The Travelers Companies, Inc.

2015 Investor Day: A Deeper Dive into Data & Analytics
Agenda

Welcome

Alan Schnitzer – Vice Chairman and CEO, BII

Travelers Data, Analytics, and Science Advantage

Doreen Spadorcia – Vice Chairman and CEO, PI and BSI

Chronic Pain, Predictive Modeling, Geospatial Analysis, and Certified Locations

Erik Roen – Vice President, Claim Business Intelligence and Analytics
Eric Nelson – Senior Vice President, Catastrophe Underwriting Risk
Jim Young – Vice President, Business Insurance Business Intelligence

Break

Cyber

Tom Kunkel – Executive Vice President and President, BSI

Closing Remarks

Alan Schnitzer – Vice Chairman and CEO, BII

Q & A

Lunch

Claim University, Risk Control Lab, and Catastrophe Command Center Tours

Claim University and Risk Control Experts
Introduction

Alan Schnitzer, Vice Chairman and CEO, Business and International Insurance
Long-Term Financial Strategy

- Meaningful and sustainable competitive advantages
- Generation of top tier earnings and capital substantially in excess of growth needs
- Balanced approach to rightsizing capital and growing book value per share over time

CREATE SHAREHOLDER VALUE
Objective: Mid-Teens Operating ROE *Over Time*
Data, Analytics & Science in the Business

Doreen Spadorcia, Vice Chairman and CEO, Personal Insurance and Bond & Specialty Insurance
Our Data & Analytics Conversations With You...

2009
Granular Business Metrics
Extended to Underwriters & Agents
- Profitability
- Pricing Segmentation
- Loss Trends
- Expense & Agency Performance

2010
Interactive Real-Time Dashboards
Extended to Front-Line
- AE Dashboard – Portfolio Mgmt
- Product Profitability Life Cycle
- Claim Efficiencies & Effectiveness

2011
Advanced Predictive Analytics
Connected to Automated Business Rules
- Risk Selection
- Pricing Segmentation
- Underwriting Sophistication
- Automated Select Underwriting

2014
Geospatial Capabilities
Connected to Business Intelligence
- Medical Marketplace Insights
- Medical Fraud Detection
- Chronic Pain Predictive Modeling

Sustained Competitive Advantage
Since Then...

More, Different, Connected and Smart...
Relative Business Performance

Workers’ Compensation

• Consistently outperform industry

• Nearly $4 billion of net written premiums

• Market leader, with 8% market share

Statutory Combined Ratio: 2010-2014²

Property¹

• Consistently outperform industry

• Nearly $7.5 billion of direct written premiums

• Top 5 company, with 5% market share

Statutory Combined Ratio: 2010-2014³

¹Property includes: Allied Lines, Boiler & Machinery, Burglary & Theft, Commercial Multiple Peril (Non-Liability), Earthquake, Fire, Homeowners Multiple Peril and Inland Marine ²Source: SNL Financial ³Source: AM Best
Leveraging Data, Analytics & Science
More...and New Ways To Positively Impact Business Performance

Right Business at the Right Price
- Risk Selection
- Risk Assessment
- Pricing
- Products & Services

Right Expertise at the Right Time
- Assignment Optimization
- Evaluation / Estimation Accuracy
- Optimal Resolution & Payout
- Fraud Detection

Right Engagement at the Right Place
- Consumer & Agent Intimacy / Education
- Targeted Marketing
- Distribution Channels
- Workforce Readiness

Maximize the Utility & Value of Insight
Managing The Science...

**Expertise**
- 1,600+ Dedicated Business Intelligence Experts
- ~200 Data Scientists
- Robust Development Program
- Academic Analytic Acumen Partnership

**Talent & Governance**
- Enterprise BI&A Org Design
- Embedded Business Unit BI&A Expertise
- Continuous Insight Loop Process

**Capabilities**
- Dedicated Knowledge & Experiment Facilities
- Hadoop Big Data Environment
- Advanced Data Center
- Industry Leading Visualization Tools
- Virtual Reality Technologies

Expertise. Focus. Commitment.
...and the Art

Culture

- 30,000+ Travelers Employees
- Seeking Opportunities To Improve
- Skills To Do It

Analytical Thinking:

Identifies current or future problems or opportunities, analyzes, synthesizes and compares information to understand issues, identifies cause/effect relationships and explores alternative solutions to support sound decision making.

