transaction speeds, lower costs, and create new opportunities. Advancements in technology are occurring in underwriting, claims, distribution, and operations at a pace that may quicken, including as companies increase use of data analytics, **artificial intelligence** and **other** technology as part of their business strategy. We will be at a competitive disadvantage if, over time, our competitors are more effective than us in their utilization of technology and evolving data analytics. If we do not anticipate or keep pace with these technological and other changes impacting the insurance industry, it could limit our ability to compete in desired markets. Insurance and reinsurance markets are historically cyclical, and we expect to experience periods with excess underwriting capacity and unfavorable premium rates. The insurance and reinsurance markets have historically been cyclical, characterized by periods of intense price competition due to excessive underwriting capacity as well as periods when shortages of capacity permitted favorable premium levels. An increase in premium levels is often offset by an increasing supply of insurance and reinsurance capacity, either by capital provided by new entrants or by the commitment of additional capital by existing insurers or reinsurers, which may cause prices to decrease. Any of these factors could lead to a significant reduction in

premium rates, less favorable policy terms, and fewer submissions for our underwriting services. In addition to these considerations, changes in the frequency and severity of losses suffered by insureds and insurers may affect the cycles of the insurance and reinsurance markets significantly, as could periods of economic weakness (such as recession). The integration of acquired companies may not be as successful as we anticipate. Acquisitions involve numerous operational, strategic, financial, accounting, legal, tax, and other risks; potential liabilities associated with the acquired businesses; and uncertainties related to design, operation and integration of acquired businesses' internal controls over financial reporting. Difficulties in integrating an acquired company, along with its personnel, may result in the acquired company performing differently than we expected, in operational challenges or in our failure to realize anticipated expense-related efficiencies. This may also apply to companies in which we acquire majority ownership. Our existing businesses could also be negatively impacted by acquisitions. In addition, goodwill and intangible assets recorded in connection with insurance company acquisitions may be impaired if premium growth, underwriting profitability, agency retention and policy persistency, among other factors, differ from expectations. There is also the potential that proposed acquisitions that have been publicly announced will not be consummated, even if a definitive agreement has been signed by the parties. If an agreement is terminated before closing, the result would be that our proposed acquisition would not occur, which could, among other things, expose us to damages or liability and adversely impact our stock price and future operations. We may be subject to U. S. tax and Bermuda tax which may have an adverse effect on our results of operations and shareholder investment. Chubb Limited and our non- U. S. subsidiaries operate in a manner so that none of these companies should be subject to U. S. tax (other than U. S. excise tax on insurance and reinsurance premium income attributable to insuring or reinsuring U. S. risks and U. S. withholding tax on some types of U. S. source investment income), because none of these companies should be treated as engaged in a trade or business within the U. S. However, because there is considerable uncertainty as to the activities that constitute being engaged in a trade or business within the U. S., we cannot be certain that the Internal Revenue Service (IRS) will not contend successfully that Chubb Limited or its non- U. S. subsidiaries are engaged in a trade or business in the U. S. If Chubb Limited or any of its non- U. S. subsidiaries were considered to be engaged in a trade or business in the U. S., such entity could be subject to U. S. corporate income and branch profits taxes on the portion of its earnings effectively connected to such U. S. business, in which case our results of operations and our shareholders' investments could be adversely affected. **The Historically, our Bermuda operations have not been subject to Minister of Finance, under the Exempted Undertakings Tax Protection Act 1966 of Bermuda income tax. However, as amended on December 27, 2023, the Government of has given Chubb Limited and its Bermuda enacted insurance subsidiaries a written assurance 15 percent income tax effective January 1, 2025. We currently anticipate that the new if any legislation is enacted in Bermuda that would impose tax computed on profits or income, or computed on any capital asset, gain, or appreciation, then the imposition of any such tax would not be applicable to a covered tax under those-- the companies OECD's global minimum tax regime discussed in or our Risk