THE HARTFORD

TCFD Report

Reporting Year 2021

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

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About This Report

At The Hartford, we have long understood we have a unique role to play in response to the climate emergency. Climate change is real, as are the risks to people, businesses, and the overall economy. We are proud to be a leader in helping address the extensive and crucial challenge of climate change, drawing on centuries of experience managing and mitigating climate-related risk.

Our legacy of sustainability includes a steadfast commitment to reducing our carbon footprint and environmental impact. Existing efforts also include operating the facilities we own with 100% renewable energy sources by 2030 and reducing select GHGe by at least 2.1% each year for a total reduction of 46.2% by 2037, using 2015 as the base year. We have exceeded this goal each year to date, with total emissions reductions reaching 89.6% since tracking began in 2007.

Building upon this progress, we recently announced a goal to achieve net zero GHGe for our full range of businesses and operations by 2050 in alignment with the Paris Climate Accord. We are currently working to reassess and recalibrate the emissions targets noted above to align with our net zero ambition. Achieving our net zero goal will depend on multiple external variables, including aggregate reporting of and adherence to measurement protocols that remain under development. Despite the uncertainty, we are committed to balancing stakeholder impact as we navigate the global energy transition.

We also appreciate the important role we can play in advocating for change more broadly. That is why in addition to announcing our net zero goal, we proudly took several other notable actions featured on p. 7-12 of The Hartford's 2021 Sustainability Highlight Report, including:

- Successfully achieving our water and waste goals set in 2017
- Evolving our investment portfolio over time to reflect the importance of Environmental, Social and Governance (ESG) principles through a measured approach that commits $2.5 billion over the next five years in technologies, companies and funds that are advancing the energy transition and addressing climate change.
- Fully meeting the commitments stated in our Coal and Tar Sands Policy including exiting all Tar Sands holdings by the end of 2021, two years earlier than our initial commitment, and exiting holding which don't support our Coal policy by the end of 2023. Further embedding existing ESG principles across our underwriting portfolio by increasing written premium in products that support our energy transition.
- Driving community-based environmental stewardship by engaging and educating employees, policymakers and community stakeholders around climate mitigation.

This TCFD Report, in conjunction with the climate-related disclosures included in our annual CDP submission, SASB report, and 2021 Sustainability Highlight Report, describes the actions The Hartford is taking to identify, assess and manage the effects of climate-change.

Governance:

Disclose the organization’s governance around climate-related risks and opportunities

a) Describe the board’s oversight of climate-related risks and opportunities

At The Hartford, the full Board of Directors (the “Board”) has oversight of sustainability matters, including climate-related issues. Per its charter, the Board’s Finance, Investment and Risk Management Committee, which is comprised of the full Board, is responsible for oversight of investment activities, financial management, and risk management activities for the Company and its subsidiaries. The Committee provides a forum for discussion among management and the Board on key financial, investment, and risk management matters of the enterprise. This includes routinely receiving updates on risk arising from changing climate or weather patterns and how these climate-related risks may potentially impact the Company’s businesses and operations. This committee met five times in 2021.

In addition, The Nominating and Corporate Governance Committee of the Board (the “Nominating Committee”) has oversight of the company’s sustainability governance framework. Per its charter, the Nominating Committee is formally responsible for overseeing the establishment, management and processes related to the Company’s environmental, social and governance activities and issues of significance to the Company, its host communities, shareholders and employees. This committee met four times in 2021.

Starting at the Board, the governance structure cascades to the Enterprise Risk and Capital Committee (ERCC). This Committee oversees the risk profile and risk management practices of the Company. A number of functional committees sit underneath the ERCC. These committees provide oversite of specific risk areas including those related to climate and recommend risk mitigation strategies across the Company. The Enterprise Risk Management organization is responsible for overseeing the company’s management and underwriting activities to mitigate risks associated with climate change, such as severe weather events, which are discussed in the Company’s 10-K, and described in the company’s Statement on Climate Change.

In order to view ESG topics holistically, and to coordinate efforts across the company, the company formed a Sustainability Governance Committee (“SGC”) in 2017. The Committee is comprised of senior management that sets and helps to drive execution of the company's sustainability strategy, reporting to the full Board of Directors at least annually.

The cross functional membership of this Committee helps embed ESG goals, objectives and initiatives into the strategy and operations of the company. Several ESG subcommittees actively work to embed ESG principles and practices across the organization. As of 12/31/2021[1] these committees include:

- ESG Risk Management Committee
- Hartford Investment Management Company (HIMCO) ESG Committee
- Environment Committee
- Diversity, Equity & Inclusion Committee

Each subcommittee is established through a charter and includes an appropriate mix of cross-functional leaders. The subcommittees meet at least quarterly and regularly report their progress to the SGC.

This governance framework helps drive the coordination of the company's sustainability efforts and enables the full Board to oversee ESG risks and opportunities that contribute to the long-term sustainability of the company.

Support Links:

- Corporate Governance Guidelines
- Nominating and Corporate Governance Committee Charter
- Finance, Investment & Risk Management Committee Charter
- The Hartford's 2022 Proxy Statement (p. 6-7, 87)
- The Hartford's 10-K
- Statement on Climate Change
- Coal and Tar Sands policy
- CDP – C1 (p. 4-10)

b) Describe management's role in assessing and managing climate-related risks and opportunities

At the management level, The Hartford has a SGC which serves as the senior management forum for managing ESG risks and opportunities at The Hartford. The SGC meets at least quarterly to set and help drive execution of The Hartford's sustainability strategy by embedding ESG goals, objectives and initiatives into the company's businesses and operations. This includes the assessment and management of climate-related risks and opportunities. The SGC serves as the mechanism to facilitate the Board and management's comprehensive understanding of The Hartford's collective sustainability efforts that address material ESG factors, risks and opportunities.

[1] In 2022, the ESG Risk Management Committee and the Environment Committee merged to form the Climate Risk Management Committee. We also established an ESG Underwriting Committee. We made these changes to strengthen alignment with The Hartford's ESG strategy and our approach to achieving our net zero 2050 goal announced in April 2022.

The SGC's specific responsibilities and authority include the following:

- Determining strategic focus for sustainability efforts by identifying and prioritizing areas that The Hartford will consciously address, including: (a) defining scope of sustainability initiatives; (b) establishing goals or defining measures of success; and (c) reviewing materials to be shared with the Board and a selection of those to be published externally.
- Overseeing the work of the ESG sub-committees and efforts to address ESG issues.
- Periodically reporting progress towards key goals and initiatives to the broader enterprise leadership team and the Board, as well as state insurance departments.
- Contributing to and reviewing the company's annual sustainability reporting.
- Sponsoring company sustainability initiatives, including those that engage employees of The Hartford.

In addition to - and represented on – the SGC, The Hartford has an Environment Committee[2], which was created in 2007 as part of The Hartford's public commitments on climate change. The Environment Committee is composed of executives from across the enterprise with a wide range of responsibilities and perspectives including enterprise risk management, applied research & product development, actuarial and underwriting, corporate finance, workplace resources, law and government affairs.

The Environment Committee is responsible for:

- Serving as a senior forum to coordinate and promote environmental activities within the company that reduce The Hartford's impact on the environment.
- Offering advice and direction on all company environmental efforts.
- Ensuring that meaningful opportunities to improve the environment and engage our employees are discussed within the Committee and shared with the SGC such that the SGC will report these actions to the enterprise leadership team and the Board of Directors.

In addition, The Hartford's Environmental Action Team ("HEAT") was established in 2011 and as of 12/31/21, there are 664 employee members participating. Members of the HEAT leadership team are employees from across the organization who share a passion for environmental stewardship. They meet at least monthly and focus their efforts on engagement opportunities to help increase the environmental awareness of our employee base. The team hosts educational webinars, EcoChallenges, climate-related discussion groups, significant recycling efforts, and numerous additional activities in support of the local community. HEAT members also maintain an internal website to inform employees about the company's environmental commitments and promote employee volunteer opportunities. HEAT has a representative on the Environmental Committee and its leaders set an annual operating plan and meet with the General Counsel, who chairs the Environment Committee, to report on and seek guidance on its activities.