Inventive Culture of Continuous Improvement
Bringing Them All Together

TALENT

INFRASTRUCTURE

CAPABILITIES

CULTURE

Sustaining our Competitive Advantage
Data, Analytics & Science In Action

☐ Erik Roen – Pain Management

☐ Eric Nelson – Hail Dashboard Applications

☐ Jim Young – Risk Exposure & Opportunity

☐ Tom Kunkel – Cyber Products & Services

☐ Pat Gee & Henry Edinger – Claim U & National Catastrophe Center

☐ Marty Henry & John Machnicki – Risk Control & Forensics Lab

Thank You
Predictive Modeling for Chronic Pain

Erik Roen, Vice President, Claim Business Intelligence & Analytics
Business Use Case – Chronic Pain Analysis

Data

Analytics

Talent

Claim Capabilities

✓ Assignment
✓ Fraud
✓ Subrogation
✓ Resolution
✓ Frequency/Severity
✓ Attorney
✓ Quality
✓ Medical

Early Identification of Chronic Pain
Chronic Pain...Where we were

- Impacts 116 million Americans
- Chronic Pain prevents 20% of TRV claimants from returning to work in a timely fashion
- Took 6-9 months to identify Chronic Pain
Chronic Pain Opportunity

**Science: Data & Analytics**

A predictive model which seeks to identify injured employees most likely to decompensate into chronic pain.

**Art: Creating the Mind Shift**

Structured workflow and processes with new customized plans based upon the predictors to target treatment earlier.

**Goal:** Early identification to get the injured worker healthy and back to work
Big Data: What are we talking about?

Science: Data & Analytics

Structured

Motor Vehicle Records
Moody’s Comparative Raters

External

Social Media
Public Records
Web Pages
Sensor Data
Ad Impressions
Weather

Business Processes

Machine Generated

Human Sourced

Internal

Transaction History
Claim Attributes
Reserve Levels

Unstructured

Clickstreams
Server Logs
Telematics
E-mail
Claim Notes
Phone Logs
Photos
Need for Big Data in Chronic Pain

Science: Data & Analytics

- Business Processes
- Machine Generated
- Human Sourced

Structured

External
- Physician & Claimant Information
- Geo-Location Data
- Social Media
- Wearables

Internal
- Treatment Variables
- Claimant Demographics
- Co-Morbidities
- Claim & Policy Information

Unstructured

Claim Notes
- E-mail
- Phone Logs
- Photos
Evolution of Big Data Capabilities

Science: Data & Analytics

Old Techniques:
Linear Models

New Techniques:
Machine Learning

What used to not be possible or take weeks, can now be accomplished in hours or minutes
Evolution of Prescriptive Analytics

Art: Creating the Mind Shift

Talent

Healthcare Research Experience
- Group Health Actuary
- Healthcare Economist
- Biostatistician
- Medical Data Experts
Chronic Pain Evolution

Old Model:
(Retrospective)

Descriptive Analytics (Historical)

What Happened?

Why Did It Happen?

Diagnostic Analytics (Historical)

New “Early Severity Predictor”:
(Prospective)

Predictive Analytics (Real-time)
“The Science”

What Could Happen?

What Should We Do?