Factor below titled "The Organization for Economic Cooperation and Development (OECD), European Union (EU), Swiss Federal Council, and other jurisdictions are considering, have considered, or have passed measures that might change long standing tax principles that could increase our taxes." Therefore, we would expect any implementation of their-- the respective OECD global minimum tax regime to count any enacted Bermuda income tax toward such OECD minimum tax. The imposition of the Bermuda corporate income tax could have an adverse effect on our results of operations beginning in , shares, debentures, or other obligations until March 31, 2035-2025, except insofar as such tax would apply to persons ordinarily resident in Bermuda or is payable by us in respect of real property owned or leased by us in Bermuda. We cannot be certain that we will not be subject to any Bermuda tax after March 31, 2035. We could be adversely affected by certain features of the Inflation Reduction Act. On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) of 2022 (H. R. 5376). Key tax provisions included in the IRA include a 15 percent corporate alternative minimum tax (CAMT) on adjusted financial statement income for corporations with average profits over \$ 1 billion, and a 1 percent excise tax on repurchases of corporate stock. The CAMT and the excise tax on share repurchases are effective for tax years beginning after December 31, 2022. Since enactment, the IRS and U. S. Treasury Department have issued notices to assist taxpayers in understanding and implementing the new provisions. This guidance remains subject to comment; thus, there are many uncertainties relating to its ultimate application and effects on our company. The Organization for Economic Cooperation and Development (OECD), European Union (EU), Swiss Federal Council, and other jurisdictions are considering or have passed measures that might change long standing tax principles that could increase our taxes. The OECD has published a framework for taxation that in many respects is different than long standing international tax principles. This framework and proposed changes could redefine what income is taxed in which country and institute a 15 percent global minimum tax in 2024 or later years. To date, many EU and other countries have enacted the 15 percent global minimum tax. Switzerland has enacted aspects of these rules but has not enacted the income inclusion rule or under taxed payment rule. The enactment of these reforms remains is very uncertain at this time, but if enacted could cause uncertainties to and increases in our income taxes. Several multilateral organizations, including the EU and the OECD have, in recent years, expressed concern about some countries not participating in adequate tax information exchange arrangements and have threatened those that do not agree to cooperate with punitive sanctions by member countries. It is still unclear what all these sanctions might be, which countries might adopt them, and when or if they might be imposed. We cannot assure, however, that the Tax Information Exchange Agreements (TIEAs) that have been entered into by Switzerland and Bermuda will be sufficient to preclude all of the sanctions described above, which, if ultimately adopted, could adversely affect us or our shareholders. Shareholders There are provisions in our charter documents that may reduce the voting rights and diminish the value of our Common Shares. Our Articles of Association generally provide that shareholders have one vote for each Common Share held by them and are entitled to vote at all meetings of shareholders. However, the voting rights exercisable by a shareholder may be limited so that certain persons or groups are not deemed to hold 10 percent or more of the voting power conferred by our Common Shares. Moreover, these provisions could have the effect of reducing the voting power of some shareholders who would not otherwise be subject to the limitation by**

virtue of their direct share ownership. The Board of Directors may refuse to register holders of shares as shareholders with voting rights based on certain grounds, including if the holder would, directly or indirectly, formally, constructively or beneficially own (as described in Articles 8 and 14 of our Articles of Association) or otherwise control voting rights with respect to 10 percent or more of the registered share capital recorded in the commercial register. In addition, the Board of Directors shall reject entry of holders of registered shares as shareholders with voting rights in the share register or shall decide on their deregistration when the acquirer or shareholder upon request does not expressly state that she / he has acquired or holds the shares in her / his own name and for her / his account. Applicable laws may make it difficult to effect a change of control of our company. Before a person can acquire control of a U. S. insurance company, prior written approval must be obtained from the insurance commissioner of the state where the domestic insurer is domiciled. Prior to granting approval of an application to acquire control of a domestic insurer, the state insurance