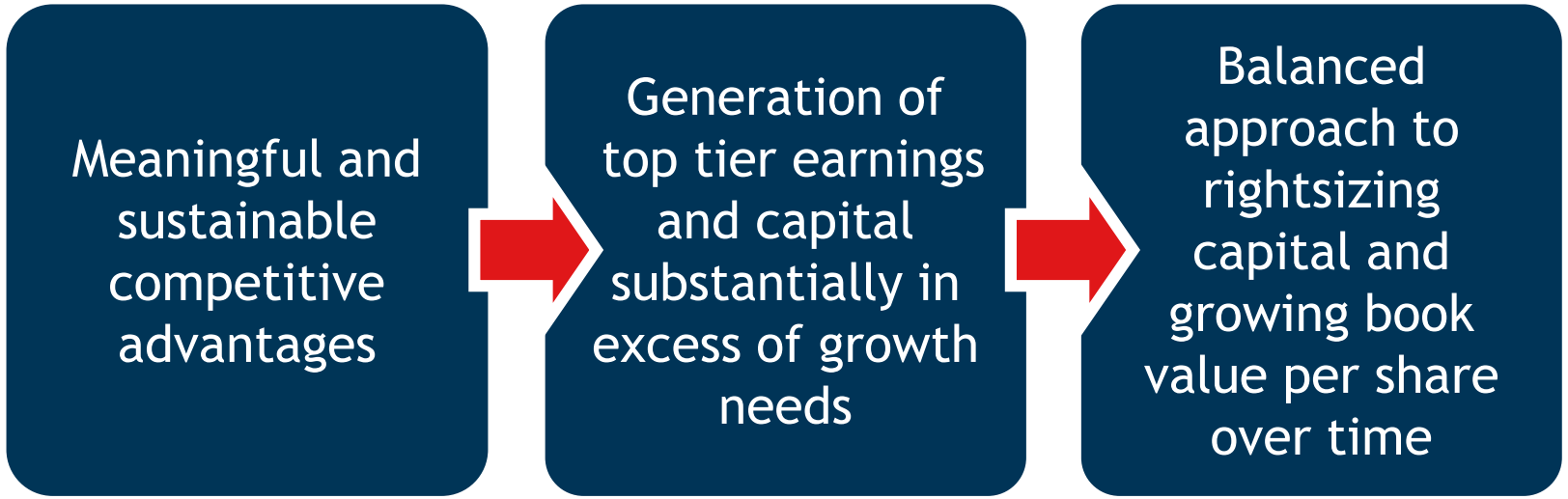
Third Quarter 2020 Results

October 20, 2020

TRAVELERS

Long-Term Financial Strategy



CREATE SHAREHOLDER VALUE

Objective: Mid-Teens Core ROE ***Over Time***

Third Quarter 2020 Overview

Travelers Reports Third Quarter 2020 Net Income per Diluted Share of $3.23 and Core Income per Diluted Share of $3.12, Both Up Substantially from Prior Year Quarter

Third Quarter Return on Equity of 12.1% and Core Return on Equity of 13.5%

- Third quarter net income of $827 million and core income of $798 million.
- Consolidated combined ratio improved 6.6 points to a strong 94.9%; underlying combined ratio improved 2.6 points to a strong 91.5%.
- Net favorable prior year reserve development included the previously announced $403 million pre-tax of PG&E subrogation recoveries.
- Catastrophe losses of $397 million pre-tax compared to $241 million pre-tax in the prior year quarter.
- Net written premiums of $7.771 billion, up 3% compared to the prior year quarter.
- Strong renewal rate change in all three segments, including record renewal rate change in Business Insurance and Bond & Specialty Insurance.
- Capital returned to shareholders of $218 million; no share repurchases in the current quarter. Year-to-date capital returned to shareholders of $1.117 billion, including $471 million of share repurchases.
- Book value per share of $109.94, up 8% from year-end 2019; adjusted book value per share of $94.89, up 2% from year-end 2019.
- Board of Directors declares regular quarterly cash dividend of $0.85 per share.

Consolidated Performance

($ in millions, except per share amounts, after-tax, except for premiums)

	THIRD QUARTER			YEAR-TO-DATE		
	2020	2019	Change	2020	2019	Change
Core income	**$ 798**	**$ 378**	**111 %**	**$ 1,424**	**$ 1,670**	**(15) %**
per diluted share	*$ 3.12*	*$ 1.43*	*118 %*	*$ 5.56*	*$ 6.29*	*(12) %*
Included the following items:						
Net favorable (unfavorable) prior year reserve development	$ 113	$ (232)		$ 135	$ (92)	
Catastrophes, net of reinsurance	(314)	(190)		(1,250)	(632)	
Total items	**$ (201)**	**$ (422)**		**$ (1,115)**	**$ (724)**	
Loss and loss adjustment ratio	65.6 %	72.0 %		67.8 %	68.1 %	
Underwriting expense ratio	29.3	29.5		30.1	29.8	
Combined ratio [1]	**94.9 %**	**101.5 %**	**6.6 pts**	**97.9 %**	**97.9 %**	**- pts**
Net favorable (unfavorable) prior year reserve development	1.9	(4.1)		0.8	(0.6)	
Catastrophes, net of reinsurance	(5.3)	(3.3)		(7.3)	(3.8)	
Underlying combined ratio	**91.5 %**	**94.1 %**	**2.6 pts**	**91.4 %**	**93.5 %**	**2.1 pts**
Net Written Premiums	**$ 7,771**	**$ 7,569**	**3 %**	**$ 22,463**	**$ 22,076**	**2 %**
Change in total net written premiums excluding the impact of premium refunds provided to personal automobile customers in response to COVID-19 and related economic conditions			**3 %**			**3 %**

[1] A favorable impact to the combined ratio is indicated as a positive item, and an unfavorable impact is indicated as a negative item.

