



TRAVELERS OVERVIEW

Perform & Transform

2024

Long-Term Financial Strategy

Meaningful
and sustainable
competitive
advantages



Generation of
top-tier earnings
and capital
substantially
in excess of
growth needs



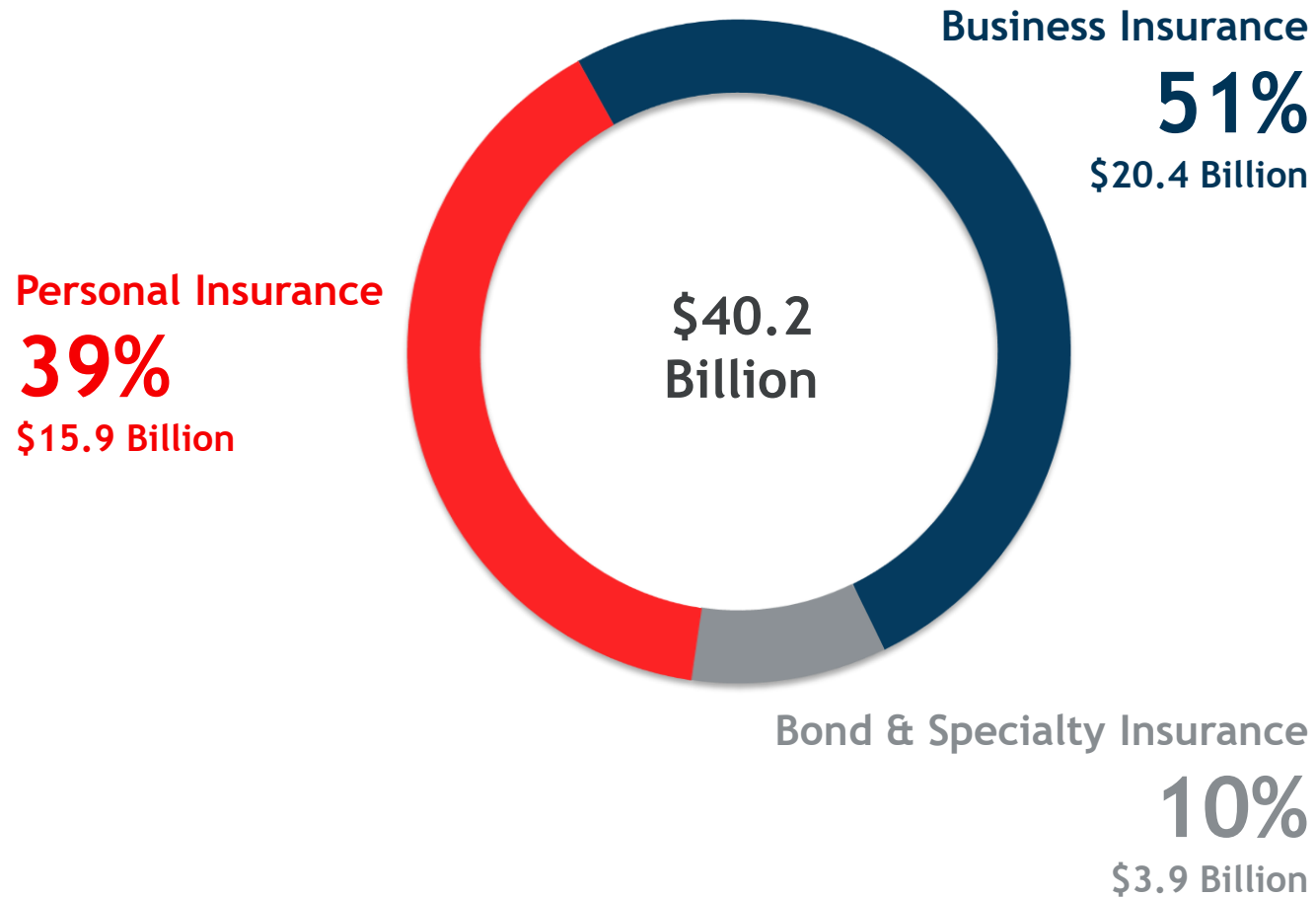
Balanced
approach to
rightsizing capital
and growing book
value per share
over time

CREATE SHAREHOLDER VALUE
Objective: *Mid-Teens Core ROE Over Time*



Leading U.S. Domestic P&C Carrier

2023 Net Written Premiums



100% P&C



93% U.S.
7% International

Deliberate and Disciplined Execution

Strong Top Line Performance
Accelerating Net Written Premium Growth

7.0% CAGR 2016-2023
2.7% CAGR 2012-2016

Strong Margins
Consistently Strong Underlying Combined Ratio¹

89.5% 2023
91.4% Average 2012-2023

Productivity and Efficiency
Optimizing Operating Leverage

>3.4 Point Improvement in Expense Ratio 2016-2023

Dividend Growth
19 Consecutive Years of Dividend Increases

7.2% CAGR 2013-2023

Adjusted Book Value Growth²
Long Track Record of Growth in Adjusted Book Value per Share

6.4% CAGR 2013-2023

Financial Highlights

\$ in millions, except per share amounts

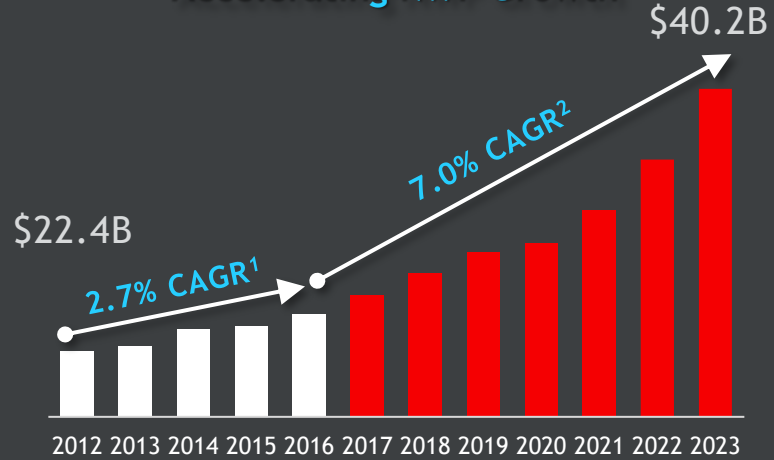
	2023	2022	2021
Net Written Premiums	\$ 40,201	\$ 35,414	\$ 31,959
Combined Ratio	97.0%	95.6%	94.5%
Underlying Combined Ratio ¹	89.5%	92.0%	90.3%
Net Income	\$ 2,991	\$ 2,842	\$ 3,662
Core Income	\$ 3,072	\$ 2,998	\$ 3,522
Core Income Per Diluted Share	\$ 13.13	\$ 12.42	\$ 13.94
Operating Cash Flow	\$ 7,711	\$ 6,465	\$ 7,274
Total Assets	\$ 125,978	\$ 115,717	\$ 120,466
Total Investments	\$ 88,810	\$ 80,454	\$ 87,375
Shareholders' Equity	\$ 24,921	\$ 21,560	\$ 28,887
Book Value Per Share	\$ 109.19	\$ 92.90	\$ 119.77
Adjusted Book Value Per Share ²	\$ 122.90	\$ 114.00	\$ 109.76
Dividends Per Share	\$ 3.93	\$ 3.67	\$ 3.49
Yield	2.1%	2.0%	2.2%
Return On Equity	13.6%	12.2%	12.7%
Core Return On Equity	11.5%	11.3%	13.7%

¹ Excludes the impact of net prior year reserve development and catastrophe losses.

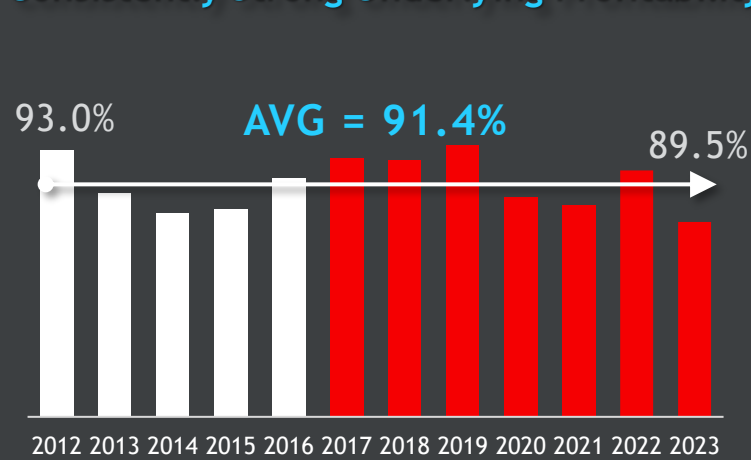
² Excludes net unrealized investment gains (losses), net of tax, included in shareholders' equity.

Deliberate And Disciplined Execution

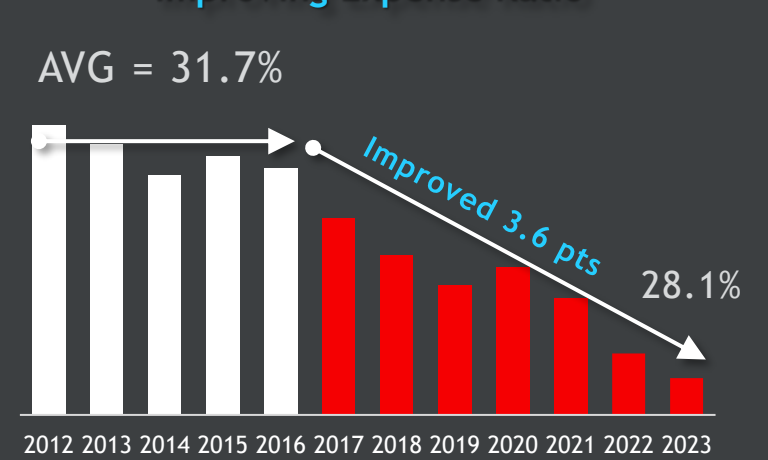
Accelerating NWP Growth



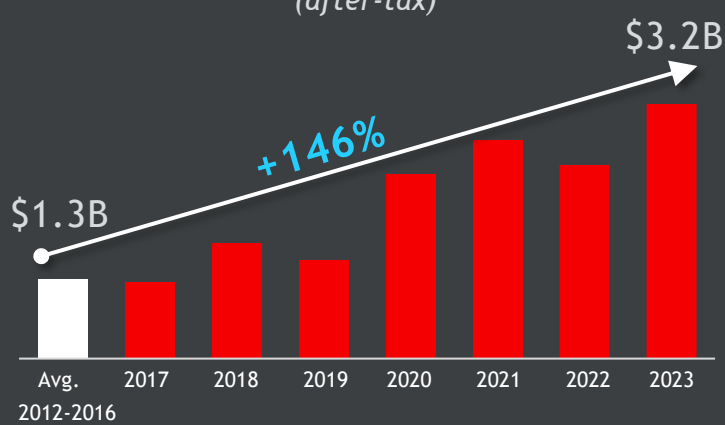
Consistently Strong Underlying Profitability³



