

The Travelers Companies, Inc. - Climate Change 2018

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

The Travelers Companies, Inc., together with its consolidated subsidiaries (collectively "company" or "Travelers"), is a leading provider of a wide range of commercial and personal property and casualty insurance products and services to businesses, government units, associations and individuals. Our products are distributed primarily through independent insurance agents and brokers but also include exclusive agents, direct marketing and/or salaried employees. A component of the Dow Jones Industrial Average, Travelers has approximately 30,000 employees and operations in the United States and selected international markets.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2017	December 31 2017	No	<Field Hidden>
Row 2	<Field Hidden>	<Field Hidden>	<Field Hidden>	<Field Hidden>
Row 3	<Field Hidden>	<Field Hidden>	<Field Hidden>	<Field Hidden>
Row 4	<Field Hidden>	<Field Hidden>	<Field Hidden>	<Field Hidden>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Director on board	Our risk appetite is determined by our ability to underwrite property and casualty risks that we can understand and try to avoid exposures that cannot be evaluated or have unacceptable levels of uncertainty. Climate related effects on weather perils are part of this fundamental evaluation process which includes the underwriting and pricing risks of many of our core products. Consistent with its Charter, the Risk Committee of the Board has oversight responsibility for the strategies, processes and controls of these primary risks. At Travelers, the Risk Committee of the Board, comprised of six independent directors, is the appropriate body for oversight of climate-related issues because it assists the Board in exercising its oversight of the operational activities of the company and the identification and review of the company's significant operating risks.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action	As an integral part of Travelers business operations, the company continually monitors, assesses and responds to the risks posed by changing climate conditions in order to provide insurance products and services that address customers' needs and to price those products and services at levels that will allow us to

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
	Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	achieve appropriate financial returns. As such, Travelers, its Board of Directors and the Risk Committee consider changing climate conditions as part of, and integral to, managing and overseeing the company's business and operations. Climate-related issues are integrated into many topics subject to oversight by the Risk Committee, including catastrophe risk modelling, reinsurance and product underwriting and pricing.

C1.2

(C1.2) Below board-level, provide the highest-level management position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Risks Officer (CRO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Other C-Suite Officer, please specify (Chief Underwriting Officer)	Both assessing and managing climate-related risks and opportunities	Quarterly
Risk committee	Both assessing and managing climate-related risks and opportunities	Quarterly

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other committee, please specify (Enterprise CAT Strategy & Analysis Group)	Both assessing and managing climate-related risks and opportunities	Quarterly
Other committee, please specify (Committee Climate, Energy & Environment)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Other, please specify (Facilities Managers)	Managing climate-related risks and opportunities	Not reported to the board

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored.

Travelers monitors climate-related risks and opportunities within the Enterprise Risk Management (ERM) organization and framework. A senior team including the Chief Risk Officer and the Chief Underwriting Officer oversees the ERM process to implement effective risk management strategies to understand and manage Travelers portfolio of risks to be within its risk appetite. The Board of Directors oversees ERM, including through its Risk Committee, which reviews insurance operation controls and oversees performance of the ERM program. All corporate leaders and the Board are engaged in ERM. Other key internal risk management functions include the Management and Operating Committees, the Enterprise and Business Risk Committees, and the Enterprise Underwriting group.

ERM activities include Travelers Emerging Issues Committee and Committee on Climate, Energy and the Environment (CEEC). Through ERM, business and corporate groups work to identify and assess climate change-related issues, which may be hard to fully evaluate. We regularly review emerging issues, including changing climate conditions, to consider potential changes to our risk models and their use, and to help assess the need to adjust underwriting or pricing strategies, coverage terms or to develop new products. Our integrated, iterative and collaborative process includes evaluating risk/reward, setting underwriting and operational strategies, and monitoring results of ourERM. We consider various external environments and influences, including the economy and insurance marketplace, views of regulators, the investment community and rating agencies.

The CEEC facilitates coordination and supports climate-related initiatives and strategies across Travelers. It is a venue to share information and leverage expertise within four subgroups led by senior staff, each aligned with a key area of focus:

1. Risk Identification and Management: Supports business activities to identify, monitor, and assess climate-related risks. Participants include ERM, the Emerging Issues group, Enterprise Catastrophe Strategy and Analysis, Investments, Government Relations, Risk Control, Claim, and Enterprise Underwriting.

2. Products, Market Development, and Customer Services: Supports activities to identify and develop product opportunities, explore potential new markets, and expand service opportunities to help customers prepare for and respond to the potential risks related to changing climate and “green” trends. Participants include Business Insurance Underwriting and Product, Enterprise Underwriting, Risk Control, Claim, the Renewable Energy Practice group, and all business units.

3. External Relations, Communications, and Industry Leadership: Supports Travelers external-facing corporate groups on matters pertaining to climate, energy, and the environment. Participants include the Travelers Institute, Government Relations, Corporate Communications, Enterprise Catastrophe Strategy and Analysis, Enterprise Underwriting, Risk Control, Community Relations, and Investor Relations.

4. Facilities and Operations Management: Coordinates Travelers initiatives and activities to develop and implement environmentally responsible corporate practices, including establishing and implementing emission reduction practices and monitoring progress in achieving emission reduction goals. Participants include Travelers Facilities Managers.

The Enterprise Catastrophe Strategy and Analysis group assesses CAT risk and manages the development of strategic CAT efforts, including the use of proprietary and third-party computer models to analyze CAT events and related risks. Travelers actively monitors and evaluates changes in third-party models and, as needed, calibrates the CAT risk model estimates delivered via our proprietary processes. We consider historical loss experience, recent events, underwriting practices, market share, external scientific analyses and other factors, including non-modeled losses, to refine our proprietary view of CAT risk. These models are continually updated and are an integral part of our ERM process supporting our long-term financial strategies and objectives.

Travelers Facilities Managers are part of the Corporate Real Estate group and are responsible for researching and implementing initiatives to help reduce Travelers’ carbon footprint. They work closely with consultants and vendors to analyze opportunities to upgrade or replace systems, lighting, etc. and may work with utility companies on incentive programs to help with implementation cost funding. They also ensure equipment operates in the most efficient manner (e.g., daytime start-up; nighttime shut-down; air usage, etc.) They submit annual operating results for each facility to EPA’s Energy Star Program to ensure that it continues to meet designation standards. The Facilities Managers are adjunct members of the CEEC Facilities and Operations Management subgroup.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Risk/reward metrics)

Comment

Travelers' employees are eligible to receive performance-based compensation, including cash bonuses. Bonuses are based on many factors such as the individual performance of the employee and the overall performance of the company, including taking into account catastrophe and other weather events.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Other non-monetary reward

Activity incentivized

Other, please specify (reducing car use)

Comment

For the purpose of encouraging environmentally and socially responsible behaviors and supporting employee efforts to conserve natural resources, Travelers provides a variety of incentives to employees to use mass transit and alternatives to driving alone. These incentives include subsidizing the purchase of bus passes in some cities, buying bus passes in bulk at a discount in others, and offering employees the opportunity to make pre-tax purchases of passes. In the Hartford, CT area, our largest employee concentration, Travelers is the reported highest user of the bus system, with over 20 percent of employees participating. Travelers charges for employee parking, which encourages many employees to take advantage of mass transit. In some cities, the company owns and maintains commuter vans and in others provides free parking for non-owned commuter vans. Travelers is also an advocate of bicycling, providing bike racks and free parking for bicycles as well as showers and lockers in some locations. For the two largest employee locations, the League of American Bicyclists' Bicycle Friendly Business program has awarded Travelers designations for its Hartford, CT and St. Paul, MN locations' bicycling programs.

Who is entitled to benefit from these incentives?

Other, please specify (CAT Staff, Product & Acct Underwriters)

Types of incentives

Monetary reward

Activity incentivized

Other, please specify (Risk/reward metrics)

Comment

Evaluation of risk/reward in climate-related perils in pricing selection and underwriting

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	3	Average length of policy period for policies issued by Travelers and timeframe for which we perform detailed business plans.
Medium-term	3	5	Travelers develops and executes business strategies impacting directional planning and market-related adjustments based on ongoing or changing conditions.
Long-term	5	50	Travelers management manages the Company with a long-term perspective. We have a disciplined approach to underwriting and risk management that emphasizes product returns and profitable growth over the long-term rather than premium volume or market share. This is particularly important in the property and casualty insurance industry where the periodic occurrences of significant catastrophes have historically produced results that can vary significantly year-to-year. We consider future demographic and environmental changes and possibilities/potentials in our long-term planning. For example, we consider the impact that self-driving cars may have on our business years into the future.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Insurance operations expose us to catastrophe-related claims in the US and world-wide through international and Lloyd's operations. We monitor climate-related events in real time; we respond to significant events via our CAT Command Center. We evaluate event exposures using CAT models and report aggregate exposure and strategies regularly to management and the Risk Committee of the Board. Risk management for these perils is integrated within our business model and Enterprise Risk Management (ERM) function. We monitor climate-related risks impacting business strategy and market adjustments on a 3-5 year horizon and long-term (transition) risks on a 5-50 year horizon. We monitor climate-related risks and at least annually make short-term tactical adjustments. This approach to enterprise risk evaluation and management is called ERM. ERM activities include identification and assessment of a broad range of risks and execution of synchronized strategies to effectively manage such risks.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Risk management for changing climate conditions is addressed within our business model and Enterprise Risk Management (ERM) framework. We continually monitor, assess and respond to risks posed by changing climate conditions in order to provide insurance products and services that address customer needs while allowing us to achieve appropriate financial returns by pricing our products over time. At the highest level, the Board of Directors' Risk Committee assists the Board in exercising its oversight of Travelers' operational activities and the identification and review of significant operating risks. For climate-related risks, the Board and its Risk Committee are advised by several management groups and committees, including the Enterprise Catastrophe Strategy and Analysis group, the Enterprise Risk Committee, the Emerging Issues Committee and the Committee on Climate, Energy and the Environment (CEEC). The CEEC facilitates coordination and supports climate-related initiatives and strategies across Travelers. It is a venue to share information and leverage expertise within four sub-groups led by senior staff, each aligned with a key area of focus:

1. Risk Identification & Management: Supports business activities to identify, monitor, and assess climate-related risks. Participants include Enterprise Risk Management, Emerging Issues group, Enterprise Catastrophe Strategy and Analysis, Investments, Govt Relations, Risk Control, Claim, and Enterprise Underwriting.
2. Products, Market Development & Customer Services: Supports activities to identify and develop product opportunities, explore potential new markets, and expand services to help customers prepare for and respond to potential risks related to changing climate and "green" trends. Participants include Business Insurance Underwriting and Product, Enterprise Underwriting, Risk Control, Claim, the Renewable Energy Practice group, and all business units.

3. External Relations, Communications & Industry Leadership: Supports Travelers external-facing corporate groups on matters pertaining to climate, energy, and the environment. Participants include the Travelers Institute, Govt Relations, Corporate Communications, Enterprise Catastrophe Strategy and Analysis, Enterprise Underwriting, Risk Control, Community Relations, and Investor Relations.

4. Facilities & Operations Management: Coordinates Travelers initiatives and activities to develop and implement environmentally responsible corporate practices, including establishing and implementing emission reduction practices and monitoring progress in achieving emission reduction goals. Participants include Travelers Facilities Managers.