Prescriptive Analytics (Pro-active)
“The Art”

Analytic Continuum Categories

Information Delivery

Actionable Insight

Result: Can now start identifying CP claims at age 30-60 days instead of 6-9 months

Patent Pending
Early Severity Predictor in Action: One Example

Claim Facts

- Injured body part – low back
- Initial diagnosis – low back strain
- Initial treatment – injections, opioids, recommendation for spinal cord stimulator

Prior “Flagging” Model

- Pain driver identified – no
- Interventions – general aimed at reducing opioid use
- Subsequent diagnosis – chronic pain
- Subsequent treatment – fusion surgery; spinal cord stimulator; long term opioid use
- MCU Oversight – yes
- Current work status – temporary total disability
- Current financials
  - Total incurred - $2.9 million
  - Total paid - $547,000

New “Predictive” Model

- Pain driver identified – yes
- Interventions – specific based on musculoskeletal pain driver (physical therapy & home exercise program)
- Subsequent diagnosis – low back strain resolved
- Subsequent treatment – released from treatment
- MCU Oversight – no
- Current work status – return to work full duty
- Current financials
  - Total incurred - $47,000
  - Total paid - $32,000

1. Impact of ESP model on CP claims will vary based on model capture rates, program acceptance rates, and actual savings rates resulting from claim practices on a case-by-case basis.
Data & Analytics Across the Enterprise

Re-using capabilities across multiple areas.

**Medical Data Uses:**
- Fraud Models
- Assignment Models
- Bodily Injury Severity Models
- Product & Pricing
- Loss Analytics

**Analytic Techniques:**
- Pricing Models
- Claim Models
- Risk Management
Geospatial Analysis and Certified Locations

Eric Nelson, Senior Vice President CAT Underwriting Risk | Jim Young, Vice President BI Business Intelligence
Travelers Approach to Geospatial Location Analytics

Enhance Travelers location intelligence, visualization and analytic capabilities by integrating our spatial and non-spatial data with 3rd party geographic data/content.

The ability to gain insight into geographic relationships and predict how they impact business

Gain visual awareness of relationships between location information and business data

The capability to maintain and integrate location data with other internal and external data assets

The capability to identify and capture location information through business processes

...Better and Faster Decision Making
...Improved Communication & Collaboration
...Increased Efficiency
What is Geospatial Analysis?

Geospatial analysis is an approach to applying statistical analysis and other informational techniques to data which has a geographical or geospatial aspect.

Key Capabilities

- Overlaying multiple geospatial layers to perform advanced analysis
- Publishing and sharing geo-content across the enterprise
- Accessing thousands of external mapping layers without having to store them
- Integrating Travelers and 3rd party data
Geospatial Analytic Capability – What does it take to develop?

1. Foundational Data
   • Location level data quality improvement
   • Enterprise geocoding solutions & best practices

2. Governance and Approach
   • Alignment on an enterprise approach
   • Geospatial platform evaluation & selection
   • Implementation geospatial external data committee
   • Establish Center of Practice (COP) with cross functional management expertise

3. Development and Application
   • Hire/Train employees on geospatial capabilities & application development
   • Deploy first six tools/applications, run rate of ~25 applications per year

Travelers advantage not easy to replicate
Business Use Case – Hail Geospatial Analysis

Utilize geospatial analysis to improve:

Claim Efficiency
• How do we most effectively deploy resources?
• How can we triage the claim cause of loss and date of occurrence?

Pricing & Underwriting
• How do we adequately price the exposure?
• How should we react to weather volatility?
• What are the most effective tools/processes for our front line underwriters?

Aggregation of Risk
• How do we evaluate concentration & corresponding risk/reward?
Claim: Hail Dashboard
Challenge: Increase in Weather (Hail) Volatility

With recent weather volatility, how do you develop efficient claim staffing models?
Application of the Hail Dashboard

Spatial visualizations of radar-based hail models overlaid with policy and claim locations can improve our ability to:

- Assess the impact of damaging hail events across multiple policies
- Assist with appropriate staffing models by event
- Provide a consistent and common operating view of hail events

“Laser focus” on where and who to deploy: “Used to take a week to develop a storm footprint we now get instantly”

Patent Pending
Broader Application of Hail Dashboard – Pricing and Underwriting

Example: Catastrophe Modeling for Hail

Catastrophe Models – Business Application
- Aggregation of Risk
- Enterprise Risk Management – Capital Models
- Reinsurance Purchase Decisioning
- Input to Ratemaking
- Input to Annual Financial Plans
Challenge: Model Comparisons of Hail Hazard

Vendor A - Out-Of-Box

Vendor B - Out-Of-Box

Dallas Example

- How do you price the business?
- How do you underwrite?
- How do you evaluate loss event scenarios?

