



2023 KBW Insurance Conference

*St. Regis Hotel
New York*

September 6, 2023

Forward Looking Statements

Certain statements made during this presentation, as well as included in this document, are not historical facts and may be considered “forward-looking statements” and are based on estimates, assumptions and projections which management believes are reasonable but by their nature subject to risks and uncertainties. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements.

The reasons which could cause actual results and/or financial condition to differ materially from those suggested by such forward-looking statements include but are not limited to those discussed or identified from time-to-time in AFG’s filings with the Securities and Exchange Commission, including the annual report on Form 10-K and the quarterly reports on Form 10-Q. We do not promise to update such forward-looking statements to reflect actual results or changes in assumptions or other factors that could affect these statements.

Core net operating earnings is a non-GAAP financial measure which sets aside items that are generally not considered to be part of ongoing operations, such as net realized gains and losses, as well as other significant items that are not able to be estimated with reasonable precision, or that may not be indicative of ongoing operations. AFG believes that this non-GAAP measure is a useful tool for investors and analysts in analyzing ongoing operating trends of AFG.

A History Dating Back 150 Years

We are specialists in providing P&C insurance products that help businesses manage their unique financial risks and exposures.

Over **50%** of Specialty P&C Group gross written premium is produced by businesses with “top 10” market rankings

Superior Underwriting
Talent

7.4%

*Points of COR outperformance
vs. peers over 10-year period
ended 12/31/2022*

Specialty P&C
Combined Ratio

10 years

*Consecutive years
under 94%*



Overall Specialty P&C combined ratio of 87.2% for the twelve months ended December 31, 2022

Record underwriting profit, record P&C core operating earnings and record core net operating earnings per share for the twelve months ended December 31, 2022

Top Tier Specialty Property & Casualty Insurer



Our values form the foundation of our business, shape our priorities, and set our expectations for how we conduct our business, service our customers and interact with each other.

Our Core Values

for all the *great* you do®

Specialization
Entrepreneurial Spirit
Accountability

OUR
FOUNDATION

Integrity
Discipline
Respect for Others

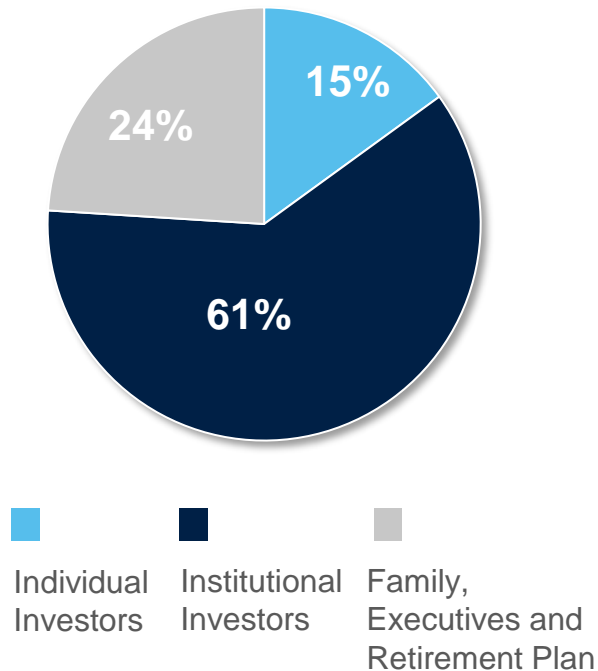
OUR
EXPECTATIONS

Customer Focus
Clear & Open
Communication
Family & Community

OUR
PRIORITIES

Strategic Alignment of Interests for Optimal Results

Significant Ownership by Management



Unique, Incentive-Based Programs for P&C Business Leaders

- Annual awards
 - based on AY COR targets derived from ROE thresholds
 - paid over 2-3 years; claw back feature
- Long Term Incentive Comp (LTIC) Plan
 - 5-year measurement period based on AY COR targets derived from ROE thresholds
 - paid out over the following 4-5 years
- Attract, retain and reward key operating executives & officers

Profit Sharing for Employees

- Our Profit-Sharing Plan is a key component of AFG's Total Rewards Program, rewarding eligible employees for their contributions toward overall performance

Innovator in Risk Sharing and Alternative Risk Transfer Programs For Policyholders and Agents

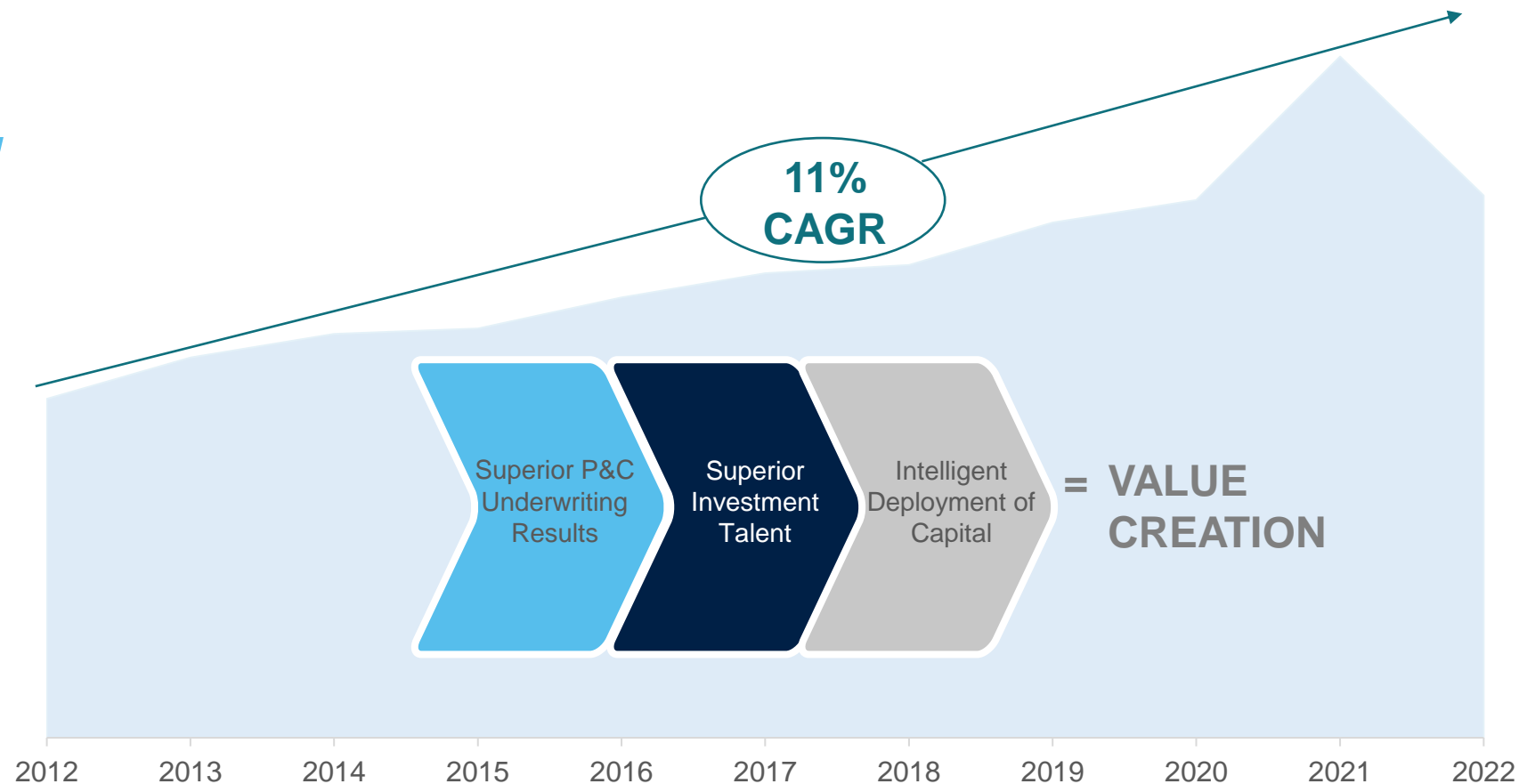


- A leader in providing risk sharing alternatives to the passenger transportation, moving & storage and trucking specialty transportation industries
- Through collaboration and specialized knowledge, we work with a variety of agency and group risk sharing programs in a wide range of industry segments in our Targeted Markets operations
- Our Strategic Comp business offers unique coverage options for workers' comp accounts that include higher retentions and specialty loss prevention – giving businesses more control over their costs, risks, and outcomes
- Innovative commission structures for distribution partners reward production of profitable business