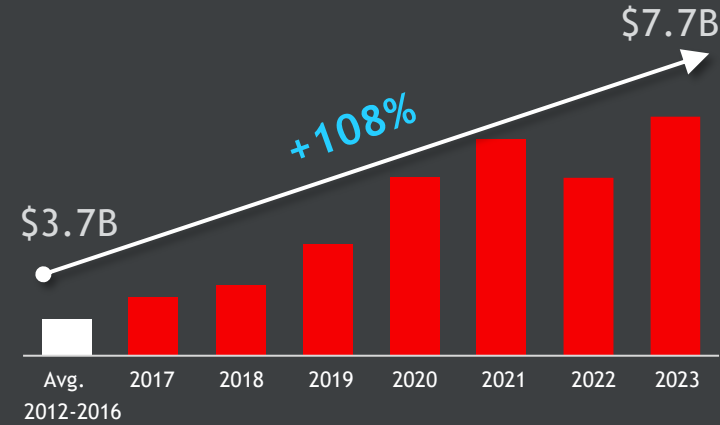
Improving Expense Ratio



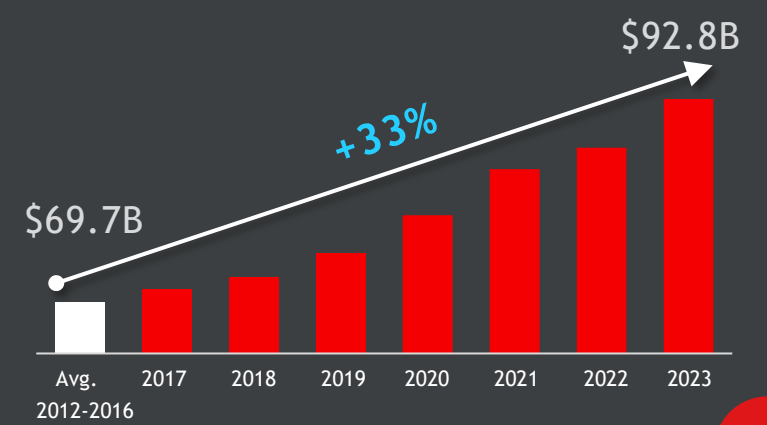
Higher Underlying Underwriting Income⁴ (after-tax)



Higher Cash Flow From Operations



Growing Invested Assets⁵



¹ Represents growth from 2012 through 2016.

² Represents growth from 2016 through 2023.

³ Underlying underwriting combined ratio which excludes the impact of net prior year reserve development and catastrophe losses.

⁴ Underlying underwriting income which excludes the impact of net prior year reserve development and catastrophe losses.

⁵ Invested assets excludes net unrealized investment gains (losses).



Fortress Balance Sheet

\$ in millions	December 31, 2023	December 31, 2022
Cash & Investments	\$ 90,148	\$ 81,903
Receivables	19,575	18,009
Other Assets	16,255	15,805
Total Assets	\$ 125,978	\$ 115,717
Loss Reserves	\$ 82,499	\$ 76,889
Other Liabilities	10,527	9,976
Debt	8,031	7,292
Total Liabilities	101,057	94,157
Shareholders' Equity	24,921	21,560
Total Liabilities & Shareholders' Equity	\$ 125,978	\$ 115,717

- Very high-quality investment portfolio
 - 93% of investments in fixed income
 - Fixed maturities average weighted quality Aa2, AA
 - 99% of fixed maturities at or above investment grade
- 100% of loss reserves attributable to P&C

Financial Strength is a Travelers Hallmark

A.M. Best **A++**

Fitch **AA**

Moody's **Aa2**

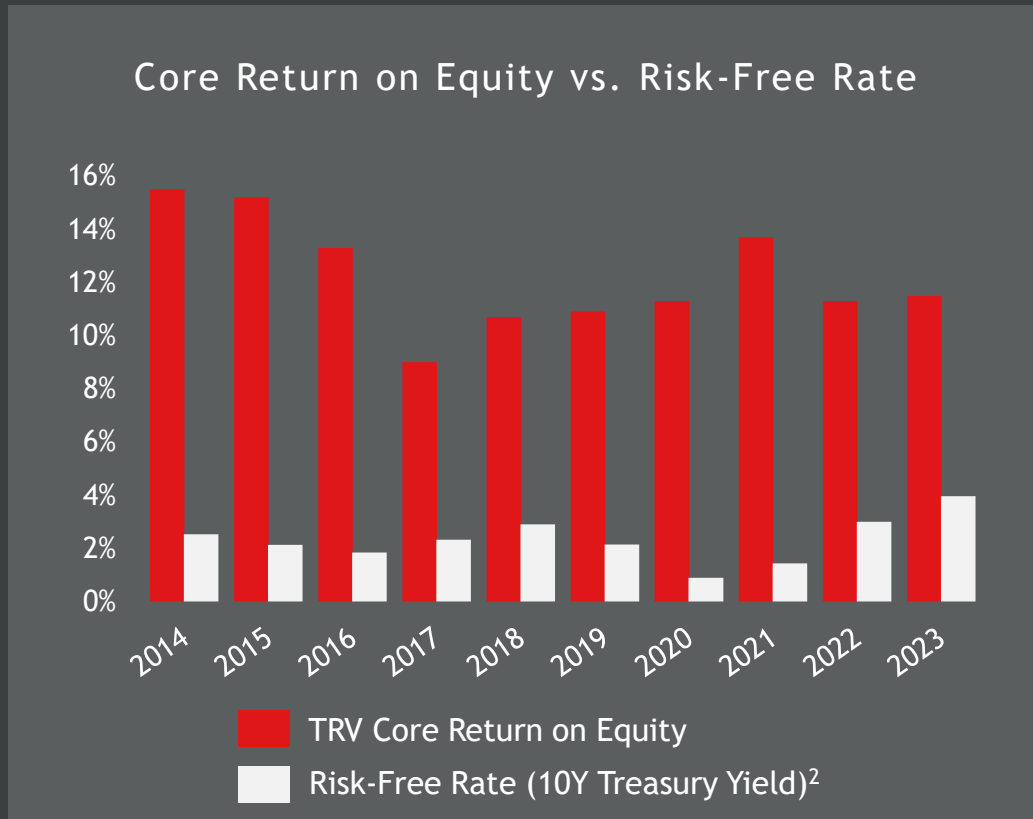
S&P **AA**

- Continued strong capitalization to support the Company's business operations
- Debt-to-capital ratio¹ of 22.3% comfortably within target range of 15%-25%
- Next maturing long-term debt of \$200 million in April 2026

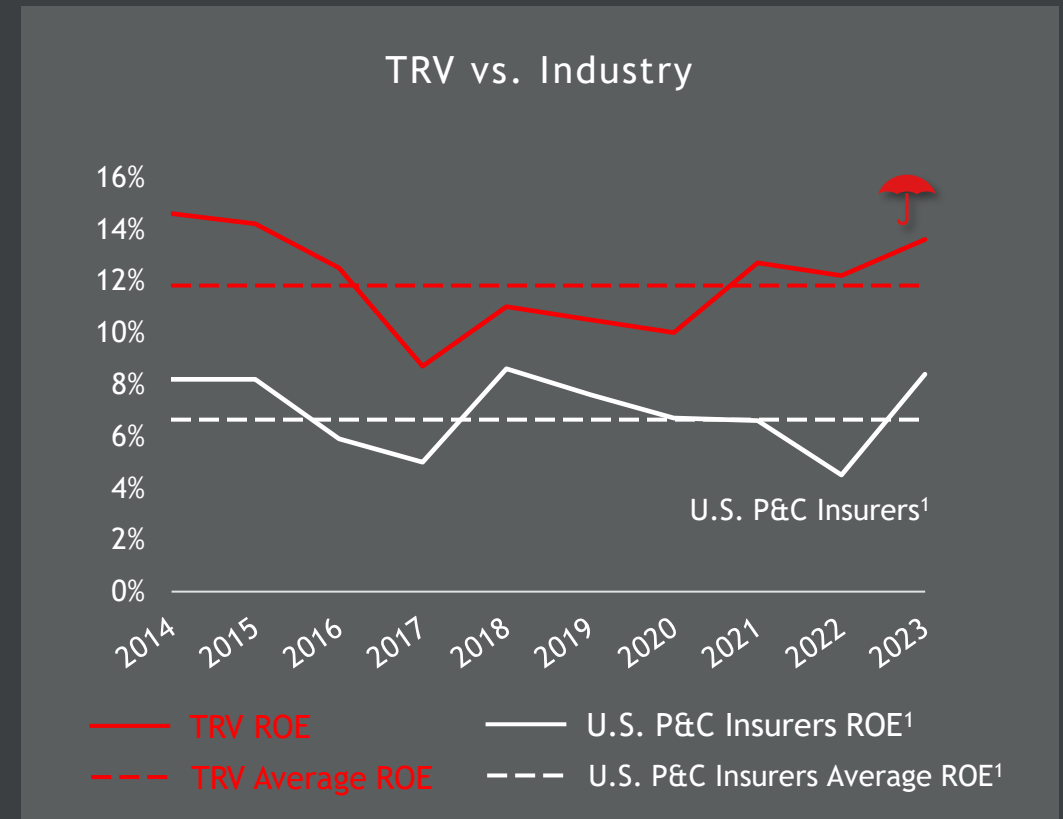


Industry-Leading Returns Over Time

Core ROE: Strong Margin Over the Risk-Free Rate



ROE Consistently Outperforms



Industry-Leading Returns Over Time

Outperformance Relative to Peers

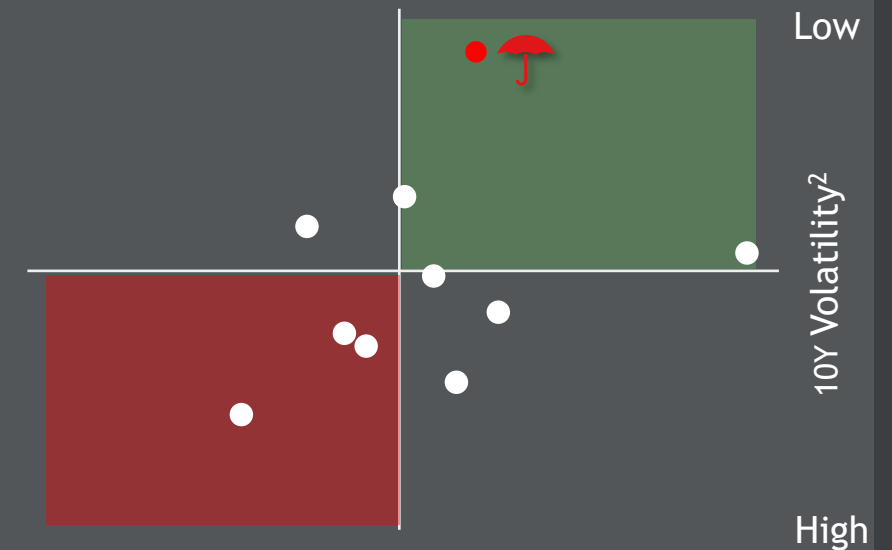
Core ROE¹

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1	•	•	•	•	•	•	•	•	•	•
2	•	15.2	13.3	•	•	•	•	•	•	•
3	15.5	•	•	9.0	•	•	•	13.7	•	•
4	•	•	•	•	10.7	•	•	•	11.3	•
5	•	•	•	•	•	10.9	11.3	•	•	•
6	•	•	•	•	•	•	•	•	•	11.5
7	•	•	•	•	•	•	•	•	•	•
8	•	•	•	•	•	•	•	•	•	•
9	•	•	•	•	•	•	•	•	•	•
10	•	•	•	•	•	•	•	•	•	•
Median	10.8	10.1	9.0	7.6	9.5	10.3	9.5	11.3	9.8	13.1
TRV Rank	3	2	2	3	4	5	5	3	4	6