3rd party models output can vary significantly - Dallas is a good example of a divergent opinion
The Advantage of Travelers Geospatial Capability

Advanced analytics and geospatial tools enable rapid and more sophisticated insights

Hail Dashboard - Radar Data

NOAA / Storm Prediction Center

In geospatial environment, Travelers is able to integrate multiple 3rd party data sources and models to create a proprietary view of risk
Better understanding of risk = smarter pricing, smarter underwriting and better returns
Business Insurance: Certified Locations
P&C Industry Challenge: Difficulty Understanding Risk at a Location Level

- Historically, issued accounts had no relation to other accounts at the same location
- Data received from Brokers, Risk Control, 3rd Party, Claims, etc. was siloed at the account level
- In 2012, Travelers began investing to develop our Location Intelligence capabilities
- Now, with Certified Locations, we can share account & structure information at the location level
- Thus, if an account were to be issued on 5th Avenue, we’d be able to absorb the data for all of the other accounts that we have at the location to make the best possible policy decisions
### Location Data Business Problem

Using latitude and longitude, a computer can’t tell this is one building.

**Broker submitted addresses and data is inconsistent**

<table>
<thead>
<tr>
<th>Address</th>
<th>City</th>
<th>State</th>
<th>Construction</th>
<th>Year Built</th>
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<tr>
<td>201 W 43rd Street</td>
<td>New York</td>
<td>NY</td>
<td>Fire Resistive</td>
<td>1989</td>
</tr>
<tr>
<td>175 West 42nd</td>
<td>New York</td>
<td>NY</td>
<td>Frame</td>
<td>1989</td>
</tr>
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<td>NY</td>
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<td>2007</td>
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<td>Masonry</td>
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<td>1441 Broadway</td>
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<td>1989</td>
</tr>
<tr>
<td>1441 Broadway Avenue</td>
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<td>Masonry</td>
<td>2007</td>
</tr>
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<td>1443 Broadway</td>
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<td>NY</td>
<td>Frame</td>
<td>2007</td>
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<td>584 7th Avenue</td>
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<td>Frame</td>
<td>1999</td>
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<tr>
<td>4 Times Sq.</td>
<td>New York</td>
<td>NY</td>
<td>Fire Resistive</td>
<td>1999</td>
</tr>
</tbody>
</table>
Certified Locations Uniquely Identifies Locations

- With intelligent use of geospatial technology, Certified Locations determines the defined building area and the number of structures in the building area.

- Travelers currently has four U.S. and International patents pending related to the utilization of geospatial information.

Creates the ability to leverage information about a location for any relevant business decision.
Real Life Example

Individual and Aggregate Risk Control

- 46 current accounts in one building across 4 business units
- 30 accounts filed claims in a 7/18/07 event, totaling more than $4 million
- Risk control reports done for only certain addresses at building, not shared across accounts

370 Anyplace Ave, NY, NY (aka 122 E Number St.)
Target State - Data sharing enables single location view

![Image of building](image.png)

### Structure Summary

<table>
<thead>
<tr>
<th>Structural Attributes</th>
<th>Value</th>
</tr>
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<tbody>
<tr>
<td><strong>Proprietary</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Business Attributes</th>
<th>Value</th>
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<tr>
<td>Nbr of Businesses Present</td>
<td>34</td>
</tr>
<tr>
<td>Nbr of Unique Occupancies</td>
<td>14</td>
</tr>
<tr>
<td>Nbr of Businesses in Appetite</td>
<td>26</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Environmental Attributes</th>
<th>Value</th>
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<tbody>
<tr>
<td><strong>Proprietary</strong></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>Travelers Summary</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Current Accounts (Historical)</td>
<td>38 (110)</td>
</tr>
<tr>
<td>Risk Control Reports</td>
<td>1</td>
</tr>
<tr>
<td>Claim Files</td>
<td>7</td>
</tr>
<tr>
<td>Total Insured Value</td>
<td>$12,202,210</td>
</tr>
<tr>
<td>Terrorism Monitoring Area</td>
<td>Yes</td>
</tr>
<tr>
<td>Date Last Risk Control Report</td>
<td>3/6/2012</td>
</tr>
</tbody>
</table>
The Overall Opportunity for a Multi-line Carrier