Building Long-Term Value for AFG Shareholders

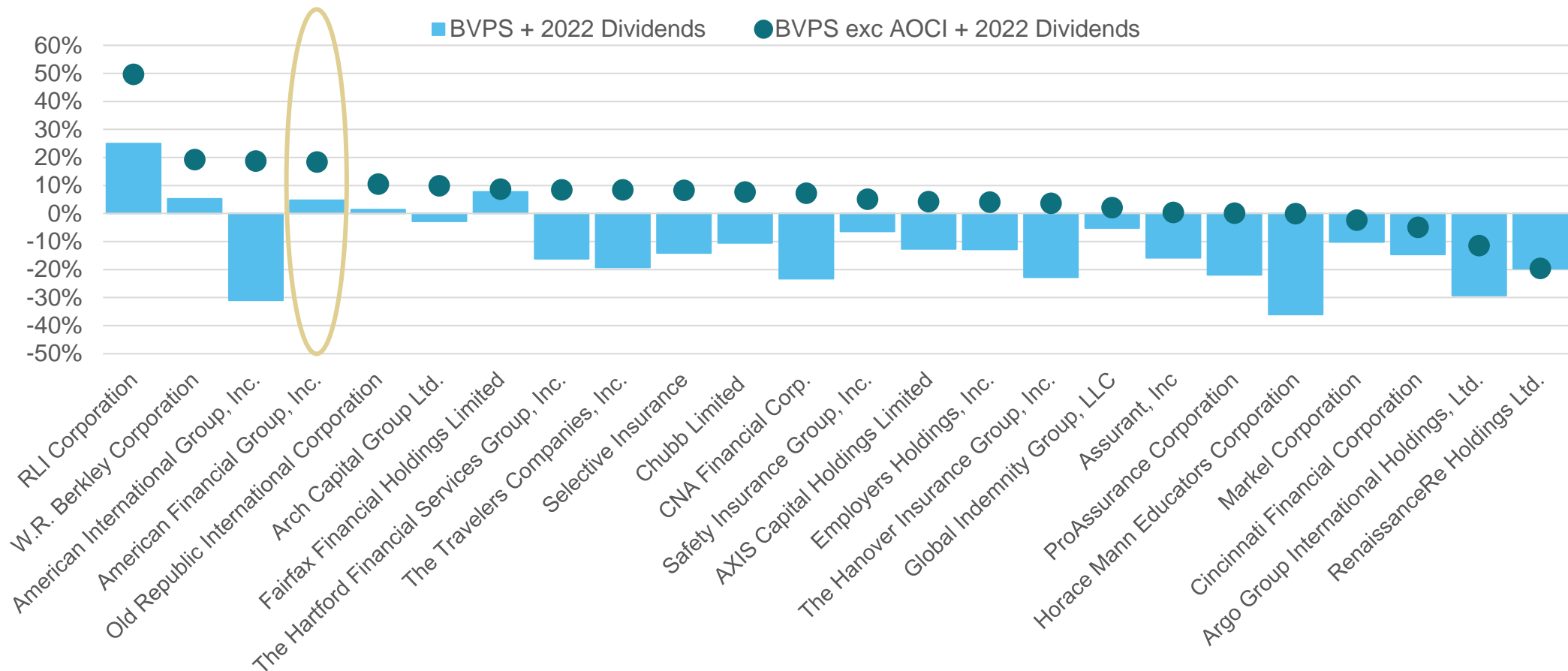
10 YEAR VIEW OF TOTAL VALUE CREATION

Growth in Adjusted
BVPS + Dividends



Adjusted Book Value excludes unrealized gains and losses related to fixed maturities.

Total Value Creation: Twelve Months Ended December 31, 2022



Focusing on What We Know Best



Sale of Commercial Lines Division

IPO of Infinity Property and Casualty; exit personal auto business

Acquired all minority shares of Great American Financial Resources, Inc.



Start-up of Public Sector Division

Sale of Medicare supplement & critical illness businesses

Acquisition of Summit Holding Southeast, Inc.

Start-up of Aviation Division

Acquisition of Public Sector renewal rights

Acquired remaining 49% of NATL shares not owned by AFG

Start-up of El Aguila Specialty P&C Division

Start-up of Accident & Health Business

Acquired Atlas Financial paratransit business



Acquisition of Verikai, Inc.

Sale of Annuity Business

Acquisition of Crop Risk Services

1998

2000

2003

2005

2007

2008

2010

2012

2013

2014

2015

2016

2018

2019

2020

2021

2022

2023

Start-up of Financial Institution Services

Acquisition of Farmer's Crop Insurance Alliance

IPO of National Interstate Corporation

Acquisitions of Strategic Comp & Marketform Group Ltd.

Start-up of Environmental Division

Acquisition of Vanliner



Start-up of Professional Liability Division



Sale of long-term care business

Start-up of Great American's Singapore branch

Start-up of M&A Liability Division

Acquired Tank Owner Members Insurance Company (TOMIC) business

Acquired ABA Insurance Services Inc. (ABAIS)

Sale of Neon and exit from Lloyd's market

Start-up of Medical Stop Loss Business



Specialty P&C Insurance Operations

We are specialists in providing property and casualty insurance solutions that fulfill today's needs and tomorrow's dreams. We are a trusted partner in delivering long-term value to our customers, employees and investors.

PROPERTY & TRANSPORTATION

Agribusiness (farm & ranch)

Commercial Automobile

Commercial Property

Crop

Equine Mortality

Inland and Ocean Marine

SPECIALTY CASUALTY

Cyber Risk

Excess and Surplus

Executive & Professional Liability

General Liability

M&A Liability

Medical Stop Loss

Public Entities

Targeted Programs

Umbrella and Excess Liability

Workers' Compensation

SPECIALTY FINANCIAL

Fidelity / Crime

Financial Institution Services

Lease and Loan Services

Surety

Trade Credit



Great American Insurance Company's Ratings

A+

Superior



A+

Strong

S&P Global
Ratings

A1

MOODY'S

Diversified product offerings in niche markets
Consistent, solid underwriting results
Strong market positions
Strong capitalization
Low catastrophe risk profile

The Numbers Tell Our Story

3,000

Property and casualty insurance companies in the United States

50

Companies on the Ward's 50 List for safety, consistency and performance

4

Rated "A" (Excellent) or better by AM Best for 115 or more years

3

on both lists

1

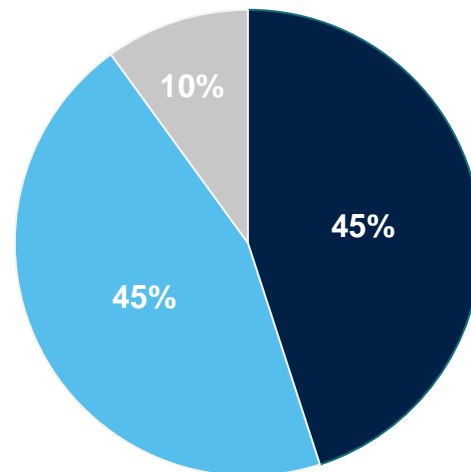
Great American Insurance Company is **1** of the **three**