Very Strong Financial Position

($ and shares in millions, except per share amounts)

	September 30, 2020	December 31, 2019
Debt	$ 7,050	$ 6,558
Common equity [1]	24,037	23,697
Total capital [1]	$ 31,087	$ 30,255
Debt-to-capital [1]	22.7%	21.7%
Common shares outstanding	253.3	255.5
Book value per common share	$ 109.94	$ 101.55
Adjusted book value per common share [1]	$ 94.89	$ 92.76
Tangible book value per common share [1, 2]	$ 78.28	$ 76.17
Statutory capital and surplus	$ 21,230	$ 21,330
Holding company liquidity	$ 2,281	$ 1,433

Capital

- At or above target levels for all rating agencies.
- No share repurchases in 3Q 2020.
- Dividends in the third quarter were $218 million.

Leverage

- Debt-to-capital ratio[1] of 22.7% comfortably within target range.
- Low level of maturing debt over the next five years.
  - 2020 - $500 million (pre-funded in 2Q 2020)
  - 2021 through 2025 – None

Very high quality investment portfolio

- Fixed maturities average weighted quality Aa2, AA.
- Fixed maturities at or above investment grade 98%.

Strong independent ratings

	A.M Best	Moody's	S&P	Fitch
Claims Paying - Travelers Reinsurance Pool	A++ (1st of 16)	Aa2 (3rd of 21)	AA (3rd of 21)	AA (3rd of 21)
Senior Debt	a+ (5th of 22)	A2 (6th of 21)	A (6th of 22)	A (6th of 22)
Commercial Paper	AMB-1+ (1st of 5)	P-1 (1st of 4)	A-1 (2nd of 10)	F1 (2nd of 8)

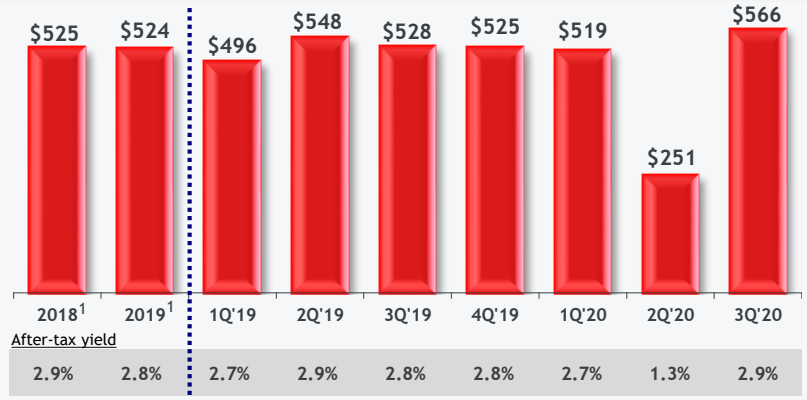
[1] Excludes net unrealized investment gains (losses), net of tax, included in shareholders' equity

[2] Excludes the after-tax value of goodwill and other intangible assets

Combined Net Investment Income - After-tax

($ in millions)

TOTAL

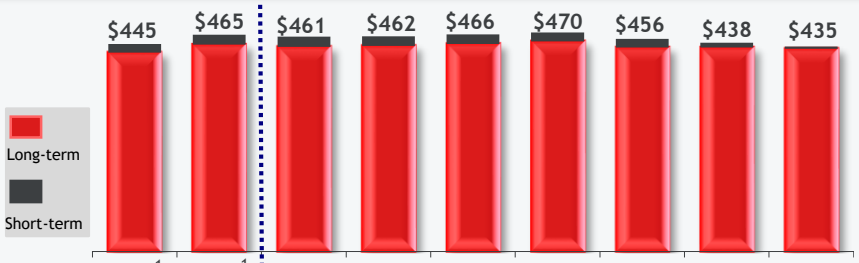


After-tax yield									
	2.9%	2.8%	2.7%	2.9%	2.8%	2.8%	2.7%	1.3%	2.9%

Third Quarter 2020 vs 2019 Commentary

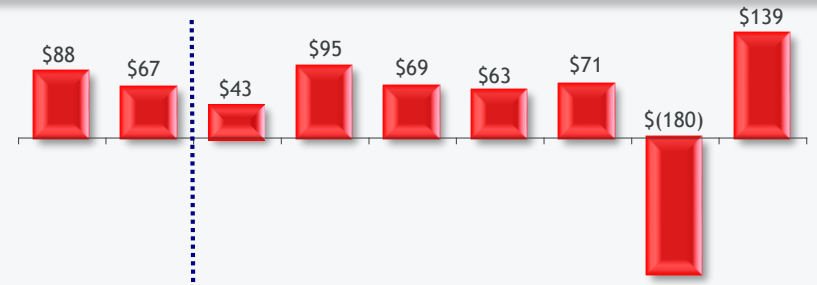
- Net investment income (NII) from the long-term fixed income portfolio decreased due to lower interest rates, partially offset by an increase in average investments
- NII from the short-term fixed income portfolio decreased due to lower interest rates
- NII from the non-fixed income portfolio increased due to higher private equity partnership and hedge fund returns and reflects second quarter recoveries in global financial markets following the first quarter market disruption associated with COVID-19 (non-fixed income returns are generally reported on a one-quarter lagged basis)

FIXED INCOME[2]



After-tax yield									
Total	2.6%	2.7%	2.7%	2.7%	2.7%	2.7%	2.6%	2.4%	2.4%
Short-term	1.8%	2.0%	2.3%	2.3%	2.1%	1.7%	1.5%	0.8%	0.3%
Long-term	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.6%	2.6%	2.6%