commissioner will consider such factors as the financial strength of the applicant, the integrity and management of the applicant' s Board of Directors and executive officers, the acquirer' s plans for the future operations of the domestic insurer, and any anti- competitive results that may arise from the consummation of the acquisition of control. Generally, state statutes provide that control over a domestic insurer is presumed to exist if any person, directly or indirectly, owns, controls, holds with the power to vote, or holds proxies representing 10 percent or more of the voting securities of the domestic insurer. Because a person acquiring 10 percent or more of our Common Shares would indirectly control the same percentage of the stock of our U. S. insurance subsidiaries, the insurance change of control laws of various U. S. jurisdictions would likely apply to such a transaction. Laws of other jurisdictions in which one or more of our existing subsidiaries are, or a future subsidiary may be, organized or domiciled may contain similar restrictions on the acquisition of control of Chubb. While our Articles of Association limit the voting power of any shareholder to less than 10 percent, we cannot assure that the applicable regulatory body would agree that a shareholder who owned 10 percent or more of our Common Shares did not, because of the limitation on the voting power of such shares, control the applicable insurance subsidiary. These laws may discourage potential acquisition proposals and may delay, deter, or prevent a change of control of Chubb, including transactions that some or all of our shareholders might consider to be desirable. Shareholder voting requirements under Swiss law may limit our flexibility with respect to certain aspects of capital management. Swiss law allows our shareholders to authorize share capital which can be issued by the Board of Directors without shareholder approval, but this authorization must be renewed by the shareholders every two years. Swiss law also does not provide as much flexibility in the various terms that can attach to different classes of stock as permitted in other jurisdictions. Swiss law also reserves for approval by shareholders many corporate actions over which the Board of Directors had authority prior to our re- domestication to Switzerland. For example, dividends must be approved by shareholders. While we do not believe that Swiss law requirements relating to our capital management will have an adverse effect on Chubb, we cannot assure that situations will not arise where such flexibility would have provided substantial benefits to our shareholders. Chubb Limited is a Swiss company; it may be difficult to enforce judgments against it or its directors and executive officers. Chubb Limited is incorporated pursuant to the laws of Switzerland. In addition, certain of our directors and officers reside outside the U. S. and all or a substantial portion of our assets and the assets of such persons are located in jurisdictions outside the U. S. As such, it may be difficult or impossible to effect service of process within the U. S. upon those persons or to recover against us or them on judgments of U. S. courts, including judgments predicated upon civil liability provisions of the U. S. federal securities laws. Chubb has been advised by its Swiss counsel that there is doubt as to whether the courts in Switzerland would enforce: • judgments of U. S. courts based upon the civil liability provisions of the U. S. federal securities laws obtained in actions against it or its directors and officers, who reside outside the U. S.; or • original actions brought in Switzerland against these persons or Chubb predicated solely upon U. S. federal securities laws. Chubb has also been advised by its Swiss counsel that there is no treaty in effect between the U. S. and Switzerland providing for this enforcement, and there are grounds upon which Swiss courts may not enforce judgments of U. S. courts. Some remedies available under the laws of U. S. jurisdictions, including some remedies available under the U. S. federal securities laws, would not be allowed in Swiss courts as contrary to that nation' s public policy. Shareholders may be subject to Swiss withholding taxes on the payment of dividends. Our dividends are generally subject to a Swiss withholding tax at a rate of 35 percent; however, payment of a dividend in the form of a capital contribution reserve reduction or par value reduction is not subject to Swiss withholding tax. We have previously obtained shareholder approval for dividends to be paid in such form. It is our practice to recommend to shareholders that they annually approve the payment of dividends in such form, but we cannot assure that our shareholders will continue to approve a reduction in such form each year or that we will be able to meet the other legal requirements for a reduction, or that Swiss withholding tax rules will not be changed in the future. We estimate we would be able to pay dividends in such form, and thus exempt from Swiss withholding tax, until 2028 – 2033. This range may vary depending upon changes in annual dividends, special