Support Links:

- CDP – C1 (p. 4-10)
- 2021 Sustainability Highlight Report, p. 32 and GRI #102-18 and #102-19, p. 40

[2] In 2022, the Environment Committee merged with the ESG Risk Management Committee to form the Climate Risk Management Committee. We also established an ESG Underwriting Committee. We made these changes to strengthen alignment with The Hartford's ESG strategy and our approach to achieving our net zero 2050 goal announced in April 2022.

Strategy:

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term

Climate Change Risks:

Time Horizon	From (years)	To (years)	Climate-related Risks
Short-term	0	1	• Regulatory risk • Physical risks – unpredictable weather/climate events can expose our insurance operations to claims arising out of catastrophes (ex. snow, ice, wildfires, tornado – wind and hail, pandemic) • Reputation risk
Medium-term	2	10	• Physical risks – unpredictable weather/climate events can expose our insurance operations to claims arising out of catastrophes (ex. hurricanes, typhoons) • Reputation Risk
Long-term	11	20	• Physical risks – Rising sea levels increase the potential for flooding events • Reputation risk

Our insurance operations expose us to claims arising out of catastrophes caused by various unpredictable natural events frequently attributed to climate change including, among others, earthquakes, hurricanes, hailstorms, severe winter weather, wind storms, fires, and tornadoes. The geographic distribution of our business subjects us to catastrophe exposure for events occurring in a number of areas. Any increases in the values and concentrations of insureds and property in these areas would increase our potential exposure to catastrophic events in the future.

In addition, changes in climate and/or weather patterns may increase the frequency and/or intensity of severe weather and natural catastrophe events potentially leading to increased insured losses. Potential examples include but are not limited to: an increase in the frequency or severity of wind and thunderstorm and tornado/hailstorm events due to increased convection in the atmosphere, more frequent and larger wildfires in certain geographies, higher incidence of deluge flooding, and the potential for an increase in frequency and severity of large hurricane and tropical storm events. In addition, in part because accounting rules do not permit insurers to reserve for such catastrophic events until they occur, claims from catastrophic events could have a material adverse effect on our business, financial condition, results of operations or liquidity.

The amount we charge for catastrophe exposure may be inadequate if the frequency or severity of catastrophe losses changes over time or if the models we use to estimate the exposure prove inadequate. In addition, regulations or laws could limit our ability to charge adequate pricing for catastrophe exposures or shift more responsibility for covering risk.

A comprehensive overview of The Hartford's climate-related risks can be found in section C2.3a of the company's CDP response, p.24-41. For more information on climate-related risks, see Risk Factors in The Hartford's Annual Report on Form 10-K, including: *Changing climate and weather patterns may adversely affect our business, financial condition and results of operations*.

Climate Change Opportunities:

Time Horizon	From (years)	To (years)	Climate-related Opportunities
Short-term	0	1	• Investments in renewable energy projects (wind, solar, hydro-electric) and in technologies, companies and funds, which are advancing the energy transition and addressing climate change • Underwriting – Increased economic activity related to renewable energy will generate growth in the renewable energy sector within certain lines of business • Underwriting – Installation of energy saving equipment in universities, hospitals, and other types of public buildings • Shift in consumer preferences to environmentally friendly products and renewable energy solutions • Increased demand for products and services as changes in weather patterns emerge • Carbon Taxes, Cap and Trade Schemes, and Regulations seeking reduction in air pollution – all may result in growth for the wind, solar, biomass, or other renewable energy sectors. If any of these drivers occur, The Hartford's Renewable Energy Practice may experience considerable growth • Increased construction projects to meet needs of changing climate (i.e. infrastructure adaptability and improvements, flood control, shoring and erosion control, waterproofing, and green building) • Weather changes may prompt customers to increase the amount of insurance they purchase • Reputation – Stakeholders view The Hartford as a leader in environmental stewardship at the forefront of understanding, managing, and mitigating the risks associated with climate change.

Medium-term	2	10	• Regulations driving increased demand for products and services in Renewable Energy • Regulations requiring stronger building codes and other climate change reduction measures - To the extent that climate change drives state, local and federal regulators to implement stronger building codes and other mitigation and adaptation measures, The Hartford may see loss costs for certain weather-related events decrease • Reputation – resource efficiency; stakeholders view The Hartford as a leader in environmental stewardship
Long-term	11	20	• Investments in Energy Savings Performance Contract financing transactions (ex. installation of energy-saving equipment in Government facilities) • Investments in Solar Tax Credit transactions which help encourage the installation of solar energy systems • Investments in LEED certified Real Estate and REITS supporting efforts to reduce the world's carbon footprint • Investments in municipal direct investments in renewable energy opportunities • Investments in Property Assessed Clean Energy "PACE" Asset Backed bonds, which provide capital for building improvements that result in utility savings • Reputation – resource efficiency; stakeholders view The Hartford as a leader in environmental stewardship

Insurance Operations

Climate change presents several opportunities for our insurance business. As changes in weather patterns emerge, The Hartford can better position our products in order to offer further protection to our customers. The Hartford already offers a full range of insurance products that help customers who want protection from weather events and their consequences, including protection from damage that could occur from fires brought on by drought, snow and ice, severe heat, changing weather patterns, wind and other perils. Offering such protection, and then managing that risk, is at the heart of what insurers do.

To the extent that new regulations related to climate change drive insureds to more environmentally friendly products, The Hartford could experience an increased uptake in its offerings of insurance products that service this area. For example, the company's renewable energy practice offers end-to-end coverage for the wind, solar and biomass industries, from research and development through construction, to production. If future regulation encourages renewable energy use, this could present opportunities from which The Hartford could benefit.

Similarly, if regulation encourages commercial vehicle owners and individuals to drive hybrid or electric vehicles, The Hartford could benefit through its current product offerings in these areas. As the first insurer to offer coverage of garage EV charging stations in its homeowners policies, the company may also benefit from regulation thereof.

To the extent that commercial entities are required or encouraged to build green buildings or replace equipment with more energy efficient equipment in order to limit contributions to climate change, The Hartford's products that offer these coverages could benefit. Likewise, any regulations that encourage individuals to build greener houses or use hybrids or EVs could drive further uptake for the products that The Hartford offers.

Similarly, opportunities exist for The Hartford as public and private entities enter into construction projects to address changes in physical climate. Projects addressing these changes include but are not limited to infrastructure adaptability and improvements, flood control, shoring and erosion control, waterproofing, and green building. Insurance buyers looking to adequately transfer risks associated with these projects create business opportunities for The Hartford. Opportunities also exist for The Hartford as more construction projects implement Green Performance Contracting (GPC) standards. GPC changes the traditional construction approach with respect to materials, equipment, design, methodology, and energy efficiency. Underwriting GPC and developing insurance products to address its use is an opportunity for The Hartford to gain greater resiliency to climate-related events resulting in a potential reduction in loss costs.

Opportunities can also arise as carbon taxes are imposed. To the extent that carbon taxes result in growth for the wind, solar, fuel cell or other renewable energy sectors, The Hartford's Renewable Energy Insurance Practice could experience considerable growth. Also, to the extent that such taxes affect the behavior of small and medium-sized businesses and individuals regarding their purchasing decisions on hybrid or electric vehicles, The Hartford's current product line in these areas could experience increased growth.

The Hartford's policies and procedures for managing these risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based pricing, risk modelling, risk transfer, and capital management strategies. We have established underwriting guidelines for both individual risks, including individual policy limits, and risks in the aggregate, including aggregate exposure limits by geographic zone and peril. We also use both internal and third-party models to estimate the potential loss resulting from various catastrophe events and the potential financial impact those events would have on the Company's financial position and results of operations across its businesses, as noted beginning on page 92 of The Hartford's 2021 10-K.

Investments

During the past few years, The Hartford Investment Management Company ("HIMCO") has taken steps to develop a framework for assessing The Hartford's investment portfolios and the implications of climate change on its holdings. The Hartford and HIMCO developed the ESG Investment Policy Statement in 2018 as a guideline when making investment decisions. The Policies were posted on both The Hartford's and HIMCO's websites.