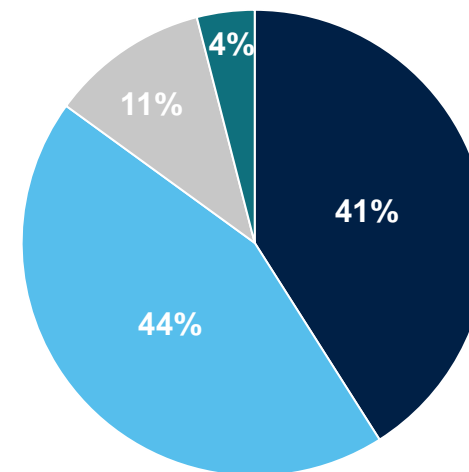
Specialty Property & Casualty Premium

Low correlation • Lower relative coastal exposure

**Gross Written Premiums
2022
\$9.1 Billion**



**Net Written Premiums
2022
\$6.2 Billion**



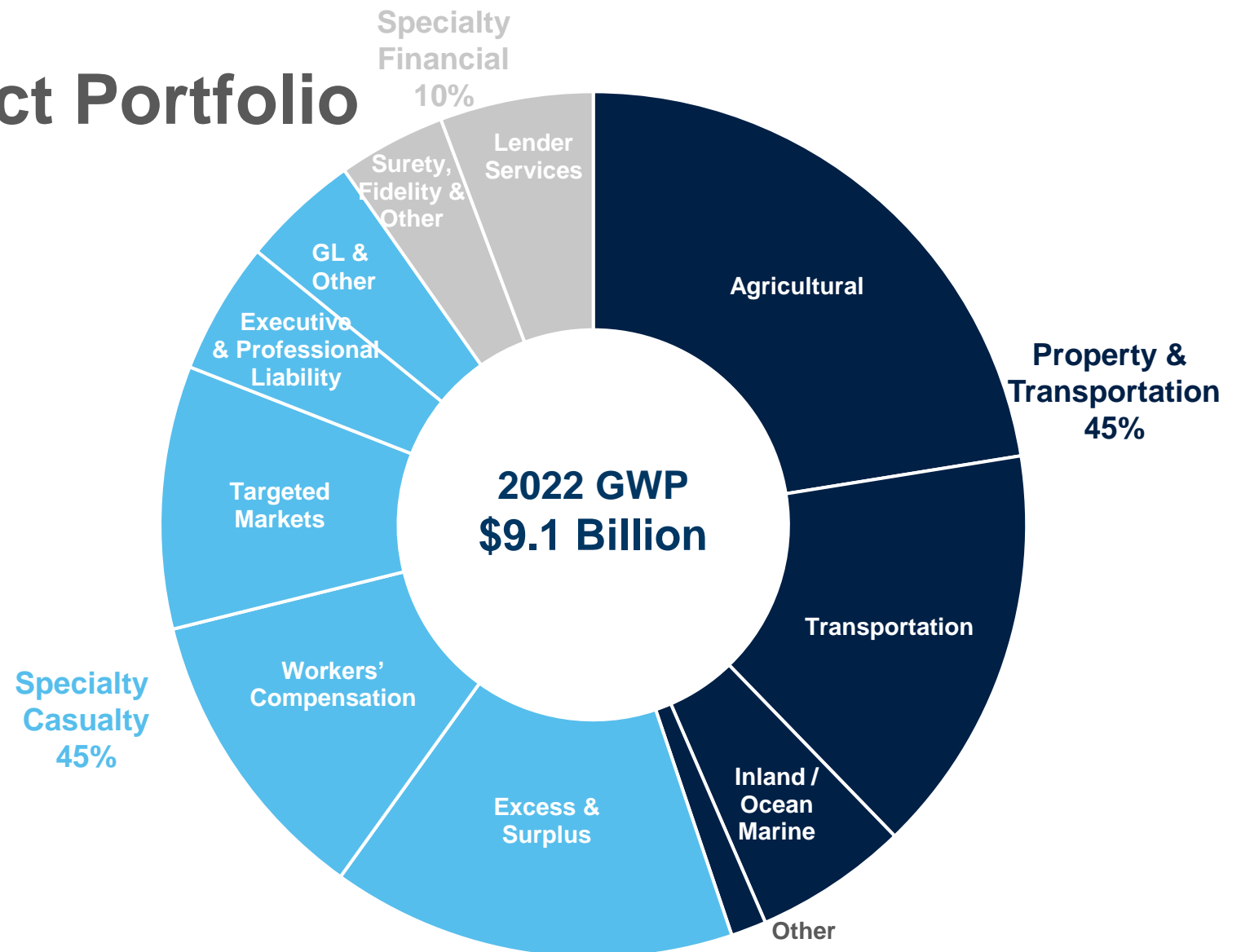
- Property & Transportation
- Specialty Casualty
- Specialty Financial
- Other Specialty¹

In 2022, over 50% of P&C Group GWP produced by businesses with “Top 10” market rankings including:
ABAIS • Crop • Equine • Fidelity/Crime • Financial Institution Services • FL Workers Comp • Moving & Storage •
Non-Profit/Social Services • Ocean Marine • Passenger Transportation • Public Entity • Trade Credit • Trucking

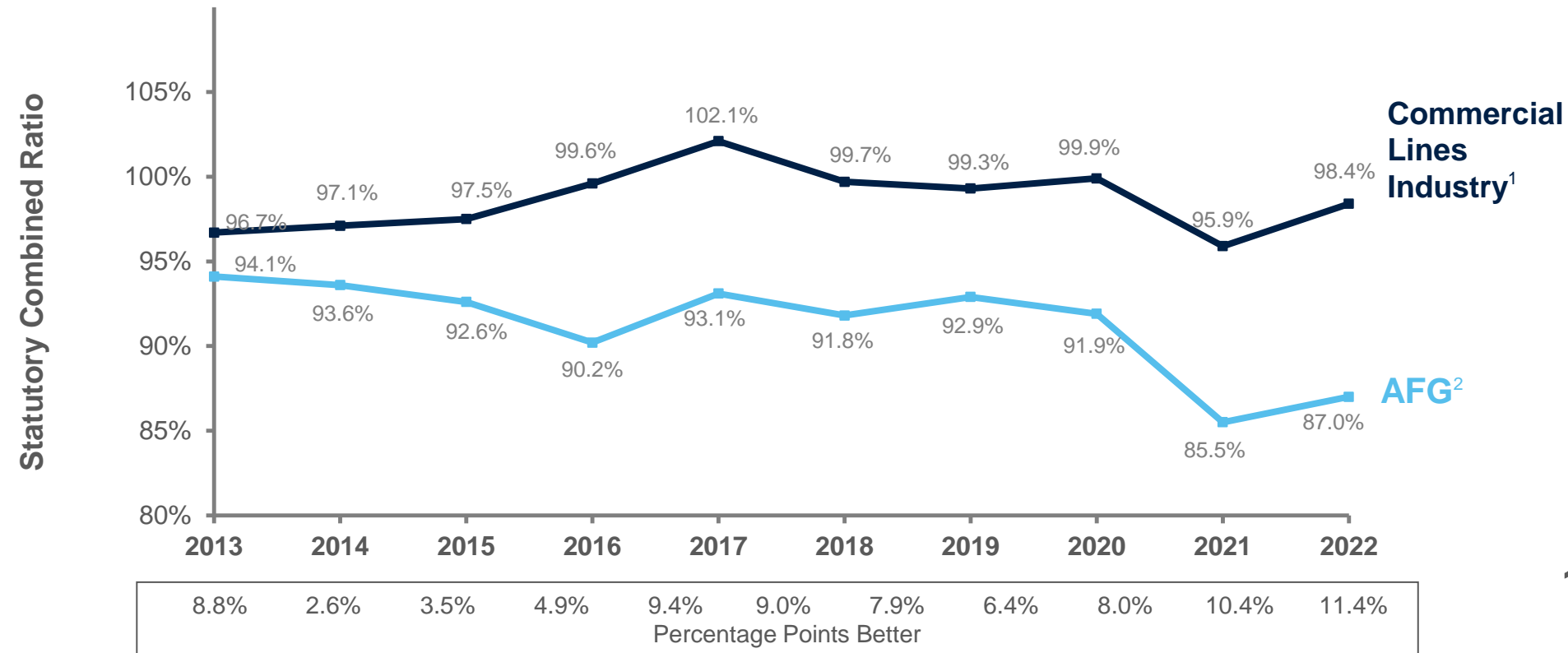
¹ Includes an internal reinsurance facility.

Diversified Product Portfolio

Our Property & Casualty insurance operations provide a wide variety of specialty commercial coverages to niche industries