**Shared Information Leveraged:**
- Risk Control reports
- Loss/claim information
- Hazards
- Concentration & aggregation
- Environmental & structural attributes

**Applicable Business Processes:**
- Underwriting
- Pricing
- Sales/prospects
- Risk/CAT Management

**Financial Benefits:**
- Loss ratio
- Expense savings
Travelers – Analytic Advantage

Revenue Growth
• New business prospecting
• Identification of underpenetrated regions
• More accurate coverage calculations and counseling to insureds
• Retaining and growing existing customers

Profitability
• Better risk evaluation and underwriting decisions
• More granular and targeted pricing
• More efficient and effective deployment of risk and claim professionals
• Advanced catastrophe management capabilities
Cyber

Tom Kunkel, Executive Vice President, President Bond & Specialty Insurance
What is Cyber Coverage?
What is Cyber Coverage?

- Companies are legally obligated to protect certain information that they collect and store.

- Type of data compromised is often personally identifiable information (PII) of employees, customers and business partners.

- When that data gets compromised, the company may face liability suits, as well as costs for forensic investigations, required notifications, public relations and related legal advice, etc.

- Data can be compromised in many different ways through hacking, employee mistakes, lost devices, or even a misplaced paper document.
### Additional Cyber Coverages Available...

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications and Media Liability</td>
<td>Claims for plagiarism / defamation on material disseminated via electronic means, e.g. email, website</td>
</tr>
<tr>
<td>Regulatory Defense Expenses</td>
<td>Covers claims brought against an Insured by governmental entities for the failure to protect personal information; may include fines and penalties</td>
</tr>
<tr>
<td>Business Interruption</td>
<td>Loss of income due to systems being down from cyber attack or extra expense due to disruption, e.g. other internet provider</td>
</tr>
<tr>
<td>Additional Features</td>
<td>Data Restoration, Cyber Extortion, Telecommunications Fraud, Funds Transfer Fraud, and Computer Fraud</td>
</tr>
</tbody>
</table>
Percentage of Claims by Cause of Loss

- Hacker: 29%
- Staff Mistake: 13%
- Rogue Employee: 11%
- Malware/Virus: 11%
- Lost/Stolen Laptop/Device: 10%
- Paper Records: 9%
- Improper Data Collection: 5%
- Theft of Hardware: 4%
- Theft of Money: 3%
- Systems Glitch: 2%
- Other: 3%

Source: NetDiligence Cyber Claims Study 2014
How Big is the Cyber Insurance Market?
## Cyber Insurance | Overall Market Environment

Cyber is a rapidly evolving insurance opportunity that is expected to be a growth market in the U.S.

### Drivers of Growth

| Demand | • Cyber attacks continue to rise – attacks were up another 23% in 2014\(^1\)  
|        | • Last year, 60% of all targeted attacks struck small and medium sized businesses\(^1\)  
|        | • Increasingly less of a discretionary purchase with clients, suppliers, etc. beginning to require coverage |

| Awareness | • Five 2014 breaches are in the Top 10 All Time Breach List\(^2\)  
|           | • Targeted attacks affect business of all sizes\(^1\)  
|           | •  41% affect large, 25% affect medium, 34% affect small  
|           | • Cyber risks are the #2 concern overall for all businesses\(^3\) |

| Opportunity | • More than simply the topic “de jour,” Cyber offers a significant growth opportunity as buyers better understand their exposure to loss |