Through the Emerging Issues Committee and CEEC, business and corporate groups identify and assess climate-related risks, which are continually evolving and often hard to fully evaluate. We review emerging issues, including changing climate conditions, to consider potential changes to our risk models and their use, and to help assess the need to adjust underwriting, pricing or reinsurance strategies, coverage terms or develop new products. We monitor climate risks and make short-term tactical adjustments at least annually and reflect this in our product operational strategies (with typically a 12-month term and annual adjustments as appropriate to pricing/underwriting) and our investments (with average duration of 4.5 years). To assess if climate-related risks could have a substantive financial impact on Travelers, we consider several factors depending on the nature of the risk.

Travelers Enterprise Catastrophe Strategy and Analysis Group uses various analyses and methods, including proprietary and third-party computer modeling processes, to make underwriting, pricing and reinsurance decisions designed to manage our exposure to CAT events. In addition to CAT modeling, we also use models to analyze exposure to other extreme events. We utilize proprietary and third-party computer modeling processes to evaluate capital adequacy. These analytical techniques are an integral component of our ERM process and further support Travelers' long-term financial strategies and objectives.

For example, a new 2017 Denver Ordinance requires vegetation (green roof) or vegetation and solar panels on certain buildings. We considered impacts on underwriting risk appetite and opportunities to market Green Building-related products and services. Going forward, we will assess whether product or service changes are needed in the Denver market and our Claim team will monitor related claim trends. We engage internal teams including Government Relations to help shape federal policies or state regulations impacting Travelers. This can include appearing before Congressional Committees/ Subcommittees or otherwise serving as industry experts on climate-related issues such as our recent engagement on flood insurance and the National Flood Insurance Program (NFIP).

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Travelers' domestic insurance subsidiaries are collectively licensed to transact insurance business in all U.S. states, the District of Columbia, Guam, Puerto Rico and the U.S. Virgin Islands and are subject to regulation in the various states and jurisdictions in which they transact business. The extent of regulation varies, but generally derives from statutes that delegate regulatory, supervisory and administrative authority to a department of insurance in each state and jurisdiction. The regulation, supervision and administration relate, among other things, to standards of solvency that must be met and maintained, the licensing of insurers and their agents, the nature of and limitations on investments, premium rates, restrictions on the size of risks that may be insured under a single policy, reserves and provisions for unearned premiums, losses and other obligations, deposits of securities for the benefit of policyholders, approval of policy forms and the regulation of market conduct, including the use of credit information in underwriting as well as other underwriting and claims practices. State insurance departments also conduct periodic examinations of the financial condition and market conduct of insurance companies and require the filing of financial and other reports on a quarterly and annual basis. State insurance regulation continues to evolve in response to the changing economic and business environment as well as efforts by regulators internationally to develop a consistent approach to regulation. For example, the California State Insurance Commissioner in 2016 launched a Climate Risk Carbon Initiative which included issuance of a Carbon-Based Investment Data Call along with a request that insurers voluntarily divest from any investments in thermal coal.
Emerging regulation	Relevant, always included	Laws or regulations that are adopted or amended may be more restrictive than current laws or regulations and may result in lower revenues and/or higher costs of compliance and thus could materially and adversely affect our results of operations and limit our growth. For example, in October 2017 the U.S. EPA announced its intention to repeal the Clean Power Plan or "CPP". The CPP regulations, for the first time, required states to submit plans specifically designed to limit CO2 emissions from certain fossil fuel-fired power plants. The EPA's plan to repeal the CPP could adversely affect the growing renewable energy market by reducing the demand for renewable energy. This may in turn result in lower demand for Travelers insurance products and services relating to renewable energy. Travelers CEEC subgroups are monitoring potential climate-related risks and opportunities that may result from the EPA's planned repeal of the CPP. Changes in regulation also could affect our customers and increase their costs of doing business. For example, insureds faced with carbon management regulatory requirements may have less available capital for investment in loss prevention and safety features which may, over time, increase loss exposures.
Technology	Relevant, always included	Similar to other industries, the insurance industry is undergoing rapid and significant technological and other change. Traditional insurance industry participants, technology companies, "InsurTech" start-up companies, the number of which has increased significantly in recent years, and others are focused on using technology and innovation to simplify and improve the customer experience, increase efficiencies, redesign products, alter business models and effect other potentially disruptive changes in the insurance industry. If we do not anticipate, keep pace with and adapt to technological and other changes impacting the insurance industry, it will harm our ability to compete, decrease the value of our products to customers, and materially and adversely affect our business. Furthermore, innovation, technological change and changing customer preferences in the markets in which we operate also pose risks to our business. For example, technologies such as driverless vehicles, assisted-driving or accident prevention technologies, technologies that facilitate ride or home sharing, smart homes or automation could reduce the number of vehicles in use and/or the demand for, or profitability of, certain of our products, create coverage issues or impact the frequency or severity of losses, and we may not be able to respond effectively. Satellite derived building characteristics could improve the customer experience and catastrophe modeling vulnerability assumptions. Weather and climate models continue to improve via higher resolution and more accurate parameterizations of atmospheric processes due to increased computational capabilities. The aforementioned examples could lead to changes in catastrophe model risk estimates which would need to be

	Relevance & inclusion	Please explain
		closely monitored, evaluated, and validated. Technological resiliency and mitigation continues to improve via building materials innovation (e.g. solar integrated impact-resistant roof tiles) but market penetration remains low.
Legal	Relevant, always included	Climate-related legal risk can impact our competitive position in our various businesses based on many factors, including but not limited to our: • ability to avoid and mitigate fraudulent claims; and • ability to adapt to changes in business models, technology, customer preferences or regulation impacting the markets in which we operate. For example, Travelers CEEC subgroups closely monitor climate change-related litigation for potential changes to current liability theories that could impact our customers or our ability to offer insurance products and related services.
Market	Relevant, always included	Travelers' competitive position in the marketplace is based on many factors, including the following: • ability to profitably price business, retain existing customers and obtain new business. For example, population growth in high risk areas or in areas with weaker adoption and enforcement of building codes, urban expansion, and average house size increases are some potential causal factors for why CAT losses may have increased since 2000. • premiums charged, contract terms and conditions, products and services offered (including the ability to design customized programs). For example, state insurance regulation could impact our ability to manage property exposures in areas vulnerable to climate-driven losses. Travelers actively engages in efforts to increase and support resilient building methods. We provide credits for homes designated as IBHS FORTIFIED. • ability to provide products and services in a cost effective manner. For example, Travelers CAT response strategy is to respond to a significant CAT event using our own personnel, minimizing reliance on independent adjusters and appraisers; and • local presence. For example, Travelers uses our own employees to respond to CAT events. The Field CAT Team is the first responder and Claim centers not directly impacted contribute resources to the impacted center(s). Each claim center has a CAT Plan to facilitate its effective response to an event. The marketplace also is affected by the available insurance industry capacity, as measured by statutory capital and surplus, and the availability of reinsurance from traditional sources such as reinsurance companies and capital markets (through CAT bonds), and non-traditional sources, such as hedge funds and pension plans. For example, Travelers uses a corporate CAT excess-of-loss reinsurance treaty to manage its exposure to CAT losses and to protect its capital. We also use CAT bonds to protect against certain weather-related losses in the Northeastern U.S..
Reputation	Relevant, always included	The effects of emerging issues on our business are uncertain and evolving. As industry practices and legal, judicial, social and other environmental conditions change, unexpected and unintended issues related to claim and coverage may emerge. Emerging Issues are issues that may adversely affect our business, including by extending coverage beyond our underwriting intent, by increasing the number, size or types of claims or by mandating changes to our underwriting practices. Emerging issues include, but are not limited to: • judicial expansion of policy coverage and the impact of new or expanded theories of liability; For example, some novel theories of liability have been proposed in certain climate-related lawsuits filed in recent years. Travelers monitors climate-related litigation through the CEEC; • plaintiffs targeting property and casualty insurers, including us, in purported class action litigation relating to claims-handling and other practices; For example, following Hurricanes Katrina and Rita in 2005 (both were Category 5 strength storms, the highest categorization for North Atlantic tropical cyclones), plaintiffs filed federal class action lawsuits against many property casualty insurers, including Travelers, in Louisiana U.S. District Courts. The plaintiffs alleged that insurers had unfairly or improperly handled claims following those extreme events during the 2005 Hurricane Season. • the assertion of “public nuisance” or similar theories of liability, where plaintiffs seek to abate hazards to public health and safety and/or recover damages purportedly attributable to a “public nuisance”; For example, a series of coordinated climate change-related lawsuits filed in several state and federal courts and currently being monitored by Travelers include allegations relating to public or private nuisance; and • claims relating to potentially changing climate conditions,

	Relevance & inclusion	Please explain
		including higher frequency and severity of weather-related events. In some instances, these emerging issues may not become apparent for some time after we have issued the affected insurance policies. As a result, the full extent of liability under our insurance policies may not be known for many years after the policies are issued.
Acute physical	Relevant, always included	Our property and casualty insurance operations expose us to claims arising out of catastrophes. Catastrophes can be caused by various natural events, including, among others, hurricanes, tornadoes and other windstorms, tsunamis, hail, wildfires, severe winter weather and floods. The geographic distribution of our business subjects us to catastrophe exposures in the United States and Canada, which include, but are not limited to: hurricanes from Maine through Texas; and tornadoes throughout the Central, Mid-Atlantic and Southeastern regions of the United States. In addition to our operations in the United States and Canada, our international operations subject us to catastrophe exposures in the United Kingdom, the Republic of Ireland and Brazil as well as to a variety of worldwide catastrophe exposures through our Lloyd's operations. Responding to short-term, acute physical changes in natural catastrophe risk is an important component of our business model. For example, on an annual basis, Travelers incorporates drought and vegetation (i.e. fuel for wildfires) updates into underwriting and ratemaking decisions for wildfire which allows us to respond to changes in short-term wildfire risk.
Chronic physical	Relevant, always included	Severe weather events over the last two decades have underscored the unpredictability of future climate trends, and potentially changing climate conditions could add to the frequency and severity of natural disasters and create additional uncertainty as to future trends and exposures. For example, over the last two decades, hurricane activity has impacted areas further inland than previously experienced by us, and demographic changes have resulted in larger populations in coastal areas which historically have been subject to severe storms and related storm surge, thus expanding our potential for losses from hurricanes. Demographic changes in areas prone to wildfires have also expanded our potential for losses from wildfires. Additionally, both the frequency and severity of tornado and hail storms in the United States have been more volatile during the last decade. Moreover, we could experience more than one severe catastrophic event in any given period. For example, in 2017, three major hurricanes struck the U.S. and Caribbean in August (Harvey) and September (Irma and Maria). Also, in October 2017, two major wildfires occurred in California (Tubbs and Atlas).
Upstream	Relevant, always included	The marketplace is affected by the available capacity of the insurance industry, as measured by statutory capital and surplus, and the availability of reinsurance from both traditional sources, such as reinsurance companies and capital markets (through catastrophe bonds), and non-traditional sources, such as hedge funds and pension plans. Travelers reinsures a portion of the risks it underwrites in order to manage its exposure to losses and to protect its capital. Travelers also utilizes reinsurance to manage its aggregate exposures to catastrophes. Travelers monitors the financial condition of reinsurers on an ongoing basis and reviews its reinsurance arrangements periodically. Reinsurers are selected based on their financial condition, business practices, the price of their product offerings and the value of collateral provided. Travelers conducts an ongoing review of its risk and catastrophe coverages and from time to time makes changes as it deems appropriate. For example, Travelers utilizes a corporate catastrophe excess-of-loss reinsurance treaty with unaffiliated reinsurers to manage its exposure to losses resulting from catastrophes and to protect its capital. In addition to the coverage provided under this treaty, Travelers also utilizes catastrophe bonds to protect against certain weather-related losses in the Northeastern United States, and a Northeast catastrophe reinsurance treaty to protect against losses resulting from weather-related catastrophes in the Northeastern United States.