Superior Underwriting Talent

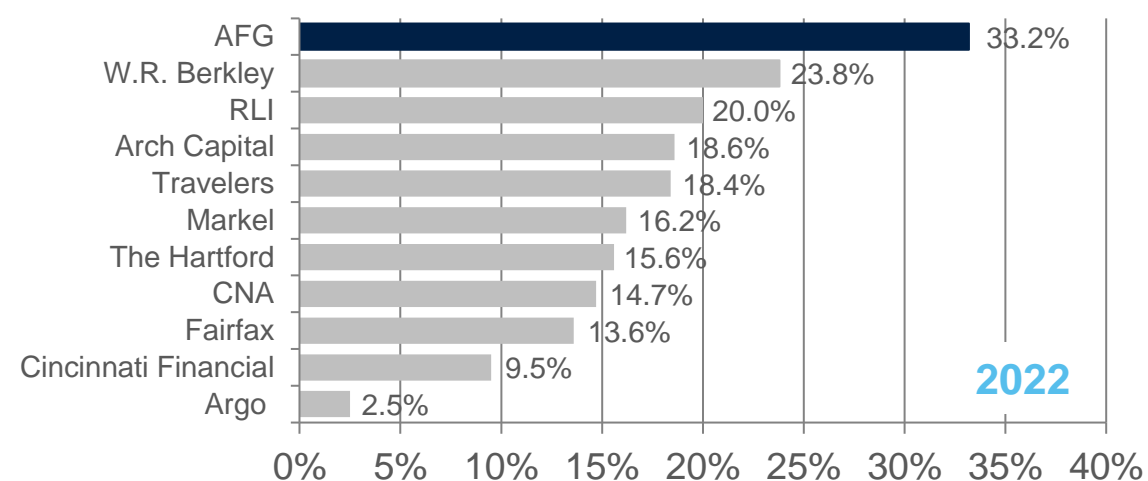
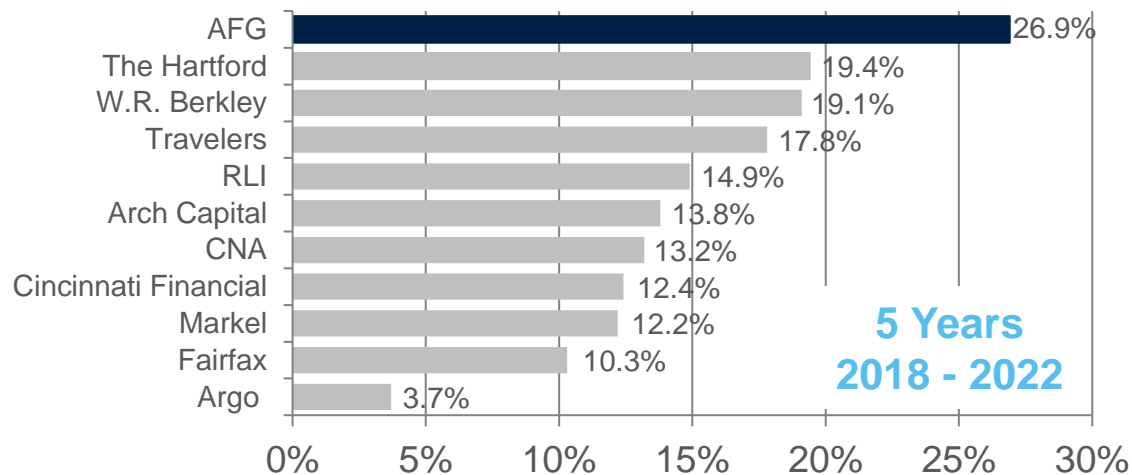
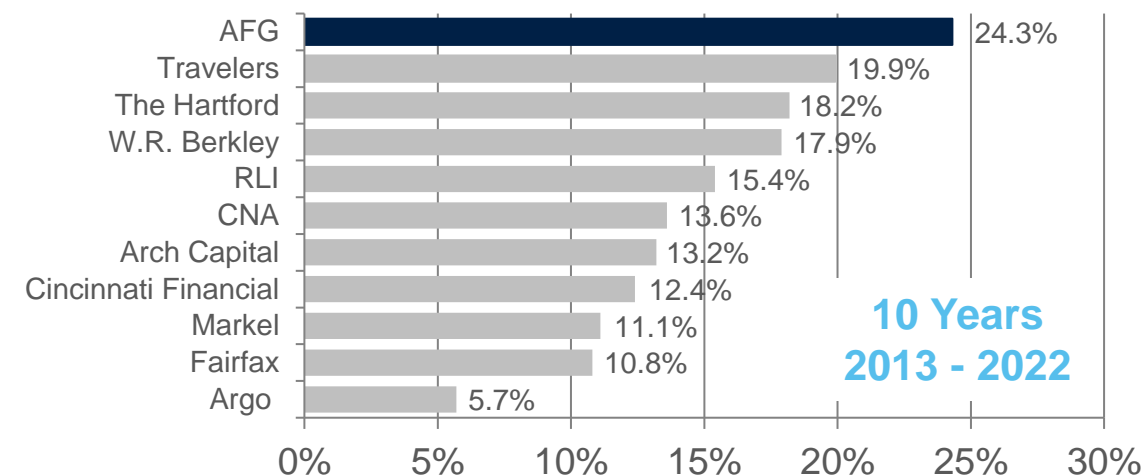
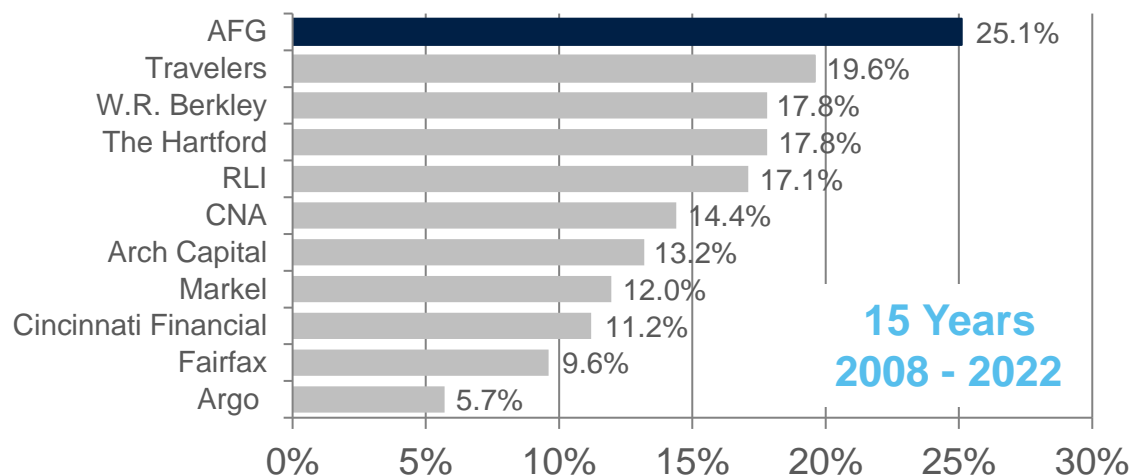


7.4%
Points
Better
Over the
10-Year
Period
Ended
12/31/2022

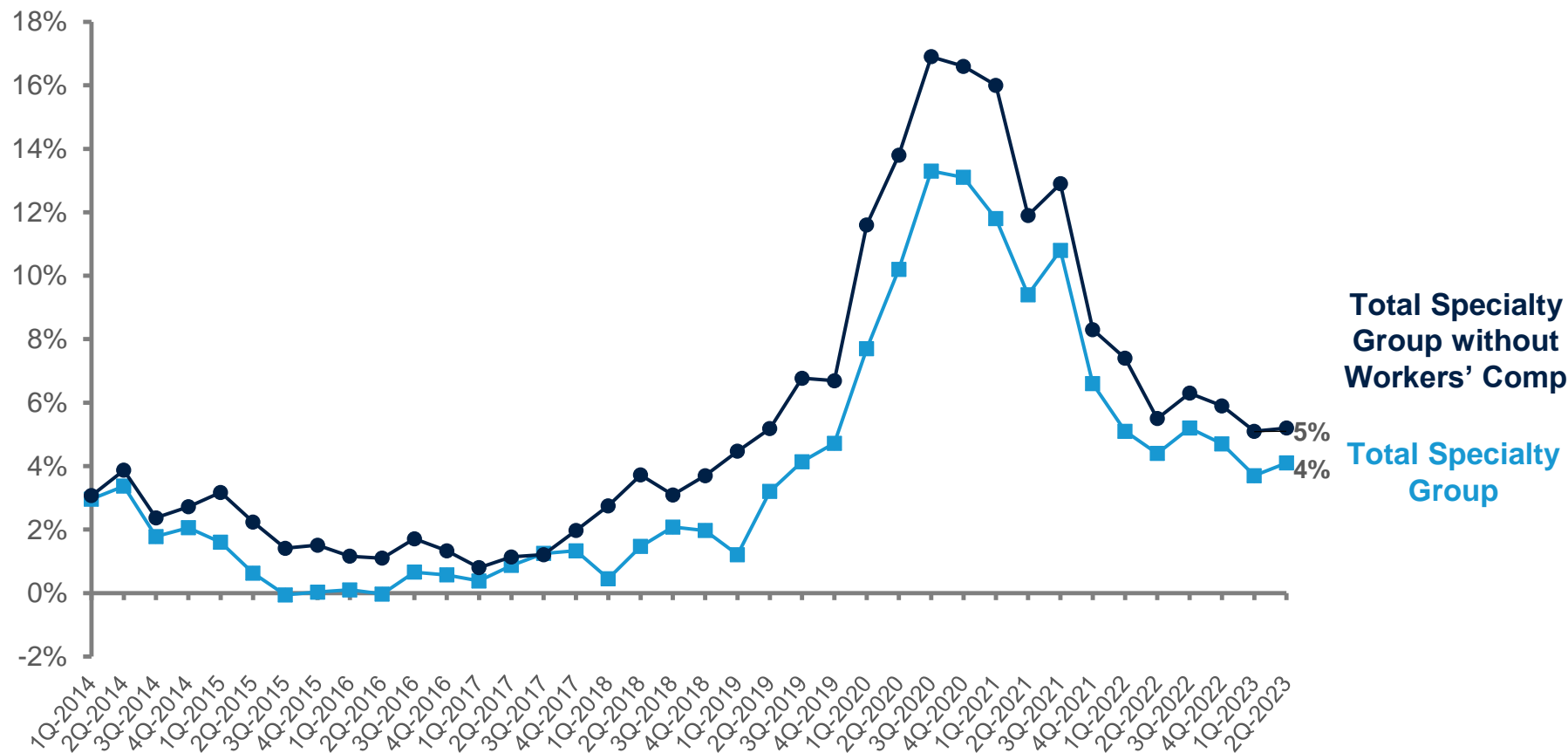
¹ Commercial Lines Industry based on data from AM Best's Market Segment Report – March 7, 2023.

² American Financial Group Form 10K filings.

Pretax Property & Casualty Returns



Specialty P&C Pricing Trends



The impact of cumulative rate increases over time has generally enabled us to stay ahead of prospective loss ratio trends and helps us to feel confident in the adequacy of our reserves.