For day to day implementation, ESG factors have been incorporated into HIMCO's proprietary credit research platform where analysts provide assessments and commentary as applicable for each active portfolio holding. Analysts use a wide variety of information including company regulatory filings, ESG statements, third party reports, and discussions with management to consider the possible ESG-related risks or benefits of each investment holding to the extent applicable. HIMCO utilizes this information as an input into its assessment of current value for each investment and in consideration for how investments are likely to perform in the future. HIMCO reevaluates ESG factors on a regular basis and a changing ESG risk profile could impact the time horizon of a given holding. The integration of ESG factors into HIMCO's proprietary research platform provides HIMCO with reporting capabilities to identify ESG attributes of the portfolios.

A comprehensive overview of The Hartford's climate-related opportunities can be found in section C2.4a of the company's CDP response, p.42-79.

Support Links

- CDP – C2.3a (Risks) and C2.4a (Opportunities), p. 24-79
- ESG Investment Policy Statement
- Policy on Insuring, Investing in Coal, Tar Sands
- SASB Report
- The Hartford's 10-K, p. 92
- The Hartford's Statement on Climate Change

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

In addition to the climate-related risks and opportunities described above, The Hartford's Statement on Climate Change identifies, measures, and discloses the potential implications of climate-related issues on the enterprise and our key stakeholders.

The Hartford also closely monitors the scientific literature on climate change, such as the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) to help identify climate change risks with direct business implications as well as those with downstream effects by impacting public policy.

As a diversified financial services company, The Hartford is also exposed to climate change-related risks in its capacity as an investor. The Hartford's general account investment portfolio holds predominantly fixed-income assets. Therefore, its primary risks are credit-related: corporate and sovereign debt obligations, commercial real estate mortgage loans, and a variety of other fixed-income securities. Nonetheless, the global and regional consequences of climate change play a role in our evaluation of the creditworthiness of specific issuers and industries.

Risk (and opportunity) factors include the following:

- Changes in regulatory regimes (e.g., emissions controls, technology mandates);
- Changes in supply/demand characteristics for fuel (e.g., coal, oil, natural gas);
- Advances in low-carbon technology and renewable energy development; and
- Effects of extreme weather events on the physical and operational exposure of industries and issuers.

Such risk (and opportunity) factors may influence investment strategies and business decisions in a variety of ways:

- Government regulation may have negative or positive consequences for certain industries. For example, increasingly stringent regulation on stack emissions of coal-fired technologies will increase the costs of existing technologies and affect coal economics. More generally, government legislation directed at polluting industries must be scrutinized for the impact on each industry's economics. As polluting industries become more expensive to finance, other low-carbon and renewable energy sources are expected to benefit from increased demand and potential government subsidies.
- Climate change may have a direct impact on certain investments. For example, commercial real estate in certain locations may become less desirable due to climate change effects (e.g., rising sea levels, increased hurricane severity), negatively affecting a property's value as collateral for a commercial mortgage loan. Similarly, climate changes of a regional nature can influence the inflation outlook and/or creditworthiness of specific emerging market issuers (e.g., reduction in rainfall can cause food prices to rise, increasing inflation).
- The Hartford recognizes that the combination of consumer demand, legislative and regulatory activity and technological advancement may create substantial opportunities to promote environmentally responsible activity while at the same time enhancing value for The Hartford's shareholders.

Additional ways climate-related risks and opportunities have influenced The Hartford's strategy and financial planning:

Products and services	The Hartford: • developed and offers products that provide insurance coverage for upgrading to green alternatives, for the impact of pollution, and for the renewable energy sector. • offers insurance discounts on hybrid or EV's and resources to help insureds conduct business in a more environmentally friendly manner and to prevent green construction hazards. • has underwriting guidelines which instruct underwriters to decline classes of business that present concerns about health hazard, moral hazard, environmental impact, pollution and dangerous operations. • considers MSCI's ESG ratings when underwriting public company directors & officers coverage. (Other governance considerations include board diversity, Sarbanes-Oxley compliance, executive compensation comparisons and disclosure, and environmental litigation.) • actively monitors and modifies product pricing as appropriate when exposures arising from climate change (sustained weather pattern changes) impact specific geographic or risk concentrations. • has expanded its portfolio due to the addition of renewable energy and environmentally friendly products. • has policies and procedures for managing risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based

	pricing, risk modeling, risk transfer, and capital management strategies. • has established underwriting guidelines for both individual risks, including individual policy limits, and risks in the aggregate, including aggregate exposure limits by geographic zone and peril. • uses reinsurance to transfer certain risks to reinsurance companies based on specific geographic or risk concentrations. A variety of traditional reinsurance products are used as part of The Hartford's risk management strategy, including excess of loss occurrence-based products that reinsure property and workers' compensation exposures, and individual risk (including facultative reinsurance) or quota share arrangements, that reinsure losses from specific classes or lines of business. The Hartford has catastrophe reinsurance programs, including reinsurance treaties covering property and workers' comp. losses aggregating from single catastrophe events. • participates in governmentally administered reinsurance facility Florida Hurricane Catastrophe Fund ("FHCF").
Supply chain	The Hartford's sourcing event process includes a series of sustainability questions each supplier under consideration must address within a request for bid. These questions cover a range of environmental and social responsibility topics. The supplier's response to these questions influences their "supplier score" that The Hartford uses to make vendor selections. For suppliers with a contract currently in place, The Hartford partners with those considered strategic partners with the largest spend to understand their sustainability practices, including climate related initiatives. We look for opportunities for our suppliers to enhance their practices, as well as where The Hartford can leverage the more mature practices of our suppliers. Information sharing sessions with strategic supplier partners occur at various points throughout the year, both as in-person working sessions as well as collaboration calls. Relationship managers, members of corporate sustainability teams and other subject matter experts based on the topic(s) covered join these discussions from both organizations. These meetings serve as an opportunity to learn from each other and share best practices regarding program success, implementation challenges, reporting requirements and other sustainability-related topics as appropriate. The Hartford's Procurement organization continues to explore technology solutions to evaluate our current and prospective suppliers' sustainability practices, including ratings from external sustainability agencies. The tools being explored also offer the capability to more formally weight sustainability practices as a criteria in our selection of suppliers during a sourcing event.

Operations	Product line mix will impact operations (e.g. distribution, systems). Catastrophe events will impact operations for Claims functions. Additionally, catastrophe events could potentially impact the Company's earnings and may result in losses that constrain liquidity.
Revenues (Revenues, Direct costs, capital expenditures, capital allocation, acquisitions and divestments, assets, liabilities)	• Revenues: As consumer preferences continue to shift and demand for environmentally friendly products increase, we will continue to offer Renewable Energy products as well as insurance premium discounts for hybrid or electric cars to reduce emissions. We will also offer insurance premium discounts to encourage and facilitate the installation of energy efficient equipment and use of environmentally friendly building materials. • Capital Expenditures / Capital Allocation: The dynamics of climate change and severe weather impact various underwriting and pricing activities across the enterprise. Catastrophe modeling and other analytical tools incorporating climatic assumptions and climate related risk are significant inputs into pricing and underwriting the insurance policies issued by the enterprise, as well as capital requirements. • Assets: The Hartford's investment strategy considers ESG attributes, including companies' strategies and sustainability practices to ascertain long term investment return potential. The Hartford believes that incorporating ESG attributes, as published in the ESG Investment Policy Statement, into investment analysis provides a more complete assessment of the risks associated with each investment decision. As part of the investment analysis, investment managers consider ESG factors such as climate change, use of natural resources, pollution and waste, use of human capital, product safety, social opportunity, corporate governance and ethics along with a range of other potential attributes to assess the expected performance and risk of investments over time. To ensure all material risk considerations are incorporated into The Hartford's investment strategy, the Company regularly reviews investment and portfolio performance with investment managers, including ESG related holdings. The Hartford also continues to evolve our investment portfolio over time to reflect the importance of ESG principles through a measured approach. In late 2021, The Hartford announced a commitment to invest $2.5 billion over the next five years in technologies, companies and funds that are advancing the energy transition and addressing climate change. • Liabilities: The Company's policies and procedures for managing natural catastrophe risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based pricing, risk modeling, risk transfer, and capital management strategies. The Company has established underwriting guidelines for both individual risks, including individual policy limits, and risks in the aggregate, including aggregate exposure limits by geographic zone and peril for natural catastrophe perils. We believe The Hartford is positioned to benefit from the increased economic activity related to renewable energy and have