	Relevance & inclusion	Please explain
Downstream	Relevant, always included	Overall, our competitive position in our various businesses is based on many factors, including but not limited to our: • ability to profitably price our business, retain existing customers and obtain new business; For example, population growth in high risk areas or in areas with weaker adoption and enforcement of building codes, urban expansion, and average house size increases are some potential causal factors for why catastrophe losses may have increased since 2000. • ability to provide our products and services in a cost effective manner; For example, Travelers catastrophe response strategy is to respond to a significant catastrophic event using our own personnel, enabling us to minimize reliance on independent adjusters and appraisers. Our Claim Services group has developed a large dedicated catastrophe response team and trained a large Enterprise Response Team of existing employees who can be deployed on short notice in the event of a catastrophe that generates claim volume exceeding the capacity of the dedicated catastrophe response team. In recent years, these internal resources were successfully deployed to respond to a record number of catastrophe claims. • ability to provide new products and services to meet changing customer needs. For example, Travelers Hybrid Auto product is available to personal insurance customers and our hybrid auto products are filed and available in most states. • ability to adapt to changes in business models, technology, customer preferences or regulation impacting the markets in which we operate. For example, Travelers' green building, renewable energy and clean technology products are filed and available in most states.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Travelers employs a long-term financial strategy to manage risk/reward over time. We continuously measure results to understand the performance of our products and businesses and apply our collaborative understanding of risk to adjust our current view of risk/reward, as appropriate. We actively evaluate the risk/reward relationships on both an individual and portfolio basis. This evaluation impacts the risks we decide to insure and the appropriate rate to charge. Travelers' ERM program and capital modelling are highly-rated by industry rating organizations (S&P Level II ERM rating is 'Very Strong' – the highest possible). The company uses various analyses and methods, including proprietary and third-party computer modeling processes, to make underwriting and reinsurance decisions designed to manage its exposure to catastrophic events. In addition to catastrophe modeling and analysis, the company models and analyzes its exposure to other extreme events. The company also utilizes proprietary and third-party computer modeling processes to evaluate capital adequacy. These analytical techniques are an integral component of the company's ERM process and further support the company's long-term financial strategies and objectives.

As a large property and casualty insurance enterprise, Travelers is exposed to many risks, including climate-related risks. These risks are a function of the environments within which the company operates. These exposures require an entity-wide view of risk and an understanding of potential impact on all aspects of Travelers' operations. It also requires the company to manage its risk-taking to be within its risk appetite in a prudent and balanced effort to create and preserve value for all of the company's stakeholders. This approach to company-wide risk evaluation and management is commonly called Enterprise Risk Management (ERM). ERM activities involve both the identification and assessment of a broad range of risks and the execution of synchronized strategies to effectively

manage such risks. The Enterprise Underwriting department (EU) is one of the key internal risk management functions at Travelers. EU defines and manages Travelers corporate underwriting risk appetite and controls to ensure consistency across the enterprise. EU also defines and manages the related underwriting authority standards and thresholds and each business operates within the defined authority standards. In addition, EU may establish focused risk working groups to consider potential impacts of transition risks on Travelers underwriting strategies, processes and controls such as the working group established to consider risks associated with Autonomous/electric Vehicles. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to provide insurance products and services that address our customers' needs. In connection with the climate-related opportunity driven by increased interest in Renewable Energy, a number of internal groups work to develop insurance products across multiple industry sectors such as off-shore wind within the renewable energy sector. These cross-functional teams analyze general industry standards, market data and loss trends to develop proprietary insurance products such as Travelers *WindPak* and *SolarPak* coverages. Offshore wind technology opens up the opportunity to develop sites that can be built quickly, at GW (gigawatt) scale, close to key markets making offshore wind an important addition to cost-effectively decarbonize the energy sector. Global offshore wind capacity looks to reach 100 GW by 2030 as innovation continues and industry matures. Travelers is positioned to benefit from the increased economic activity by insuring more renewable energy offshore wind projects globally, including off-shore wind projects in the North Seas and the first US off-shore wind farm project, Block Island Wind Farm.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact driver

Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Increased insurance regulation may be adopted in response to certain disasters or catastrophes. Such measures may include, among other things, imposing moratoriums on policy cancellation or non-renewal for non-payment of premium; establishing further claims handling requirements or procedures or imposing additional claims data reporting requirements; establishing mediation programs for resolution of disputed claims and modifying adjuster licensing procedures for independent and public adjusters. For example, in connection with the 2017 California wildfires, California Insurance Commissioner Dave Jones issued formal notices to insurers (1) allowing the use of non-licensed adjusters subject to certain requirements (October 13, 2017) and (2) reminding insurers that all claims adjusters who are assigned to wildfire claims must be properly trained on the California Unfair Practices Act, Fair Claims Settlement Practices Regulations, and all laws relating to property and casualty insurance claims handling, including laws specifically triggered by a declared disaster impacting how claims are paid and the various timeframes for payment of claims that supersede policy provisions to the contrary. Further, insurance companies and agent-brokers were reminded to take steps to ensure that underwriting transactions (i.e. cancellations, non-renewals), and representations made on underwriting issues, comply with laws in place to protect insureds after a total loss or declared disaster (November 17, 2017). Travelers Claim employees are deployed to respond to CAT events and ensure compliance with applicable requirements.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Costs associated with these risks vary and are hard to predict. Following catastrophes, there are sometimes legislative and administrative initiatives and court decisions that seek to expand insurance coverage for catastrophe claims beyond the original intent of the policies or seek to prevent the application of deductibles; associated costs may be significant.

Management method

The company's exposure to catastrophes both by peril and by geographic region is monitored on a regular basis. Where needed, such exposure analysis can lead to changes in the underwriting strategy for a given peril/location. The company also may establish new or additional procedures and processes and may need to adjust staffing levels or its use of contracted services to help ensure that it remains compliant with additional regulatory standards imposed on insurers in the event of a future disaster or catastrophe. Any such

regulatory standards likely would be implemented through efforts involving our Government Relations group in impacted state(s) and, when filing forms with state regulators is required, our Regulatory Affairs group. For example, the company has established a committee to work on regulatory and building code issues including promoting responsible development in areas less prone to weather events and stronger building codes. This committee seeks to build partnerships with third parties, including the Insurance Institute for Business and Home Safety (IBHS), Habitat for Humanity and the BuildStrong Coalition. The cost of managing compliance with any additional regulatory standards would vary and be impacted by the number and types of additional standards imposed on insurers, including following a future disaster or catastrophe.

Cost of management

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact driver

Other, please specify (higher costs; less revenue)

Company- specific description

States have, from time to time, passed legislation, and regulators have taken action, that have the effect of limiting the ability of insurers to manage catastrophe risk, such as legislation prohibiting insurers from reducing exposures or withdrawing from catastrophe-prone areas or mandating that insurers participate in residual markets. Participation in residual market mechanisms has resulted in, and may continue to result in, significant losses or assessments to insurers, including Travelers, and, in certain states, those losses or assessments may not be commensurate with our direct catastrophe exposure in those states. For example, as a result of Hurricane Harvey, the Texas Windstorm Insurance Association (TWIA) assessed the property and casualty insurance industry \$281.8 million USD. Travelers' share of that was \$15.3 million USD. Following catastrophes, there are sometimes legislative and administrative initiatives and court decisions that seek to expand insurance coverage for catastrophe claims beyond the original intent of the policies or seek to prevent the application of deductibles. Also, our ability to adjust terms, including deductible levels, or to increase pricing to the extent necessary to offset rising costs of catastrophes, particularly in the Personal Insurance segment, requires the approval of regulatory authorities in certain states.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Costs associated with these risks may vary. For example, financial impacts to Property Residual markets vary significantly with storm activity year-to-year and state-to-state.

Management method

The company's Enterprise Catastrophe Strategy and Analysis department (Enterprise CAT) has operational responsibility for assessment of catastrophe risk and for managing the development of strategic CAT efforts. Through its Emerging Issues Committee and Committee on Climate, Energy and the Environment, Travelers works with its business units and corporate groups to identify and assess climate change-related liability issues, which are continually evolving and may be hard to fully evaluate. The company regularly reviews emerging issues, including changing climate conditions, to consider potential changes to its modeling and the use of such modeling, as well as to help determine the need for new underwriting strategies, coverage changes or new products. Travelers supports public and private policy actions to address the issues of insurance affordability and availability in areas susceptible to catastrophic climate events, including supporting better and enforced building codes and prudent land use planning. For example, the company has developed Travelers Coastal Wind Zone Plan, a comprehensive plan to improve the availability and affordability of named storm wind insurance for coastal homeowners. The costs of managing the impacts of climate-related risks are embedded in our overall, ongoing risk management process, and any costs to manage legislative and regulatory risks, including those associated with climate change, are incremental to the costs of running our business.

Cost of management

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Enhanced emissions-reporting obligations

Type of financial impact driver

Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

Under the current Administration in Washington, the regulatory environment generally remains uncertain. Continued uncertainty over the future of EPA regulations regarding air and water (including coal-related standards) may give rise to more environmental regulation at the state level. This, in turn, may result in differing sets of standards in each state, which could make insurance risk more difficult to underwrite and price, particularly as air and water travel beyond state boundaries. For example, in October 2017 the U.S. EPA announced its intention to repeal the Clean Power Plan or “CPP”. The CPP regulations, for the first time, required states to submit plans specifically designed to limit CO2 emissions from certain fossil fuel-fired power plants. The EPA’s plan to repeal the CPP could adversely affect the growing renewable energy market by reducing the demand for renewable energy. This may in turn result in lower demand for Travelers insurance products and services relating to renewable energy. Travelers CEEC subgroups are monitoring potential climate-related risks and opportunities that may result from the EPA’s planned repeal of the CPP.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact**Explanation of financial impact**

Costs associated with these risks may vary and are hard to predict.

Management method

As with any regulatory change, underwriting and risk control may need to adapt to address any changes in the applicable regulatory environment(s). Costs associated with managing these risks are embedded in our overall ongoing risk management process. For example, on November 7, 2017, the City of Denver, Colorado passed a Green Roof Initiative (Initiated Ordinance 300). This new ordinance requires that a certain percentage of available roof space must be covered by vegetation (green roof) or by a combination of vegetation and solar panels. Travelers Enterprise Underwriting and Risk Control groups considered the potential impact on our Travelers Construction underwriting risk appetite in Colorado as well as the potential opportunity the new ordinance could provide for marketing and sale of Travelers existing Green Building related products and related services. As this new ordinance takes effect, we are monitoring impacts to determine whether Travelers will need to develop new or modified products or services to remain competitive in Colorado.