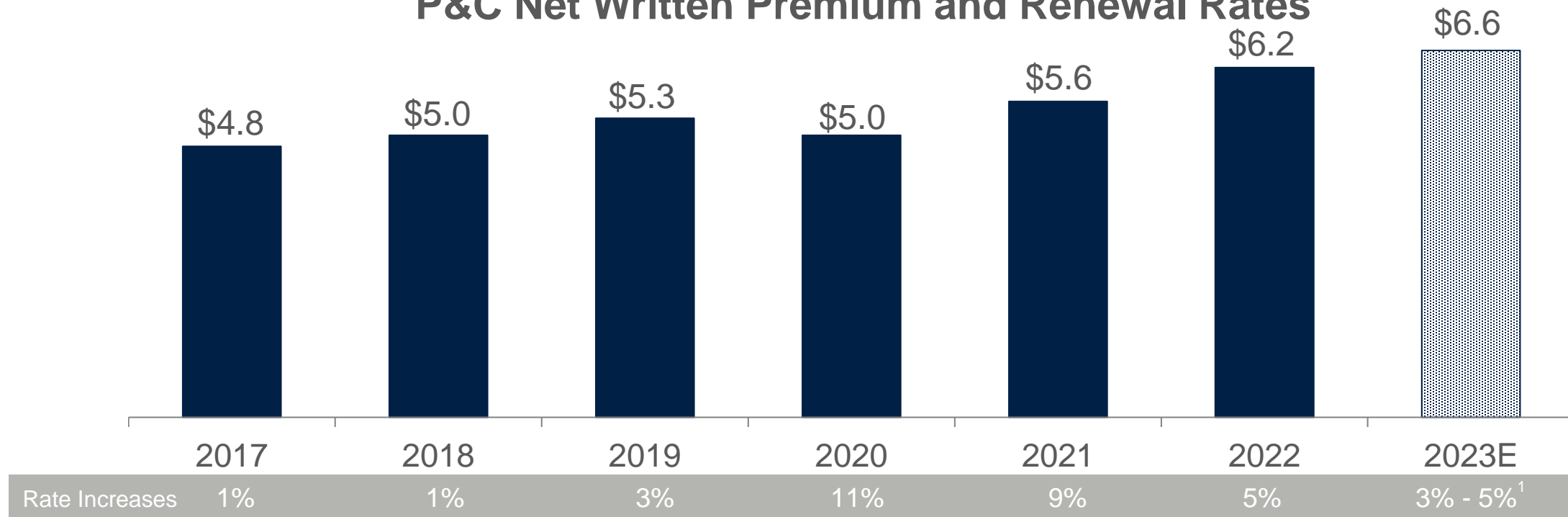
**Prospective
Loss Ratio Trends:**
Total Specialty Group 3%
Specialty Excl WC 5%

For 2023, we expect renewal rates to increase between 3% and 5% in our Specialty P&C operations overall. Excluding workers' compensation, we expect renewal rate increases to be in the range of 4% to 6%.

Specialty Property & Casualty Premium Growth

Dollars in billions

P&C Net Written Premium and Renewal Rates

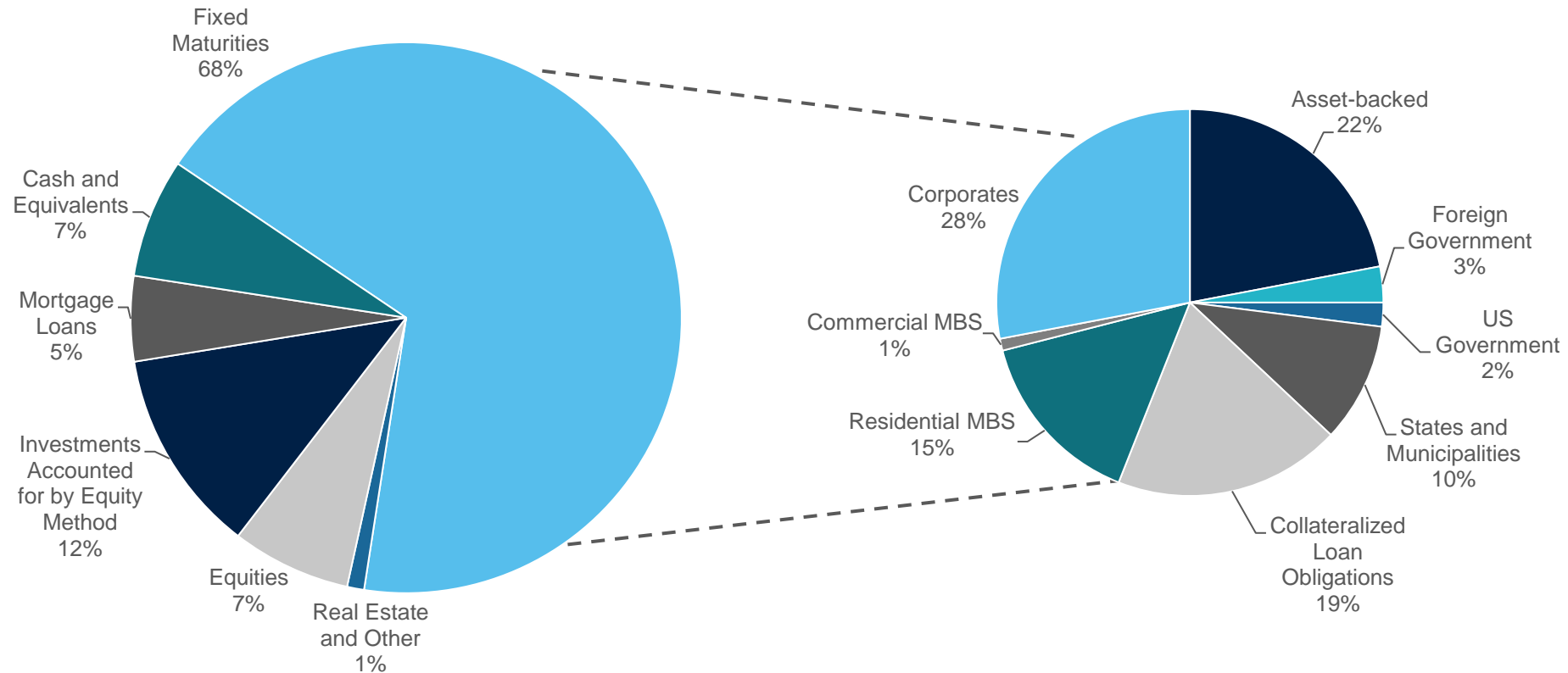


Overall Specialty P&C renewal rates increased approximately 4% in 2Q23. Excluding workers' compensation, renewal rates increased approximately 5%.

AFG Investment Portfolio

As of June 30, 2023

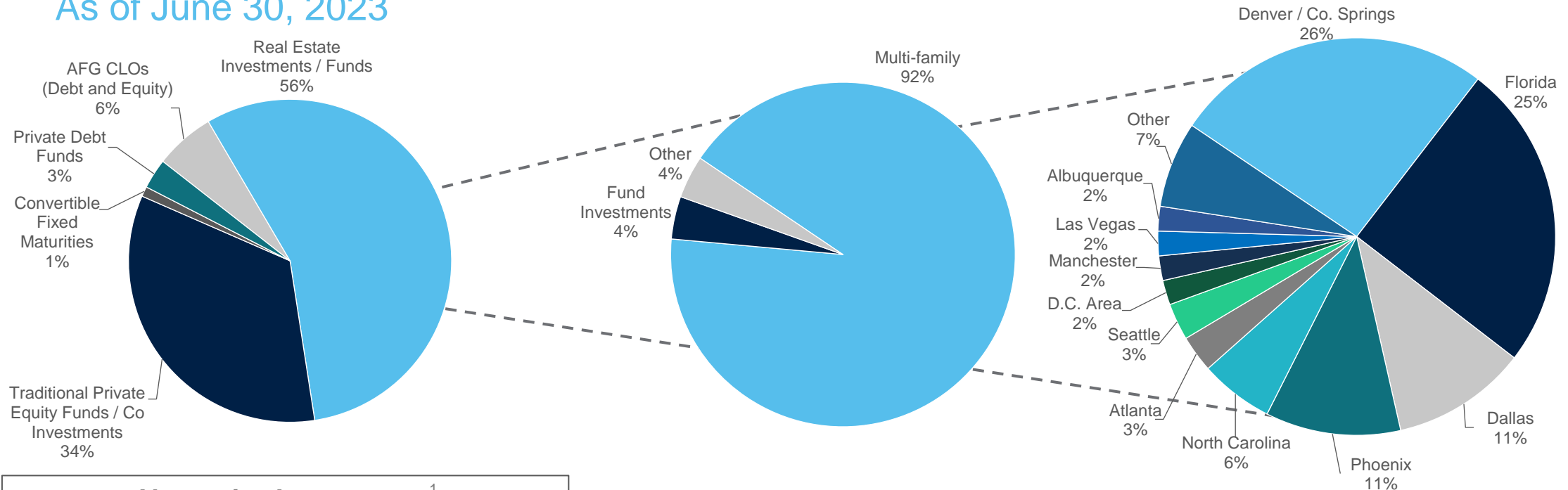
Fixed Maturities Portfolio – 93% investment grade
P&C Fixed Maturities Portfolio – 96% NAIC 1 & 2



Carrying Value – \$14.5 Billion

AFG Investment Portfolio – Alternative Investments

As of June 30, 2023



Alternative Investments¹
Total = \$2.3 Billion
(16% of total investments)

10% annualized return in 2Q23; 12% YTD;
estimated to be approximately 9% for
the full year 2023

¹ Alternative investments consist of investments accounted for using the equity method, equity securities MTM through investment income and AFG managed CLOs.