	positioned our team to concentrate on growth in the renewable energy sector within certain lines of business. Premium measures related to energy efficiency within each of our reporting segments are described below. • Small Commercial: Within our small commercial business, the base property offering includes a coverage extension for Ordinance or Law Coverage. This coverage helps protect customers from increased costs associated with repairs or replacement of damaged property caused by laws or ordinances enforced to regulate energy efficient or low carbon construction or repair. Examples of laws or ordinances covered by this policy extension are those mandating compliance with sustainable building practices. All Spectrum policies that have property coverage include the ordinance or law coverage extension. • Middle & Large Commercial: The Hartford's middle and large commercial business is increasingly focused on the renewable energy sector in selling business and in supporting the renewable energy industry as a whole. The Hartford offers uniquely designed renewable energy products that provide end-to-end coverage for the solar, wind, fuel cell and biomass industries. As of December 31, 2021, 18% of written premiums in our energy business were written for policies related to energy efficiency. In addition, we doubled our renewable energy-related written premium in inland marine from 2020 to 2021, accounting for 7% of overall written premium in that business segment. • Global Specialty: The Hartford provides management liability to companies that develop or have operations in renewable energy, energy efficiency and low carbon technology. Approximately 20% of written premium in our financial lines energy and utility portfolio, principally directors and officers insurance, is written for companies that engage in or support energy efficiency projects and operations. Our environmental practice provides insurance products to a wide range of industries and companies that are embracing sustainable practices and energy initiatives. We insure manufacturers, contractors and site owner-operators that support the development and growth of renewable and sustainable energy practices, and we actively pursue wind and solar farm and other green energy projects and properties. Our underwriting guidance allows underwriters to give customers that pursue sustainable practices (e.g., LEED) more favorable limits, deductibles, and pricing, as well as longer policy terms. When there is a loss, our products allow our insureds to repair, replace or restore the damaged property with products that meet green standards. We are also actively executing on The Hartford's Coal and Tar Sands Policy by either non-renewing or not pursuing business opportunities within the scope of the policy. Within the Environmental practice, we identified at least 3% of our written premium as covering property and operations related to energy efficiency. In addition, for the rest of the environmental practice book of business, many of our insureds have implemented sustainable

	practices in their products or operations. Our international marine and energy practice also insures a growing number of accounts that have non-carbon fuel based and renewable energy operations around the world. • Personal Lines: In our Personal Lines business, we offer an Equipment Breakdown Coverage Endorsement to our homeowners insurance policyholders. This endorsement provides up to 125% of the replacement cost of the covered property if the insured replaces the property with independently certified, environmentally friendly property of otherwise like kind and quality. Approximately 8.7% of total homeowners policies in force as of December 31, 2021 include this endorsement. Additionally, The Hartford offers a policy discount between 1-5% for hybrid and electric vehicles. We insured more than 37,000 policies with this discount in 2021. • HIG Operations: We continue to evaluate the Greenhouse Gas emissions (GHGe) used in our office locations globally to determine impact and any reductions that can be made.

Coal and Tar Sands Policy

In addition to the strategic decisions influenced by climate-change highlighted above, The Hartford announced a policy on insuring and investing in coal and tar sands in December 2019. The company will no longer insure or invest in companies that generate more than 25 percent of their revenues from thermal coal mining or more than 25 percent of their energy production from coal. In addition, the company will also stop insuring and investing in companies that generate more than 25 percent of their revenues directly from the extraction of oil from tar sands.

In 2021, The Hartford exited all tar-sands investments which were not in compliance with the policy, two years ahead of the committed date outlined in the policy. The Hartford also remains on track to exit coal investment holdings as specified in the policy by the end of 2023.

Support Links:

- The Hartford's Statement on Climate Change
- CDP – C3.3, p. 82-87
- ESG Investment Policy Statement
- Policy on Insuring, Investing in Coal, Tar Sands
- SASB Report, p. 10-16
- The Hartford's 10-K

c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

While the information included in this report primarily focuses on the Company’s actions in 2021, it is important to note that in April 2022, The Hartford announced a goal to achieve net zero GHGe for our full range of businesses and operations by 2050, in alignment with the Paris Climate Accord. Achieving this goal will depend on multiple external variables including aggregate reporting of and adherence to measurement protocols that remain under development. Despite these uncertainties, we are committed to balancing stakeholder impact as we navigate the global energy transition.

- Learn more about The Hartford’s Net Zero approach

Insurance Operations

Climate-related scenarios are incorporated in our catastrophe risk models, which are significant inputs into pricing and underwriting. We utilize vendor catastrophe models to model natural catastrophe perils including hurricane, earthquake, wildfire, tornado, hail, winter storm, and flood, which incorporate climatic assumptions and probabilistic events sets into the loss modeling to produce loss distributions by peril, region, and product coverage. Furthermore, we monitor our historical loss experience, such as frequencies of hurricane, wildfire, tornado and hail catastrophe events. We apply the results of our research and work with the vendors in calibrating the output from hurricane, tornado and hail models to industry experience. We consider the average annual loss for pricing purpose, but we use multiple return periods (50-year, 100-year, and 250-year) to assess loss distribution for capital allocation.

Pricing is a key factor in our financial performance, while capital allocation is important for meeting rating agency and regulatory requirements for capital and required return on capital hurdles. Actual exposure and concentration by natural catastrophe peril and region are monitored relative to a defined hazard zone for each specified region and peril to ensure the company manages exposure within a defined risk appetite. The analysis is performed by our Insurance Risk Management unit, in consultation and collaboration with product and underwriting leaders and experts across the company in defining the company’s risk appetite specific to both catastrophe perils and geographic areas. Analysis results indicate a distribution of loss results (expected average loss, multiple return periods) by peril (hurricane, earthquake, tornado, hail, winter storm) by geographic region and product line. The modeled catastrophe losses and volatility impact pricing and capital requirements. The results are important factors and considerations for our strategies in pricing (in terms of pricing and capital allocation), underwriting management (in terms of concentration, building code, and terms and conditions), and risk management (in terms of reinsurance).

An example for how we use the analysis to ensure we manage our book of business responsibly is our continuous monitoring of our exposure to hurricane, earthquake, tornado, hail, and wildfire in various zones across the United States and a review of global exposures. This helps limit our exposure to catastrophe events and assures our ability to handle and pay claims as well as to ensure exposure is within the company’s risk appetite. The potential loss is used in setting pricing and capital targets for each geographic area and line of business.

In addition to evaluating historical losses and estimated modeled losses to manage aggregation and concentration risk, The Hartford reviews other information such as exposed total insured value, risk characteristics of both the location and surrounding area, risk characteristics of the property and market share. Actual exposure and concentration by natural catastrophe peril and region are monitored relative to a defined hazard zone to ensure the Company manages exposure within a defined risk appetite. Hurricane concentrations are managed along the coastline from Texas to Maine and we manage risks between coastal and non-coastal areas. Wildfire concentrations are managed against established limits by monitoring exposure based on internally simulated wildfire paths that indicate areas that could possibly be affected by significant wildfires. Additionally, wildfire hazard exposures are monitored by business line based on internally developed risk categories that estimate the degree of exposure to wildfires by risk class. For tornado and hail events, we review modeled losses, exposure concentrations, historical loss data and market share information for both individual events and annual aggregates to identify areas within states with the most exposure to tornado and hail losses.