Cost of management**Comment**

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact driver

Increased insurance premiums and potential for reduced availability of insurance on assets in “high-risk” locations

Company- specific description

The incidence and severity of catastrophes are inherently unpredictable, and it is possible that both the frequency and severity of natural and man-made catastrophic events could increase. Over the last two decades hurricane activity has impacted areas further inland than previously experienced. Additionally, both the frequency and severity of tornado and hail losses have been more volatile during the last decade. More people living in high risk areas, population growth in areas with weaker adoption and enforcement of building codes, urban expansion, average house size increases, and weather/climate variability are some potential causal factors for why catastrophe losses may have increased. Over time, Travelers has incorporated weather and climate variability into its underwriting and pricing decisions. For example, our research has included evaluation of the extent to which phases of the Atlantic Multi-Decadal Oscillation, the El Nino Southern Oscillation, the North Atlantic Oscillation and Saharan dust conditions may influence changes in basin frequency, severity, or US landfall risk of hurricanes. Our catastrophe underwriting also incorporates lessons learned over the years from events like Hurricane Katrina and Superstorm Sandy. Those lessons are reflected in our disciplined approach to terms and conditions which make outcomes more predictable; risk control initiatives, which make a difference in risk mitigation, selection, and pricing; and, proprietary flood underwriting down to the address level.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Potential financial impact

2200000000

Explanation of financial impact

Estimated losses, comprising claims and allocated claim adjustment expenses, from a single event occurring in a one-year timeframe will equal or exceed the indicated loss amounts, based on proprietary and third-party catastrophe models utilized by Travelers at December 31, 2017. For weather natural catastrophe perils, the 1-in-250 year (0.4% likelihood of exceedance) return period event loss is estimated at \$2.2 billion (net of reinsurance and federal income tax).

Management method

Management methods include underwriting and risk monitoring protocols, and using CAT models to assess the potential for catastrophe risk. We use these analyses and methods to make underwriting, pricing, and reinsurance decisions. We actively monitor and evaluate changes in third-party CAT models and, as needed, calibrate the model estimates. We consider historical loss experience, weather/climate trends, underwriting practices, market share, external scientific analysis and other factors to account for non-modeled losses to refine our proprietary view of risk. We base our business strategies, underwriting, and pricing on long-term weather trends. For example, our research has included evaluation of the extent to which phases of the Atlantic Multi-Decadal Oscillation, the El Nino Southern Oscillation, the North Atlantic Oscillation and Saharan dust conditions may influence changes in basin frequency, severity, or US landfall risk of hurricanes. Our insurance contracts are generally written on a one-year term to help mitigate our risk to any short-term, weather or climate change related impacts. Travelers has partnered with IBHS, among others, to promote resilient building codes. We provide credits for homes designated as IBHS FORTIFIED. Travelers' Claim University provides hands-on technical training to our claim staff. The cost of managing natural catastrophe risk is embedded into our risk management processes, including underwriting, reinsurance and pricing strategy.

Cost of management

0

Comment

Our underwriters, actuaries, scientists, and risk management staff are responsible for risk evaluation and pricing strategies, applying these techniques to new risks, and modifying our pricing and risk appetite as the loss history evolves.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact driver

Increased revenue through demand for lower emissions products and services

Company- specific description

State and Local regulatory requirements such as the OneNYC (GBEE - Greener, Greater Buildings Plan) drive renovation work that could lead to increased construction activity, potentially creating opportunities to grow our contractor's book of business in impacted states such as the Top 10 States for LEED – MA, NY, IL, HI, MD, MN, GA, CA, VA, CO and DC. Travelers consults with industry advocates for better building standards which can increase survivability of commercial and residential structures. Travelers' specialized Construction team provides highly skilled underwriting, customized IndustryEdge® products, and tailored programs and services to help reduce contractors' cost of risk. Our specialized construction products are filed and available in most states, providing responsive and creative solutions to a wide range of contractors; small, mid-sized and large.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Environmental legislation such as that pertaining to state and local regulatory requirements for “green” buildings could lead to an increase in demand for Travelers products that respond to customers' needs pertaining to these regulations. Growth in the renewable energy and clean technology industry segments, as a result of regulatory incentives, could result in increased sales of insurance products that serve these industries and a potential increase in Business Insurance net written premiums.

Strategy to realize opportunity

Travelers is managing the opportunity by seeking business for the products we already have in the insurance market and by working to stay in front of developments that may result in changes in our products. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to

provide insurance products and services that address our customers' needs. The production and sales of products and services that are responsive to climate and environmental trends occur in the ordinary course as part of our established business model. Our green building, renewable energy and clean technology products are filed and available in most states. Our product development teams can react quickly to adjust products to address emerging perils. These products and services are an integral part of our normal business operation. Therefore, the net additional annual cost associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact driver

Other, please specify (Shift in consumer preferences)

Company- specific description

State and local regulatory requirements for "green" buildings or other environmental initiatives could lead to expanded opportunities to market our portfolio of "green" building, renewable energy and clean technology coverage products in states with LEED requirements such as MA, NY, IL, HI, MD, MN, GA, CA, VA, CO and DC. Travelers is positioned to benefit from the increased economic activity by insuring more renewable energy and clean technology customers globally. Our Global Renewable Energy Practice consists of an expert team of professionals from businesses across the company who are dedicated to promoting our expertise and unique capabilities in the market and demonstrating our ability to provide solutions.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Environmental legislation such as OneNYC (GBEE Greener, Greater Buildings Plan) that pertains to state and local regulatory requirements for "green" buildings could lead to an increase in demand for Travelers products. Growth in the renewable energy and clean technology industry segments, as a result of regulatory requirements, could result in increased sales of insurance products that serve these industries.

Strategy to realize opportunity

Travelers' green building, renewable energy and clean technology products are filed and available in most states. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to provide insurance products and services that address our customers' needs. The production and sales of products and services that are responsive to climate and environmental trends occur in the ordinary course as part of our established business model. Our product development teams can react quickly to adjust products to address emerging perils. These products and services are an integral part of our normal business operation. Therefore, the net additional annual cost associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Type of financial impact driver

Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services)

Company- specific description

The Renewables Portfolio Standard (RPS) has been enacted in 29 states, Washington DC and (AEPS) alternative energy portfolio standard adopted by three states. In addition, eight states and one territory have set renewable energy goals that will increase the need for renewable energy products and services. Travelers' dedicated Global Renewable Energy Practice provides solutions for the life span of a renewable energy business, from Research and Development and manufacturing to permanent operations, as well as for on-shore and off-shore wind, solar and bio power operations. The Practice is designed to help the company capture a greater share of the

expanding renewable energy industry domestically and internationally, as the trends toward renewable and clean energy sources accelerate.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Potential financial impact

Explanation of financial impact

Global renewable and clean energy investments of \$333.5 billion in 2017, renewable portfolio standards being enacted in 29 US jurisdictions, and eight states setting renewable energy goals are all examples of initiatives that have helped drive the nation's \$56.4 billion investment market for on-shore and off-shore wind, solar, and other renewable energy sources.

Strategy to realize opportunity

These initiatives and investments have significantly contributed to Travelers Global Renewable Energy Practice's business units domestically and internationally by increasing the gross written premiums by 5.9% year over year in 2016-17. We continue to aggressively pursue the renewable energy sector, such as by providing coverages for commercial and residential solar installations globally and for on-shore and off-shore wind farms globally including the first US off-shore wind farm project, Block Island Wind Farm. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to provide insurance products and services that address our customers' needs. The production and sales of products that are responsive to climate and environmental trends occur in the ordinary course as part of our established business model. Our "green" building, global renewable energy and clean technology products are filed and available in most states. These products and services are an integral part of our normal business operation. Therefore, the net additional annual cost associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Type of financial impact driver

Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services)

Company- specific description

Renewable energy is in a transformation change. Over the next two decades we expect \$10.2T to be invested in new power generation capacity worldwide. Offshore wind technology opens up the opportunity to develop sites that can be built quickly, at GW (gigawatt) scale, close to key markets making offshore wind an important addition to cost-effectively decarbonize the energy sector. Global offshore wind capacity looks to reach 100 GW by 2030 as innovation continues and industry matures. Travelers is positioned to benefit from the increased economic activity by insuring more renewable energy offshore wind projects globally. Our Global Renewable Energy Practice consists of an expert team of professionals from businesses across the company who are dedicated to promoting our expertise and unique capabilities in the market and demonstrating our ability to provide solutions.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Potential financial impact

Explanation of financial impact

Global renewable and clean energy investments of \$333.5 billion in 2017, with \$56.4 billion of these investments in the US investment market for on-shore and off-shore wind, solar and other renewable energy sources. These investments could lead to an increase in demand for Travelers products.

Strategy to realize opportunity

Growth in the renewable energy and clean technology industry segments, as a result of the sustainability and reliability demand of the consumer and environmental initiatives, have significantly contributed to Travelers Global Renewable Energy Practice's business units domestically and internationally by increasing the gross written premiums by 5.9% year over year in 2016-17. We continue to aggressively pursue the renewable energy sector, such as by providing coverages for commercial and residential solar installations globally and for on-shore and off-shore wind farms globally including the first US off-shore wind farm project, Block Island Wind Farm. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to provide insurance products and services that address our customers' needs. The production and sales of products that are responsive to climate and environmental trends occur in the ordinary course as

part of our established business model. Our global renewable energy and clean technology products are filed and available in most states. These products and services are an integral part of our normal business operation. Therefore, the net additional annual cost associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp5

Where in the value chain does the opportunity occur?

Supply Chain

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Type of financial impact driver

Reputational benefits resulting in increased demand for goods/services

Company- specific description

Auto emissions regulations throughout the US may lead to an increase in production and availability of hybrid and electric vehicles (EV), which could lead to increased sales of Travelers Automobile insurance products for hybrid and EV autos. Travelers Hybrid vehicle business has increased ~ 5% year-over-year.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Legislation such as auto emissions regulations may drive a potential increase in demand, production and availability of electric vehicles (EV). The projected substantial increase in the number of EVs and 5 million charging stations by 2040 could lead to an increase in demand for Travelers products.

Strategy to realize opportunity

Travelers Hybrid Auto product is available to personal insurance customers. An increase in the number of hybrid and EVs in the marketplace could also result in increased sales of Travelers' insurance products. As an integral part of our business operations, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and more environmentally friendly trends in order to provide insurance products and services that address our customers' needs. The production and sales of products that are responsive to climate and environmental trends occur in the ordinary course as part of our established business model. Our hybrid/EV auto products are filed and available in most states. We would therefore anticipate no additional costs associated with product development, services to our customers (such as risk control) and/or marketing related to these products as it is part of our operational budget and investment.

Cost to realize opportunity

0

Comment

Identifier

Opp6

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of climate adaptation and insurance risk solutions

Type of financial impact driver

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company- specific description

Travelers provides property and casualty insurance for autos, homes, and businesses throughout the US. Evolving risks related to changing "green" and other climate trends could provide an opportunity to develop new insurance products designed to help our customers manage these risks. Our business areas, supported by the Climate, Energy, and Environment Committee, identify and assess the feasibility of new product opportunities and examine the impact of climate and "green" trends on current product offerings.