Investment Portfolio Characteristics

	P&C Portfolio 6/30/23
Approximate Duration – Fixed Maturities including cash & cash equivalents	2.9 years
Annualized yield on fixed maturity securities before investment expenses	
Quarter ended 6/30/2023:	4.62%

Annualized yield is calculated by dividing investment income for the quarter by the average cost over the quarter. Average cost is the average of the beginning and ending quarter asset balances.

Positioning & Outlook

Short Duration – Increased duration of P&C fixed maturity portfolio in the higher interest rate environment, including cash and cash equivalents, from approximately 2.0 years at 12/31/2021 to approximately 2.9 years at 6/30/2023.

- Insurance company fixed maturities duration (including cash) remains short relative to liability duration.
- Parent company cash and short duration fixed maturities of approximately \$551 million as of June 30, 2023.

Low Credit Risk – Significant capacity for AFG to take advantage of wider spreads offered in times of market disruption.

- AFG's current reinvestment rate in its P&C fixed maturity portfolio is approximately 5.5%.

Strong Financial Position

As of June 30, 2023

Capital Management

- Above target levels for all rating agencies
- Excess capital approximately \$700 million at June 30, 2023⁴
- Second quarter regular dividends = \$54 million
- Repurchased 374,958 shares for approximately \$43 million during the second quarter

Long-Term Debt

- No debt maturities until 2030
- No borrowings under \$450 million credit line
- Repurchased approximately \$4 million of Senior Notes during the second quarter

Financial Strength Ratings - U.S. Based P&C Insurers (where rated)

- A.M. Best: All companies = A+
- Standard & Poor's: All companies = A+
- Moody's: All companies = A1

	<u>Jun 30, 2023</u>	<u>Dec 31, 2022</u>
Principal amount of long-term debt	\$ 1,498	\$ 1,521
Adjusted shareholders' equity ¹	4,490	4,578
Total adjusted capital	\$ 5,988	\$ 6,099
Ratio of debt to total adjusted capital ²		
Including subordinated debt	25.0%	24.9%
Excluding subordinated debt	13.7%	13.9%
Common shares outstanding (millions)	84.859	85.204
<u>Book value per share:</u>		
Book value per share	\$ 47.06	\$ 47.56
Adjusted ¹	52.90	53.73
Tangible, adjusted ³	48.80	49.58
Parent company cash and investments	\$ 551	\$ 876

¹ Excludes net unrealized gains (losses) related to fixed maturity investments.

² The ratio is calculated by dividing the principal amount of AFG's long-term debt by its total capital, which includes long-term debt and shareholders' equity, excluding unrealized gains (losses) related to fixed maturity investments.

³ Excludes net unrealized gains (losses) related to fixed maturity investments, goodwill and intangibles.

⁴ Excess capital and parent company cash and investments as of June 30, 2023, are shown net of \$235 million in cash deployed to fund the CRS acquisition, which closed on July 3, 2023.

Intelligent Use of Excess Capital

2023 Capital Management

- \$4.00 per share special dividend paid in February 2023
- Excess capital at June 30, 2023 was approximately \$700 million¹
- \$67 million in share repurchases YTD through June 30, 2023
- 7.0 million shares remaining in repurchase authorization as of June 30, 2023

2022 Capital Management

- Returned \$1.23 billion of capital to shareholders
- 12.5% increase in regular annual dividend, beginning in October 2022; 17th consecutive annual dividend increase
- Three special dividends totaling \$12.00 per share paid in 2022
- Repurchased \$11 million of AFG common shares

Capital Returned to Shareholders Five Years Ended 12/31/2022 (in millions)

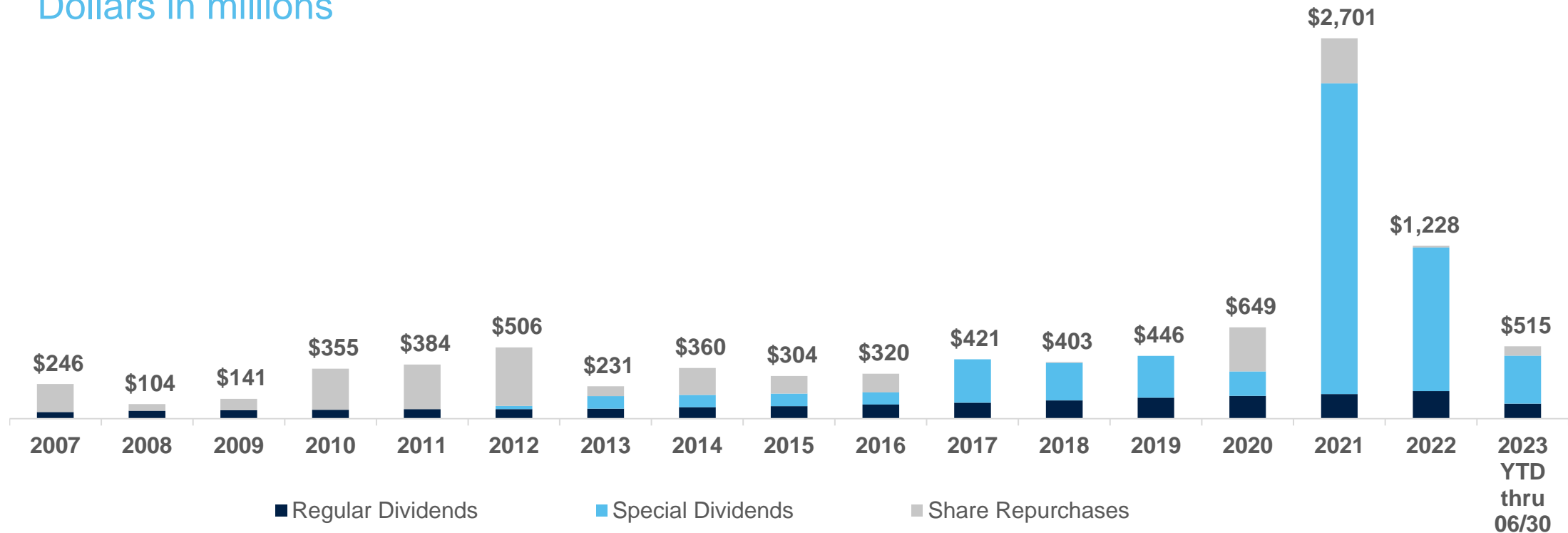
Dividends Paid	\$ 4,778
Repurchases	<u>649</u>
Total	<u><u>\$ 5,427</u></u>