Increases in the values and concentrations of insureds and property located in geographic areas prone to catastrophe risk would increase the severity of catastrophe events in the future. In addition, changes in climate and/or weather patterns may increase the frequency and/or intensity of severe weather and natural catastrophe events potentially leading to increased insured losses. Potential examples include an increase in the frequency or intensity of wind and thunderstorm and tornado/hailstorm events due to increased convection in the atmosphere; more frequent and larger wildfires in certain geographies; and the potential for an increase in the frequency and severity of hurricane events. If insured losses from catastrophe events were to increase due to changes in climate or weather patterns, we may have to increase the premiums we charge and, in turn, may have to either pay more in premiums for the reinsurance coverage we purchase and/or reduce the amount of per occurrence or aggregate losses we reinsure.

Investments

HIMCO currently utilizes environmental assessments as part of the assessment of current investment value and in consideration for expectations around how securities are likely to perform in the future. Within our proprietary investment platform, analysts are required to provide E, S and G ratings for each holding which include an assessment of climate risk as well as opportunities as applicable. We are able to run reports about the portfolio based on the categories designated by each analyst which provides a portfolio view of climate related risks and opportunities. Further, the publication of the Policy on Insuring, Investing in Coal, Tar Sands in late 2019 shows The Hartford's understanding of the climate risks associated with usage of coal and tar sands products. The policy provides specific guidelines around investment activity in coal and tar sand related activities, including specific restrictions for new investments and required divestitures.

Additional details of The Hartford's climate-related scenario analysis conducted at both the product level and in its portfolio can be found in CDP, p. 80-82.

Support Links:

- CDP: C3.1, 3.2a, C3.2b, p.79-82
- Coal and Tar Sands Policy
- SASB Report, p.17-20
- 2021 Sustainability Highlight Report; net zero approach, p.12
- The Hartford's Net Zero announcement and approach

Risk Management:

Describe how the organization identifies, assesses, and manages climate-related risks

a) Describe the organization's processes for identifying and assessing climate-related risks

Insurance Operations

Active management of climate-related risk, including continuous assessment of the prevailing science related to climate change and severe weather, is incorporated into various analytics and management practices to ensure adequately diversified portfolios and an acceptable level of climate-related risk management. The Hartford closely monitors scientific literature on climate change, including the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) to help identify climate change risks impacting our business. In addition to the findings in this report, we use data from the scientific community and other outside experts including partnerships with third-party catastrophe modeling firms to inform our risk management activities and stay abreast of potential implications of climate-related impacts that we incorporate into our risk assessment. We regularly study these climate change implications and incorporate these risks into our catastrophe management strategy through product pricing, underwriting and management of aggregate risk to manage implications of severe weather and climate change in our insurance portfolio.

We also address the threat of climate change through underwriting management including risk selection, establishing limits to loss on individual policies and limiting the authority of underwriters in our field offices. As discussed above, The Hartford actively monitors exposure to catastrophe events utilizing third party models to estimate our insured's exposure to potential loss and the financial impact those events would have on our financial position, results of operations and cash flows across our businesses.

Aggregations by peril and region are monitored and proactively managed through strategic growth and exposure management initiatives. Our approach to evaluating catastrophe risk is facilitated through regular review and oversight that cascades from The Hartford's executive team to business leaders, underwriters, investment managers and field leaders.

The Hartford's underwriting guidelines instruct underwriters to decline classes of business that constitute an unacceptable level of health hazard, moral hazard, environmental impact, pollution risk or dangerous operations. The Hartford also considers MSCI's ESG ratings when underwriting public company directors and officers coverage.

As discussed earlier, in analyzing investment securities we purchase, we assess the issuer's strategies and sustainability practices to ascertain long term investment return potential. We believe that incorporating ESG attributes, as published in our ESG Investment Policy Statement, into investment analysis provides a more complete assessment of the risks associated with each investment decision. As part of the investment analysis, investment managers consider ESG factors such as climate change, use of natural resources, pollution and waste, use of human capital, product safety, social opportunity, corporate governance and ethics along with a range of other potential attributes to assess the expected performance and risk of our investments over time. To ensure all material risk considerations are incorporated into The Hartford's investment strategy, The Hartford's Investment Risk Committee regularly reviews investment and portfolio performance with HIMCO, our investment manager, including ESG related holdings.

As noted above, in December 2019, The Hartford issued a new Policy on Insuring, Investing in Coal, Tar Sands to limit insuring and investing in coal and tar sands companies.

Pricing and underwriting are key factors in our financial performance, while capital allocation is important for managing required return on capital for each business line, as well as meeting rating agency and regulatory requirements for capital. The Hartford incorporates target return on capital in our underwriting decisions. Our target return on capital is reflective of the enterprise required risk capital and capital adequacy.

The Board has ultimate responsibility for risk oversight including climate-related risks, exercised through standing committees. The company's formal risk appetite framework is reviewed by the Board at least annually and includes an enterprise risk appetite statement, tolerances, and limits by risk type. The Finance, Investment and Risk Management Committee (FIRMCo), comprised of all Board members, oversees investment, financial and risk management activities of the Company and oversees risks falling outside the responsibility of any other committee. FIRMCo meets at regular Board meetings and is updated on risk management activities by members of management including the Enterprise Chief Risk Officer. The Enterprise Risk and Capital Committee (ERCC), chaired by the CEO and comprised of senior leaders oversees the risk profile, capital structure and risk management practices. The ERCC has oversight of significant companywide risk exposures.

Emerging risk councils identify, assess, measure and monitor emerging risks and the Emerging Risk Steering Committee reviews and reports significant emerging risks to the ERCC and the FIRMCo.

Investments

A HIMCO ESG Committee was established in 2020 to support the ongoing commitment to ESG principles by developing, implementing, and monitoring policies and initiatives related to ESG matters within HIMCO. The HIMCO ESG Committee, comprised of senior leaders in the investment management function, works in conjunction with The Hartford's SGC. In addition, further oversight over ESG matters is provided by HIMCO's executive leadership team as well as The Hartford's Investment Risk Committee, which is chaired by The Hartford's Chief Investment Officer and includes The Hartford's Chief Risk Officer. The Investment Risk Committee meets regularly to provide oversight and control of investment risks, which includes a review of ESG related issues and reporting.

The Hartford's Policy on Insuring, Investing in Coal, Tar Sands adopted in late 2019 provides specific guidelines around investment activity in coal and tar sand related activities, including specific restrictions for new investments and required divestitures. HIMCO's Compliance Group monitors adherence to this policy and the Investment Risk Committee also regularly reviews exposures subject to the policy as well as divestment activity. In 2021, The Hartford exited all tar-sands investments which were not in compliance with the policy, two years ahead of the committed date outlined in the policy. The Hartford remains on track to exit coal investment holdings specified in the policy by the end of 2023. In addition, during 2021 The Hartford announced additional climate priorities, including a commitment to invest $2.5 billion over the next five years in technologies, companies and funds which are advancing energy transition and addressing climate change. HIMCO is responsible for identifying, evaluating, and tracking investments made as part of this commitment.

ESG considerations are evaluated as part of HIMCO's investment process across asset classes, including for fixed income securities (investment grade, high yield, municipal, emerging markets, private placements, securitized assets) as well as for private equity, and real estate. Analysts identify and memorialize directional risk level and the intensity of that risk for each investment with the exception of quantitative equity and index investments. ESG risk analysis is completed as part of the initial issuer review and for subsequent interim reviews. ESG risk analysis is one of the issues taken into consideration as part of the investment decision.

For day to day implementation, ESG factors have been incorporated into HIMCO's proprietary research and analysts provide assessments and commentary as applicable for each active portfolio holding. Analysts use a wide variety of information including company regulatory filings, ESG statements, third party reports, and discussions with management to consider the possible ESG-related risks or benefits of each investment holding to the extent applicable. HIMCO utilizes this information as an input into its assessment of current value for each investment and in consideration for how investments are likely to perform in the future. HIMCO reevaluates ESG factors on a regular basis and a changing ESG risk profile could impact the time horizon of a given holding. The integration of ESG factors into HIMCO's proprietary research platforms provides HIMCO with reporting capabilities to identify ESG attributes of the portfolios.

HIMCO has conducted a series of training sessions to provide investment staff with education and guidance on ESG related issues. In 2021, the HIMCO ESG Committee developed and delivered a comprehensive ESG Education training session, with mandatory attendance for all HIMCO staff.