 TRV Core Return on Equity

Accompanied by Significantly Lower Volatility

Volatility of Core Return on Equity vs. Peers



2014-23 Core Return on Equity (Average)¹

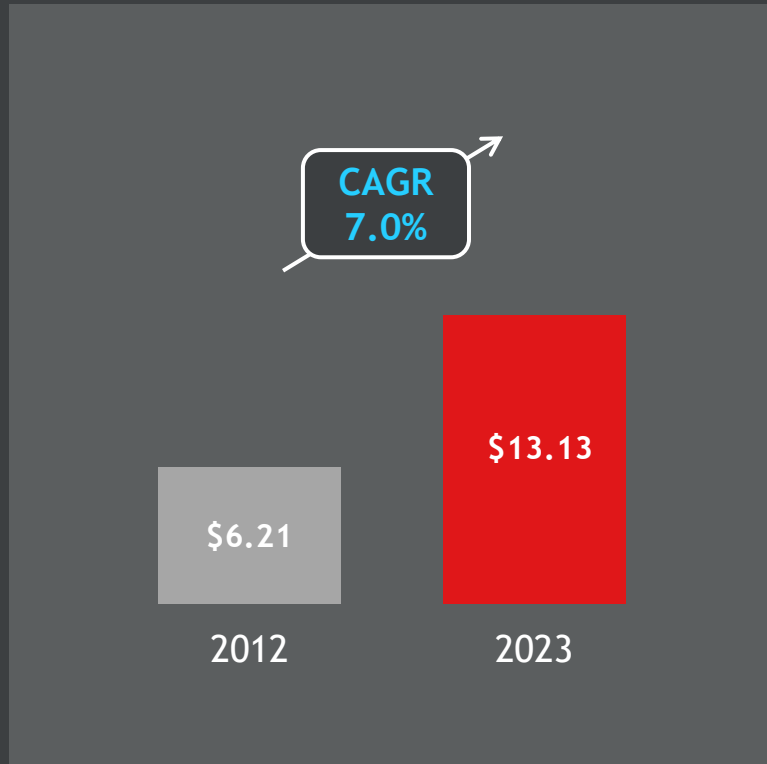
¹ Operating ROE as Reported from Bloomberg or Net Income ROE ex-Realized Gains and Losses as calculated by Bloomberg ("Normalized ROE") if Operating ROE is not disclosed. © Bloomberg Finance L.P. Used with permission of Bloomberg

² Volatility as measured by Sharpe Ratio, calculated as the mean of Company "X" Operating ROE as Reported from Bloomberg or Net Income ROE ex-Realized Gains and Losses as calculated by Bloomberg ("Normalized ROE") if Operating ROE is not disclosed, less the 10-Year U.S. Treasury mean for each respective year divided by Company "X" Operating ROE standard deviation; Peer Group includes: AIG, ALL, CB, CINF, CNA, HIG, PGR, THG and WRB. © Bloomberg Finance L.P. Used with permission of Bloomberg

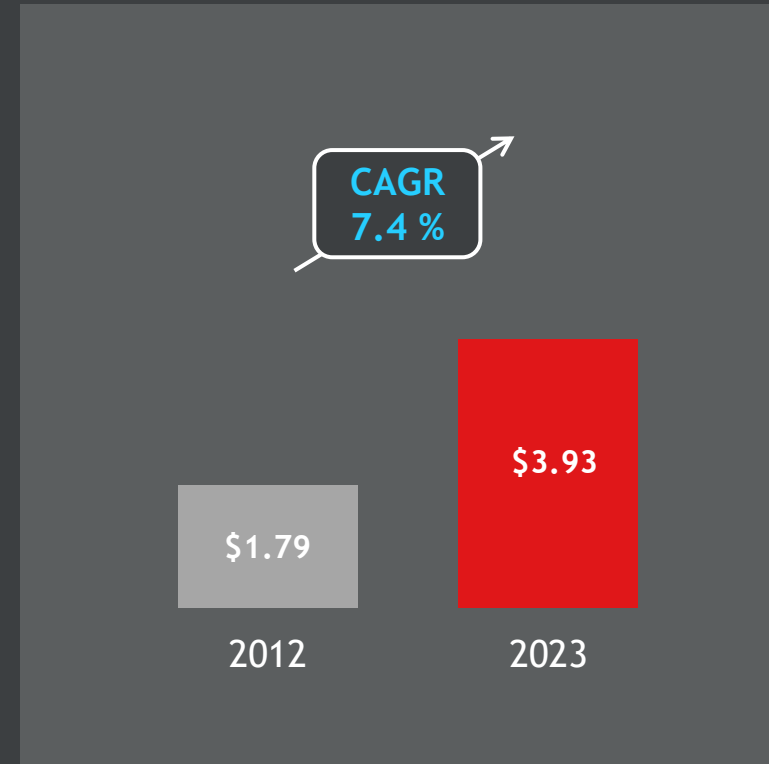


Strong Long-Term Track Record

Core EPS (Diluted) Growth



Dividends Per Share Growth

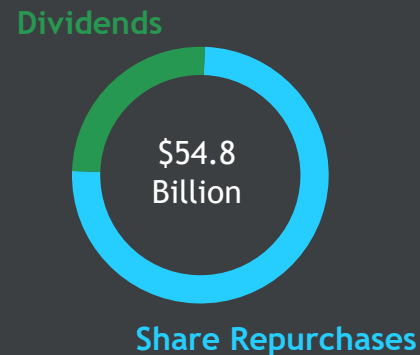
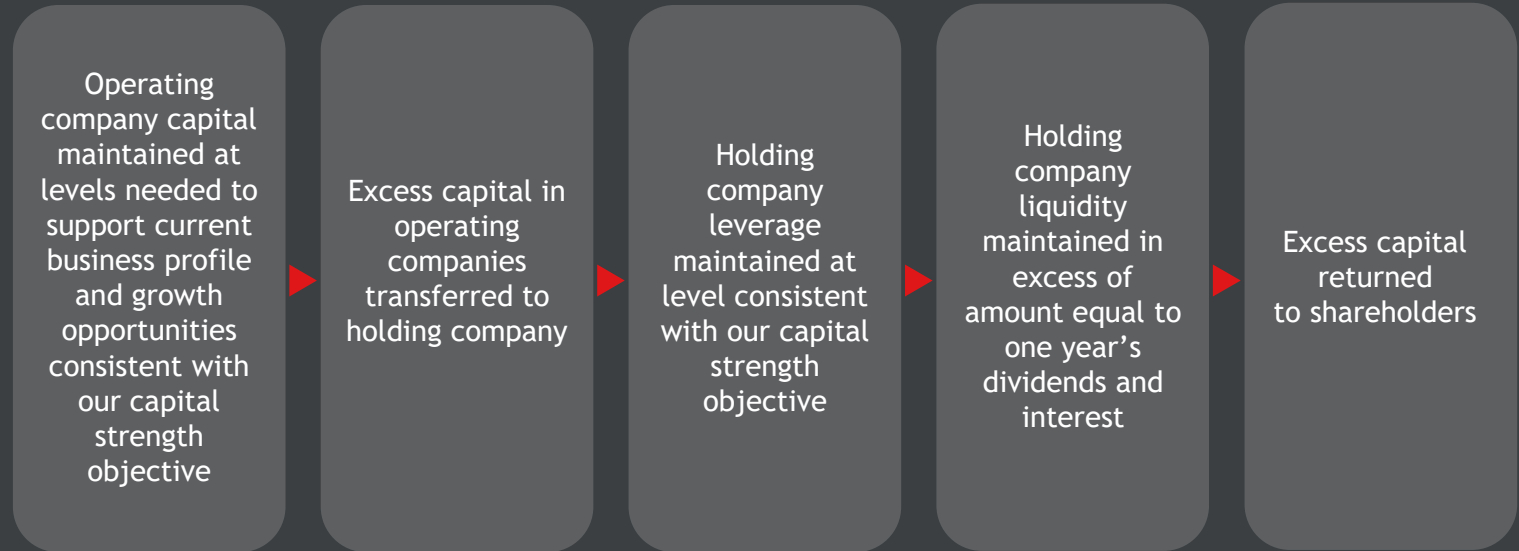


Balanced Approach to Capital Management

Our first objective for the capital we generate is to **reinvest** it in our business - organically and inorganically

We continue to invest in everything from **talent to technology** to further our **innovation agenda** and advance our other **strategic objectives**

When we cannot reinvest consistent with our objective of generating industry-leading returns over time, we will **return excess capital to our shareholders**

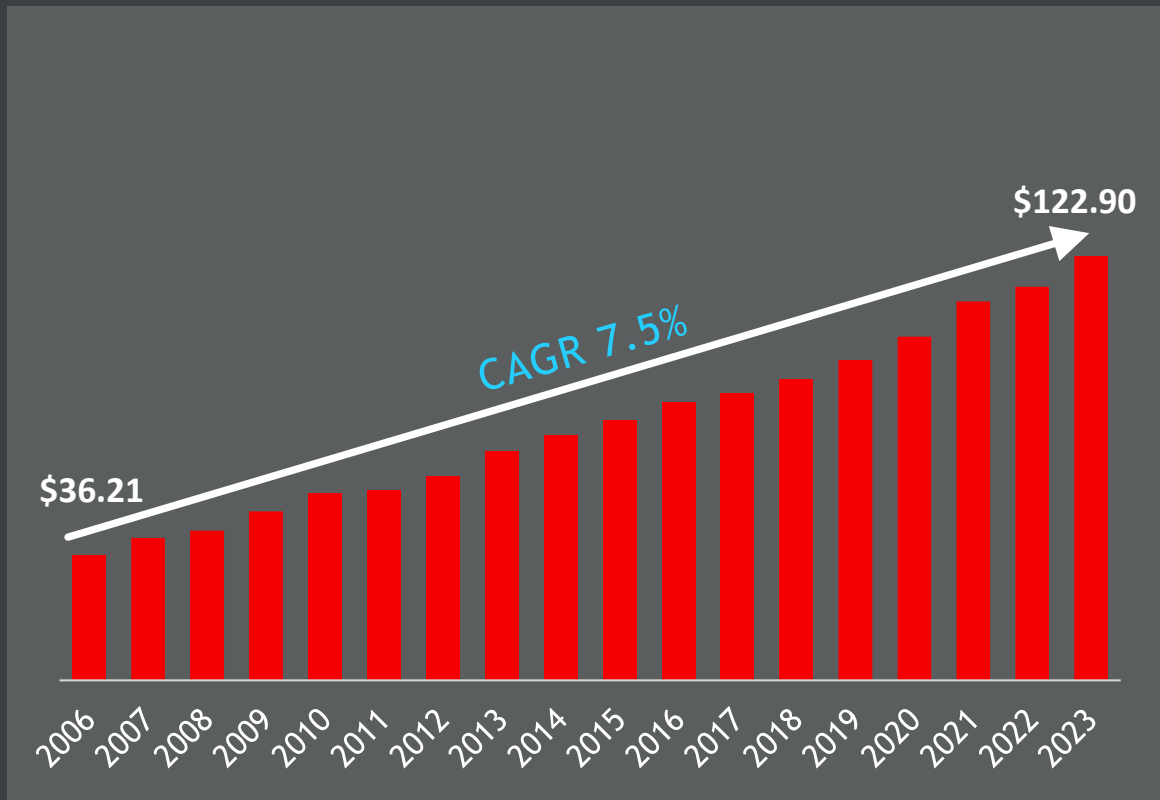


Since 2006, the year of the initial share repurchase authorization, TRV has returned \$54.7 billion¹ of capital to shareholders: \$41.1 billion¹ in share repurchases at an average price of \$73.60 per share and \$13.7 billion¹ in dividends.