\$5.4 Billion Returned to Shareholders

Balanced Approach to Capital Allocation

Dollars in millions

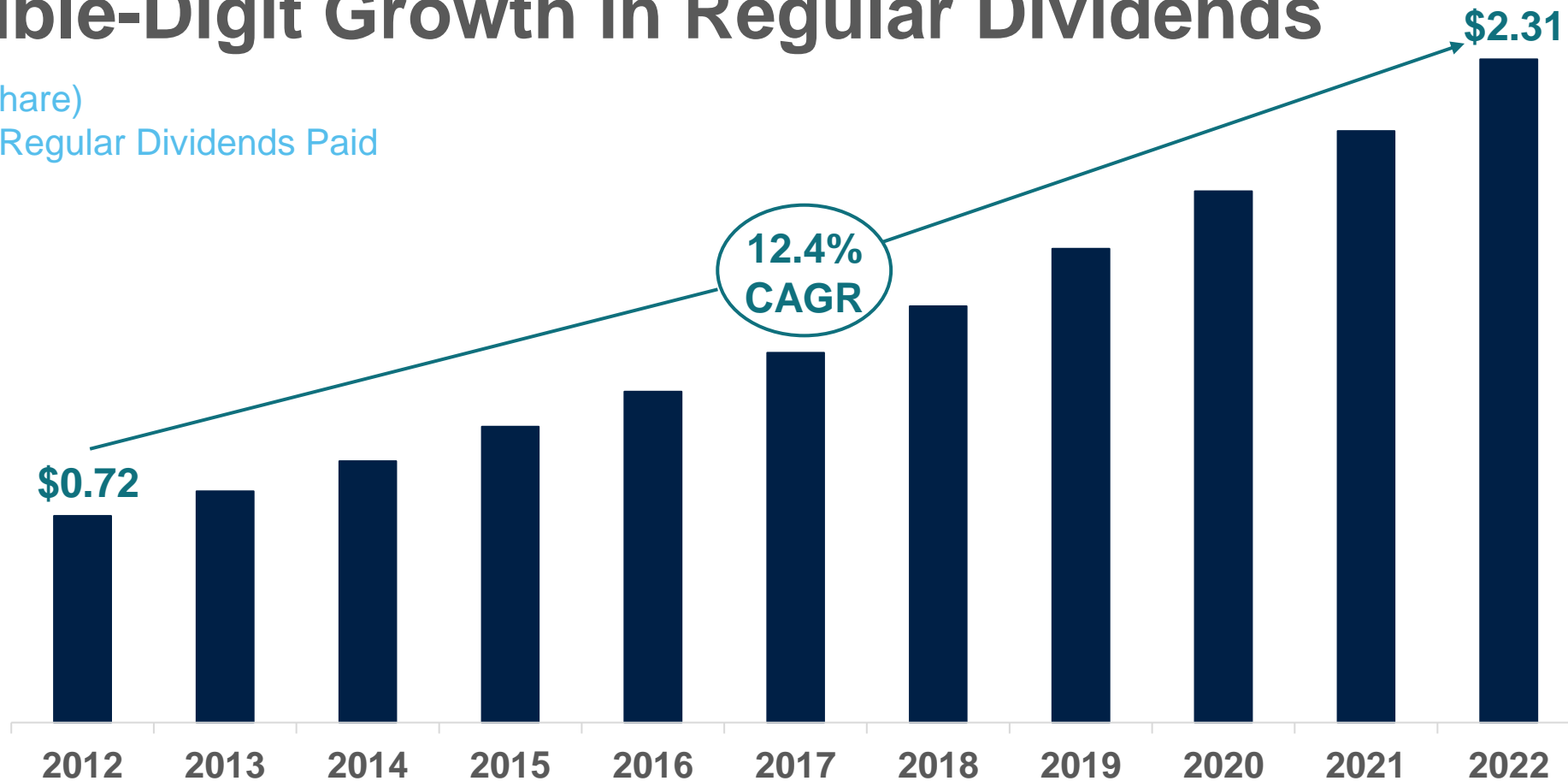


Between years 2009 – 2012, AFG repurchased **33.7 million** shares at a weighted average price of **approximately 90.5% of adjusted book value** (*book value per share excluding appropriated retained earnings and net unrealized gains (losses) related to fixed maturities*).

Double-Digit Growth in Regular Dividends

(\$ per share)

Annual Regular Dividends Paid



Including the \$42.00 per share in special dividends paid since the end of 2020, AFG has paid \$58.05 per share in special dividends since 2012.

Protecting What Matters

We sustain AFG's business success by effectively managing risk—financial, social, environmental—to help create stability for our customers and deliver value to our shareholders.

We focus our corporate responsibility and sustainability strategies in four primary areas where AFG can achieve the most direct and substantial results:

- Operating our business with integrity and managing financial risk
- Giving back to our communities and promoting social opportunity
- Creating a welcoming, rewarding and safe place to work and build a career *Be here. Be great.*
- Managing environmental risk and operating sustainably

Learn more about our corporate responsibility efforts and our Sustainability Accounting Standards Board Report at: AFGinc.com/About-Us/Corporate-Social-Responsibility.



for the *greater* good



2023 Outlook

AFG's 2023 core net operating earnings guidance of \$10.15 - \$11.15 per share, producing a core return on equity of approximately 20%¹

	Updated Guidance ¹		May Guidance		2022 Actual
	NWP Growth	Combined Ratio	NWP Growth	Combined Ratio	
Specialty P&C Group Overall	5% – 8%	89% – 91%	3% – 6%	87% – 89%	87.2%
Business Groups:					
Property & Transportation	0% – 2%	90% – 93%	0% – 2%	90% – 93%	91.7%
Specialty Casualty	5% – 9%	85% – 88%	5% – 9%	82% – 86%	81.2%
Excluding Workers' Comp	5% – 9%		7% – 11%		
Specialty Financial	23% – 27%	89% – 93%	6% – 10%	85% – 89%	83.7%

P&C average renewal rates up 3% to 5% when compared to 2022

¹ Reflects an assumed return on alternative investments of 9%, an increase from the 8% return included in AFG's May guidance. This compares to 13.2% earned in 2022. This guidance also assumes an average crop year.

Appendix

Financial Highlights – Second Quarter 2023

Dollars in millions, except per share data

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
• Results of Operations:				
- Core net operating earnings	\$ 202	\$ 243	\$ 449	\$ 546
- Core net operating earnings per share	\$ 2.38	\$ 2.85	\$ 5.27	\$ 6.41
- Average number of diluted shares	85.2	85.3	85.3	85.3
• Book Value per Share:				
	<u>June 30,</u>	<u>Dec. 31,</u>		
	<u>2023</u>	<u>2022</u>		
- Excluding unrealized gains related to fixed maturities	\$ 52.90	\$ 53.73		
- Tangible, excluding unrealized gains related to fixed maturities	\$ 48.80	\$ 49.58		
• Capital Adequacy, Financial Condition and Liquidity:				
- Maintained capital at levels that support operations; in excess of amounts required for rating levels				
- Excess capital of approximately \$700 million at June 30, 2023, including parent company cash and investments of approximately \$550 million, and net of \$235 million for the acquisition of CRS.				

Financial Highlights – Full Year 2022

Dollars in millions, except per share data

- Results of Operations:

- Core net operating earnings
- Core net operating earnings per share
- Average number of diluted shares

- Core Operating Return on Equity:¹

- AFG Consolidated

- Book Value per Share:

- Excluding unrealized gains related to fixed maturities
- Tangible, excluding unrealized gains related to fixed maturities

Twelve Months Ended
December 31,

2022 2021

\$ 993 \$ 993

\$ 11.63 \$ 11.59

85.3 85.6

2022 2021

21.2% 18.6%

Dec. 31,
2022

Dec. 31,
2021

\$ 53.73 \$ 57.42

\$ 49.58 \$ 53.26

21.2%

**Core Operating
Return on Equity**

18.5%

**Growth in Adj
BVPS + Dividends**

¹ Equity excludes AOCI.

Specialty Property & Casualty Businesses

Dollars in millions

	Net Written Premium					2023E excl. Workers' Comp
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>% Change</u>	<u>2023E¹</u>	
Specialty Property & Transportation	\$ 1,887	\$ 2,157	\$ 2,515	17%	0% – 2%	
Specialty Casualty	\$ 2,304	\$ 2,540	\$ 2,728	7%	5% – 9%	5% – 9%
Specialty Financial	\$ 604	\$ 658	\$ 711	8%	23% – 27%	
Other Specialty	<u>\$ 197</u>	<u>\$ 218</u>	<u>\$ 252</u>	<u>16%</u>	n/a	
Total Specialty	<u>\$ 4,992</u>	<u>\$ 5,573</u>	<u>\$ 6,206</u>	<u>11%</u>	5% – 8%	5% – 7%

¹ 2023E based on guidance issued August 2, 2023.

Specialty Property & Casualty Businesses

	GAAP Combined Ratio			
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023E¹</u>
Specialty Property & Transportation	90.4%	87.1%	91.7%	90% – 93%
Specialty Casualty	90.0%	84.3%	81.2%	85% – 88%
Specialty Financial	91.8%	85.1%	83.7%	89% – 93%
Total Specialty	91.3%	86.4%	87.2%	89% – 91%

¹ 2023E based on guidance issued August 2, 2023.

Third Quarter Specialty Property & Casualty Updates

Catastrophes

- Tropical Storm Hilary / Maui Wildfires – based on current knowledge, losses are not anticipated to be material
- Watching developments from Hurricane Idalia

Crop

- Rainfall totals over the past 30 days have benefited crops throughout the Midwest.
- USDA's August 11th yield forecast has corn just 3% below trend line and soybeans at trend line yields. Additional third-party estimates have yields in a similar range.
- USDA's August 28th crop progress report rates 56% of corn crop as good to excellent, 2 points better than this same time last year. Soybeans were rated 58% good to excellent, 1 point better than last year.
- Commodity prices for corn are trading in a range of 15% to 18% below the base price while soybeans are trading in a range of 2% below to 2% above the base price.
- Our earnings guidance continues to assume an average crop year.

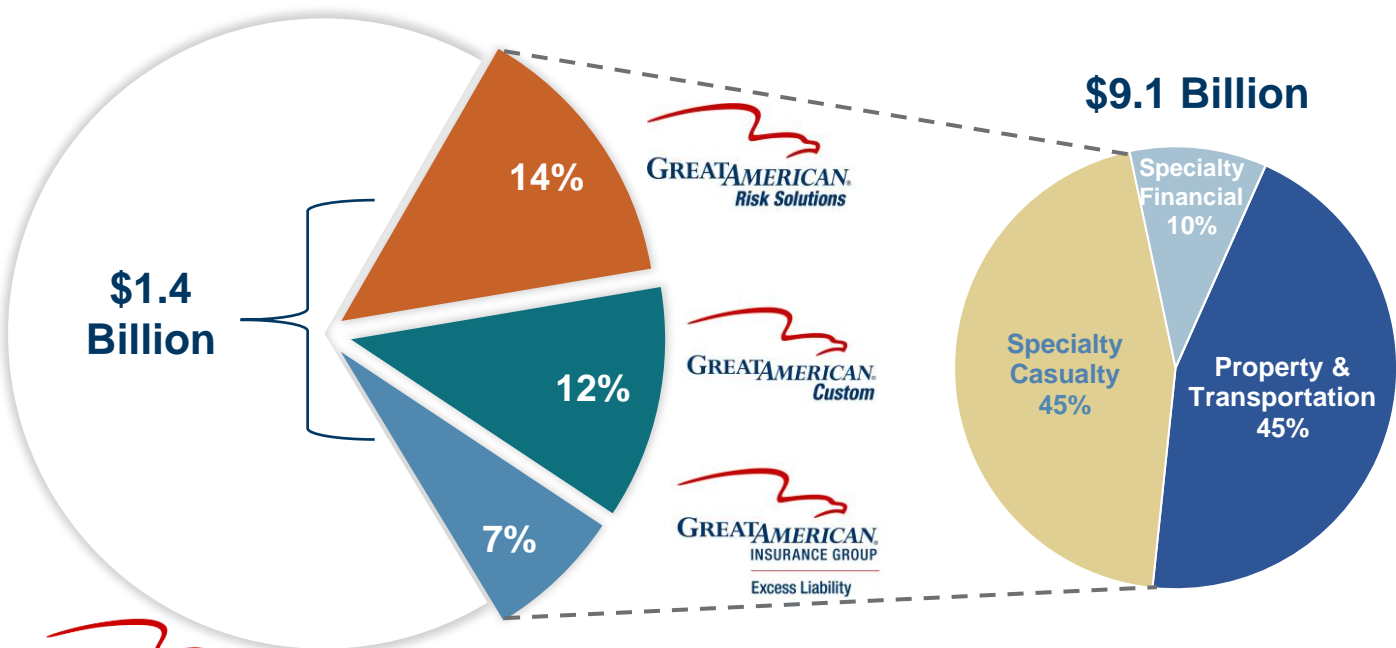
Business Spotlight: E&S, Umbrella and Excess Liability Businesses