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Sources:  
\(^1\)Symantec Internet Security Threat Report 20  
\(^2\)Risk Based Security 2014 Data Breach Trends  
\(^3\)Travelers 2015 Business Risk Index
Cyber Insurance Market Landscape

Rapid Growth – Rich Opportunity

Travelers Cyber Products
Travelers Cyber Experience

1986 1st Technology E&O Product

1999 1st Cyber/Data Breach Product For Technology Companies

2006 1st Community Bank Cyber Product

2007 1st Breach Remediation Expense Coverage

2010 Expanded Cyber/Data Breach Product To All Industries

2013 Small Business Cyber Product & eRisk Hub Portal

2014 Ranked #1 – PC360

30 Years Understanding & Monitoring The Exposure
Travelers Cyber Governance and Expertise

• Enterprise Approach to **Governance**:  
  — Enterprise Underwriting  
  — Enterprise Product  
  — Claim  
  — Risk Control  
  — Enterprise Risk Committee  

✓ Engagement at all levels of company across business units and functional areas

• Breadth and Depth of **Expertise**:
  — Product Underwriters  
  — Regulatory Analysts  
  — Technologists  
  — Fraud Detectives  
  — Forensic Scientists  
  — Legal Counsel  
  — Risk Managers  
  — Claim Professionals  
  — Public Policy Representatives

✓ 200+ risk professionals engaged
✓ Backgrounds: FBI, Cisco, HP, ISO, McAfee, Symantec, Mandiant, and others
✓ Average tenure: 20 years
## Travelers Cyber Product Suite

<table>
<thead>
<tr>
<th>CyberRisk</th>
<th>CyberFirst</th>
<th>CyberFirst Essentials</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Bond &amp; Specialty</strong></td>
<td><strong>Technology</strong></td>
<td><strong>Select</strong></td>
</tr>
<tr>
<td>• Broad target market</td>
<td>• Tailored to technology industry</td>
<td>• Entry level product</td>
</tr>
<tr>
<td>• Typical limit $1 million</td>
<td>• Typical limit $1 million</td>
<td>• Typical limit $25,000</td>
</tr>
<tr>
<td>• Specialized underwriting</td>
<td>• Specialized underwriting</td>
<td>• Straight-through issue</td>
</tr>
</tbody>
</table>

- 450+ SIC Codes Represented
- Insured Revenue Range <$100k - $100B
- 9,000+ Cyber Policies In Force
Cyber | Product Profile and Underwriting Control

Product Profile

- All Travelers Cyber products are Claims-Made
- Defense expenses are included in the limit
- Deductibles/Retentions used
- Reinsurance used opportunistically

Underwriting Controls

- Underwriting requirements vary depending on product, coverage options and limits
- Select CyberFirst Essentials has basic requirements for limits under $50K
- Broader coverage and/or higher limits require intensive underwriting
Cyber | Gross Written Premium Trend Line

TRV Growing with Market Opportunity
Travelers Claim Service
Travelers Comprehensive & Rapid Cyber Breach Response

☑ Breach Coach Consultation to Determine:
  ▪ Is a forensics investigation needed?
  ▪ Are breach notifications required?
  ▪ What is the potential for legal action, fines, penalties?
  ▪ What to do for next steps?

☑ Expert Claim Service
  ▪ Defense Costs & Liability for Damages
  ▪ Claim Professionals Experienced with Cyber Claims
  ▪ Practiced & Knowledgeable Legal Counsel
  ▪ Expertly assist our clients with:
    □ Hiring Forensics & Breach Investigators
    □ Breach Notifications
    □ Credit Monitoring & ID Fraud Services
    □ Notification & Call Center Services
    □ Selection & Reimbursement for Public Relations Firm
Cyber | Value Added Online Services

24/7 Availability of:
- Prevention Benefits
- Post-Event Response Benefits

Learning Center
- White Papers & Articles
- Technical Bulletins
- Industry Studies
- Webinars & Seminars
- Trends and Statistics