Hartford Funds joined the Principles for Responsible Investment (PRI) in 2015 and publishes a UNPRI Responsible Investment Transparency Report annually.

The Hartford's policies and practices continue to evolve as ESG practices continue to develop across the investment community as well as amongst issuers.

Support Links:

- CDP – C2.2, p.12-15
- ESG Investment Policy Statement
- Coal and Tar Sands Policy
- UNPRI Responsible Investment Transparency Report
- SASB, p.8-10

b) Describe the organization’s processes for managing climate-related risks

Insurance Operations

The Hartford’s policies and procedures for managing natural catastrophe risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based pricing, risk modeling, risk transfer, and capital management strategies. The Company has established underwriting guidelines for both individual risks, including individual policy limits, as well as risks in the aggregate, including exposure limits by geographic zone and peril for natural catastrophe perils. Significant risks to the company or emerging risks that could be significant in the future are monitored to evaluate how they could affect the properties and people we insure.

The Company also continually examines industry publications and analysis for guidance on best practices such as resources provided by the Task Force for Climate Related Financial Disclosures (TCFD) and scientific consensus on climate change. The Company uses both internal and third-party models to estimate the potential loss to insured exposure resulting from various catastrophe events and the potential financial impact those events would have on the Company's financial position and results of operations across its businesses. The Company calibrates its analytical tools to recognize both historical experience and expectation regarding the impact of climate change over the short, medium, and long-term including climatic conditions and catastrophe modeling firms’ proprietary research. The dynamics of climate change and severe weather impact various underwriting and pricing activities across the enterprise. Catastrophe modeling and other analytical tools incorporating climatic assumptions are significant inputs into pricing and underwriting the insurance policies issued by the enterprise, as well as capital requirements. Risks identified with the potential to have a substantive financial or strategic impact on our business (described above) are risks having a financial impact of $1 million or more.

The Board has ultimate responsibility for risk oversight, exercised through standing committees. The company’s formal risk appetite framework is reviewed by the Board at least annually and includes an enterprise risk appetite statement, tolerances, and limits by risk type. Risk is managed at multiple levels, including the company and asset level. The Finance, Investment and Risk Management Committee (FIRMCo), comprised of all Board members, oversees investment, financial and risk management activities of the Company and oversees risks falling outside the responsibility of any other committee. FIRMCo meets at regular Board meetings and is updated on risk management activities by the Enterprise Chief Risk Officer (ECRO) and the Chief Executive Officer (CEO).

The Enterprise Risk and Capital Committee (ERCC), chaired by the CEO and comprised of senior leaders oversees the risk profile, capital structure and risk management practices. The ERCC has oversight of significant company-wide risk exposures. ERM is independent of business units and provides risk analysis on an individual and aggregated basis to ensure the Company’s risks remain within its risk appetite and tolerances. ERM is led by the ECRO who reports to the CEO and is responsible for maintaining and enforcing ERM’s program and policies. With assistance from ERM, business units share risk-related information with senior management and Board committees. Business risk self-assessments are conducted periodically by each business unit and functional area to identify and disclose their most material risks to senior management and the Board Audit Committee. Emerging risk councils identify, assess, measure and monitor emerging risks and the Emerging Risk Steering Committee reviews and reports significant emerging risks to the ERCC and the FIRMCo.

The Company's SVP of facilities management and procurement is responsible for identifying and prioritizing activities to reduce our carbon footprint as well as requiring supplier compliance with The Hartford's Vendor Code of Conduct. The Company monitors its major risks at the enterprise level through a number of enterprise reports, including but not limited to, a monthly risk dashboard, which tracks the return on risk-capital across products, and regular stress testing. ERM reviews risk exposures, key business performance metrics, risk indicators, audit reports, risk/control self-assessments and risk event data with senior management and the Board.

The Company quantifies its risk exposures using multiple lenses including statutory, economic and, where appropriate, U.S. GAAP. ERM leverages various modeling techniques and metrics to provide a view of the Company's risk exposure in both normal and stressed environments at the company and asset level. ERM regularly monitors the Company's risk exposure and provides regular reporting to the ERCC. The Company defines insurance risk as its exposure to loss due to a range of perils and risks covered under its policies including loss due to catastrophes.

The Hartford formed a SGC in 2017, comprised of senior management to set and help drive execution of the Company's sustainability strategy, including environmental stewardship. This committee meets at least quarterly to prioritize opportunities aligned to the Company's sustainability strategy and reports progress to The Hartford's Board of Directors at least annually. Members from both The Hartford's SGC and the Environment Committee helped to create The Hartford's ESG Investment Policy Statement in early 2019 and helped to drive the company's policy on insuring and investing in Coal / Tar Sands announced in December 2019.

The Company also relies on its internal work on climate change to help guide the prioritization process. The Hartford's Environment Committee, which was created in 2007 as part of our public commitment to climate change, is made up of company leaders from across the enterprise, including risk management, operations, representatives of the company's Personal Lines and Commercial Markets businesses, and our investment company, as well as Actuarial, Sales, HR, Strategic Sourcing and Real Estate, Marketing and Communications, Government Affairs, as well as representation from our employee environmental action team (HEAT). This Committee also updated the Company's statement on climate change based on the 5th assessment of the IPCC.

The Hartford has also rolled out a company-wide program called The Hartford Way, which is a Lean-based management system that is focused on building a strong and sustained culture of continuous improvement at The Hartford. Through a common set of management practices, tools and behaviors, all levels of the organization are actively engaged in driving a continuous improvement culture and solving problems, big and small, to positively impact our business outcomes and strategies (e.g. customer experience, efficiency, revenue growth, sustainability, etc.).

Investments

HIMCO is an SEC registered investment adviser and manages the Company's investment portfolio. For the past four years, HIMCO has had a framework in place to assess ESG considerations on The Hartford's investment portfolio. The Hartford adopted an ESG Investment Policy Statement approved by the Board of Directors in 2018 that governs the approach to incorporating ESG factors into investment management processes and strategies. In addition, in late 2019, The Hartford announced its Policy on Insuring, Investing in Coal, Tar Sands which provides specific guidance with respect to investments involving coal or tar sands. HIMCO ensures that The Hartford's investment holdings align with this policy. The Company regularly reviews investment and portfolio performance, including ESG related considerations.

State insurance laws are intended to supervise and regulate insurers with the goal of protecting policyholders and ensuring the solvency of the insurers. As such, the insurance laws and regulations grant broad authority to state insurance departments to oversee and regulate the business of insurance. The state insurance departments monitor the financial stability of an insurer by requiring insurers to maintain certain solvency standards and minimum capital and surplus requirements; invested asset requirements, state deposits of securities, guaranty fund premiums, restrictions on the size of risks which may be insured, etc. Consistent with its risk appetite, the Company establishes financial risk limits to control potential loss on a US GAAP, statutory, and economic basis. Exposures are actively monitored and managed, with risks mitigated where appropriate. The incorporation of ESG attributes into investment analysis and decision-making provides a more complete assessment of risks associated with each investment decision.

In 2020, a HIMCO ESG Committee was established to support the ongoing commitment to ESG principles by developing, implementing, and monitoring policies and initiatives related to ESG matters within HIMCO. The HIMCO ESG Committee is comprised of senior leaders in the investment management function and works in conjunction with The Hartford's SGC. In addition, additional oversight over ESG matters, including requests from HIMCO clients and regulators is provided by HIMCO's executive leadership team as well as The Hartford's Investment Risk Committee, which is chaired by The Hartford's Chief Investment Officer and includes The Hartford's Chief Risk Officer. The Investment Risk Committee meets regularly to provide oversight and control of investment risks, which includes a review of ESG related considerations and reporting.