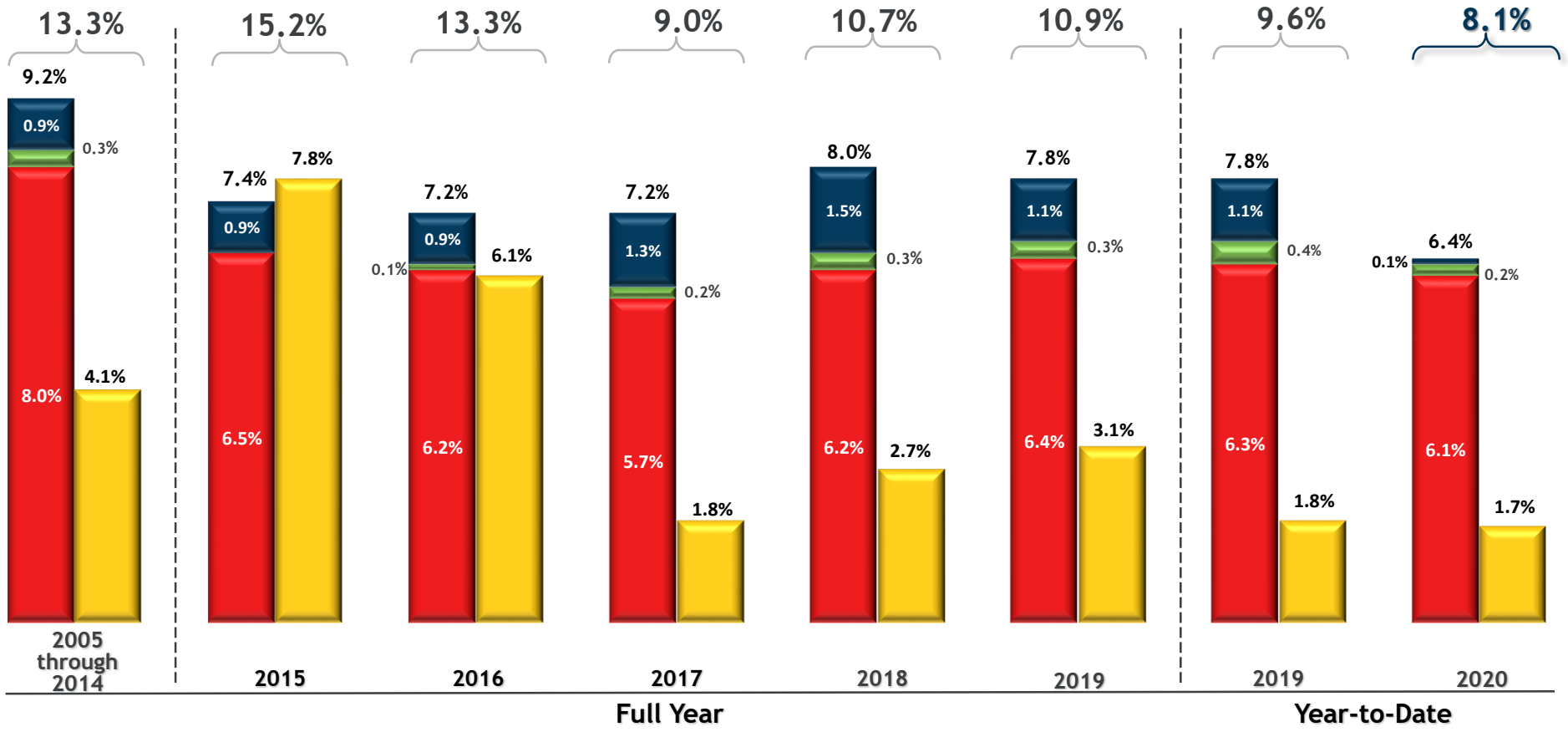
NON-FIXED INCOME[2]



After-tax yield									
	6.7%	5.2%	3.3%	7.3%	5.4%	4.9%	5.5%	(14.3%)	11.2%

[1] 2018 and 2019 data represent quarterly average
[2] Excludes investment expenses

Components of Core Return on Equity



- Long-term fixed net investment portfolio investment income less holding company interest expense
- Short-term fixed net investment portfolio investment income
- Non-fixed net investment portfolio investment income
- Underwriting gain and other

From Jan. 1, 2005 through September 30, 2020, TRV's average annual core ROE was approximately 12.6%