Travelers Green Home discount business has been flat year-over-year.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact

Explanation of financial impact

Potential new insurance products could result in an increase in net written premiums.

Strategy to realize opportunity

New product development is an integral part of our business operations, We monitor, assess, and respond to the risks and opportunities posed by evolving climate and “green” trends in order to provide insurance products and services that address our customer’s needs. The production and sales of products that are responsive to climate and "green" trends occur in the ordinary course as part of our established business model. Our product development teams can react quickly to adjust products to address emerging perils. These products and services are an integral part of our normal business operation. Therefore, the net additional annual cost associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp7

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Ability to diversify business activities

Type of financial impact driver

Increased revenue through new solutions to adaptation needs (e.g., insurance risk transfer products and services)

Company- specific description

Travelers Risk Control employs safety and loss prevention professionals for our Business Insurance (BI) domestic and international operations. Travelers Risk Control also operates a state of the art, fully accredited Forensic Investigation and Industrial Hygiene Laboratory. Forensic engineers provide large loss, investigative support to the Claim organization on behalf of customers, including a recently developed digital forensics and cyber practice. A team of industrial hygienists help to assess employee exposures and work toward the prevention of occupational illnesses. Climate-related events and "green" trends provide an opportunity for Travelers Risk Control department to offer and develop services to help current and potential customers mitigate the risks associated with changing climate and "green" trends.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Low

Potential financial impact**Explanation of financial impact**

Risk control services designed to help customers mitigate the risks related to changing climate and "green" trends may help strengthen relationships with existing customers and bring new customers to Travelers, resulting in a potential increase in net written premiums.

Strategy to realize opportunity

Travelers Risk Control is an innovative provider of cost-effective risk management services and products. As one of the largest Risk Control departments in the industry, our scale allows the right resource at the right time to meet customer needs. For over 110 years, Travelers Risk Control has been dedicated to helping customers reduce risk, prevent loss and save lives. Our suite of online materials and tools can help in this effort. Some of these resources include TravSourcesSM, safety and risk management resources packaged by industry or topic; Travelers Virtual Risk ManagerSM, a self-assessment tool to identify gaps in safety programs; and information about services provided by the Travelers Industrial Hygiene Laboratory. These products and services are an integral part of our normal business operation. Therefore, the net additional annual coast associated with this opportunity from the company baseline is \$0.

Cost to realize opportunity

0

Comment

Identifier

Opp8

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of supportive policy incentives

Type of financial impact driver

Reputational benefits resulting in increased demand for goods/services

Company- specific description

Demand for sustainable solutions and the continued growth in the renewable energy sector may provide an opportunity to increase sales of Travelers insurance products tailored for the renewable energy and clean technology industries. Travelers' dedicated Global Renewable Energy Practice provides solutions for the life span of a renewable energy business, from Research and Development and manufacturing to permanent operations, as well as for on-shore and off-shore wind, solar and bio power operations. The Practice is designed to help the company capture a greater share of the expanding renewable energy industry domestically and internationally, as the trends toward renewable and clean energy sources accelerates.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Potential financial impact

Explanation of financial impact

Global Renewable energy and clean technology projects, such as wind (on-shore and off-shore), solar and bio power are expected to increase significantly.

Strategy to realize opportunity

Travelers is positioned to benefit from the increased economic activity such as by providing coverages for commercial and residential solar installations globally and for on-shore and off-shore wind farms globally including wind projects in the North Seas and the first US off-shore wind farm project, Block Island Wind Farm. Our Global Renewable Energy Practice consists of an expert team of professionals from businesses across the company who are dedicated to promoting our expertise and unique capabilities in the market and demonstrating our ability to provide solutions. As an integral part of our business operations, we monitor, assess and respond to the risks and opportunities posed by sustainability trends in order to provide insurance products and services that address our customers' needs. The development and sale of products that are responsive to renewable energy and clean technology trends, and the management of production and profitability of these products occur in the ordinary course as part of our established business model. Our global renewable energy and clean technology products are filed and available in most states and globally. This cost is embedded in our overall operational budget and investments as they are standard coverages already provided to our customers.

Cost to realize opportunity

0

Comment

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted for some suppliers, facilities, or product lines	The global renewable and clean energy investments of \$333.5 billion in 2017, renewable portfolio standards being enacted in 29 US jurisdictions, and eight states setting renewable energy goals are all examples of initiatives that have helped drive the nation's \$56.4 billion investment market for on-shore and off-shore wind, solar, and other renewable energy sources. In 2014, Travelers launched the Global Renewable Energy Practice providing coverage products such as our SolarPak®, WindPak® and Lloyds Syndicate 5000 in order to effectively manage the growing multinational demand for renewable energy products and services. Travelers continues to aggressively pursue opportunities in the renewable energy sector, such as by providing coverages for commercial and residential solar installations globally and for on-shore and off-shore wind farms globally including off-shore wind projects in the North Seas and the first US off-shore wind farm project, Block Island Wind Farm. Travelers continues to establish a flexible, complex and unified set of standards for the global renewable energy market opportunities. These initiatives and investments have significantly contributed to Travelers Global Renewable Energy Practice's business units domestically and internationally by increasing the gross written premiums by 5.9% year over year in 2016-17.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	With respect to Opportunity #4 (Hybrid and Electric vehicles), legislation such as auto emissions regulations may drive a potential increase in demand, production and availability of electric vehicles (EV). The projected substantial increase in the number of EVs by 2040 could lead to an increase in demand for Travelers products. Travelers Hybrid Auto product is available to personal insurance customers and our hybrid auto products are filed and available in most states. An increase in the number of hybrid and EVs in the marketplace could also result in increased sales of Travelers' insurance product. Travelers Hybrid vehicle business has increased ~ 5% year-over-year.
Adaptation and mitigation activities	Impacted	Travelers sponsors the Insurance Institute for Business and Home Safety (IBHS), the BuildStrong Coalition, Habitat for Humanity, and the Wharton Risk Center to promote stronger and more resilient building codes and influence industry standards and best practices. Travelers is an executive committee board member of IBHS, an independent, non-profit, scientific research organization supported by property insurance and reinsurance companies. Completed in 2010, IBHS is a full scale research testing facility capable of producing wind speeds up to 130 mph, rainfall rates up to 8 inches per hour, hail impact testing via ice cannons, and flying ember testing for wildfire risk and mitigation. Better science, testing, and understanding leads to improved building codes and standards. The IBHS FORTIFIED building code standards were developed based on full scale performance testing in the laboratory. At Travelers, mitigation credits are available for homes designated as FORTIFIED by IBHS. Travelers is an executive committee board member of the BuildStrong Coalition, composed of national business and consumer organizations, companies, and emergency management officials. BuildStrong is dedicated to advocating the federal government to legislate and incentivize state adoption and enforcement of building codes to protect property, save lives from the devastation of natural disasters, and reduce loss costs. The Disaster Recovery Reform Act, passed in 2018, incentivizes states to invest in resiliency to qualify for federal cost-share increases of post-disaster funds. Widespread adoption and enforcement of building codes strengthen the Federal Emergency Management Agency's (FEMA) goal of better equipping cities to prepare, prevent, respond to, and recover from natural disasters. A 2017 National Institute of Building Sciences' study concluded that for every \$1 spent on hazard mitigation \$6 is saved on future disaster costs while \$4 is saved by investing in hazard mitigation measures designed to exceed select building code requirements. Travelers provides extensive prepare and prevent resources to the general public (https://www.travelers.com/resources/weather) in conjunction with real-time weather alerts, bulletins, and mitigation tips to

	Impact	Description
		clients prior to and during events. Adaptation and mitigation activities have a meaningful impact on our business and business strategy.
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Travelers invests in research and development to better understand product design and pricing in order to mitigate losses. • Travelers developed a portal (Home Central) for consumers to evaluate and mitigate their risk. • Travelers actively monitors and evaluates changes in third-party catastrophe risk models and, when necessary, calibrates its catastrophe model estimates. Travelers considers historical loss experience, weather/climate trends, underwriting practices, market share analyses, external scientific analysis and various other factors to account for non-modeled losses to refine our proprietary view of catastrophe risk. • Travelers is invested in geospatial technology and capabilities in an effort to better understand and quantify spatial trends or changes in natural catastrophe risk. • Travelers is a key sponsor of the Insurance Institute for Business and Home Safety (IBHS) to understand and quantify the impact of building codes and standards on loss. Over the last decade, IBHS has identified gaps through full-scale laboratory testing at their state-of-the-art facility and influenced changes to existing building code standards and best practices to mitigate potential losses. • Travelers is a key sponsor of the Wharton Risk Management and Decision Processing Center where researching more effective ways to communicate risk and mitigate loss is a key focus. In addition, improving decision-making in the presence of uncertainty and engaging decision-makers in designing effective risk management policies are additional focus areas. • Artificial intelligence (AI) is a tool which has many potential applications to insurance and risk management. We are committed to and invested in better understanding AI and how it can be applied to our business. Investment in Research and Development has a high impact on our business and business strategy.
Operations	Impacted	Weather has a high impact on our operations. Travelers Claim University was developed as part of our strategic management of and response to catastrophic events as well as non-weather related extreme events. Our Catastrophe response objectives are to control the financial risk and create an exceptional customer service experience in a dynamic catastrophic environment. We accomplish our objectives through the use of our own employees, without dependency upon third party claim handling resources outside of Travelers. Our employees understand our business culture and customer service values. Our strategy is to use our collective knowledge and expertise in a collaborative way in responding to our customers at a time they need us the most. The National Catastrophe Response Center (CAT Center) is the foundation for our Catastrophe Response. It functions as the command and control center coordinating our response with Field Operations. Coordination of those strategies is managed from the Catastrophe Operations Management Center (COM Center) room within the CAT Center. The Field Catastrophe Team is considered the first responder during an event, and its claim professionals are strategically located in teams across the country. This group understands the challenges involved with working in disaster areas and are on call to be deployed anywhere in the country within hours. The Field CAT organization includes 27 teams of dedicated staff, skilled to handle high frequency and high severity events 365 days a year. Field Operations consists of 18 claim centers across the country (19 across North America) that have a critical role in our Catastrophe Response. The impacted claim center owns the catastrophe response. Claim centers not directly impacted by the event contribute resources to the impacted claim center(s). Each claim center has a Catastrophe Plan to facilitate its effective response to an event. The Enterprise Response Team (ERT) is a business strategy that engages the core values and skills of the entire Enterprise population in response to catastrophic events. We do not rely on external third party claim handling resources to manage excess volume, as our customers choose Travelers for their insurance needs. During a catastrophic event in their lives, our customers deserve the values and commitment to superior customer service that our employees embody.