The Hartford's Policy on Insuring, Investing in Coal, Tar Sands adopted in late 2019 provides specific guidelines around investment activity in coal and tar sand related activities, including specific restrictions for new investments and required divestitures. HIMCO's Compliance Group monitors adherence to this policy and the Investment Risk Committee also regularly reviews exposures subject to the policy as well as divestment activity. In 2021, The Hartford exited all tar-sands investments which were not in compliance with the policy, two years ahead of the committed date outlined in the policy. The Hartford remains on track to exit coal investment holdings specified in the policy by the end of 2023. In addition, during 2021 The Hartford announced additional climate priorities, including a commitment to invest $2.5 billion over the next five years in technologies, companies and funds which are advancing energy transition and addressing climate change. HIMCO is responsible for identifying, evaluating, and tracking investments made as part of this commitment.

ESG considerations are evaluated as part of HIMCO's investment process across asset classes, including for fixed income securities (investment grade, high yield, municipal, emerging markets, private placements, securitized assets) as well as for private equity, and real estate. Analysts identify and memorialize directional risk level and the intensity of that risk for each investment with the exception of quantitative equity and index investments. ESG risk analysis is completed as part of the initial issuer review and for subsequent interim reviews. The ESG risk analysis is one of the issues taken into consideration as part of the investment decision.

For day-to-day implementation, ESG factors have been incorporated into HIMCO's proprietary research and analysts provide assessments and commentary as applicable for each active portfolio holding. Analysts use a wide variety of information including company regulatory filings, ESG statements, third party reports, and discussions with management to consider the possible ESG-related risks or benefits of each investment holding to the extent applicable. HIMCO utilizes this information as an input into its assessment of current value for each investment and in consideration for how investments are likely to perform in the future. HIMCO reevaluates ESG factors on a regular basis and a changing ESG risk profile could impact the time horizon of a given holding. The integration of ESG factors into HIMCO's proprietary research platforms provides HIMCO with reporting capabilities to identify ESG attributes of the portfolios.

HIMCO has conducted a series of training sessions to provide investment staff with education and guidance on ESG related issues. In 2021, the HIMCO ESG Committee developed and delivered a comprehensive ESG Education training session, with mandatory attendance required for all HIMCO staff.

Our policies and practices continue to evolve as ESG practices continue to develop across the investment community as well as amongst issuers.

Support Links:

- The Hartford's Vendor Code of Conduct
- ESG Investment Policy Statement
- Coal and Tar Sands Policy
- SASB Report, p. 8-10

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management

The processes to identify, assess, and manage climate-related risks are integrated into the organization's overall risk management in a variety of ways including leadership oversight, employee engagement and customer product offerings.

As highlighted above, The Hartford formed a SGC in 2017. The committee is comprised of senior leaders responsible for setting and helping to drive execution of the Company's sustainability strategy, including environmental stewardship. This committee prioritizes opportunities aligned to the Company's sustainability strategy and reports progress to The Hartford's Board of Directors at least annually. Members from The Hartford's SGC created The Hartford's ESG Investment Policy Statement and helped to drive the company's policy on insuring and investing in Coal / Tar Sands announced in December 2019.

The Hartford's Environment Committee was created in 2007 as part of The Hartford's public commitment to climate change and is also made up of company leaders from across the enterprise, including risk management, operations, representatives of the company's Personal Lines and Commercial Markets businesses, and our investment company, as well as Actuarial, Sales, HR, Strategic Sourcing and Real Estate, Marketing and Communications, Government Affairs, as well as representation from our employee environmental action team (HEAT). The committee helps to identify and drive environmental initiatives within the organization. In addition to helping the SGC create The Hartford's ESG Investment Policy Statement, the Environment Committee also updated the Company's statement on climate change based on the 5th assessment of the IPCC.

The Hartford's Environmental Action Team ("HEAT") was established in 2011 and as of 12/31/20 has 664 employee members participating in environmental activities across the company. HEAT is led by employees from across the organization who share a passion for environmental stewardship. They meet at least monthly and focus their efforts on engagement opportunities to help increase the environmental awareness of our employee base. HEAT has a representative on the Environmental Committee and its leaders set an annual operating plan and meet with the General Counsel, who chairs the Environmental Committee, to report on and seek guidance on its activities.

The Hartford continues to grow employee awareness of climate-related risks even in a virtual environment. HEAT hosted a variety of environmental educational webinars and discussion groups on environmental topics including ways employees can reduce energy use even when working remotely. The Hartford encourages and supports sustained environmental responsibility among its employees by providing the following:

- Employees who own Electric Vehicles may charge their cars for free using one of 30 chargers provided at our Connecticut locations.
- The Hartford's Commuter Benefit Program allows employees to use pre-tax dollars to pay for qualified parking and public transit costs.
- Employees may use gym and shower facilities for free, removing disincentives for those who commute by bike or running.
- HEAT publishes the locations of local recycling centers on its intranet site.
- Working with an electronics recycling partner, The Hartford and its employees can recycle electronic devices using a zero-landfill process.

The Hartford has also implemented The Hartford Way which is a lean-based management system that is focused on building a strong and sustained culture of continuous improvement. Through a common set of management practices, tools and behaviors, all levels of the organization are actively engaged in driving a continuous improvement culture and solving problems, big and small, to positively impact our business outcomes and strategies (e.g. customer experience, efficiency, revenue growth, sustainability, etc.).

The Hartford helps our customers protect themselves from climate-related risks and reduce their impact on the environment in several ways:

- The Hartford offers several insurance products that help customers avoid GHG emissions by encouraging customers to purchase a hybrid or Electric Vehicle (EV) with premium discounts and encouraging / facilitating installation of energy efficient equipment and use of environmentally friendly materials.
- Approximately 20% of written premium in our Global Specialty financial lines energy and utility portfolio, principally directors and officers insurance, is written for companies that engage in or support energy efficiency projects and operations.
- Our environmental practice provides insurance products to a wide range of industries and companies that are embracing sustainable practices and energy initiatives. We insure manufacturers, contractors and site owner-operators that support the development and growth of renewable and sustainable energy practices, and we actively pursue wind and solar farm and other green energy projects and properties.
- Our underwriting guidance allows underwriters to give customers that pursue sustainable practices (e.g., LEED) more favorable limits, deductibles, and pricing, as well as longer policy

terms. When there is a loss, our products allow our insureds to repair, replace or restore the damaged property with products that meet green standards.

- In our Middle and Large Commercial business, 18% of written premium from our energy business is written for policies related to energy efficiency. In addition, we doubled our renewable energy-related written premium in inland marine from 2020 to 2021, accounting for 7% of overall written premium in that business segment.
- We are actively executing on The Hartford's Coal and Tar Sands Policy. In compliance with the policy, we exited all Tar Sands holdings by the end of 2021, two years earlier than our initial commitment, and will exit holdings which don't support our Coal policy by the end of 2023.
- The Hartford's dedicated Catastrophe Claims Operation team is available 24 hours a day, 365 days a year to help our customers through catastrophic events from preparation through recovery. The team provides guidance on associated risks, how to minimize damage and protect property, as well as actions to take following a catastrophic event. Examples of educational support include: earthquake safety, flood protection, hurricane safety, tornados, wild fires, winter storms and other severe weather events.
- The Hartford's investment portfolio, which as of Dec. 31, 2021 totaled $57.7B (carrying value), is managed by HIMCO, The Hartford's affiliated asset manager. The portfolio is invested across a range of opportunities which evidence The Hartford's objectives and commitments:
  - $110M invested in Real Estate investments where a portion of the units are affordable housing.
  - $146M invested in Energy Savings Performance Contracts which accelerate investment in cost-effective energy conservation projects.
  - $180M invested in Climate Infrastructure Funds and Renewable Energy Co-Investments and $87M in Energy from Waste Infrastructure investments.
  - $296M invested in LEED certified real estate and REITs supporting efforts to reduce the world's carbon footprint through investing in properties that are built and operate to enable a sustainable and socially responsible environment.
  - $540M invested in Green, Social and Sustainable Bonds where bond proceeds are utilized for environmentally responsible initiatives, social impact projects, or a combination of both.
  - $6.7B invested in Municipal Investments that have positive environmental or social attributes, contributing, for example, toward the development and maintenance of physical infrastructure and essential services (water, sewers, roads, bridges), public transportation infrastructure and social infrastructure (education, healthcare).
- As a Principles for Responsible Investment (PRI) Signatory, Hartford Funds has published a Responsible Investment Transparency Report each year and has expanded its sustainable investing suite of funds to include:
  - Hartford Sustainable Municipal Bond Fund (2021)
  - Hartford Sustainable Income ETF (2021)
  - Hartford Schroders Sustainable Core Bond Fund (2021)
  - Hartford Schroders ESG US Equity ETF (2021)
  - Hartford Schroders Diversified Emerging Markets Fund (2021)
  - Hartford Global Impact Fund (2017)
  - Climate Opportunities Fund (formerly known as the Environmental Opportunities Fund) (2016)