Business Insurance Performance

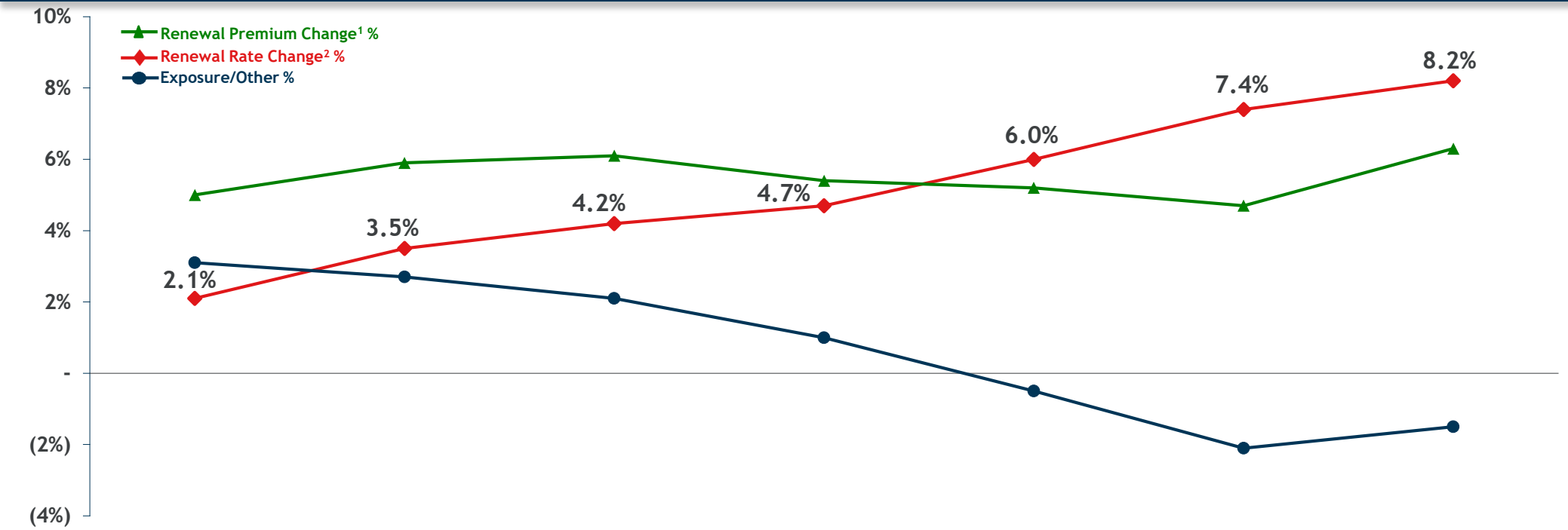
($ in millions)

	THIRD QUARTER			YEAR-TO-DATE		
	2020	2019	Change	2020	2019	Change
Segment income	**$ 365**	**$ 179**	**104 %**	**$ 596**	**$ 944**	**(37) %**
Loss and loss adjustment ratio	71.8 %	76.6 %		72.8 %	71.3 %	
Underwriting expense ratio	30.5	30.4		31.0	30.8	
Combined ratio [1]	**102.3 %**	**107.0 %**	**4.7 pts**	**103.8 %**	**102.1 %**	**(1.7) pts**
Net unfavorable prior year reserve development	(5.8)	(8.1)		(1.9)	(2.3)	
Catastrophes, net of reinsurance	(2.5)	(3.0)		(5.8)	(3.7)	
Underlying combined ratio	**94.0 %**	**95.9 %**	**1.9 pts**	**96.1 %**	**96.1 %**	**- pts**
Net written premiums						
Domestic						
Select Accounts	$ 658	$ 695	(5) %	$ 2,191	$ 2,236	(2) %
Middle Market	2,131	2,150	(1)	6,499	6,569	(1)
National Accounts	239	273	(12)	755	800	(6)
National Property and Other	602	553	9	1,615	1,528	6
Total Domestic	3,630	3,671	(1)	11,060	11,133	(1)
International	203	218	(7)	740	793	(7)
Total Business Insurance	**$ 3,833**	**$ 3,889**	**(1) %**	**$ 11,800**	**$ 11,926**	**(1) %**

[1] A favorable impact to the combined ratio is indicated as a positive item, and an unfavorable impact is indicated as a negative item.

Domestic Business Insurance (Ex. National Accounts)

ILLUSTRATIVE BUSINESS STATISTICS

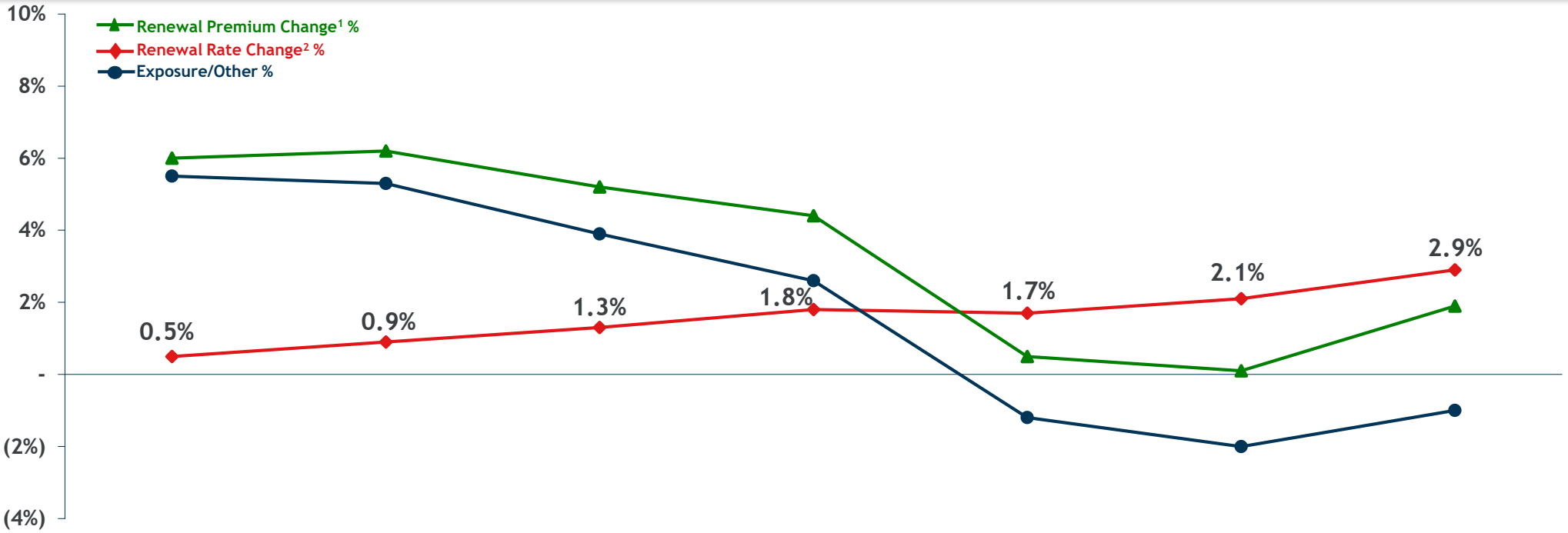


($ in millions)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
Retention	86%	85%	84%	84%	84%	83%	83%
Renewal premium change[1]	5.0%	5.9%	6.1%	5.4%	5.2%	4.7%	6.3%
New business	$574	$528	$556	$473	$504	$475	$505

