

ESG Analyst Data

This document contains non-GAAP financial measures. For reconciliations to GAAP financial measures, please see page 5.

TOPIC	METRIC	2020	2019	2018
Economic				
<u>Financial Performance</u>	Earned Premiums (million USD)	\$29,044	\$28,272	\$27,059
	Total Revenues (million USD)	\$31,981	\$31,581	\$30,282
	Core Income (million USD)	\$2,686	\$2,537	\$2,430
	Net Income (million USD)	\$2,697	\$2,622	\$2,523
	Net Income Per Diluted Share	\$10.52	\$9.92	\$9.28
	Total Assets (million USD)	\$116,764	\$110,122	\$104,233
	Shareholders' Equity (million USD)	\$29,201	\$25,943	\$22,894
	Return On Equity	10.0%	10.5%	11.0%
	Core Return On Equity	11.3%	10.9%	10.7%
	Book Value Per Share	\$115.68	\$101.55	\$86.84
	Dividends Per Share	\$3.37	\$3.23	\$3.03
	Amount of Excess Capital Returned to Shareholders through Dividends and Share Repurchases (million USD)	\$1,536	\$2,396	\$2,139
<u>Investments</u>	Total Investments (million USD)	\$84,423	\$77,884	\$72,278
	Percentage of Invested Assets in Fixed Maturity & Short-Term Investments	94%	94%	93%
	Net Investment Income Pre-Tax (million USD)	\$2,227	\$2,468	\$2,474
<u>Customers</u>	Customer Retention Rate	SASB Report	SASB Report	SASB Report
Environmental				
<u>GHG Emissions</u>	Scope 1 GHG Emissions (metric tons CO ₂ e)	13,500	23,746	25,591
	Emissions from Mobile Combustion (metric tons CO ₂ e)	12,414	22,525	24,329
	Emissions from Office Activity (metric tons CO ₂ e)	1,086	1,221	1,262
	Scope 2 GHG Emissions (metric tons CO ₂ e)	21,908	27,970	29,881
	Total Scope 1 & Scope 2 GHG Emissions (metric tons CO ₂ e)	35,408	51,716	55,472
	GHG Emissions per Revenue (metric tons CO ₂ e per \$)	0.00000111	0.00000163	0.00000183

TOPIC	METRIC	2020	2019	2018
	GHG Emissions per FTE (metric tons CO ₂ e per person)	1.18	1.72	1.85
	Scope 3 Emissions from Travel	5,666	17,819	18,584
	Percentage of Electricity from Renewable Sources	21%	21%	17%
	Percentage of Total Energy from Renewable Sources	7%	6%	5%
	Emissions Reduction Initiatives (y/n)	Y	Y	Y
	GHG Emissions Reduction Goal (y/n)	Y	Y	Y
Climate	Climate Opportunities Discussed (y/n)	Y	Y	Y
	Climate Risks Discussed (y/n)	Y	Y	Y
Social				
Workforce Data	Global Headcount	30,572	30,784	30,383
	Percentage of Employees Who Work Full Time	98%	98%	98%
	Percentage of Employees Located in the United States	91%	91%	91%
	Percentage of Women in Workforce (U.S. only)	55%	55%	55%
	Percentage of Minorities (people of color) in Workforce (U.S. only)	25%	25%	24%
	Voluntary Turnover Rate (U.S. only) ^[1]	5.5%	7.2%	7.5%
	Voluntary Turnover Rate (Global) ^[1]	5.6%	7.4%	7.8%
	Involuntary Turnover Rate (U.S. only) ^[1]	1.2%	1.8%	1.6%
	Involuntary Turnover Rate (Global) ^[1]	1.2%	2.1%	1.9%
	Total Turnover Rate (U.S. only) ^[1]	6.7%	9.1%	9.3%
	Total Turnover Rate (Global) ^[1]	6.9%	9.6%	9.7%
Supplier Management & Diversity	Supplier Management Policy (y/n)	Y	Y	Y
	Diverse Supplier Spend (Tier 1 and Tier 2)	\$140 million+	\$100 million+	\$100 million+
Human Rights	Equitable Pay Statement (y/n)	Y	Y	Y
	Human Rights Statement (y/n)	Y	Y	Y
	Equal Employment Opportunity Policy (y/n)	Y	Y	Y
Ethics	Anti-Bribery & Anti-Corruption Policy (y/n)	Y	Y	Y
	Code of Business Conduct & Ethics (y/n)	Y	Y	Y
	Whistleblowing & Non-Retaliation Policy (y/n)	Y	Y	Y
Community	Direct Cash	\$19,537,777	\$17,423,703	\$18,873,872
	Foundation Cash	\$3,407,352	\$6,586,694	\$6,284,365

^[1] Excludes Simply Business and Zensurance.

TOPIC	METRIC	2020	2019	2018
	Total Cash	\$22,945,129	\$24,010,397	\$25,158,237
	Non-Cash	\$1,767,285	\$206,064	\$393,864
	Annual Cash/Volunteer Match Offer per Employee	\$1,500	\$1,500	\$1,500
	Community Connections Matching Gifts/Volunteer Match Contributions (million USD)	\$1.3 ^[1]	\$1.3 ^[2]	\$2.3
	Employee Volunteer Hours	50,000 ^[1]	130,000	120,000
Governance^[3]				
<u>Board Composition & Independence</u>	Size of the Board (Number of Nominees Elected at the Annual Meeting)	11	10	12
	Board Average Age	65	65	66
	Mandatory Retirement Age (y/n)	Y	Y	Y
	Average Director Tenure	9	9	10
	Number of Independent Directors	10	9	11
	Percentage of Directors Who Are Independent	91%	90%	92%
	Independence of Committees (Other than Executive Committee)	Y	Y	Y
	Independent Chairman (y/n)	N	N	N
Independent Lead Director (y/n)	Y	Y	Y	
<u>Board Diversity</u>	Number of Women on the Board	4	3	3
	Percentage of Directors Who Are Women	36%	30%	25%
	Number of Diverse Directors	1	1	1
	Percentage of Directors Who Are Diverse	9%	10%	8%
<u>Board & Committee Meetings</u>	Number of Board and Committee Meetings During the Calendar Year	35 ^[4]	32	32
	Number of Directors Attending Less than 75% of Meetings During the Calendar Year	0	0	0
	Executive Session (y/n)	Y	Y	Y

^[1] The COVID-19 pandemic severely reduced giving and volunteer activity among our employees, resulting in reduced volunteer hours and matching gift requests.