News Center
- Security & Compliance News
- Latest Data Breach News
- Dark Reading News
- Statutory, Regulatory, Case Law Updates

Resources
- Calculators to Estimate Potential Losses
- Tools to Build Privacy Controls
- Risk Control Checklist
- Other Prepare & Prevent Resources
Appendix
This presentation contains, and management may make, certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "estimates" and similar expressions are used to identify these forward-looking statements. Examples of our forward-looking statements include statements relating to our future financial condition and operating results, our share repurchase plans, future pension plan contributions, potential margins, potential returns, the sufficiency of our reserves, the impact of emerging claim issues and litigation, the cost and availability of reinsurance coverage, catastrophe losses, the impact of investment, economic and underwriting conditions and our strategic initiatives.

We caution investors that such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Company’s control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Some of the factors that could cause actual results to differ include, but are not limited to, the following:

- Catastrophe losses;
- Financial market disruption or economic downturn;
- Changes to our claims and claim adjustment expense reserves;
- The performance of our investment portfolio;
- Asbestos and environmental claims and related litigation;
- Mass tort claims;
- Emerging claim and coverage issues;
- Competition, including the impact of competition on our strategic initiatives and new products;
- Consolidation within the insurance industry could alter the competitive environment in which the Company operates, which may impact the Company’s premium volume, the rate it can charge for its products, and the terms on which its products are offered;
- The collectability and availability of reinsurance coverage;
- Credit risk we face in insurance operations and investment activities, including under reinsurance or structured settlements;
- The federal, state and international regulatory environment;
- A downgrade in our claims-paying or financial strength ratings;
- The inability of our insurance subsidiaries to pay dividends to our holding company in sufficient amounts;
- Disruptions to our relationships with our independent agents and brokers;
- Risks associated with developing new products or expanding in targeted markets;
- Risks associated with our use of pricing and capital models;
- Limits to the effectiveness of our information technology systems;
- Difficulties with our technology, data and network security and/or outsourcing relationships, including cloud-based;
- Risks associated with our business outside of the United States, including regulatory risks;
- Loss of or restrictions placed on the use of underwriting criteria, such as credit scoring, or other data or methodologies, in the pricing and underwriting of insurance products;
- Risks associated with acquisitions, and integration of acquired businesses;
- Limits to the effectiveness of our compliance controls;
- Our ability to hire and retain qualified employees;
- Company may be unable to protect and enforce its own intellectual property or may be subject to claims for infringing the intellectual property of others;
- Changes to existing accounting standards;
- Changes in tax laws that adversely impact our investment portfolio or operating results; and
- Factors impacting the operation of our repurchase plans

For a more detailed discussion of these factors, see the information under "Risk Factors" and "Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent Form 10-K and Form 10-Q filed with the Securities and Exchange Commission. Our forward-looking statements speak only as of the date of this presentation or as of the date they are made, and we undertake no obligation to update those statements.
Disclosure

In this presentation, we may refer to some non-GAAP financial measures. For a reconciliation of these measures to the most comparable GAAP measures and a glossary of financial measures, we refer you to the press release and financial supplement that we have made available in connection with this presentation and our most recent annual report on Form 10-K filed with the Securities and Exchange Commission (SEC). See the “For Investors” section at Travelers.com.

For further information, please see Travelers reports filed with the SEC pursuant to the Securities Exchange Act of 1934 which are available at the SEC’s website (www.sec.gov).

Copies of this presentation and the accompanying webcast are publicly available on the Travelers website (www.travelers.com). This presentation should be read with the accompanying webcast and related press release and financial supplement.

From time to time, Travelers may use its website and/or social media outlets, such as Facebook and Twitter, as distribution channels of material company information. Financial and other important information regarding the company is routinely accessible through and posted on our website at http://investor.travelers.com, our Facebook page at https://www.facebook.com/travelers and our Twitter account (@Travelers) at https://twitter.com/Travelers. In addition, you may automatically receive email alerts and other information about Travelers when you enroll your email address by visiting the Email Notification section at http://investor.travelers.com.