[1] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.
[2] Represents the estimated change in average premium on policies that renew, excluding exposure changes.
Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Domestic Business Insurance: Select Accounts

ILLUSTRATIVE BUSINESS STATISTICS

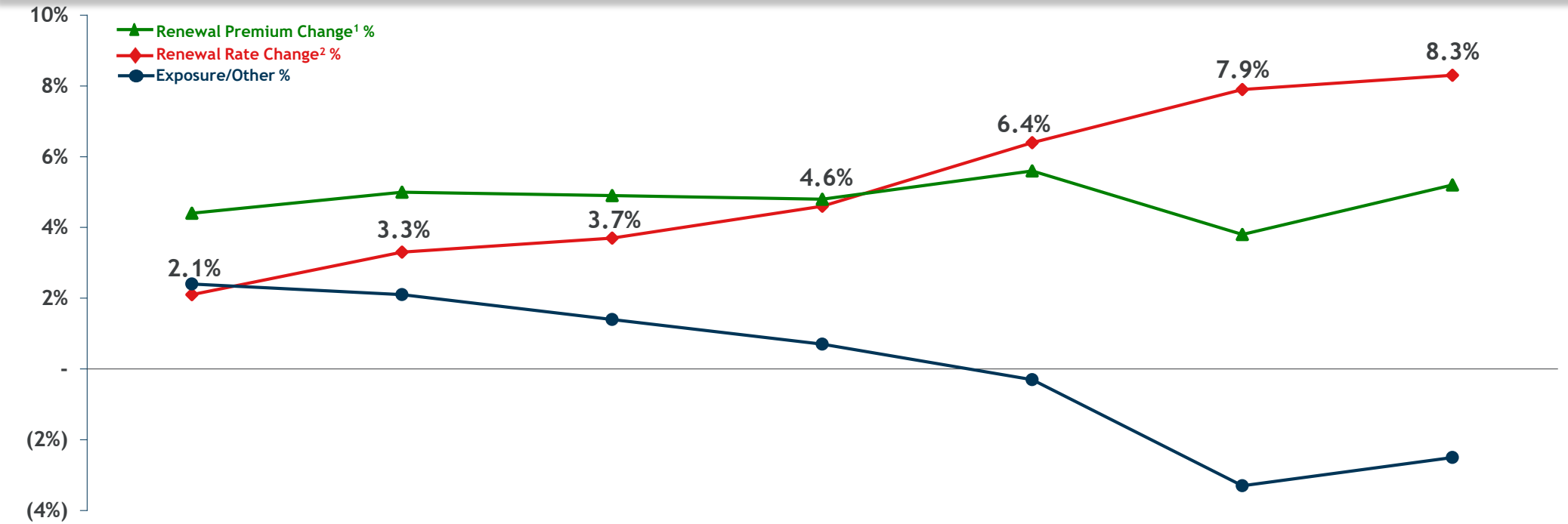


($ in millions)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
Retention	83%	82%	82%	82%	82%	83%	80%
Renewal premium change[1]	6.0%	6.2%	5.2%	4.4%	0.5%	0.1%	1.9%
New business	$127	$120	$106	$101	$116	$93	$85

[1] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.
[2] Represents the estimated change in average premium on policies that renew, excluding exposure changes.
Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Domestic Business Insurance: Middle Market

ILLUSTRATIVE BUSINESS STATISTICS



($ in millions)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20
Retention	87%	87%	86%	86%	86%	85%	85%
Renewal premium change[1]	4.4%	5.0%	4.9%	4.8%	5.6%	3.8%	5.2%
New business	$344	$274	$306	$276	$278	$254	$280

[1] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.
[2] Represents the estimated change in average premium on policies that renew, excluding exposure changes.
Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Bond & Specialty Insurance Performance

($ in millions)

	THIRD QUARTER			YEAR-TO-DATE		
	2020	2019	Change	2020	2019	Change
Segment income	**$ 115**	**$ 139**	**(17) %**	**$ 309**	**$ 451**	**(31) %**
Loss and loss adjustment ratio	54.0 %	45.7 %		53.6 %	42.2 %	
Underwriting expense ratio	35.3	37.6		36.1	37.6	
Combined ratio [1]	**89.3 %**	**83.3 %**	**(6.0) pts**	**89.7 %**	**79.8 %**	**(9.9) pts**
Net favorable (unfavorable) prior year reserve development	-	0.5		(1.5)	2.3	
Catastrophes, net of reinsurance	(0.3)	(0.2)		(0.5)	(0.2)	
Underlying combined ratio	**89.0 %**	**83.6 %**	**(5.4) pts**	**87.7 %**	**81.9 %**	**(5.8) pts**
Net written premiums						
Domestic						
Management Liability	$ 467	$ 424	10 %	$ 1,306	$ 1,194	9 %
Surety	208	232	(10)	643	660	(3)
Total Domestic	675	656	3	1,949	1,854	5
International	79	72	10	202	171	18
Total Bond & Specialty Insurance	**$ 754**	**$ 728**	**4 %**	**$ 2,151**	**$ 2,025**	**6 %**

[1] A favorable impact to the combined ratio is indicated as a positive item, and an unfavorable impact is indicated as a negative item.