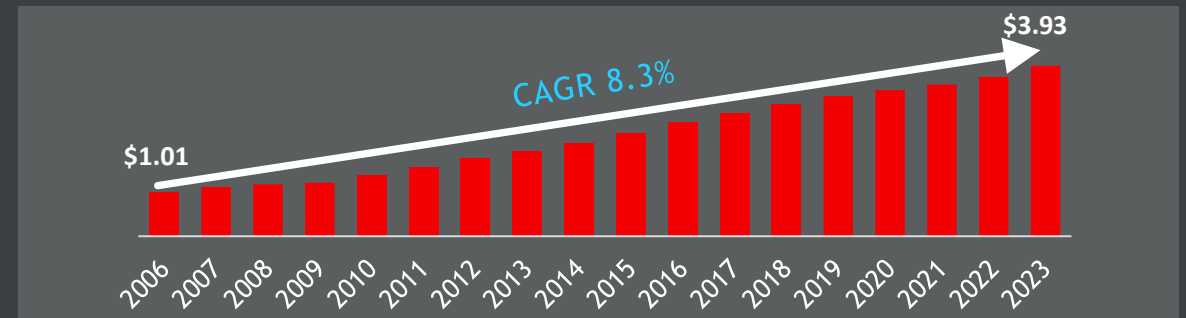


Balanced Approach to Capital Management

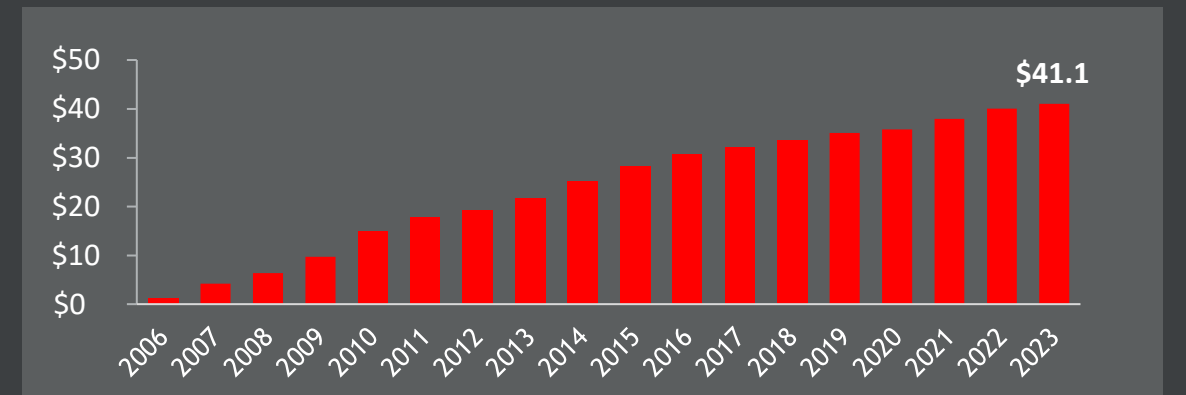
Adjusted Book Value¹ Per Share



Dividends Per Share



Cumulative Share Buybacks (\$ in billions)

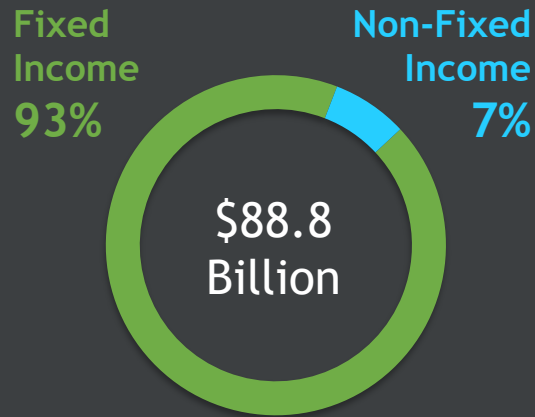


Well-Defined and Consistent Investment Philosophy

(\$ in millions, as of December 31, 2023, unless otherwise noted)

Investment Income reliable contributor to results

Total Investments



After-Tax Yield	FY'23	FY'22
Long-Term Securities	2.6%	2.3%
Short-Term Securities	4.6%	1.7%
Total Fixed Income	2.7%	2.3%
Non-Fixed Income	3.3%	5.5%
Total Investments	2.7%	2.5%

Fixed Income Portfolio	Rating		%
Corporates¹	A2	\$ 34,109	38%
Municipal	Aaa/Aa1	28,506	32%
Mortgage-Backed Securities	Aaa/Aa1	7,818	9%
U.S. Government & Agencies	Aaa/Aa1	6,368	7%
Short-Term Securities	A1/P1	5,137	6%
Foreign Governments	Aaa/Aa1	1,006	1%
Total Fixed Income	Aa2	\$ 82,944	93%

% Fixed Maturities by Rating ²	
Aaa	47%
Aa	20%
A	19%
Baa	13%
Total Investment Grade	99%
Below Investment Grade	1%

Non-Fixed Income Portfolio		%
Private Equity Funds	\$ 2,783	3%
Real Estate & Real Estate Partnerships	1,814	2%
Hedge Funds & Other	661	1%
Equity Securities	608	1%
Total Non-Fixed Income	\$ 5,866	7%

¹ Includes \$1.038 billion of Commercial Mortgage-Backed Securities with an Aaa rating and \$564 million of Asset-Backed Securities with an Aa1 rating.

² Rated using external rating agencies or by Travelers when a public rating does not exist. Ratings shown are the higher of the rating of the underlying issuer or the insurer in the case of securities enhanced by third-party insurance for the payment of principal and interest in the event of issuer default. Below investment grade assets refer to securities rated "Ba" or below

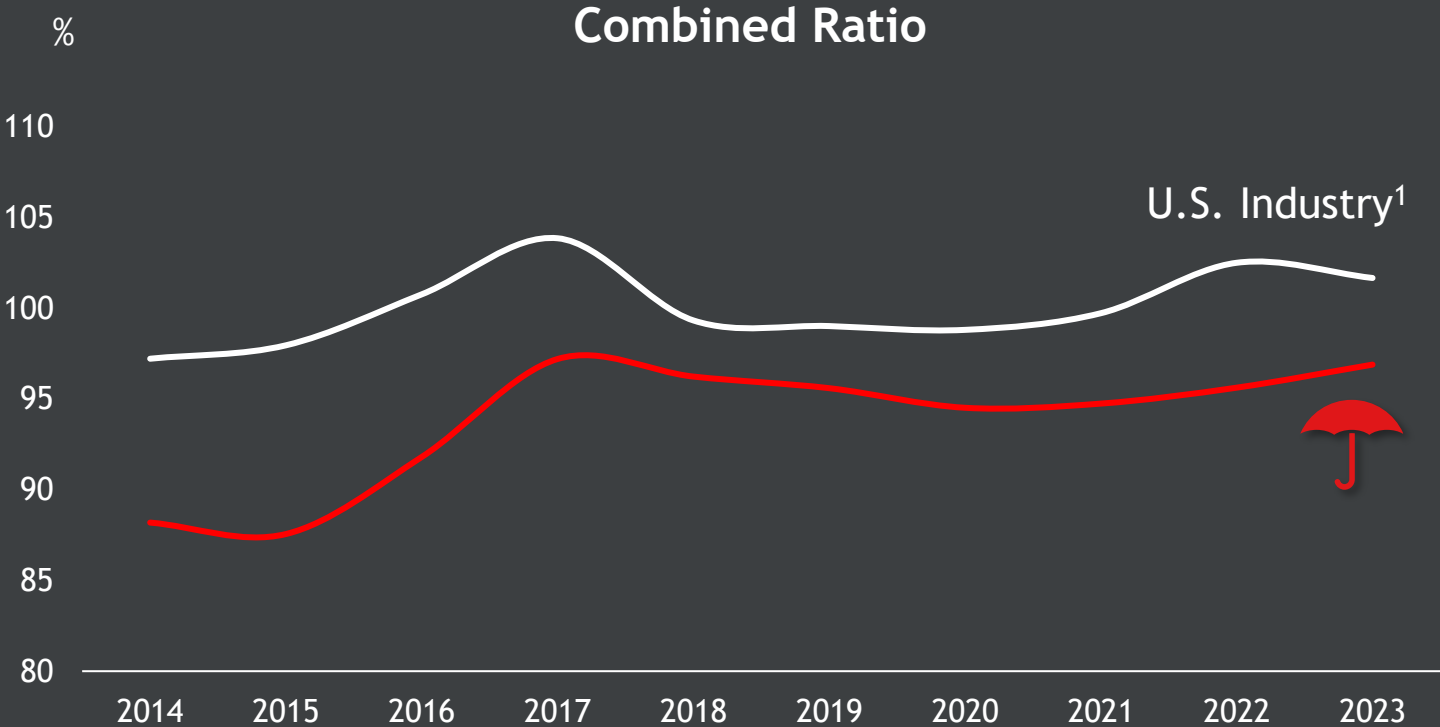


Underwriting Excellence

Our underwriting culture and expertise are hallmarks of our success, and evaluating risk and reward is at the heart of what we do

- Broad appetite with a deep underwriting specialization in more than 40 industries
- Underwrite risk on a granular account-by-account or class-by-class basis using highly sophisticated data and analytics
- 4,000+ underwriting professionals with an average tenure of 12+ years

Underwriting results benefit from premium growth that has come from customer segments, products, geographies and producers that we know well



¹ Statutory Combined Ratio. Copyright © 2024, S&P Global Market Intelligence. Used with permission. NAIC filing for both U.S. Industry and Travelers

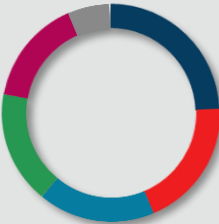


Broad Product Breadth and Specialization

- **Leading U.S. Commercial** writer, with a **top-five** position in five major product lines, including **#1** in Workers' Compensation and Commercial Multi-peril¹
- **Leading** writer of Surety in the U.S.²
- **Leading Personal Insurance** writer with independent agents³
- Our **balanced portfolio** is further diversified by geography, customer size and industry

Business Insurance

\$20.4 Billion
NWP 2023



- 25%  Commercial Multi-Peril
- 17%  Workers' Compensation
- 16%  Commercial Auto
- 16%  General Liability
- 17%  Commercial Property
- 9%  International

Bond & Specialty Insurance

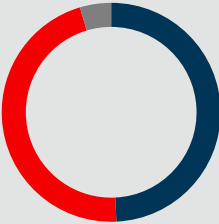
\$3.9 Billion
NWP 2023



- 56%  Management Liability
- 30%  Surety
- 14%  International

Personal Insurance

\$15.9 Billion
NWP 2023



- 50%  Homeowners and Other
- 46%  Automobile
- 4%  International

¹ 2023 U.S. Statutory DWP. Five major product lines: Commercial Multi-Peril (Commercial Multiple Peril (Liability), Commercial Multiple Peril (Non-Liability), Farmowners Multiple Peril); Commercial Auto (Commercial Auto No-Fault (Personal Injury Protection), Commercial Auto Physical Damage, Other Commercial Auto Liability); General Liability (Other Liability Occurrence, Product Liability); Workers' Compensation; and Surety. Copyright © 2024, S&P Global Market Intelligence. Used with permission.

