

Execution Excellence

An Interview with Evan G. Greenberg, Chairman and Chief Executive Officer, Chubb

EDITORS' NOTE Evan Greenberg is Chairman and Chief Executive Officer of Chubb Limited and Chubb Group. He was elected President and Chief Executive Officer in May 2004 and Chairman of the Board of Directors in May 2007. Over the course of more than 40 years in the insurance industry, Greenberg has held various underwriting and management positions and gained significant insight in the global property, casualty and life insurance sectors. Prior to joining the company, then named ACE, in 2001 as Vice Chairman, he spent 25 years at American International Group, where he served as President and Chief Operating Officer from 1997 to 2000. Before that, he held a variety of senior management positions, including President and Chief Executive Officer of AIU, AIG's Foreign General Insurance organization, and Chief Executive Officer of AIG Far East, based in Japan. Greenberg is Vice Chair of the National Committee on United States-China Relations and a Director of the U.S.-China Business Council. He serves on the Board of Trustees of the Center for Strategic and International Studies, the Board of Directors of the Peterson Institute for International Economics, and the Advisory Board of Tsinghua University School of Economics and Management (Tsinghua SEM) in Beijing. Greenberg serves by Presidential appointment on the United States Trade Representative's Advisory Committee for Trade Policy and Negotiations. He is a member of the Council on Foreign Relations and an overseer of the International Rescue Committee.



Evan G. Greenberg

COMPANY BRIEF With operations in 54 countries and territories, Chubb (chubb.com) is the world's largest publicly traded property and casualty (P&C) insurance company. Chubb provides commercial and personal P&C insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.

Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs approximately 33,000 people worldwide.

What do you say to those on the front lines battling the pandemic, from healthcare workers to first responders to all essential workers, who are the true leaders and heroes during this crisis?

Thank you. We are grateful for your bravery, your tireless commitment, your selflessness and sacrifice for the well-being of others. It is simply extraordinary and reminds one to never underestimate the human spirit and the ability to rise to the occasion. It shows that people can do extraordinary things. This is what our front line workers have shown us time and again.

Chubb is a purpose-driven company with a long history of supporting its

employees, customers and communities. How has Chubb adapted its business to address these unprecedented times?

We have operated like a normal company in very abnormal times. We have not skipped a beat as an organization and we have done that globally in all countries and all regions. We are well connected through technology and organization management and through day-to-day active leadership at all levels of the organization. In the beginning of the crisis, we focused on protecting the company and serving our customers, taking care of our employees and maintaining a strong balance sheet. While that focus remains, as time went on, we moved to offense and the ability to expand and extend our capabilities and capitalize on opportunities during this extraordinary period. A hallmark of Chubb is execution excellence, and we are operating right now at a very high level.

It was critical for us to support our employees and provide them with some peace of mind during this period. We had no layoffs during the acute phase of the shutdown portion of the health crisis. We have prioritized our employees' well-being and safety so that they would be able to help others, whether it be their families or their responsibility to the company.

How will the crisis impact the future of work for a company like Chubb that is built on relationships and the human touch?

Chubb is predominantly a work from office company, not a work from home company. There is no ambiguity about that, and it is the job of leadership to reinforce that understanding of our culture. When the health and safety of our employees is secure, their place of work will be predominantly in the office. It may vary by the type of work a person does, and we may have a different mix of who is predominantly working in the office and who is working from home, but our clear focus is that we are a work from office company. You can't build culture from home – innovation suffers, the informal communication that we rely on suffers, and people, though efficient in a more sterile sense, become stale without interacting with others.

Technology will impact travel and the way we service customers, but it will be used to make us more efficient and effective, and will not diminish our relationship with our customers in any way.

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Chubb has a long and deep commitment to New York. What is your outlook for New York’s recovery and are you concerned about New York’s future as you look at the challenges ahead?

I am very concerned when you look at the number of retail businesses that have been destroyed, both small and large, the severe impact on restaurants and consumer goods, as well as the reduction in the percentage of the labor force that is working in the city and the jobs that have gone away forever. There will be a major impact on the amount of space that businesses will require; add to that the impact on residential real estate demand and values. All of this together will cause a big adjustment to commercial real estate values. The city already has a precarious fiscal position and government policies exacerbate it with cutbacks in services, cutbacks in police, and added security risks. Rather than a welcome mat for businesses, there is more of a lack of care and disregard for business and tremendous red tape that businesses have to go through to operate here. There is a lack of regard for businesses and individuals who pay taxes and create jobs in the city and increase government revenues. As the pool shrinks of tax-paying entities, taxes will ultimately rise. These policies work against us and make it difficult for me to be optimistic for the future.

Having said that, New York is a global phenomenon. There is no other city in the world like it, but we can’t take it for granted. We need to work at it and eventually we will return to the policies that make New York so special. In the meantime, we will go through a tough period. I was born in New York and I will die a New Yorker.

You are also very engaged in China/U.S. relations. How concerned are you about the current state of this relationship and how critical is it for the two countries to be able to cooperate and find common ground?

China is a growing power that is emerging as a global leader. The U.S. is an established global leader. We live on the same planet. Our cultures and values are different, but we have one goal in common, which is prosperity and peace for our people. We are naturally emerging as rivals, and that rivalry will grow. We will each defend our national interests – economic and security. However, we also have things in

common and there are global problems that can only be solved if the two countries work together, with climate change at the top of the list. We have to find a way through diplomacy to cooperate, and in areas where we are going to compete, we should strive to create a framework of engagement with fair rules of competition, otherwise tensions and the spirit of conflict will continue to rise. Again, as part of strategy, we should be prepared to compete, cooperate and defend the interests of our nation.

As Americans, we should not be insecure about ourselves. China is not a juggernaut. They have their own problems and issues to deal with, but if we want to succeed and continue to play a leadership role in the world, we need to earn it. That demands leadership and a focus on running our own race much better and addressing our own areas of weakness. We have the necessary foundation – we are an innovation society and we are an open society supported by the rule of law. We have great attributes that give me confidence that if we do run our own race, we will at least hold our own in global leadership.

Do you feel that the insurance industry is well-understood when it comes to the innovation and creativity taking place inside leading insurance companies today?

You need to define what we do. We assume risk for the exposures created by the world at large. The exposures are created by human activity and by nature itself. Insurance is a fascinating industry. You are dealing with

exposures impacted by innovations, legal systems, science, globalization, technology – and then you have the exposures created by nature. The ability to understand these exposures is because you understand the world. This is an exciting and fascinating endeavor, in addition to being a noble cause.

When you look at the causes of risk that you highlight, has evaluating and managing risk become more complex today?

It has become more complex, but the tools we have at our disposal are far more powerful, as is our ability to access and interpret data to put into actionable use. While the world has become more interrelated and complex, our ability to manage that complexity has grown with the task.

What advice do you offer to young people beginning their careers during this challenging and uncertain time?

There is a never-ending list right now of things to be critical of, to be anxious about, to be discouraged by, but that is ultimately a fruitless exercise. It is about what you do. Living is about what you do. You define yourself. No one is going to give you anything. You make your own way. Democracy is a very precious thing. Free enterprise is a very precious thing. It is easy to question it until you know what it is to be without it. There is no victory and no gratification in life being someone who simply observes and complains. The satisfaction and the contribution is through the doing. Life is a participant sport and you need to get on the field and play. ●

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