Domestic Bond & Specialty Insurance

($ in millions)

ILLUSTRATIVE BUSINESS STATISTICS

	2019				2020		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Management Liability [1]							
Retention	89%	90%	90%	89%	89%	89%	**90%**
Renewal premium change [2]	4.3%	5.0%	5.8%	6.9%	7.4%	8.0%	**8.1%**
New business	$55	$65	$68	$62	$57	$51	**$54**

[1] Domestic only, excludes surety and other products that are generally sold on a non-recurring, project specific basis.
[2] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.
Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Personal Insurance Performance

($ in millions)

	THIRD QUARTER			YEAR-TO-DATE		
	2020	2019	Change	2020	2019	Change
Segment income	**$ 392**	**$ 131**	**199 %**	**$ 738**	**$ 497**	**48 %**
Loss and loss adjustment ratio	60.0 %	71.8 %		64.5 %	69.8 %	
Underwriting expense ratio	26.4	26.2		27.2	26.4	
Combined ratio [1]	**86.4 %**	**98.0 %**	**11.6 pts**	**91.7 %**	**96.2 %**	**4.5 pts**
Net favorable prior year reserve development	12.8	0.7		5.2	1.3	
Catastrophes, net of reinsurance	(10.5)	(4.7)		(11.3)	(4.9)	
Underlying combined ratio	**88.7 %**	**94.0 %**	**5.3 pts**	**85.6 %**	**92.6 %**	**7.0 pts**
Net written premiums						
Domestic						
Agency [2]						
Automobile	$ 1,402	$ 1,347	4 %	$ 3,803	$ 3,871	(2) %
Homeowners and Other	1,482	1,300	14	3,891	3,395	15
Total Agency	2,884	2,647	9	7,694	7,266	6
Direct to Consumer	124	115	8	326	313	4
Total Domestic	3,008	2,762	9	8,020	7,579	6
International	176	190	(7)	492	546	(10)
Total Personal Insurance	**$ 3,184**	**$ 2,952**	**8 %**	**$ 8,512**	**$ 8,125**	**5 %**
Change in total net written premiums excluding the impact of premium refunds provided to personal automobile customers in response to COVID-19 and related economic conditions			**8 %**			**7 %**

[1] A favorable impact to the combined ratio is indicated as a positive item, and an unfavorable impact is indicated as a negative item.
[2] Represents business sold through agents, brokers and other intermediaries and excludes direct to consumer and international.

Domestic Personal Insurance Performance

	THIRD QUARTER			YEAR-TO-DATE		
	2020	2019	Change	2020	2019	Change
Agency Automobile [1]						
Loss and loss adjustment ratio	56.4 %	70.1 %		60.0 %	68.8 %	
Underwriting expense ratio	23.4	22.9		24.8	23.4	
Combined ratio [2]	**79.8 %**	**93.0 %**	**13.2 pts**	**84.8 %**	**92.2 %**	**7.4 pts**
Net favorable prior year reserve development	1.6	0.5		1.1	1.6	
Catastrophes, net of reinsurance	(0.4)	(0.8)		(1.1)	(1.0)	
Underlying combined ratio	**81.0 %**	**92.7 %**	**11.7 pts**	**84.8 %**	**92.8 %**	**8.0 pts**
Agency Homeowners and Other [1]						
Loss and loss adjustment ratio	64.5 %	73.6 %		68.7 %	70.0 %	
Underwriting expense ratio	28.3	28.4		28.4	28.4	
Combined ratio [2]	**92.8 %**	**102.0 %**	**9.2 pts**	**97.1 %**	**98.4 %**	**1.3 pts**
Net favorable prior year reserve development	27.2	1.4		10.4	1.7	
Catastrophes, net of reinsurance	(23.6)	(9.9)		(23.0)	(10.3)	
Underlying combined ratio	**96.4 %**	**93.5 %**	**(2.9) pts**	**84.5 %**	**89.8 %**	**5.3 pts**

[1] Represents business sold through agents, brokers and other intermediaries, and excludes direct to consumer and international.
[2] A favorable impact to the combined ratio is indicated as a positive item and an unfavorable impact is indicated as a negative item.

Domestic Personal Insurance

($ in millions)

ILLUSTRATIVE BUSINESS STATISTICS

	2019				2020		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Agency Automobile [1]							
Retention [2]	84%	84%	84%	84%	85%	85%	**84%**
Renewal premium change [3]	5.5%	4.8%	3.7%	3.1%	2.4%	1.7%	**1.4%**
Policies in force (in thousands)	2,516	2,517	2,524	2,532	2,540	2,570	**2,596**
• Sequential quarter growth	-%	-%	-%	-%	-%	1%	**1%**
• Year over year growth	-%	-%	-%	1%	1%	2%	**3%**
New business	$206	$217	$236	$224	$227	$233	**$257**
Agency Homeowners and Other [1]							
Retention [2]	86%	86%	85%	86%	86%	87%	**86%**
Renewal premium change [3]	5.1%	6.5%	6.7%	7.2%	7.5%	7.6%	**8.2%**
Policies in force (in thousands)	4,726	4,825	4,927	5,016	5,111	5,255	**5,365**
• Sequential quarter growth	2%	2%	2%	2%	2%	3%	**2%**
• Year over year growth	6%	7%	7%	8%	8%	9%	**9%**
New business	$163	$215	$237	$219	$212	$252	**$288**

[1] Represents business sold through agents, brokers and other intermediaries, and excludes direct to consumer and international.

[2] The ratio of expected number of renewal policies that will be retained throughout the annual policy period to the number of available renewal base policies.

[3] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.

Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Total International Insurance

($ in millions)

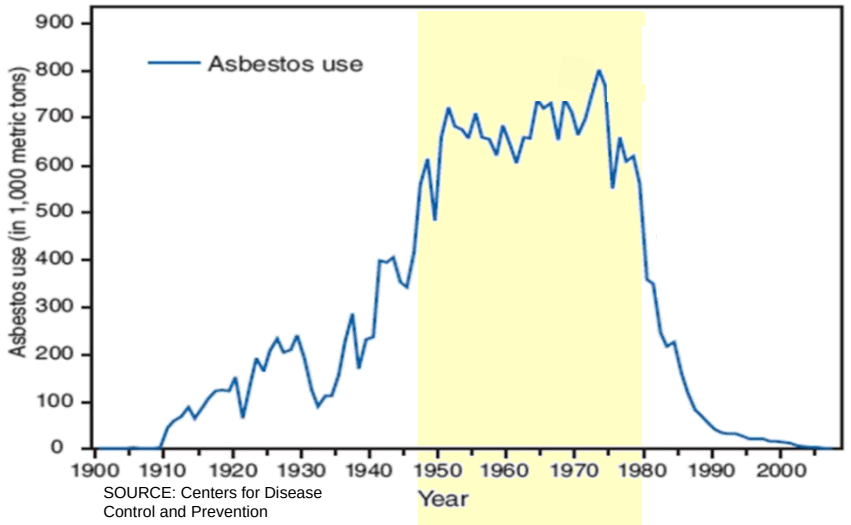
ILLUSTRATIVE BUSINESS STATISTICS

	2019				2020		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q
International [1]							
Retention	80%	80%	79%	77%	71%	79%	**79%**
Renewal premium change [2]	7.3%	5.7%	5.0%	6.0%	8.1%	7.6%	**7.3%**
New business	$96	$90	$71	$80	$72	$81	**$65**

[1] Excludes surety and other products that are generally sold on a non-recurring, project specific basis.
[2] Represents the estimated change in average premium on policies that renew, including rate and exposure changes.
Note: Statistics are in part dependent on the use of estimates and are therefore subject to change.

Appendix

Asbestos Usage & Mesothelioma Mortality



SOURCE: Centers for Disease Control and Prevention

- Asbestos usage peaked in mid-to-late 1970s.
- Annual deaths from Mesothelioma have decreased by 5.7% from 2010 to 2018, with a more pronounced decrease in younger groups.
- The data are consistent with the Company's view that mortality associated with asbestos exposure will decline over time.

	85 & Over	75-84	65-74	55-64	45-54	44 & Under	TOTAL
2010	375	981	762	325	95	36	2,574
2011	437	990	748	329	112	35	2,651
2012	469	970	751	360	97	39	2,686
2013	437	891	717	326	100	26	2,497
2014	456	950	758	302	89	44	2,599
2015	473	860	701	255	81	34	2,404
2016	485	885	739	299	74	26	2,508
2017	500	974	782	291	71	33	2,651
2018	490	911	682	239	72	32	2,426
2018 vs. 2010	30.7%	-7.1%	-10.5%	-26.5%	-24.2%	-11.1%	-5.7%
2018 vs. 2017	-2.0%	-6.5%	-12.8%	-17.9%	1.4%	-3.0%	-8.5%

Mesothelioma Deaths by Calendar Year and Age

SOURCE: Centers for Disease Control and Prevention - *Underlying Cause of Death-Detail Mortality ICD-10 code C45-Mesothelioma* – Most recently available US mortality data is for 2018, and was made available in February 2020

Explanatory Note

This presentation contains, and management may make, certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Words such as "may," "will," "should," "likely," "anticipates," "expects," "intends," "plans," "projects," "believes," "views," "estimates" and similar expressions are used to identify these forward-looking statements. These statements include, among other things, the Company's statements about:

- the Company's outlook and its future results of operations and financial condition (including, among other things, anticipated premium volume, premium rates, renewal premium changes, underwriting margins and underlying underwriting margins, net and core income, investment income and performance, loss costs, return on equity, core return on equity and expected current returns, and combined ratios and underlying combined ratios);
- the impact of COVID-19 and related economic conditions, including the potential impact on the Company's investments;
- the impact of legislative or regulatory actions or court decisions taken in response to COVID-19;
- share repurchase plans;
- future pension plan contributions;
- the sufficiency of the Company's asbestos and other reserves;
- the impact of emerging claims issues as well as other insurance and non-insurance litigation;
- the cost and availability of reinsurance coverage;
- catastrophe losses;
- the impact of investment (including changes in interest rates), economic (including inflation, changes in tax law, changes in commodity prices and fluctuations in foreign currency exchange rates) and underwriting market conditions;
- strategic and operational initiatives to improve profitability and competitiveness;
- the Company's competitive advantages;
- new product offerings;
- the impact of new or potential regulations imposed or to be imposed by the United States or other nations, including tariffs or other barriers to international trade; and
- the impact of developments in the tort environment, such as increased attorney involvement in insurance claims and legislation allowing victims of sexual abuse to file or proceed with claims that otherwise would have been time-barred.