² 2023 U.S. Statutory DWP. Copyright © 2024, S&P Global Market Intelligence. Used with permission.

³ 2023 A.M. Best U.S. Statutory DWP. © A.M. Best Company, Inc. Used with permission.



Premier Distribution Position

Deliver sophisticated, total-account solutions through streamlined agent and customer experiences



7 million+ customers with consistently strong retention



87 field offices, giving us a local presence in the markets where we operate



Local field claim management teams in **80 locations**, contributing to a better experience for our customers and distribution partners and a more efficient outcome for our shareholders



Relationships with approximately **15,000** independent agencies and brokers



Travelers is a **Top 3¹** carrier with the majority of our distribution partners



Leading Claim Capabilities

12K+ Claim Professionals

~90% CAT Property PI Claims closed within 30 Days¹

~800 Staff Counsel Attorneys

~550 Dedicated Claim Nurses

~\$20B Paid Indemnity in 2023

Generative AI



Claim Knowledge Virtual Assistant
Tool that creates simple responses to Claim queries for more effective customer service and optimal outcomes



Fraud Detection
Tools that identify fake images and documents, helping to combat insurance fraud



Property Damage Assessments
Post-catastrophe photos are run through AI models to identify damages, accelerating the claim process for customers



Attorney Representation Model
Predicts when claimants are likely to be represented by attorneys, which informs our claim resolution strategies

Claim Summarization

Leveraging technologies that scan and summarize claim and legal files to enable and support more effective customer responses and claim handling strategies



Provider Analytics Model
Medical provider outcomes analyzed to ensure high-quality, cost-effective medical care is received by injured employees through our Travelers PreferredSM provider networks



¹ Based on Property CAT Claims 2011 to 2022

² Responsible Artificial Intelligence Framework, see <https://sustainability.travelers.com/drivers-of-sustained-value/ethics-and-values#responsible-business-practices>



Outstanding Talent & Collaborative Culture

33,000+ employees collectively drive our performance and fuel our innovation agenda

Attract

A few of our acknowledgements:



Develop



Provide robust tools, resources and mentorship opportunities that support employees' career development



Support employee development through our Educational Assistance Program



Offer development resources and learning opportunities that help leaders strengthen skills needed to be successful

Retain

Average employee tenure is 12 years; average of our 700 most senior leaders is 20+ years

We routinely outperform our peers in terms of employee retention

54% women and 27% people of color in our U.S. workforce

Our culture is the foundation of our business and has driven our success for decades

Putting the Place first

Long-term thinking

Collaboration

Commitment to everyone else's success



Leveraging the Forces of Change Through Innovation

Forces of Change



Changing Consumer Expectations

Being shaped by their experiences in other industries



Emerging Technology Trends

Enables us to reimagine every aspect of our business



Data & Analytics

Transforming every aspect of our business



Changing Distribution

Consolidation and evolution of alternative models

Our Vision for Innovation

To be the undeniable choice for the customer and an indispensable partner for our agents and brokers

Strategic Innovation Priorities

Extend our advantage in risk expertise

Provide great experiences

Improve productivity & efficiency



Leveraging the Forces of Change Through Innovation

Illustrative Initiatives

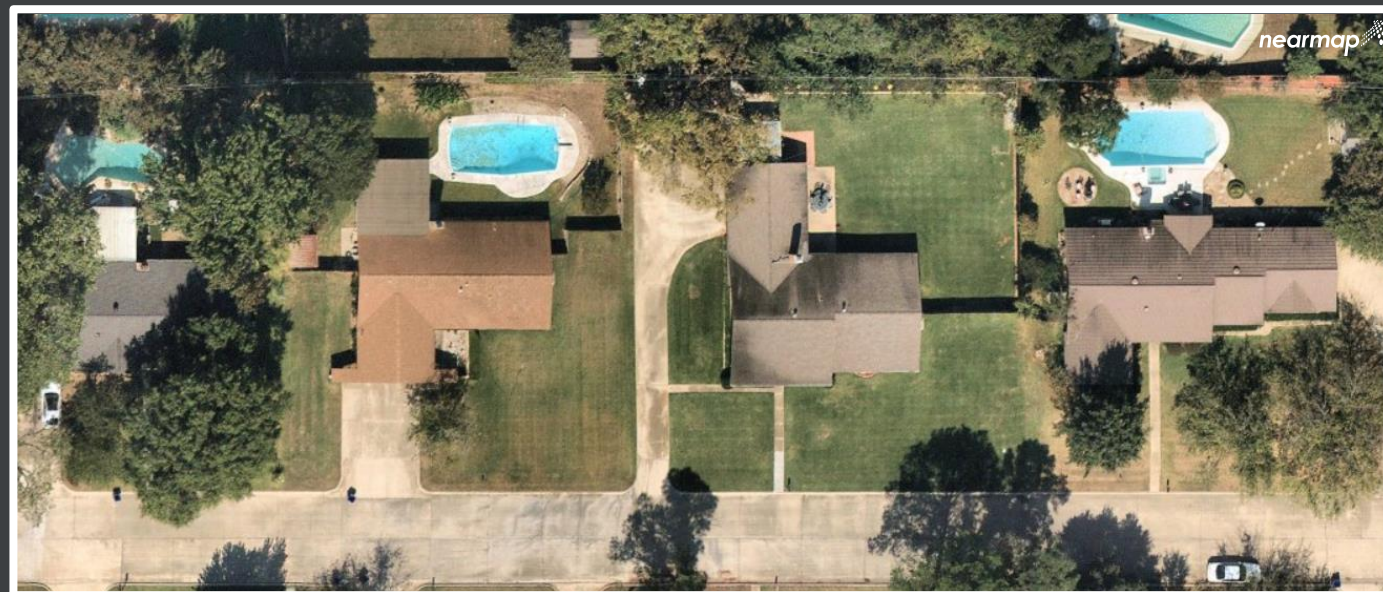
SOPHISTICATED CAPABILITIES SUPPORTING UNDERWRITING DECISIONS

Relentlessly innovating through new data and cutting-edge analytics combined with granular internal loss data

- ✓ Peril-by-peril rating
- ✓ Granular, historical TRV loss data covering 1.8M+ claims with ~\$20B in paid indemnity



Differentiated analytical insights for underwriting, risk control and segmentation



Underwriting with property attributes at the parcel level

Better tools + better data = better decision-making



Leveraging the Forces of Change Through Innovation

Illustrative Initiatives

Provide great experiences



AI-POWERED GENERAL LIABILITY COVERAGE ASSISTANT DELIVERS BETTER CUSTOMER SERVICE



2023 Gartner Eye on Innovation Awards – Financial Services



Challenge

How do we arm our Claim professionals with AI to analyze coverage and complaints to better deliver customer service?

After receiving a suit the Claim professional must examine the customer's policy and compare it to the complaint - which can be dozens of pages long - to determine coverage.

Our industry-first AI-powered GL Coverage Assistant scans liability lawsuits and highlights allegations and summarizes the findings for Claim professional's review.



Solution

AI assistance with coverage analysis

This solution relies on an AI large language model with real-time document ingestion to analyze lawsuit documents and identify factual allegations that could impact coverage.

It processes a large amounts of unstructured data (175+ million stored documents) and adds Travelers-specific training to the Legal-BERT neural net, which runs on our private, secured cloud platform.



Outcomes

Enhance accuracy and efficiency, reducing the likelihood of human error

Implemented in 13 Travelers field offices and in the process of countrywide rollout.

Deliver superior customer service and peace of mind to our customers by using AI-powered technology to assist claim professional to expedite the review of the lawsuit and the policy.



Leveraging the Forces of Change Through Innovation

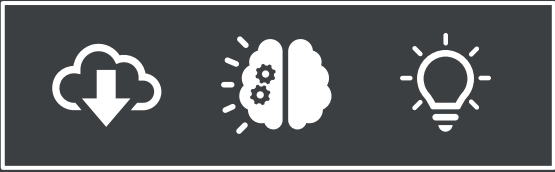
Illustrative Initiatives

AUTOMATING NEW BUSINESS INTAKE IN MANAGEMENT LIABILITY

Digital intake of applications



Cloud-based optical character recognition and AI models



Dramatically reducing manual data input



Key Results

Automated Extraction

of core data elements from submissions

Automated processing of

300+

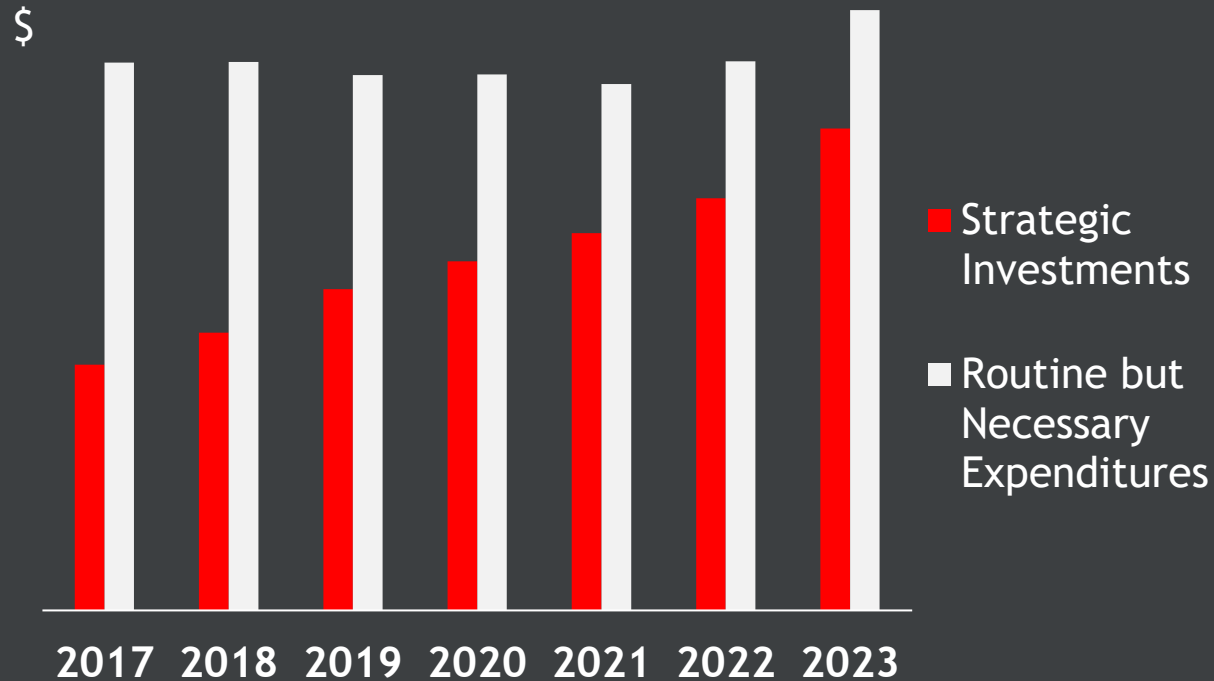
non-Travelers application forms

~200K

submissions processed to date



Investing In The Future Inside Improving Results



- Meaningfully increased our overall **technology spend** over the last six years
- Significantly **reduced our expense ratio** at the same time through our strategic focus on optimizing productivity and efficiency
- **Improved the mix** of our technology spend
 - Increased our **spending on strategic technology initiatives by nearly 100%**, while having carefully managed growth in routine but necessary expenditures