Great American Risk Solutions writes hard-to-place P&C products via wholesale brokers on an excess and surplus lines basis (non-filed rates and forms).

Great American Custom writes excess liability on large capacity towers for Fortune 1000 and Fortune 2000 risks through wholesale and large retail brokers; also writes primary risks and professional liability coverages.

Excess Liability writes lead and excess umbrella on middle-market risks, primarily through retail agents.

GROSS WRITTEN PREMIUMS – FULL YEAR 2022



	Great American Risk Solutions	Great American Custom	Excess Liability
Products	<ul style="list-style-type: none">Product LiabilityConstructionHealthcareRisk Management UnderwritingProduct RecallBinding AuthorityPropertyPrograms	<ul style="list-style-type: none">Excess CasualtyPrimary CasualtyMiscellaneous E&OFocus on Fortune 1000 and 2000 accounts	<ul style="list-style-type: none">Lead UmbrellaExcess UmbrellaExcess LiabilityFocus on middle-market risks



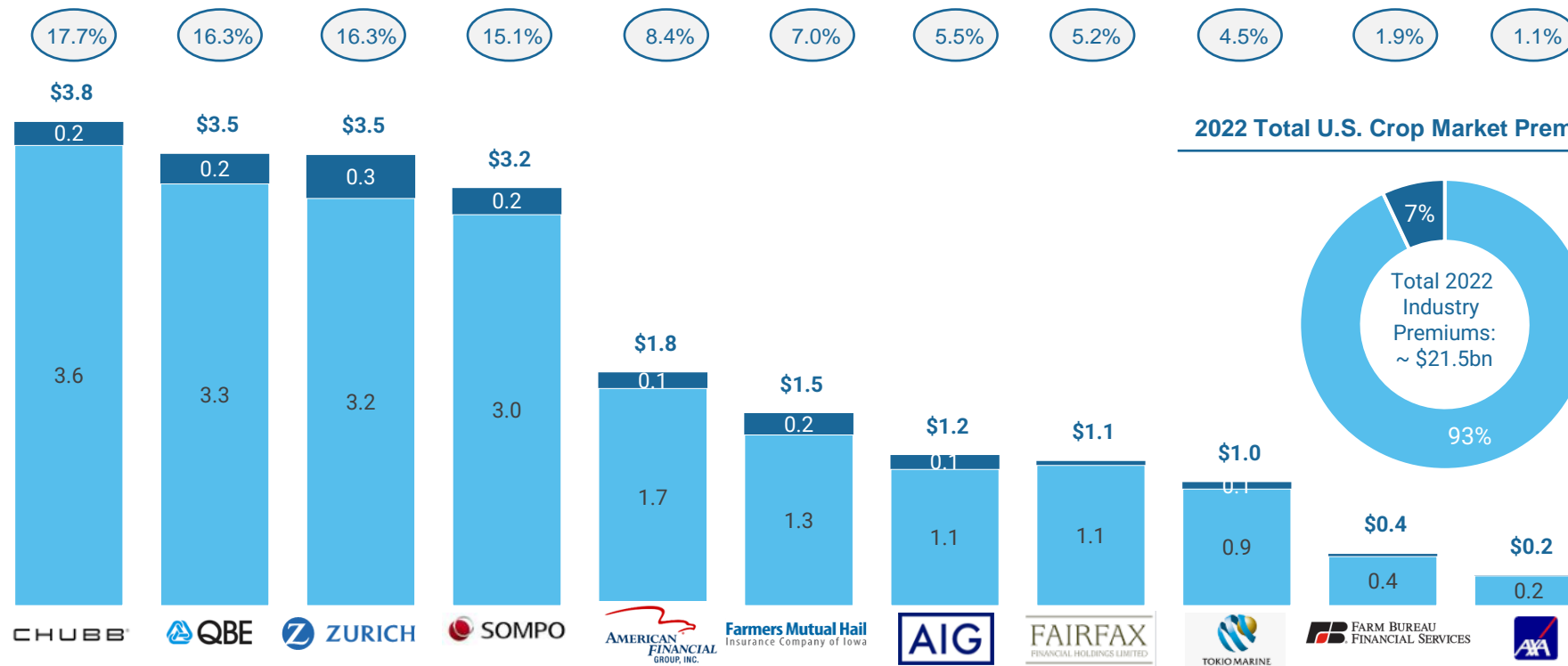
E&S, Umbrella and Excess Liability Businesses make up 33% of Specialty Casualty Group GWP and 15% of Total P&C Specialty GWP

Acquisition of CRS: U.S. Crop Market – Key Players

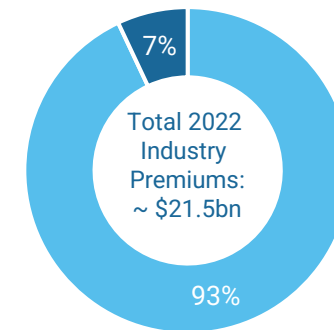
Multi-peril crop insurance, which accounts for > 90% of total crop insurance taken out by farmers in the U.S., is provided by a total of 14 Approved Insurance Providers. The AIPs shown on this slide account for ~ 98% of total U.S. crop premiums.

U.S. Crop Market – Top Writers (by 2022 DWP) (\$bn)

Total U.S. Crop Market Share (%):

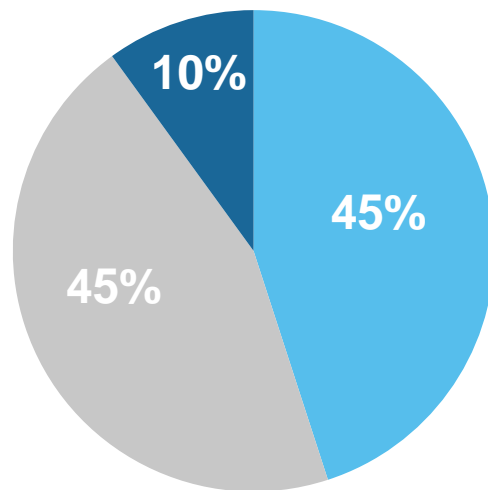


2022 Total U.S. Crop Market Premium Mix

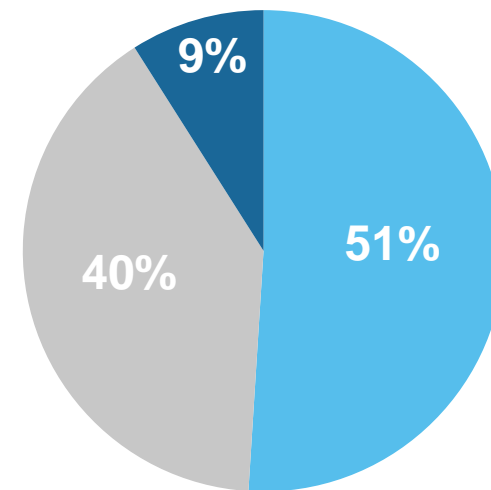


Pro forma View With CRS Crop Business

**2022 Gross Written
Premiums – \$9.1 Billion**



**Pro Forma 2022 Gross Written
Premiums – \$10.2 Billion**



- Property & Transportation
- Specialty Casualty
- Specialty Financial

Property & Transportation

Agricultural-Related
Aviation
Inland & Ocean Marine
Property
Transportation (Commercial Auto)

Specialty Casualty

Accident & Health
Community Banks
Excess & Surplus
Executive Liability
General Liability
Medical Stop Loss

M&A Liability
Professional Liability
Target Programs
Umbrella & Excess Liab.
Workers Comp

Specialty Financial

Credit
Fidelity / Crime
Financial Institution Svcs.
Lease & Loan Services
Surety