The Company cautions investors that such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Company's control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Some of the factors that could cause actual results to differ include, but are not limited to, the following:

- high levels of catastrophe losses, including as a result of factors such as increased concentrations of insured exposures in catastrophe-prone areas, could materially and adversely affect the Company's results of operations, its financial position and/or liquidity, and could adversely impact the Company's ratings, the Company's ability to raise capital and the availability and cost of reinsurance;
- if actual claims exceed the Company's claims and claim adjustment expense reserves, or if changes in the estimated level of claims and claim adjustment expense reserves are necessary, including as a result of, among other things, changes in the legal/tort, regulatory and economic environments in which the Company operates or the impacts of COVID-19, the Company's financial results could be materially and adversely affected;
- the impact of COVID-19 and related risks, including on the Company's distribution or other key partners, could materially affect the Company's results of operations, financial position and/or liquidity;
- during or following a period of financial market disruption or an economic downturn, such as the current environment, the Company's business could be materially and adversely affected;
- the Company's investment portfolio is subject to credit and interest rate risk, and may suffer reduced or low returns or material realized or unrealized losses, particularly in the current environment;
- the intense competition that the Company faces, and the impact of innovation, technological change and changing customer preferences on the insurance industry and the markets in which it operates, could harm its ability to maintain or increase its business volumes and its profitability;
- the Company's business could be harmed because of its potential exposure to asbestos and environmental claims and related litigation;
- disruptions to the Company's relationships with its independent agents and brokers or the Company's inability to manage effectively a changing distribution landscape could adversely affect the Company;
- the Company is exposed to, and may face adverse developments involving, mass tort claims such as those relating to exposure to potentially harmful products or substances;
- the effects of emerging claim and coverage issues on the Company's business are uncertain, and court decisions or legislative or regulatory changes that take place after the Company issues its policies, including those taken in response to COVID-19 (such as effectively expanding workers' compensation coverage by instituting presumptions of compensability of claims for certain types of workers or requiring insurers to cover business interruption claims irrespective of terms, exclusions or other conditions included in the policies that would otherwise preclude coverage), can result in an unexpected increase in the number of claims and have a material adverse impact on the Company's results of operations;
- the Company may not be able to collect all amounts due to it from reinsurers, reinsurance coverage may not be available to the Company in the future at commercially reasonable rates or at all and the Company is exposed to credit risk related to its structured settlements;
- the Company is exposed to credit risk in certain of its insurance operations and with respect to certain guarantee or indemnification arrangements that it has with third parties, which risk is heightened in the current environment;
- within the United States, the Company's businesses are heavily regulated by the states in which it conducts business, including licensing, market conduct and financial supervision, and changes in regulation or regulatory actions (including those taken in response to COVID-19) may reduce the Company's profitability and limit its growth;
- a downgrade in the Company's claims-paying and financial strength ratings could adversely impact the Company's business volumes, adversely impact the Company's ability to access the capital markets and increase the Company's borrowing costs;
- the inability of the Company's insurance subsidiaries to pay dividends to the Company's holding company in sufficient amounts would harm the Company's ability to meet its obligations, pay future shareholder dividends and/or make future share repurchases;
- the Company's efforts to develop new products, expand in targeted markets or improve business processes and workflows may not be successful and may create enhanced risks;
- the Company may be adversely affected if its pricing and capital models provide materially different indications than actual results;
- the Company's business success and profitability depend, in part, on effective information technology systems and on continuing to develop and implement improvements in technology, particularly as its business processes become more digital;
- if the Company experiences difficulties with technology, data and network security (including as a result of cyber attacks), outsourcing relationships or cloud-based technology, the Company's ability to conduct its business could be negatively impacted. This risk is heightened in the current environment where a majority of the Company's employees have shifted to a work from home arrangement;
- the Company is also subject to a number of additional risks associated with its business outside the United States, such as foreign currency exchange fluctuations (including with respect to the valuation of the Company's foreign investments and interests in joint ventures) and restrictive regulations as well as the risks and uncertainties associated with the United Kingdom's withdrawal from the European Union;
- regulatory changes outside of the United States, including in Canada, the United Kingdom, the Republic of Ireland and the European Union, could adversely impact the Company's results of operations and limit its growth;
- loss of or significant restrictions on the use of particular types of underwriting criteria, such as credit scoring, or other data or methodologies, in the pricing and underwriting of the Company's products could reduce the Company's future profitability;
- acquisitions and integration of acquired businesses may result in operating difficulties and other unintended consequences;
- the Company could be adversely affected if its controls designed to ensure compliance with guidelines, policies and legal and regulatory standards are not effective;
- the Company's businesses may be adversely affected if it is unable to hire and retain qualified employees;
- intellectual property is important to the Company's business, and the Company may be unable to protect and enforce its own intellectual property or the Company may be subject to claims for infringing the intellectual property of others;
- changes in federal regulation could impose significant burdens on the Company, and otherwise adversely impact the Company's results;
- changes in U.S. tax laws or in the tax laws of other jurisdictions where the Company operates could adversely impact the Company; and
- the Company's share repurchase plans depend on a variety of factors, including the Company's financial position, earnings, share price, catastrophe losses, maintaining capital levels commensurate with the Company's desired ratings from independent rating agencies, changes in levels of written premiums, funding of the Company's qualified pension plan, capital requirements of the Company's operating subsidiaries, legal requirements, regulatory constraints, other investment opportunities (including mergers and acquisitions and related financings), market conditions and other factors, including the ongoing level of uncertainty related to COVID-19.

Our forward-looking statements speak only as of the date of this presentation or as of the date they are made, and we undertake no obligation to update forward-looking statements. For a more detailed discussion of these factors, see the information under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the quarterly report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on October 20, 2020, and in our most recent annual report on Form 10-K filed with the SEC on February 13, 2020, in each case as updated by our periodic filings with the SEC.

Disclosure

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

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

Copies of this presentation and the accompanying webcast are publicly available on the Travelers website (www.travelers.com). This presentation should be read with the accompanying webcast and related press release, financial supplement and Form 10-Q.

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