Creating Sustained Value



Executing our long-term strategy requires that we fulfill our promise to **take care of our customers, our communities and our employees** - or, as we refer to it, the **Travelers Promise**

By executing our financial strategy, investing strategically in the future and delivering on the Travelers Promise, we believe we will **continue to deliver meaningful shareholder value over time**

For this reason, we take a **comprehensive and integrated** approach to sustained value creation

We articulate that approach to long-term value creation on our sustainability site, which we publish annually: <https://sustainability.travelers.com/>

The reporting on the site is aligned with several leading ESG disclosure frameworks, including SASB and TCFD, and includes a comprehensive discussion regarding 16 topics we determined to be most relevant to our industry, our business and our stakeholders



Established in 2009 as a means of participating in the public policy dialogue

Draws upon the industry expertise of Travelers senior management and the technical expertise of its risk professionals, as well as other thought leaders, to provide information, analysis and recommendations to public policymakers and regulators

Current priorities include

- Distracted Driving
- Insuring Autonomous Vehicles
- Enhancing Cybersecurity
- Small Business Advocacy
- Disaster Preparedness



WEDNESDAYS WITH
WOODWARD®
WEBINAR SERIES

CITIZEN TRAVELERS



We take seriously our obligation to be not just a good corporate citizen but a corporation of good citizens

Through Citizen Travelers, our nonpartisan civic engagement initiative, we empower our employees to take part in the civic life of their communities - by participating in local civic institutions, working with organizations that support an informed electorate, volunteering at polling places and more

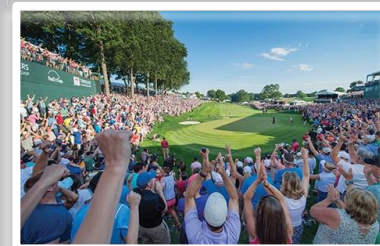
Community Support



- ✓ Academic and Career Success
- ✓ Thriving Neighborhoods
- ✓ Culturally Enriched Communities

“We feel a deep responsibility to support the communities we call home. Over the last decade, we have contributed more than \$230 million toward important causes, and our employees have logged hundreds of thousands of volunteer hours to help power their communities.”

Alan Schnitzer,
Travelers Chairman and Chief Executive Officer



The PGA TOUR® tournament is a partner to hundreds of charities and has generated more than \$25 million for nearly 900 local nonprofits since Travelers became title sponsor in 2007



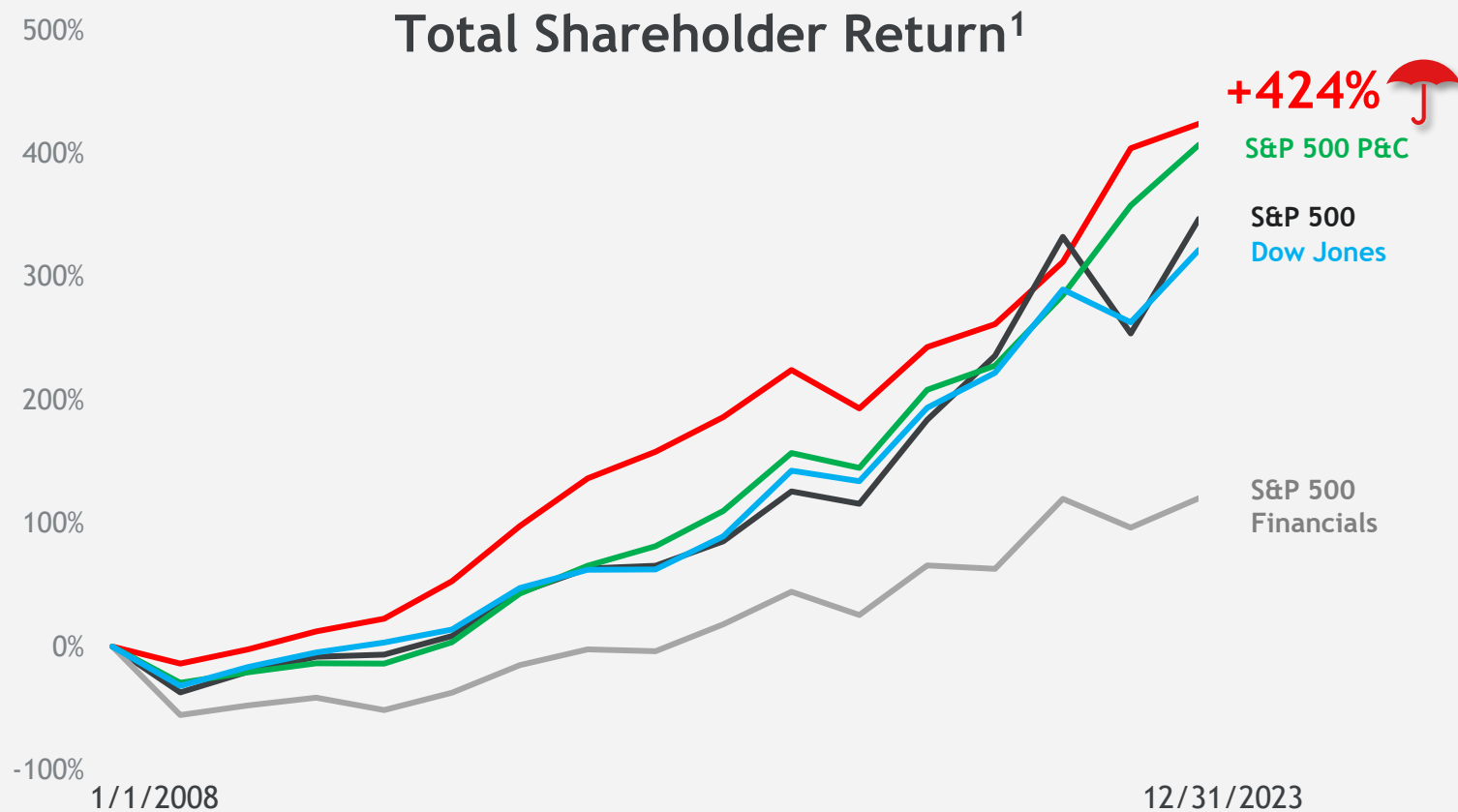
We are Confident About Our Outlook

We remain well positioned to deliver industry-leading returns and shareholder value over time

- Successfully **created value over decades** in a **variety of macro-economic conditions**
- **Ensuring our continued success** through **competitive advantages** that are relevant, differentiating and difficult to replicate
- **Benefiting from the investments** we have made, and continue to make, as part of our **Perform & Transform** call to action
- **Innovating on top** of a foundation of excellence
- Supported by an outlook for **improving fixed income returns**



Why Travelers?



Strong Shareholder Value

- ✓ Track record of **growth**
- ✓ Leading **returns**
- ✓ Low **volatility**

We have successfully created value over time through periods of weather volatility, developments impacting loss trends and extreme economic, geopolitical and other conditions.

From here, we are innovating on top of a foundation of excellence to ensure our continued success through competitive advantages that are relevant, differentiating and difficult to replicate.

Appendix



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,” “probably,” “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “views,” “ensures,” “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, the impact of trends on its business, such as the impact of elevated industrywide loss costs in Personal Insurance, and its future results of operations and financial condition;
- the impact of legislative or regulatory actions or court decisions;
- share repurchase plans;
- future pension plan contributions;
- the sufficiency of the Company’s reserves, including asbestos;
- the impact of emerging claims issues as well as other insurance and non-insurance litigation;
- the cost and availability of reinsurance coverage;
- catastrophe losses and modeling, including statements about probabilities or likelihood of exceedance;
- the impact of investment, economic and underwriting market conditions, including interest rates and inflation;
- the Company’s approach to managing its investment portfolio;
- the impact of changing climate conditions;
- strategic and operational initiatives to improve profitability and competitiveness;
- the Company’s competitive advantages and innovation agenda, including executing on that agenda with respect to artificial intelligence;
- new product offerings;
- the impact of developments in the tort environment, such as increased attorney involvement in insurance claims;
- the impact of developments in the geopolitical environment; and
- the Company’s acquisition of Corvus.

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:

Insurance-Related Risks

- high levels of catastrophe losses;
- actual claims may exceed the Company’s claims and claim adjustment expense reserves, or the estimated level of claims and claim adjustment expense reserves may increase, including as a result of, among other things, changes in the legal/tort, regulatory and economic environments, including increased inflation;
- the Company’s potential exposure to asbestos and environmental claims and related litigation;
- the Company is exposed to, and may face adverse developments involving, mass tort claims; and
- the effects of emerging claim and coverage issues on the Company’s business are uncertain, and court decisions or legislative changes that take place after the Company issues its policies can result in an unexpected increase in the number of claims.

Financial, Economic and Credit Risks

- a period of financial market disruption or an economic downturn;
- 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;
- the Company is exposed to credit risk related to reinsurance and structured settlements, and reinsurance coverage may not be available to the Company;
- 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;
- a downgrade in the Company’s claims-paying and financial strength ratings; and
- the Company’s insurance subsidiaries may be unable to pay dividends to the Company’s holding company in sufficient amounts.

Business and Operational Risks

- the intense competition that the Company faces, including with respect to attracting and retaining employees, and the impact of innovation, technological change and changing customer preferences on the insurance industry and the markets in which it operates;
- disruptions to the Company’s relationships with its independent agents and brokers or the Company’s inability to manage effectively a changing distribution landscape;
- the Company’s efforts to develop new products or services, expand in targeted markets, improve business processes and workflows or make acquisitions may not be successful and may create enhanced risks;
- the Company’s pricing and capital models may provide materially different indications than actual results;
- the Company is subject to additional risks associated with its business outside the United States;
- 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; and
- future pandemics (including new variants of COVID-19).

Technology and Intellectual Property Risks

- the Company’s dependence on effective information technology systems and on continuing to develop and implement improvements in technology;
- as a result of cyber attacks (the risk of which could be exacerbated by geopolitical tensions) or otherwise, the Company may experience difficulties with technology, data and network security or outsourcing relationships; and
- the Company may be unable to protect and enforce its own intellectual property or may be subject to claims for infringing the intellectual property of others.

Regulatory and Compliance Risks

- changes in regulation, including higher tax rates; and
- the Company’s compliance controls may not be effective.

In addition, 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 appropriate for the Company’s business operations, 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, changes in tax laws (including the Inflation Reduction Act) and other factors.