	Impact	Description
Other, please specify	Please select	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	Weather has a high impact on our financial results. Travelers business starts with risk selection, underwriting and pricing segmentation, and our results in 2017 reflected the continued successful execution of our underwriting strategies. As discussed in our 2018 Proxy Statement, our after-tax “underlying underwriting margin” (which is our “underwriting margin” excluding the impact of catastrophes and net favorable prior year reserve development) remained strong in 2017 and was consistent with 2016, while net income and underwriting gain decreased from 2016 primarily due to the severe catastrophes. The percentage of core income generated by underwriting in 2017 demonstrates the high quality of our earnings in 2017, as well as the remarkable success we have had in the execution of our marketplace strategies over time. Importantly, in a year impacted by a high level of non-catastrophe weather and fire-related losses, a decade of historically low interest rates, and several years of pricing below loss cost inflation, our underlying underwriting profitability continued to be strong, demonstrating the power of our franchise and the strength of our core business. The results we deliver are due to Travelers deliberate and consistent approach to creating shareholder value. While our results for 2017 were down as compared to 2016 due primarily to the increased level of catastrophes, it is important to recognize that our consistently articulated objective is to produce an appropriate return on equity for our shareholders over time. We emphasize that the objective is measured over time because we recognize that weather, reserve developments and interest rates, among a number of other factors, impact our results materially from year-to-year.
Operating costs	Impacted	As discussed above, weather has a high impact on Travelers financial results. Travelers continually monitors its investment in claim resources to maintain an effective focus on claim outcomes and a disciplined approach to continual improvement. In recent years, the Company has invested significant additional resources in many of its claim-handling operations, including the utilization of drone technology, and routinely monitors the effect of those investments to ensure a consistent optimization among outcomes, cost and service. Travelers Claim University was developed as part of our strategic management of and response to catastrophic events as well as non-weather related extreme events. Our Catastrophe response objectives are to control the financial risk and create an exceptional customer service experience in a dynamic catastrophic environment. We accomplish our objectives through the use of our own employees, without dependency upon third party claim handling resources outside of Travelers. Our employees understand our business culture and customer service values. Our strategy is to use our collective knowledge and expertise in a collaborative way in responding to our customers at a time they need us the most.
Capital expenditures / capital allocation	Impacted	Weather has a high impact on Travelers capital expenditures and capital allocation. We heavily invest in natural catastrophe risk models and other risk assessment tools which require considerable licensing, information technology (IT), and staffing costs. On an annual basis, we monitor changes in catastrophe model output on our book of business, changes in the state-of-the-science, and weather and non-weather loss trends as part of the natural catastrophe planning process by business unit and by peril.

	Relevance	Description
Acquisitions and divestments	Not yet impacted	Travelers had no climate-related acquisitions or divestments in 2017.
Access to capital	Impacted	Weather can have a meaningful impact on Travelers access to capital. Travelers utilizes a corporate catastrophe excess-of-loss reinsurance treaty with unaffiliated reinsurers to manage its exposure to losses resulting from catastrophes and to protect its capital. In addition to the coverage provided under this treaty, Travelers also utilizes catastrophe bonds to protect against certain weather-related losses in the Northeastern United States, and a Northeast catastrophe reinsurance treaty to protect against losses resulting from weather-related catastrophes in the Northeastern United States.
Assets	Impacted	Weather can have a meaningful impact on Travelers assets. As a result of weather-related catastrophes, for example, Travelers often pays claims under the insurance policies it has written for its policyholders. This may create a reinsurance recoverable under Travelers' catastrophe reinsurance policies. In 2017, Travelers reinsurance recoverables totaled \$8.309 billion (a portion of which related to catastrophes).
Liabilities	Impacted	Weather can have a meaningful impact on Travelers liabilities. As a result of weather events, Travelers often incurs losses under the insurance policies it has written for its policyholders. These losses comprise part of Travelers loss reserves. In 2017, Travelers total loss reserves were \$49.7 billion.
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

As previously described, we have dedicated committees that identify, assess and mitigate climate related risks and opportunities as part of our ERM process. Additionally, we continue to analyze our impacts on the environment and work to minimize negative implications. This is accomplished utilizing an environmental management system that is based upon a continuous analysis of our

operations to determine how they could be made more efficient and how we could lessen our environmental impacts. Some of the key elements of our environmental management system include: periodic recommissionings of facilities; evaluating emerging technologies and their potential use in our facilities; partnering with power and other utility providers to review our operations and, when available, utilizing their incentive programs to help fund our improvements; utilizing technology to fine tune the operations parameters; and with respect to waste, minimizing and recycling as much waste as possible. To help measure our progress for continual improvements in efficiency, all Travelers-owned facilities go through an annual Energy Star recertification process. As a result of our successes in reducing our carbon we modified our reduction goal to a 40% reduction by 2020. In 2017, we spent considerable time changing our data collection and tracking process and vendors involved as well as putting in place the methodology to report for the first time on Scope 3 Business Travel.

C3.1d

(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios	Details
Other, please specify (Company developed scenario)	We start with an evaluation of our real estate footprint and operational efficiency opportunities to reduce cost. We then assess the real estate portfolio and planned initiatives and opportunities for enhancement. We conduct an ongoing evaluation of alternative energy options and how they could be implemented in our operations. Finally we evaluate potential changes to energy regulations and those impacts on our costs and operations. Most recent impacts of scenario analysis have been to modify our reduction goal and to make the decision to continue to purchase steam and chilled water for the next five years from our market provider in Hartford, CT in lieu of building our own operating plant.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

% reduction from base year

40

Base year

2011

Start year

2011

Base year emissions covered by target (metric tons CO₂e)

84603

Target year

2020

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% achieved (emissions)

88

Target status

New

Please explain

This is the third goal established by Travelers. The first goal was a reduction of 7% through 2011 based on a 2006 base year. The company surpassed that goal and set a new one of 4% through 2020 based on a 2011 base year. We have now increased it to a 40% reduction by 2020 with the same 2011 base year.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	0	0
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Activity type

Energy efficiency: Building fabric

Description of activity

Maintenance program

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Maintenance targeting windows and roofs to reduce energy loss. Total amount spent by site is not measured and will have varied lifetime and payback depending on specific building and action.

Activity type

Energy efficiency: Building services

Description of activity

Building Controls

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Programming adjustments to building control systems and conversion to digital controls in an older facility. Total amount spent by site is not measured and will have varied lifetime and payback depending on specific building and action.

Activity type

Energy efficiency: Building services

Description of activity

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Continued upgrading of lights to LED working with local utility companies for incentives when available. Total amount spent by site is not measured and will have varied lifetime and payback depending on specific building and any incentives for that specific project.

Activity type

Energy efficiency: Processes

Description of activity

Process Optimization

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Ongoing upgrading of IT equipment in data centers to more energy efficient operations. Total amount spent by site is not measured and will have varied lifetime and payback depending on which equipment is changed in that specific data center.

Activity type

Process emissions reductions

Description of activity

New Equipment

Estimated annual CO2e savings (metric tonnes CO2e)

0

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in CC0.4)

0

Investment required (unit currency – as specified in CC0.4)

0

Payback period

Please select

Estimated lifetime of the initiative

Please select

Comment

Partnering with car manufacturing companies to continue transition of fleet to more efficient vehicles/engines upon replacement.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal finance mechanisms	After making sure we are in compliance with all regulatory requirements/standards, individual projects are reviewed based upon a number of factors, including overall impact on future operating costs, future carbon counts, potential for overall building deterioration if delayed, and the relationship to other capital investments. We do not separately track the costs and returns of these types of projects from all of the others designed to maintain and improve our ongoing operations. For example, if a project benefits us in the reduction area but also produces a business operating efficiency we don't try to allocate some of the savings to one initiative and some to another.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO₂e)

37436

Comment

Scope 2 (location-based)

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO₂e)

47167

Comment

Scope 2 (market-based)

Base year start

January 1 2011

Base year end

December 31 2011

Base year emissions (metric tons CO₂e)

47167

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Row 1

Gross global Scope 1 emissions (metric tons CO₂e)

26640

End-year of reporting period

<Field Hidden>

Comment

Row 2

Gross global Scope 1 emissions (metric tons CO₂e)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

Row 3

Gross global Scope 1 emissions (metric tons CO₂e)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

Row 4

Gross global Scope 1 emissions (metric tons CO₂e)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Row 1

Scope 2, location-based

28250

Scope 2, market-based (if applicable)

28250

End-year of reporting period

<Field Hidden>

Comment

Row 2

Scope 2, location-based

<Field Hidden>

Scope 2, market-based (if applicable)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

Row 3

Scope 2, location-based

<Field Hidden>

Scope 2, market-based (if applicable)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

Row 4

Scope 2, location-based

<Field Hidden>

Scope 2, market-based (if applicable)

<Field Hidden>

End-year of reporting period

<Field Hidden>

Comment

<Field Hidden>

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

We own a small facility in London that is not included in our reporting.

Relevance of Scope 1 emissions from this source

Emissions are not evaluated

Relevance of location-based Scope 2 emissions from this source

Emissions are not evaluated

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not evaluated

Explain why the source is excluded

Small international component has not been a part of our reporting due to small impact.

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not evaluated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Not evaluating at this time

Capital goods

Evaluation status

Not evaluated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Not evaluating at this time

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Do not engage in any Scope 3 fuel and energy related activities

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

As an insurance company we do not distribute any goods upstream

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

We do not calculate at this time

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

18175

Emissions calculation methodology

Miles traveled for air, rail, and rental cars are provided by travel providers. All miles are then multiplied by the emissions factors provided in table 8 of the EPA Emission Factors for Greenhouse Gas Inventories.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

We do not calculate at this time

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Any emissions emitted from upstream leased assets would be captured in our scope 1 and 2 emissions

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

The only downstream transportation and distribution would be in the form of policies and information regarding their policies or best practices in avoiding risk. We encourage as much of this distribution as possible to take place electronically.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

There are no physical products other than policy materials mentioned above

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

There are no physical products other than policy materials mentioned above

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

There are no physical products other than policy materials mentioned above

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

There are no physical products other than policy materials mentioned above

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Travelers has no franchises

Investments

Evaluation status

Not evaluated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

We do not calculate at this time

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

None

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

0

Emissions calculation methodology

N/A

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

None

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00000189

Metric numerator (Gross global combined Scope 1 and 2 emissions)

54890

Metric denominator

unit total revenue

Metric denominator: Unit total

28902000000

Scope 2 figure used

Location-based

% change from previous year

14.48

Direction of change

Decreased

Reason for change

All of the emissions reduction activities mentioned above such as LED lighting conversions, building automation upgrades and programming adjustments and fleet car program efficiencies as well as company revenue increase.

Intensity figure

1.83

Metric numerator (Gross global combined Scope 1 and 2 emissions)

54890

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

30000

Scope 2 figure used

Location-based

% change from previous year

10.53

Direction of change

Decreased

Reason for change

All of the emissions reduction activities mentioned above such as LED lighting conversions, building automation upgrades and programming adjustments and fleet car program efficiencies.