- Educational resources to help customers manage climate-related risks, operate in a more sustainable way and share The Hartford's green product offerings. Examples include:
    - Green Your Business – The Hartford's Business Owners Playbook
    - Risk Engineering services help customers create practical solutions that minimize loss and improve overall operations. These services include on-demand training on managing and mitigating specific business risks including environmental risks.
    - Green product information including Technical Information on Green Construction and an overview of Builder's Risk Insurance

In addition to the products and services highlighted above, The Hartford's Risk Engineering team works with our commercial lines business customers to provide a safer and more efficient workplace by creating practical solutions that minimize loss and improve operations. Made up of industry experts who have significant experience in industrial hygiene and a dedicated industrial ergonomics discipline, our Risk Engineering team offers training to help manage and mitigate business risks including health, safety, and environmental risks, in-depth risk assessment surveys, and risk improvement recommendations. The team also has access to a fully accredited in-house industrial hygiene lab to provide our field consultants and customers with analytical services, forensic studies, industrial hygiene equipment, and direct consultation support. This work serves to materially lower the cost of risk to our customers while also creating safer and healthier work environments.

Support Links:
- 2021 Sustainability Highlight Report, p.10-11
- SASB – p.10-16

Metrics and Targets:

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process

The Hartford analyzes various stress tests (e.g. 1 in 100 return period, 1 in 250 return period) for various natural catastrophe perils (e.g. hurricane, earthquake, wildfire, tornado, hail, winter storm, flood). The Company also uses third-party models to estimate the potential loss to insured exposure resulting from various catastrophe events and the potential financial impact those events would have on the Company's financial position and results of operations across its businesses.

The Hartford generally limits its estimated pre-tax loss as a result of natural catastrophes for property & casualty exposures from a single 250-year event to less than 30% of the reported capital and surplus of the property and casualty insurance subsidiaries prior to reinsurance and to less than 15% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. The Company generally limits its estimated before tax loss from an aggregation of multiple natural catastrophe events from an all-peril annual aggregate 100-year event to less than 18% of the reported capital and surplus of the property and casualty insurance subsidiaries after reinsurance. As reported in The Hartford's 2021 10-K, the estimated 250 year pre-tax probable maximum enterprise loss from earthquake events is estimated to be $1.5 billion before reinsurance and $0.7 billion net of reinsurance. The estimated 250 year pre-tax probable maximum enterprise losses from hurricane events are estimated to be $1.9 billion before reinsurance and $0.9 billion net of reinsurance.

In addition to catastrophe modeling and metrics, The Hartford also published an ESG Investment Policy Statement in 2019. This statement sets an expectation that the Company's investment managers consider ESG factors such as climate change, natural resources, pollution and waste, and a range of other potential factors to assess the expected performance and risk of our investments over time. To ensure all material risk considerations are incorporated into The Hartford's investment strategy, The Hartford's Investment Risk Committee regularly reviews investment and portfolio performance, including ESG related holdings, with our investment managers.

In December 2019, The Hartford announced a policy on insuring and investing in coal and tar sands. The company will no longer insure or invest in companies that generate more than 25 percent of their revenues from thermal coal mining or more than 25 percent of their energy production from coal. In addition, the company will also stop insuring and investing in companies that generate more than 25 percent of their revenues directly from the extraction of oil from tar sands. In 2021, The Hartford exited all tar-sands investments which were not in compliance with the policy, two years ahead of the committed date outlined in the policy. The Hartford also remains on track to exit coal investment holdings as specified in the policy by the end of 2023.

Support Links:

- The Hartford's 10-K, p.95
- SASB – p.17-18
- ESG Investment Policy Statement
- Coal and Tar Sands Policy

b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas emissions (GHGe), and the related risks

The Hartford has a proud history of environmental stewardship, which includes the progress we have made to reduce the company's energy dependency; reducing our greenhouse gas emissions (GHGe) by 89.6% since 2007.

Various emission reduction activities contributed to the decrease in GHGe including The Hartford's work from home and remote work programs, and the associated real estate consolidation, as well as the ongoing efforts to modernize our physical plant and make the attendant energy efficiency investments, fully detailed in Section 4.3 of our CDP response (p. 99).

Please note, the transition to a nearly 100% remote work environment as a result of COVID-19 has continued to have a positive environmental impact and higher than expected emissions reductions in 2021. We anticipate that many of these effects are temporary and will likely rise as employees return to the office, however, some new practices are expected to remain in place, further reducing our GHGe.

	2015* *(base year)*	**2016***	**2017***	**2018***	**2019***	**2020***	**2021***
Scope 1 GHGe (mT CO_2e)	19,609	16,695	15,307	14,230	13,251	8,602	**8,401**
Scope 2 GHGe (mT CO_2e)	33,363	27,828	23,008	21,063	18,964	16,583	**14,262**
Scope 3 GHGe (mT CO_2e)**	56,920	49,019	49,308	49,913	47,303	12,198	**2,320**
Total Scope 1, 2, and 3 GHGe (mT CO_2e) **	109,892	93,542	87,624	85,206	79,518	37,383	**24,984**

* In alignment with the recommended approach of the Science Based Target Initiative, The Hartford's baseline and subsequent data was adjusted to incorporate GHGe impacts resulting from the acquisition of Aetna's Group Benefits business in 2018 and the acquisition of Navigators in May 2019.

** The Hartford's Scope 3 emissions included in reported data are those generated from employee commuting and business travel. For a comprehensive review of the company's relevant scope 3 emissions categories please refer to The Hartford's CDP response, published in July 2022.

The Hartford's GHG emissions data is verified by Apex Companies, an independent third party in accordance with the ISO 14064-3 Second Edition 2019-04 Standard.

Support Links:

- CDP – Section C6, beginning on p. 126
- Sustainability Highlight Report, p. 7

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

The Hartford's annual Sustainability Highlight Report provides an overview of our commitment to environmental stewardship and the actions we are taking to reduce negative impact. The report also includes a message from our CEO, Christopher Swift who reiterates our commitments each year (p.4).

In 2017, The Hartford set a goal to continue to reduce our total Scope 1, 2, and selected categories of Scope 3 GHGe, achieving a reduction of at least 2.1% of GHGe each year, resulting in a minimum decrease of 25.7% by 2027 and 46.2% by 2037 (using 2015 as a base year). We have exceeded this goal each year to date, with total emissions reductions reaching 89.6% since tracking began in 2007.

To help drive these emissions reductions and demonstrate The Hartford's commitment to environmental stewardship, The Hartford's CEO, Chris Swift publicly announced several environmental goals in The Hartford's 2017 Sustainability Highlight Report published in July 2018. The company measures and reports the progress made toward these goals annually.

The Hartford has made the following progress toward achieving these goals as of 12/31/2021:

Goal	Target	2021 vs. Base Year (2017)
Reducing facilities energy use by 15% through energy efficient building management by 2022 • In-Scope: Owned and leased offices in the U.S. and abroad (metered scaled up) • Exclusions: Business travel, fleet vehicles, employee commuting	15% reduction	***Goal Achieved!*** Facilities energy use is down 32.6% from the baseline year
Reducing water usage by 15% by 2022 • In-Scope: All metered U.S. offices • Exclusions: Non-metered U.S. offices; international sites	15% reduction	***Exceeded Goal!*** Water usage is down 40% from the baseline year
100% renewable energy by 2030 • In-Scope: Self-generation, RECs, offsets and credits in owned and leased offices in the U.S. and abroad • