

Making a Difference

An Interview with Alan D. Schnitzer, Chairman and Chief Executive Officer, The Travelers Companies, Inc.

EDITORS' NOTE Alan Schnitzer became CEO and a member of the company's Board of Directors in 2015, and was elected Chairman of the Board in 2017. He joined Travelers in April 2007 as Vice Chairman and Chief Legal Officer. He then went on to lead the company's Financial, Professional and International Insurance segment and subsequently the company's Business and International Insurance segment. He also oversaw Travelers' Field Management, Corporate Communications and Public Policy organizations. Before joining Travelers, Schnitzer served as the company's lead outside counsel as a partner in the law firm of Simpson Thacher & Bartlett LLP, where he advised corporate clients on a variety of transactions and general corporate law matters. Schnitzer is a member of the Board of Trustees of the University of Pennsylvania and serves on the Board of Directors of the New York City Ballet and Memorial Sloan Kettering Cancer Center. Schnitzer earned his undergraduate degree in finance and accounting from The Wharton School of the University of Pennsylvania and his JD from Columbia Law School.



Alan D. Schnitzer

COMPANY BRIEF Travelers (travelers.com) has been around for more than 160 years and has earned a reputation as one of the best property casualty insurers in the industry. It is a leader in personal, business and specialty insurance and the only property casualty company in the Dow Jones Industrial Average. Its approximately 30,000 employees and 13,500 independent agents and brokers in the United States, Canada, the United Kingdom and Ireland help provide its customers with both peace of mind and the confidence to reach higher and do more.

Travelers is a purpose-driven company with a long history of helping those in need. How has Travelers supported its customers, agents, brokers and communities during this time?

At Travelers, we were prepared for a moment like this. We know we are going to be tested from time to time and planning for the unknown and the unforeseeable is what we do. So that we didn't miss a beat in providing the service and response our customers expect from us, we shifted quickly to rely more heavily on our suite of state-of-the-art digital tools. In many cases, we can resolve claims, conduct premium audits and handle risk control assessments virtually. Another way we've supported our customers during a difficult time is by offering auto premium credits and billing relief. Similarly, to give our partners a boost in cash

flow when they needed it most, we accelerated \$100 million in commission payments to eligible agents and brokers.

As a company deeply rooted in our communities, we take pride in making a difference in the neighborhoods where we live and serve. We donated \$5 million to support relief efforts across North America, the U.K. and Ireland. We also repurposed our kitchen facilities in Hartford, Connecticut, to supply local nonprofits with hot meals for members of our community who need a helping hand. Additionally, thanks to the big hearts and generosity of the Travelers family, we've

been able to purchase meals from local restaurants for front line healthcare workers.

There have been countless individual acts of kindness and support across the Travelers family, both large and small. I am proud that Travelers has stepped up in so many ways for the people and communities we are privileged to serve.

How has your business changed since the pandemic began and what has helped Travelers succeed during this time?

More than anything, our success during this time is a tribute to our extraordinary workforce. The people of Travelers have risen to the occasion with commitment, compassion and ingenuity. Back in March, for example, as the pandemic was unfolding, our Claim team faced a challenge: Demand was surging for our proprietary Virtual Visits tool that allows us to engage digitally with our customers, injured workers and others. To scale up usage of the application, we needed a training website and we needed it fast. With focus, flexibility and teamwork, this group launched the training site in a matter of days and adoption of Virtual Visits has already increased tenfold as a result of their efforts. The technological achievement was impressive, but more than that, it was important – it helped us keep our colleagues and customers safe.

Our Technology and Business Resiliency teams also deserve recognition for making sure that we were prepared. Long before COVID-19 was making headlines, they were taking action so that we could seamlessly transition to what I call our "normal for now."

There is a great deal of discussion about businesses reopening. What is your outlook for what this new normal may look like and how is Travelers preparing for the next stage in this crisis?

We're taking a very gradual, deliberate approach in reopening our offices to employees beyond those who are worksite-essential. In every decision we make and action we take, the health and safety of

our employees and business partners is our top concern. We recognize that not all our employees will be ready to go back at the same time and not all locations will be safe enough to reopen simultaneously. When our offices do reopen, at least at first, it'll be at a fraction of their normal capacity for safety reasons. Subject to those considerations, we will try to open up our offices as soon as practical. There is a great deal of value in working together. There are countless examples where the outcome of an impromptu meeting has led to a great idea or a better business decision. Important informal training takes place around the proverbial water cooler. We meet mentors when we least expect it. As we work remotely, there's no question we are missing the small, personal interactions that ground us and make us feel a sense of connection to one another. We can accomplish a lot on Skype or Zoom, but these tools aren't a long-term substitute for personal interaction. When the time is right, we'll get back to the office. In the meantime, we are well-positioned for continued success.

There is a much needed call for racial equality that is happening across the country. Travelers has a strong commitment to building a diverse and inclusive workforce. Will you discuss your recent initiatives to support these efforts?

Diversity and inclusion as well as racial equity are fundamental to our culture. After the recent tragic reminders of racial injustice in America, we took a long, hard look at what we could improve at Travelers. While we've had robust diversity and inclusion programs in place for years, we reassessed them and held important conversations about race and equality. In order to improve our pipeline of diverse talent and representation in leadership, we've made changes to our succession planning and talent management processes to be even more intentional about identifying opportunities to promote people of color into leadership positions and attract others from outside the company. We have also created a new position to ensure we have a dedicated leader to serve as an equity ambassador for employees. Additionally, we have updated our mandatory diversity training program to include an enhanced focus on unconscious bias.

Our commitment to doing the right thing extends beyond the workplace and into our communities, and we have made a \$1 million contribution to organizations including the NAACP Legal Defense and Educational Fund, the National Urban League, YWCA Minneapolis and the Minnesota-based We Love Midway fund.

All of us have a role to play in shaping a more equitable world. For the Travelers family, these aren't our first steps in promoting racial justice, and they won't be our last. ●