C7. Emissions breakdowns**C7.1**

(C7.1) Does your organization have greenhouse gas emissions other than carbon dioxide?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CH4	21	IPCC Second Assessment Report (SAR - 100 year)
N2O	112	IPCC Second Assessment Report (SAR - 100 year)
CO2	26507	IPCC Second Assessment Report (SAR - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	26640

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Mobile combustion	25405
Office Activity	1235

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United States of America	28250	28250	78211	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Office Activity	28250	28250

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Field Hidden>		
Other emissions reduction activities	6461	Decreased	10.53	Scope 1 & scope 2 in 2016 were 61,351 - this was reduced to 54,890 in 2017 for a difference of 6461.
Divestment		<Field Hidden>		
Acquisitions		<Field Hidden>		
Mergers		<Field Hidden>		
Change in output		<Field Hidden>		
Change in methodology		<Field Hidden>		
Change in boundary		<Field Hidden>		
Change in physical operating conditions		<Field Hidden>		
Unidentified		<Field Hidden>		

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Other		<Field Hidden>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	109342	109342
Consumption of purchased or acquired electricity	<Field Hidden>	8469	46746	55215
Consumption of purchased or acquired heat	<Field Hidden>	0	2312	2312
Consumption of purchased or acquired steam	<Field Hidden>	0	8797	8797
Consumption of purchased or acquired cooling	<Field Hidden>	0	11888	11888
Consumption of self-generated non-fuel renewable energy	<Field Hidden>	0	<Field Hidden>	0
Total energy consumption	<Field Hidden>	8469	179084	187553

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Aviation Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

18831

MWh fuel consumed for the self-generation of electricity

<Field Hidden>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Field Hidden>

MWh fuel consumed for self-generation of cooling

<Field Hidden>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

1228

MWh fuel consumed for the self-generation of electricity

<Field Hidden>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Field Hidden>

MWh fuel consumed for self-generation of cooling

<Field Hidden>

MWh fuel consumed for self- cogeneration or self-trigeneration

1228

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

4842

MWh fuel consumed for the self-generation of electricity

<Field Hidden>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Field Hidden>

MWh fuel consumed for self-generation of cooling

<Field Hidden>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

Fuels (excluding feedstocks)

Fuel Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

84441

MWh fuel consumed for the self-generation of electricity

<Field Hidden>

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Field Hidden>

MWh fuel consumed for self-generation of cooling

<Field Hidden>

MWh fuel consumed for self- cogeneration or self-trigeneration

0

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Acetylene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Agricultural Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Alternative Kiln Fuel (Wastes)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Animal Fat

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Animal/Bone Meal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Anthracite Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Asphalt

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Aviation Gasoline

Emission factor

9.75

Unit

kg CO2 per gallon

Emission factor source

EPA eGRID 2016

Comment

Bagasse

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Bamboo

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Basic Oxygen Furnace Gas (LD Gas)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biodiesel

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biodiesel Tallow

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biodiesel Waste Cooking Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Bioethanol

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biogas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biogasoline

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biomass Municipal Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Biomethane

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Bitumen

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Bituminous Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Black Liquor

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Blast Furnace Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Brown Coal Briquettes (BKB)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Burning Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Butane

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Butylene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Charcoal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Coal Tar

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Coke

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Coke Oven Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Coking Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Compressed Natural Gas (CNG)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Condensate

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Crude Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Crude Oil Extra Heavy

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

**Crude Oil Heavy
Emission factor**

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

**Crude Oil Light
Emission factor**

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Diesel

Emission factor

10.21

Unit

kg CO2 per gallon

Emission factor source

EPA eGRID 2016

Comment

Distillate Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Dried Sewage Sludge

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Ethane

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Ethylene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Fuel Gas

Emission factor

8.78

Unit

kg CO2 per gallon

Emission factor source

EPA eGRID 2016

Comment

Fuel Oil Number 1

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Fuel Oil Number 2

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Fuel Oil Number 4

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Fuel Oil Number 5

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Fuel Oil Number 6

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Gas Coke

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Gas Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Gas Works Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

GCI Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

General Municipal Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Grass

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Hardwood

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Heavy Gas Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Hydrogen

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Industrial Wastes

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Isobutane

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Isobutylene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Jet Gasoline

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Jet Kerosene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Kerosene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Landfill Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Light Distillate

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Lignite Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Liquefied Natural Gas (LNG)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Liquefied Petroleum Gas (LPG)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Liquid Biofuel

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Lubricants

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Marine Fuel Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Marine Gas Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Metallurgical Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Methane

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Motor Gasoline

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Naphtha

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Natural Gas

Emission factor

53.06

Unit

kg CO2 per million Btu

Emission factor source

EPA eGRID 2016

Comment

Natural Gas Liquids (NGL)

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Natural Gasoline

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Non-Biomass Municipal Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Non-Biomass Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Oil Sands

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Oil Shale

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Orimulsion

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Other Petroleum Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Paraffin Waxes

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Patent Fuel

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

PCI Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Peat

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Pentanes Plus

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Petrochemical Feedstocks

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Petrol

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Petroleum Coke

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Petroleum Products

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Pitch

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Plastics

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Primary Solid Biomass

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Propane Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Propane Liquid

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Propylene

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Refinery Feedstocks

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Refinery Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Refinery Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Residual Fuel Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Road Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

SBP

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Shale Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Sludge Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Softwood

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Solid Biomass Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Special Naphtha

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Still Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Straw

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Subbituminous Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Sulphite Lyes

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Tar

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Tar Sands

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Thermal Coal

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Thermal Coal Commercial

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Thermal Coal Domestic

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Thermal Coal Industrial

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Tires

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Town Gas

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Unfinished Oils

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Vegetable Oil

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Waste Oils

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Waste Paper and Card

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Waste Plastics

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Waste Tires

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

White Spirit

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Wood

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Wood Chips

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Wood Logs

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Wood Pellets

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Wood Waste

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

Other

Emission factor

<Field Hidden>

Unit

<Field Hidden>

Emission factor source

<Field Hidden>

Comment

<Field Hidden>

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1228	1228	0	0
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

Low-carbon technology type

<Field Hidden>

MWh consumed associated with low-carbon electricity, heat, steam or cooling

<Field Hidden>

Emission factor (in units of metric tons CO2e per MWh)

<Field Hidden>

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Travelers Verification Statement 2017 Final.pdf](#)

Page/ section reference

2 page document attached

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Travelers Verification Statement 2017 Final.pdf](#)

Page/ section reference

2 page document attached

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

[Travelers Verification Statement 2017 Final.pdf](#)

Page/section reference

2 page document attached

Relevant standard

ISO14064-3

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

Climate change is integrated into supplier evaluation processes

% of suppliers by number

20

% total procurement spend (direct and indirect)

25

% Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

Program focuses on vendors that are known to have an environmental impact.

Impact of engagement, including measures of success

We utilize the responses in our evaluation and selection of suppliers. Thereafter, the suppliers are held to requirements of law per contracts and our supplier code of conduct.

Comment

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

We meet with other companies and trade associations (i.e. BOMA, IFMA, and CoreNet Global) on strategies that others have used and the successes they have been able to achieve that we may be able to apply. In some cases these best practices have been

implemented to our operations such as building automation setting adjustments (i.e. how far ahead of the workday pumps and motors turn on to begin cooling or heating buildings and when they turn off for the day).

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

Funding research organizations

Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (National Flood Insurance Program Re-Auth)	Support	Travelers partners with industry trade groups and academic institutions in developing sound principles for NFIP re-authorization. The Travelers Government Relations team and business leaders directly engage with members of Congress and the Administration on proposed legislation.	Various Bills have been proposed in the House and Senate. Travelers supports principles that include: multi-year re-authorization, mitigation grants to consumers, improved flood maps, greater transparency to consumers, long term program solvency and improvements to the claim settlement process.
Other, please specify (The Discovery Recovery Reform Act)	Support	Travelers serves on the Executive Committee of the BuildStrong Coalition, a leading advocacy organization comprised of insurers, consumer organizations, contractors, manufacturers, and emergency management officials dedicated to promoting a nation-wide mitigation and resiliency program along with the adoption of building codes. The Coalition successfully advocated for inclusion of The Disaster Recovery Reform Act, as part of supplemental disaster recovery aid legislation passed in 2018. The provision adjusts the federal cost share reimbursement from 75 percent to as high as 85 percent by incentivizing states to invest in resiliency through the adoption of mitigation plans, adoption and enforcement of building codes, participation in the community rating system, and among other things, funding mitigation projects that reduce risk and exposure.	With the passage of the Act, the Coalition, along with Travelers, is now providing suggestions to FEMA in order to issue guidance on how to weight measures and investments in mitigation based on actuarial assessments. Travelers strongly supports reforms that mitigate risk and strengthen the resiliency of communities in the face of natural disasters. Stronger building codes and resiliency plans enable families to benefit by protecting their property and loved ones, while reducing personal disaster costs and by helping citizens and businesses recover more quickly after a natural disaster.

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Adaptation or resilience	Support	Travelers supports, on a direct and indirect basis, the concept of rate adequacy and risk based pricing across states, including coastal states and in particular those that maintain state sponsored insurance entities, e.g., windpool, fairplan and residual markets. Through our participation with these state-sponsored insurance entities, we support associated measures around risk based pricing, including discounts for wind mitigation. In addition, we support the windpools mitigation grant pilot programs that have been developed in South Carolina and Alabama.	Support concept of risk-based and actuarially sound rates so these markets stay true to their respective charters to serve as a market of last resort for insureds. Advocate reducing the potential for the US taxpayer to bear the brunt of inadequate capitalization of these markets by encouraging review and action related to market solvency.
Other, please specify (Travelers Coastal Wind Zone Plan)	Support	Travelers' proposal to improve the availability and affordability of catastrophic wind coverage in communities along the Gulf and Atlantic coasts. This initiative promotes risk mitigation strategies such as better building codes and prudent land use planning, and advocates for rating transparency and a consistent regulatory environment to address the insurance availability crisis in vulnerable coastal areas.	To advance the principles of the Travelers Coastal Wind Zone Plan and to raise awareness of the need to address the threats posed to coastal areas, the Travelers Institute has convened coastal risk symposia series over the past few years. These policy discussions were conducted in collaboration with organizations such as Ceres and The Insurance Institute for Business and Home Safety, and brought together business, government, and community leaders to identify strategies and solutions to protect and insure hurricane prone coastal regions.
Other, please specify (Trav Institute sm/med business advocacy)	Support	The Travelers Institute convenes small and medium-sized business leaders, public policymakers, and industry experts across the country to examine solutions to the challenges facing small businesses today, with particular focus on business continuity planning and cybersecurity.	To help small and medium-sized businesses thrive, panel discussions raise awareness around business risks and promote education about business continuity planning and disaster preparedness to help companies assess and reduce business vulnerability and increase resilience against natural events. Recent events have featured notable speakers from the U.S. Department of Homeland Security, the FBI, Federal Reserve Banks and the U.S. Small Business Administration, the National Association of Women Business Owners, the Women's Business Development Council, and Insurance Commissioners.
Other, please specify (Community Resilience - Award)	Support	To promote excellence in building resilient communities in the United States, the Travelers Foundation, in collaboration with the Travelers Institute, has created an annual Excellence in Community Resilience Award of \$100,000 to raise awareness about disaster preparedness and promising practices for response and recovery after major events. Applicants' initiatives demonstrate leadership in addressing safety, community resiliency, and/or financial threats related to	We continuing to be a constructive participant in the public policy dialogue on these important issues facing our industry, customers, agents, and brokers, and the community at large, assisting with public awareness of the need for public planning. The award is presented each year at the Travelers Institute's Kicking Off Hurricane Preparedness Season symposium. In 2018, Smart Home America, a nonprofit that promotes the use