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,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Forward Looking Statements” in our most recent annual report on Form 10-K filed with the Securities and Exchange Commission on February 15, 2024, 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, please see the pages that follow. For a glossary of selected insurance terms, we refer you to 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 (sec.gov).

Unless otherwise noted, all information in this presentation is as of or for the year ended December 31, 2023. This presentation should be read with our Form 10-K filed on February 15, 2024, as updated by our subsequent periodic filings with the SEC, as well as our related webcasts and earnings press releases and financial supplements, all of which can be found at the “Investors” section at travelers.com.

Travelers may use its website and/or social media outlets, such as Facebook and X, as distribution channels of material information. Financial and other important information regarding the company is routinely accessible through and posted on our website at investor.travelers.com, our Facebook page at facebook.com/travelers and our X account (@Travelers) at 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 investor.travelers.com.

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Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

The following measures are used by the Company's management to evaluate financial performance against historical results, to establish performance targets on a consolidated basis and for other reasons as discussed below. In some cases, these measures are considered non-GAAP financial measures under applicable SEC rules because they are not displayed as separate line items in the consolidated financial statements or are not required to be disclosed in the notes to financial statements or, in some cases, include or exclude certain items not ordinarily included or excluded in the most comparable GAAP financial measure. Reconciliations of these measures to the most comparable GAAP measures also follow.

In the opinion of the Company's management, a discussion of these measures provides investors, financial analysts, rating agencies and other financial statement users with a better understanding of the significant factors that comprise the Company's periodic results of operations and how management evaluates the Company's financial performance.

Some of these measures exclude net realized investment gains (losses), net of tax, and/or net unrealized investment gains (losses), net of tax, included in shareholders' equity, which can be significantly impacted by both discretionary and other economic factors and are not necessarily indicative of operating trends.

Other companies may calculate these measures differently, and, therefore, their measures may not be comparable to those used by the Company's management.

RECONCILIATION OF NET INCOME TO CORE INCOME AND CERTAIN OTHER NON-GAAP MEASURES

Core income (loss) is consolidated net income (loss) excluding the after-tax impact of net realized investment gains (losses), the effect of a change in tax laws and tax rates at enactment, and cumulative effect of changes in accounting principles when applicable. Financial statement users also consider core income (loss) when analyzing the results and trends of insurance companies. **Core income (loss) per share** is core income (loss) on a per common share basis.

Reconciliation of Net Income to Core Income

(\$ in millions, after-tax)	Twelve Months Ended December 31,											
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net income	\$ 2,991	\$ 2,842	\$ 3,662	\$ 2,697	\$ 2,622	\$ 2,523	\$ 2,056	\$ 3,014	\$ 3,439	\$ 3,692	\$ 3,673	\$ 2,473
Adjustments:												
Net realized investment (gains) losses	81	156	(132)	(11)	(85)	(93)	(142)	(47)	(2)	(51)	(106)	(32)
Impact of changes in tax laws and/or tax rates (1) (2)	-	-	(8)	-	-	-	129	-	-	-	-	-
Core income	\$ 3,072	\$ 2,998	\$ 3,522	\$ 2,686	\$ 2,537	\$ 2,430	\$ 2,043	\$ 2,967	\$ 3,437	\$ 3,641	\$ 3,567	\$ 2,441

¹ Impact is recognized in the accounting period in which the change is enacted

² 2017 reflects impact of Tax Cuts and Jobs Act of 2017 (TCJA)



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

Reconciliation of Net Income per Share to Core Income per Share on Diluted Basis

	12 Months Ended December 31,			
	2023	2022	2021	2012
Diluted income per share				
Net income	\$ 12.79	\$ 11.77	\$ 14.49	\$ 6.30
Adjustments:				
Net realized investment (gains) losses, after-tax	0.34	0.65	(0.52)	(0.09)
Impact of changes in tax laws and/or tax rates (1)	-	-	(0.03)	-
Core income	\$ 13.13	\$ 12.42	\$ 13.94	\$ 6.21

¹ Impact is recognized in the accounting period in which the change is enacted

RECONCILIATION OF SHAREHOLDERS' EQUITY TO ADJUSTED SHAREHOLDERS' EQUITY AND CALCULATION OF RETURN ON EQUITY AND CORE RETURN ON EQUITY

Adjusted shareholders' equity is shareholders' equity excluding net unrealized investment gains (losses), net of tax, included in shareholders' equity, net realized investment gains (losses), net of tax, for the period presented, and the effect of a change in tax laws and tax rates at enactment (excluding the portion related to net unrealized investment gains (losses)). Average shareholders' equity is (a) the sum of total shareholders' equity excluding preferred stock at the beginning and end of each of the quarters for the period presented divided by (b) the number of quarters in the period presented times two. Adjusted average shareholders' equity is (a) the sum of total adjusted shareholders' equity at the beginning and end of each of the quarters for the period presented divided by (b) the number of quarters in the period presented times two.

Reconciliation of Shareholders' Equity to Adjusted Shareholders' Equity

(\$ in millions)	As of December 31,										
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Shareholders' equity	\$ 24,921	\$ 21,560	\$ 28,887	\$ 29,201	\$ 25,943	\$ 22,894	\$ 23,731	\$ 23,221	\$ 23,598	\$ 24,836	\$ 24,796
Adjustments:											
Net unrealized investment (gains) losses, net of tax, included in shareholders' equity	3,129	4,898	(2,415)	(4,074)	(2,246)	113	(1,112)	(730)	(1,289)	(1,966)	(1,322)
Net realized investment (gains) losses, net of tax	81	156	(132)	(11)	(85)	(93)	(142)	(47)	(2)	(51)	(106)
Impact of changes in tax laws and/or tax rates (1) (2)	-	-	(8)	-	-	-	287	-	-	-	-
Adjusted shareholders' equity	\$ 28,131	\$ 26,614	\$ 26,332	\$ 25,116	\$ 23,612	\$ 22,914	\$ 22,764	\$ 22,444	\$ 22,307	\$ 22,819	\$ 23,368

¹ Impact is recognized in the accounting period in which the change is enacted

² 2017 reflects impact of Tax Cuts and Jobs Act of 2017 (TCJA)



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

Return on equity is the ratio of annualized net income (loss) less preferred dividends to average shareholders' equity for the periods presented. **Core return on equity** is the ratio of annualized core income (loss) less preferred dividends to adjusted average shareholders' equity for the periods presented. In the opinion of the Company's management, these are important indicators of how well management creates value for its shareholders through its operating activities and its capital management.

Calculation of Return on Equity and Core Return on Equity

(\$ in millions, after-tax)	Twelve Months Ended December 31,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net income	\$ 2,991	\$ 2,842	\$ 3,662	\$ 2,697	\$ 2,622	\$ 2,523	\$ 2,056	\$ 3,014	\$ 3,439	\$ 3,692
Average shareholders' equity	22,031	23,384	28,735	26,892	24,922	22,843	23,671	24,182	24,304	25,264
Return on equity	13.6%	12.2%	12.7%	10.0%	10.5%	11.0%	8.7%	12.5%	14.2%	14.6%
Core income	\$ 3,072	\$ 2,998	\$ 3,522	\$ 2,686	\$ 2,537	\$ 2,430	\$ 2,043	\$ 2,967	\$ 3,437	\$ 3,641
Adjusted average shareholders' equity	26,772	26,588	25,718	23,790	23,335	22,814	22,743	22,386	22,681	23,447
Core return on equity	11.5%	11.3%	13.7%	11.3%	10.9%	10.7%	9.0%	13.3%	15.2%	15.5%

RECONCILIATION OF NET INCOME TO UNDERWRITING INCOME EXCLUDING CERTAIN ITEMS

Underwriting income (loss) is net earned premiums and fee income less claims and claim adjustment expenses and insurance-related expenses. In the opinion of the Company's management, it is important to measure the profitability of each segment excluding the results of investing activities, which are managed separately from the insurance business. This measure is used to assess each segment's business performance and as a tool in making business decisions. **Underwriting income, excluding the impact of catastrophes and net favorable (unfavorable) prior year loss reserve development**, is the underwriting income adjusted to exclude claims and claim adjustment expenses, reinstatement premiums and assessments related to catastrophes and loss reserve development related to time periods prior to the current year. In the opinion of the Company's management, this measure is meaningful to users of the financial statements to understand the Company's periodic earnings and the variability of earnings caused by the unpredictable nature (i.e., the timing and amount) of catastrophes and loss reserve development. This measure is also referred to **underlying underwriting income, underlying underwriting gain or underlying underwriting margin**.

A **catastrophe** is a severe loss designated a catastrophe by internationally recognized organizations that track and report on insured losses resulting from catastrophic events, such as Property Claim Services (PCS) for events in the United States and Canada. Catastrophes can be caused by various natural events, including, among others, hurricanes, tornadoes and other windstorms, earthquakes, hail, wildfires, severe winter weather, floods, tsunamis, volcanic eruptions and other naturally-occurring events, such as solar flares. Catastrophes can also be man-made, such as terrorist attacks and other intentionally destructive acts including those involving nuclear, biological, chemical and radiological events, cyber events, explosions and destruction of infrastructure. Each catastrophe has unique characteristics and catastrophes are not predictable as to timing or amount. Their effects are included in net and core income and claims and claim adjustment expense reserves upon occurrence. A catastrophe may result in the payment of reinsurance reinstatement premiums and assessments from various pools.

The Company's threshold for disclosing catastrophes is primarily determined at the reportable segment level. If a threshold for one segment or a combination thereof is exceeded and the other segments have losses from the same event, losses from the event are identified as catastrophe losses in the segment results and for the consolidated results of the Company. Additionally, an aggregate threshold is applied for international business across all reportable segments. The threshold for 2023 ranges from \$20 million to \$30 million of losses before reinsurance and taxes.

Net favorable (unfavorable) prior year loss reserve development is the increase or decrease in incurred claims and claim adjustment expenses as a result of the re-estimation of claims and claim adjustment expense reserves at successive valuation dates for a given group of claims, which may be related to one or more prior years. In the opinion of the Company's management, a discussion of loss reserve development is meaningful to users of the financial statements as it allows them to assess the impact between prior and current year development on incurred claims and claim adjustment expenses, net and core income (loss), and changes in claims and claim adjustment expense reserve levels from period to period.