dividends, certain share repurchases, **the fluctuations in** U. S. dollar / Swiss franc exchange rate, changes in par value or capital contribution reserves or **adoption of** changes or new interpretations to Swiss corporate or tax law or regulations. Under certain circumstances, U. S. shareholders may be subject to adverse U. S. federal income tax consequences. Under certain circumstances, a U. S. person who owns or is deemed to own 10 percent or more of the voting power or value of a foreign corporation that is a “ controlled foreign corporation ” (CFC) (a foreign corporation in which 10 percent U. S. shareholders own or are deemed to own more than 50 percent of the voting power or value of the stock of a foreign corporation or more than 25 percent of certain foreign insurance corporations) for any period during a taxable year must include in gross income for U. S. federal income tax purposes a pro rata share of the CFC' s" subpart F income". We believe that because of the dispersion of our share ownership it is unlikely that any U. S. person who acquires shares of Chubb Limited directly or indirectly through one or more foreign entities should be required to include any subpart F income in income under the CFC rules of U. S. tax law. Separately, any U. S. persons who hold shares may be subject to U. S. federal income taxation at ordinary income tax rates on their proportionate share of our Related Person Insurance Income (RPII). If the RPII of any of our non- U. S. insurance subsidiaries (each a " Non- U. S. Insurance Subsidiary") were to equal or

exceed 20 percent of that company's gross insurance income in any taxable year and direct or indirect insureds (and persons related to those insureds) own directly or indirectly through foreign entities 20 percent or more of the voting power or value of Chubb Limited, then a U. S. person who owns any shares of Chubb Limited (directly or indirectly through foreign entities) on the last day of the taxable year would be required to include in his or her income for U. S. federal income tax purposes such person's pro rata share of such company's RPII for the taxable year. In addition, any RPII that is includible in the income of a U. S. tax- exempt organization may be treated as unrelated business taxable income. We believe that the gross RPII of each Non- U. S. Insurance Subsidiary did not in prior years of operation and is not expected in the foreseeable future to equal or exceed 20 percent of each such company's gross insurance income. Likewise, we do not expect the direct or indirect insureds of each Non- U. S. Insurance Subsidiary (and persons related to such insureds) to directly or indirectly own 20 percent or more of either the voting power or value of our shares. However, we cannot be certain that this will be the case because some of the factors which determine the extent of RPII may be beyond our control. If these thresholds are met or exceeded, any U. S. person's investment in Chubb Limited could be adversely affected. In 2022, the U. S. Treasury Department and the IRS released proposed regulations that may cause more income to be treated as RPII than under current law. A U. S. tax- exempt organization may recognize unrelated business taxable income if a portion of our insurance income is allocated to the organization. This generally would be the case if either (i) Chubb Limited is considered a CFC and the tax- exempt shareholder is a 10 percent U. S. shareholder or (ii) there is RPII, certain exceptions do not apply, and the tax- exempt organization, directly (or indirectly through foreign entities) owns any shares of Chubb Limited. Although we do not believe that any U. S. tax- exempt organization should be allocated such insurance income, we cannot be certain that this will be the case. Potential U. S. tax- exempt investors are advised to consult their tax advisors. U. S. persons who hold shares will be subject to adverse tax consequences if we are considered to be a Passive Foreign Investment Company (PFIC) for U. S. federal income tax purposes. If Chubb Limited is considered a PFIC for U. S. federal income tax purposes, a U. S. person who holds Chubb Limited shares will be subject to adverse U. S. federal income tax consequences in which case their investment could be adversely affected. In addition, if Chubb Limited were considered a PFIC, upon the death of any U. S. individual owning shares, such individual's heirs or estate would not be entitled to a "step- up" in the basis of the shares which might otherwise be available under U. S. federal income tax laws. We believe that we are not, have not been, and currently do not expect to become, a PFIC for U. S. federal income tax purposes. We cannot assure, however, that we will not be deemed a PFIC by the IRS. Recently enacted U. S. federal tax law and recent final and proposed regulations issued by the IRS and U. S. Treasury Department contain new rules that may affect the application of the PFIC provisions to an insurance company. ~~The final regulations are effective for tax years beginning after January 15, 2021 and applied to us in 2022.~~ Shareholders are advised to consult their tax advisors. 32