^[2] In 2019, we suspended the employee giving payroll deduction pledge drive as part of our plan to introduce our new employee involvement intranet site, which accounts for the reduction in matching gifts. As of January 2020, employees have the ability to donate through the new platform "on demand" at any time throughout the year, using payroll deduction, credit card or PayPal. Donations to most public charities are eligible for the company match.

^[3] Information provided is as of the conclusion of the Annual Meeting of Shareholders for the stated year. Updated information, as applicable, is reflected in the [Governance Practices](#) section of our sustainability site. Note that information under Board Composition & Independence and Board Diversity, above, remained the same as of the Annual Meetings of Shareholders on May 21, 2020, and May 20, 2021.

^[4] In addition, during the first few months of the COVID-19 pandemic, the Board held bi-weekly calls to discuss topics related to the pandemic.

TOPIC	METRIC	2020	2019	2018
<u>Shareholder Rights</u>	Annual Election of Directors (y/n)	Y	Y	Y
	Majority Voting Standard for Director Elections (y/n)	Y	Y	Y
	Single Voting Class (y/n)	Y	Y	Y
	Proxy Access (y/n)	Y	Y	Y
	Poison Pill (y/n)	N	N	N
<u>Executive Compensation</u>	Clawback Provision for Executive Compensation (y/n)	Y	Y	Y
	Single-Trigger Vesting (y/n)	N	N	N
	CEO Stock Ownership Guidelines	Y	Y	Y
	CEO Stock Ownership Multiple of Base Salary ^[1]	5	5	5
	Vice Chairmen & Executive Vice Presidents Stock Ownership Guidelines	Y	Y	Y
	Vice Chairmen & Executive Vice Presidents Stock Ownership Multiple of Base Salary ^[1]	3	3	3
	Director Stock Ownership Guidelines (y/n)	Y	Y	Y
	Director Stock Ownership Multiple of Annual Deferred Stock Award	4	4	4
Sustainability Disclosures				
Disclosure Frameworks	GRI Criteria Compliance (y/n)	Y	Y	Y
	SASB Disclosure (y/n)	Y	Y	Y
	TCFD Disclosure (y/n)	Y	Y	Y

^[1]Under the Compensation Committee's executive stock ownership policy, the CEO has a target ownership level of the lesser of 150,000 shares or the equivalent value of 500% of base salary, Vice Chairmen and Executive Vice Presidents have target ownership levels of the lesser of 30,000 shares or the equivalent value of 300% of base salary, and Senior Vice Presidents have target ownership levels of the lesser of 5,000 shares or the equivalent value of 100% of base salary.

Non-GAAP Reconciliations

Reconciliation of Net Income to Core Income

(DOLLARS IN MILLIONS, AFTER-TAX)	FOR THE YEAR ENDED DECEMBER 31,		
	2020	2019	2018
Net income	\$2,697	\$2,622	\$2,523
Less: Net realized investment gains	(11)	(85)	(93)
Core income	\$2,686	\$2,537	\$2,430

Reconciliation of Shareholders' Equity to Adjusted Shareholders' Equity

(DOLLARS IN MILLIONS)	AS OF DECEMBER 31,			
	2020	2019	2018	2017
Shareholders' equity	\$29,201	\$25,943	\$22,894	\$23,731
Adjustments				
Net unrealized investment (gains) losses, net of tax, included in shareholders' equity	(4,074)	(2,246)	113	(1,112)
Net realized investment gains, net of tax	(11)	(85)	(93)	(142)
Impact of TCJA ⁽¹⁾ at enactment	—	—	—	287
Adjusted shareholders' equity	\$25,116	\$23,612	\$22,914	\$22,764

⁽¹⁾Tax Cuts and Jobs Act of 2017 (TCJA).

Calculation of Return on Equity and Core Return on Equity

(DOLLARS IN MILLIONS, AFTER-TAX)	FOR THE YEAR ENDED DECEMBER 31,		
	2020	2019	2018
Net income	\$2,697	\$2,622	\$2,523
Average shareholders' equity	26,892	24,922	22,843
Return on equity	10.0%	10.5%	11.0%
Core income	\$2,686	\$2,537	\$2,430
Adjusted average shareholders' equity	23,790	23,335	22,814
Core return on equity	11.3%	10.9%	10.7%

Average shareholders' equity is (a) the sum of total 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.

Adjusted shareholders' equity is shareholders' equity excluding net unrealized investment gains (losses), net of tax, included in shareholder's 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)). Adjusted average shareholders' equity is (a) the sum of 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.

Return on equity is the ratio of (a) net income for the period presented to (b) average shareholders' equity for the period presented. Core return on equity is the ratio of (a) core income for the period presented to (b) adjusted average shareholders' equity for the period presented.

Definitions of certain terms used in this Data Download are included in the *Glossary of Selected Insurance Terms* portion of the Form 10-K.