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

Reconciliation of Net Income to After-Tax Underlying Underwriting Income (also known as Underlying Underwriting Gain)

(\$ in millions, after-tax)	Twelve Months Ended December 31,											
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net income	\$ 2,991	\$ 2,842	\$ 3,662	\$ 2,697	\$ 2,622	\$ 2,523	\$ 2,056	\$ 3,014	\$ 3,439	\$ 3,692	\$ 3,673	\$ 2,473
Net realized investment (gains) losses	81	156	(132)	(11)	(85)	(93)	(142)	(47)	(2)	(51)	(106)	(32)
Impact of changes in tax laws and/or tax rates (1) (2)	-	-	(8)	-	-	-	129	-	-	-	-	-
Core income	3,072	2,998	3,522	2,686	2,537	2,430	2,043	2,967	3,437	3,641	3,567	2,441
Net investment income	(2,436)	(2,170)	(2,541)	(1,908)	(2,097)	(2,102)	(1,872)	(1,846)	(1,905)	(2,216)	(2,186)	(2,316)
Other (income) expense, including interest expense	337	277	235	232	214	248	179	78	193	159	61	171
Underwriting income	973	1,105	1,216	1,010	654	576	350	1,199	1,725	1,584	1,442	296
Impact of net (favorable) unfavorable prior year reserve development	(113)	(512)	(424)	(276)	47	(409)	(378)	(510)	(617)	(616)	(552)	(622)
Impact of catastrophes	2,361	1,480	1,459	1,274	699	1,355	1,267	576	338	462	387	1,214
Underlying underwriting income	\$ 3,221	\$ 2,073	\$ 2,251	\$ 2,008	\$ 1,400	\$ 1,522	\$ 1,239	\$ 1,265	\$ 1,446	\$ 1,430	\$ 1,277	\$ 888

¹ Impact is recognized in the accounting period in which the change is enacted

² 2017 reflects impact of Tax Cuts and Jobs Act of 2017 (TCJA)

COMBINED RATIO AND ADJUSTMENTS FOR UNDERLYING COMBINED RATIO

Combined ratio: For Statutory Accounting Practices (SAP), the combined ratio is the sum of the SAP loss and LAE ratio and the SAP underwriting expense ratio as defined in the statutory financial statements required by insurance regulators. The combined ratio as used in this presentation is the equivalent of, and is calculated in the same manner as, the SAP combined ratio except that the SAP underwriting expense ratio is based on net *written* premiums and the underwriting expense ratio as used in this presentation is based on net *earned* premiums.

For SAP, the loss and LAE ratio is the ratio of incurred losses and loss adjustment expenses less certain administrative services fee income to net *earned* premiums as defined in the statutory financial statements required by insurance regulators. The loss and LAE ratio as used in this presentation is calculated in the same manner as the SAP ratio.

For SAP, the underwriting expense ratio is the ratio of underwriting expenses incurred (including commissions paid), less certain administrative services fee income and billing and policy fees and other, to net *written* premiums as defined in the statutory financial statements required by insurance regulators. The underwriting expense ratio as used in this presentation, is the ratio of underwriting expenses (including the amortization of deferred acquisition costs), less certain administrative services fee income, billing and policy fees and other, to net *earned* premiums.

The combined ratio, loss and LAE ratio, and underwriting expense ratio are used as indicators of the Company's underwriting discipline, efficiency in acquiring and servicing its business and overall underwriting profitability. A combined ratio under 100% generally indicates an underwriting profit. A combined ratio over 100% generally indicates an underwriting loss.

Underlying combined ratio represents the combined ratio excluding the impact of net prior year reserve development and catastrophes. The underlying combined ratio is an indicator of the Company's underwriting discipline and underwriting profitability for the current accident year.



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

Other companies' method of computing similarly titled measures may not be comparable to the Company's method of computing these ratios.

Calculation of the Combined Ratio

(\$ in millions, pre-tax)	December 31,											
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Loss and loss adjustment expense ratio												
Claims and claim adjustment expenses	\$ 26,215	\$ 22,854	\$ 20,298	\$ 19,123	\$ 19,133	\$ 18,291	\$ 17,467	\$ 15,070	\$ 13,723	\$ 13,870	\$ 13,307	\$ 14,676
Less:												
Policyholder dividends	49	40	41	41	47	52	51	48	41	38	35	46
Allocated fee income	164	151	150	161	174	154	162	168	170	172	159	124
Loss ratio numerator	\$ 26,002	\$ 22,663	\$ 20,107	\$ 18,921	\$ 18,912	\$ 18,085	\$ 17,254	\$ 14,854	\$ 13,512	\$ 13,660	\$ 13,113	\$ 14,506
Underwriting expense ratio												
Amortization of deferred acquisition costs	\$ 6,226	\$ 5,515	\$ 5,043	\$ 4,773	\$ 4,601	\$ 4,381	\$ 4,166	\$ 3,985	\$ 3,885	\$ 3,882	\$ 3,821	\$ 3,910
General and administrative expenses (G&A)	5,176	4,810	4,677	4,509	4,365	4,297	4,170	4,154	4,079	3,952	3,757	3,610
Less:												
Non-insurance G&A	389	340	303	234	201	159	77	31	31	31	20	23
Allocated fee income	269	261	252	268	285	278	285	290	275	266	236	199
Billing and policy fees and other	113	109	107	97	108	93	88	89	87	103	102	98
Expense ratio numerator	\$ 10,631	\$ 9,615	\$ 9,058	\$ 8,683	\$ 8,372	\$ 8,148	\$ 7,886	\$ 7,729	\$ 7,571	\$ 7,434	\$ 7,220	\$ 7,200
Earned premium	\$ 37,761	\$ 33,763	\$ 30,855	\$ 29,044	\$ 28,272	\$ 27,059	\$ 25,683	\$ 24,534	\$ 23,874	\$ 23,713	\$ 22,637	\$ 22,357
Combined ratio (1)												
Loss and loss adjustment expense ratio	68.9%	67.1%	65.1%	65.1%	66.9%	66.8%	67.2%	60.5%	56.6%	57.6%	57.9%	64.9%
Underwriting expense ratio	28.1%	28.5%	29.4%	29.9%	29.6%	30.1%	30.7%	31.5%	31.7%	31.4%	31.9%	32.2%
Combined ratio	97.0%	95.6%	94.5%	95.0%	96.5%	96.9%	97.9%	92.0%	88.3%	89.0%	89.8%	97.1%
Impact on combined ratio:												
Net (favorable) unfavorable prior year reserve development	(0.4%)	(1.9%)	(1.8%)	(1.2%)	0.2%	(1.9%)	(2.3%)	(3.2%)	(3.9%)	(3.9%)	(3.7%)	(4.2%)
Catastrophes, net of reinsurance	7.9%	5.5%	6.0%	5.5%	3.1%	6.3%	7.6%	3.6%	2.1%	3.0%	2.6%	8.3%
Underlying combined ratio	89.5%	92.0%	90.3%	90.7%	93.2%	92.5%	92.6%	91.6%	90.1%	89.9%	90.9%	93.0%



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

RECONCILIATION OF BOOK VALUE PER SHARE AND SHAREHOLDERS' EQUITY TO CERTAIN NON-GAAP MEASURES

Book value per share is total common shareholders' equity divided by the number of common shares outstanding. **Adjusted book value per share** is total common shareholders' equity excluding net unrealized investment gains and losses, net of tax, included in shareholders' equity, and preferred stock, divided by the number of common shares outstanding. In the opinion of the Company's management, adjusted book value per share is useful in an analysis of a property casualty company's book value per share as it removes the effect of changing prices on invested assets (i.e., net unrealized investment gains (losses), net of tax), which do not have an equivalent impact on unpaid claims and claim adjustment expense reserves.

Reconciliation of Shareholders' Equity to Common Shareholders' Equity, Excluding Net Unrealized Investment Gains (Losses), Net of Tax

(\$ in millions, except per share amounts)	As of December 31,																	
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Shareholders' equity	\$ 24,921	\$ 21,560	\$ 28,887	\$ 29,201	\$ 25,943	\$ 22,894	\$ 23,731	\$ 23,221	\$ 23,598	\$ 24,836	\$ 24,796	\$ 25,405	\$ 24,477	\$ 25,475	\$ 27,415	\$ 25,319	\$ 26,616	\$ 25,135
Less: Net unrealized investment gains (losses), net of tax, included in shareholders' equity	(3,129)	(4,898)	2,415	4,074	2,246	(113)	1,112	730	1,289	1,966	1,322	3,103	2,871	1,859	1,856	(146)	620	453
Preferred stock	-	-	-	-	-	-	-	-	-	-	-	-	-	68	79	89	112	129
Common Shareholders' equity, excluding net unrealized investment gains (losses), net of tax, included in shareholders' equity	\$ 28,050	\$ 26,458	\$ 26,472	\$ 25,127	\$ 23,697	\$ 23,007	\$ 22,619	\$ 22,491	\$ 22,309	\$ 22,870	\$ 23,474	\$ 22,302	\$ 21,606	\$ 23,548	\$ 25,480	\$ 25,376	\$ 25,884	\$ 24,553
Common shares outstanding	228.2	232.1	241.2	252.4	255.5	263.6	271.4	279.6	295.9	322.2	353.5	377.4	392.8	434.6	520.3	585.1	627.8	678.3
Book value per share	\$ 109.19	\$ 92.90	\$ 119.77	\$ 115.68	\$ 101.55	\$ 86.84	\$ 87.46	\$ 83.05	\$ 79.75	\$ 77.08	\$ 70.15	\$ 67.31	\$ 62.32	\$ 58.47	\$ 52.54	\$ 43.12	\$ 42.22	\$ 36.86
Adjusted book value per share	122.90	114.00	109.76	99.54	92.76	87.27	83.36	80.44	75.39	70.98	66.41	59.09	55.01	54.19	48.98	43.37	41.25	36.21



Glossary of Financial Measures and Reconciliations of GAAP Measures to Non-GAAP Measures

RECONCILIATION OF TOTAL CAPITALIZATION TO TOTAL CAPITALIZATION EXCLUDING NET UNREALIZED INVESTMENT GAINS (LOSSES), NET OF TAX

Total capitalization is the sum of total shareholders' equity and debt. Debt-to-capital ratio excluding net unrealized gain (loss) on investments, net of tax, included in shareholders' equity, is the ratio of debt to total capitalization excluding the after-tax impact of net unrealized investment gains and losses included in shareholders' equity. In the opinion of the Company's management, the debt-to-capital ratio is useful in an analysis of the Company's financial leverage.

(\$ in millions)	As of December 31, 2023	
Debt	\$	8,031
Shareholders' equity		24,921
Total capitalization		32,952
Less: Net unrealized investment losses, net of tax, included in shareholders' equity		(3,129)
Total capitalization excluding net unrealized losses on investments, net of tax, included in shareholders' equity	\$	36,081
Debt-to-capital ratio		24.4%
Debt-to-capital ratio excluding net unrealized investment losses, net of tax, included in shareholders' equity		22.3%

RECONCILIATION OF INVESTED ASSETS TO INVESTED ASSETS EXCLUDING NET UNREALIZED INVESTMENT GAINS (LOSSES)

(\$ in millions)	As of December 31,											
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Invested assets	\$ 88,810	\$ 80,454	\$ 87,375	\$ 84,423	\$ 77,884	\$ 72,278	\$ 72,502	\$ 70,488	\$ 70,470	\$ 73,261	\$ 73,160	\$ 73,838
Less: Net unrealized investment gains (losses), pre-tax	(3,970)	(6,220)	3,060	5,175	2,853	(137)	1,414	1,112	1,974	3,008	2,030	4,761
Invested assets excluding net unrealized investment gains (losses)	\$ 92,780	\$ 86,674	\$ 84,315	\$ 79,248	\$ 75,031	\$ 72,415	\$ 71,088	\$ 69,376	\$ 68,496	\$ 70,253	\$ 71,130	\$ 69,077

OTHER DEFINITIONS

Gross written premiums reflect the direct and assumed contractually determined amounts charged to policyholders for the effective period of the contract based on the terms and conditions of the insurance contract. Net written premiums reflect gross written premiums less premiums ceded to reinsurers.

For a glossary of other financial terms used in this presentation, we refer you to the Company's most recent annual report on Form 10-K filed with the SEC.