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
		catastrophic events. In addition, programs take into consideration the varying needs of all residents of the geographic region.	of stronger construction methods, improved building codes and policies that create resilient communities, was honored.
Other, please specify (Community Resilience - Symposium)	Support	An annual “Kicking Off Hurricane Preparedness Season” symposium offers consumers and businesses preparedness tips for hurricane season. The 2018 symposium was held at the Federal Reserve Bank of Dallas Houston Branch and featured the Branch’s senior vice president sharing lessons learned from their response to Hurricane Harvey.	The Kicking Off Hurricane Preparedness Season symposium features expert speakers who explore how local governments, businesses and families can prepare for and recover from severe weather. Speakers share practical tips and encourage preparedness, just before the start of the Atlantic hurricane season. Past events have also been held on Capitol Hill and at the American Museum of Natural History in New York, as part of the Nature’s Fury exhibit.
Other, please specify (Team Rubicon)	Support	In 2016, Travelers began a three-year commitment as the exclusive insurance sponsor of Team Rubicon's Mobile Training Center, a new disaster response outreach program. Team Rubicon, a nonprofit organization, unites the skills and experiences of military veterans with first responders to rapidly deploy emergency response teams after disasters, all while providing veterans with a new sense of purpose, community and identity.	\$1 million grant provided to Team Rubicon to fund its Mobile Engagement Team. The Mobile Training Center will travel across the U.S. to provide large-scale training events, recruit volunteers and establish relationships with state and local emergency management agencies. Team Rubicon was the first annual recipient of Travelers’ Excellence in Community Resilience Award in 2015.
Other, please specify (CT DEP Advisory Panel- Resilient Building)	Support	Continuing participation as an advisory panel member on development of a Property Assessed Resilient Building (PARB) long-term finance mechanism to assist homeowners with flood mitigation and loss control measures.	Travelers continues to participate in initiatives that are intended to proactively provide the public with the benefit of improved community resiliency before a natural disaster occurs. The increased resiliency from wind and flood loss control mechanisms installed before an extreme weather event serve to reduce disaster recovery costs and protect lives.
Other, please specify (CT Inst Resilience & Climate Adaptation)	Support	The Connecticut Institute for Resilience and Climate Adaptation (CIRCA) is a partnership of the University of Connecticut and the Connecticut Department of Energy and Environmental Protection. The mission of CIRCA is to assist Connecticut towns and cities to adapt to a changing climate and to enhance the resilience of their infrastructure. Travelers is a key member of the CIRCA Executive Steering Committee and is involved in the CIRCA Matching Funds Program.	As a member of the CIRCA Executive Steering Committee, including the CIRCA Matching Funds Program, Travelers is involved with CIRCA’s consideration of requests from Connecticut municipalities, institutions, universities, foundations, and other non-governmental organizations for matching funds for projects that address the mission of CIRCA. The priority areas of the CIRCA Matching Funds Program are those that involve collaboration with CIRCA to address at least one of the following priority areas: (i) Improve scientific understanding of the changing climate system and its local and regional impacts on coastal and inland floodplain communities; (ii) Develop and deploy natural science, engineering, legal,

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
			financial, and policy best practices for climate resilience; (iii) Undertake or oversee pilot projects designed to improve resilience and sustainability of the natural and built environment along Connecticut’s coast and inland waterways; (iv) Create a climate literate public that understands its vulnerabilities to a changing climate and which uses that knowledge to make scientifically informed, environmentally sound decisions; (v) Foster resilient actions and sustainable communities – particularly along the Connecticut coastline and inland waterways – that can adapt to the impacts and hazards of climate change; and (vi) Reduce the loss of life and property, natural system and ecological damage, and social disruption from high impact events.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

BuildStrong Coalition

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

BuildStrong Coalition is a leading advocacy organization comprised of insurers, consumer organizations, contractors, manufacturers, and emergency management officials dedicated to promoting a nation-wide mitigation and resiliency program along with the adoption of building codes. BuildStrong is dedicated to advocating the federal government to legislate and incentivize state adoption and enforcement of building codes to protect property, save lives from the devastation of natural disasters, and reduce loss costs. The Coalition successfully advocated for inclusion of The Disaster Recovery Reform Act, as part of supplemental disaster recovery aid legislation passed in 2018. The provision adjusts the federal cost share reimbursement from 75 percent to as high as 85 percent by incentivizing states to invest in resiliency through the adoption of mitigation plans, adoption and enforcement of building codes, participation in the community rating system, and among other things, funding mitigation projects that reduce risk and exposure.

How have you, or are you attempting to, influence the position?

Travelers strongly supports reforms that mitigate risk and strengthen the resiliency of communities in the face of natural disasters. Stronger building codes and resiliency plans enable families to benefit by protecting their property and loved ones, while reducing personal disaster costs and by helping citizens and businesses recover more quickly after a natural disaster. Travelers serves on the Executive Committee of the BuildStrong Coalition. With the passage of the Act, the Coalition, along with Travelers, is now providing suggestions to FEMA in order to issue guidance on how to weight measures and investments in mitigation based on actuarial assessments. Travelers strongly supports reforms that mitigate risk and strengthen the resiliency of communities in the face of natural disasters. Stronger building codes and resiliency plans enable families to benefit by protecting their property and loved ones, while reducing personal disaster costs and by helping citizens and businesses recover more quickly after a natural disaster.

Trade association

Multiple

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association’s position

Travelers is a member of, and active participant in, numerous trade associations. We join trade associations and similar organizations for a number of reasons, including to further our commercial interests, educate our employees or enhance our ability to serve customers. Trade associations operate independently and, as is often the case with a trade association, we do not necessarily agree with every position it takes. In addition, we do not necessarily take a public position on all matters in which a trade association is involved.

How have you, or are you attempting to, influence the position?

For example, with respect to the National Flood Insurance Program (NFIP) Re-authorization, Travelers supports principles that include: multi-year re-authorization, mitigation grants to consumers, improved flood maps, greater transparency to consumers, long term program solvency and improvements to the claim settlement process. Travelers partners with industry trade groups and academic institutions in developing sound principles for the NFIP Re-Authorization.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

The Travelers Institute leads the company's participation in public policy dialogue. The Institute draws upon the industry expertise of Travelers' senior management and the technical expertise of the company's risk professionals and other experts to provide information, analysis, and recommendations to policymakers and regulators. The Institute is led by a senior level executive and member of the company's Management Committee. In addition to the aforementioned Travelers Coastal Wind Zone Plan initiative, the Kicking Off Hurricane Preparedness Season symposium and the Travelers Institute Small Business – Big Opportunity® series, the Institute hosts a consumer insurance education series, Insurance Essentials: Your Questions Answered, to help raise awareness of extreme weather and offer guidance on mitigating associated risks. Through a symposium series as well as an educational Insurance Guide, updated in 2016 and available in print and online, the Institute promotes education among consumers on how insurance works so they may prepare and protect what is most important in the event of extreme weather. (PDF file of the Insurance Guide attached in Further Information Section below.)

Travelers works with a number of external organizations around building stronger, more resilient homes and businesses, advocating for stronger building codes to support risk mitigation and reduced loss costs. These organizations include:

- Building Science: Insurance Institute for Business and Home Safety- One of a kind research lab researching construction techniques to reduce loss costs for residential and commercial risks
- Habitat For Humanity – Fortified Homes in Coastal Communities
- Building Code Advocacy: BuildStrong Coalition- Public policy advocate of stronger building codes with consistent minimum statewide codes predicated on the position that stronger codes lead to more resilient homes and businesses and reduced loss costs.

Travelers Risk Control Services We also help policyholders to reduce losses caused by severe weather events through the following Risk Control Services.

- Travelers Risk Control division provides on-site risk management services for many of our customers and makes recommendations to assist them with their loss prevention and mitigation strategies, including those related to severe weather and natural hazards.
- Travelers Risk Control division also manages an interactive website available to Travelers customers. The website provides a wide variety of information and resources to help reduce losses, including those caused by severe weather and natural hazards. Topics include Business Continuity Risk Management and Natural Hazards Awareness, and the website provides guides for preparation, protection, response, and recovery.
- In addition, our Risk Control division conducts workshops and webinars designed to provide useful information to assist customers with loss mitigation strategies and techniques including those related to severe weather and natural hazards.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

As an integral part of both our short-term and long-term strategies, we monitor, assess, and respond to the risks and opportunities posed by evolving climate and “green” trends to provide insurance products and services that address our customers’ needs and to price these products and services at levels that will allow us to achieve appropriate financial returns. Responsibility for executing our strategies related to climate and the environment continues to reside primarily in the business and corporate areas where there is applicable authority, expertise, and execution capability. The enterprise Climate, Energy, and the Environment Committee (CEEC)

facilitates coordination and supports the various climate-related initiatives and strategies across the enterprise. This cross-functional committee is a venue for sharing information and leveraging expertise across the organization. The CEEC is segmented into sub-groups aligned with four key areas of focus. 1. Risk Identification and Management: Supports business area activities related to identifying, monitoring, and assessing climate-related risks. The sub-committee includes representatives from the Enterprise Risk Management group, the Emerging Issues group, the Enterprise Catastrophe Strategy and Analysis group, the Investment group, Government Relations, Risk Control, Claim, and Enterprise Underwriting. 2. Products, Market Development, and Customer Services: Supports activities across the enterprise related to the identification and development of new products, exploration of potential new markets, and expansion of service opportunities that help our customers prepare for and respond to the potential risks related to potential changing climate and “green” trends. This sub-committee includes representatives from Business Insurance Underwriting and Product, Enterprise Underwriting, Risk Control, Claim, the Travelers Renewable Energy and Clean Technology Practice group, and all business units. 3. External Relations, Communications, and Industry Leadership: Supports the work of Travelers external-facing groups on matters pertaining to climate, energy, and the environment. This sub-committee includes representatives from the Travelers Institute, Government Relations, Corporate Communications, Enterprise Catastrophe Strategy and Analysis, Enterprise Underwriting, Risk Control, Community Relations, and Investor Relations. Note that Travelers is a member of, and active participant in, numerous trade associations. We join trade associations and similar organizations for a number of reasons, including to further our commercial interests, educate our employees, or enhance our ability to serve customers. Trade associations operate independently and, as is often the case with a trade association, we do not necessarily agree with every position it takes. In addition, we do not necessarily take a public position on all matters in which a trade association is involved. 4. Facilities and Operations Management: Coordinates Travelers initiatives and activities related to developing and implementing environmentally responsible corporate practices across the enterprise, including establishing and implementing emission reduction practices and monitoring progress in achieving emission reduction goals .

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In other regulatory filings

Status

Complete

Attach the document

[Annual Report 2017.pdf](#)

Content elements

Governance

Strategy
Risks & opportunities

Publication

In other regulatory filings

Status

Underway – previous year attached

Attach the document

[NAIC Climate Response - Reporting Year 2016.pdf](#)

Content elements

Governance

Strategy

Risks & opportunities

Emission targets

Publication

In voluntary communications

Status

Complete

Attach the document

[Travelers Environmental & Sustainability & Corporate Citizenship.PDF](#)

Content elements

Governance

Risks & opportunities

Other, please specify (encourage sustainable consumers)

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Vice Chairman & Chief Legal Officer	Other C-Suite Officer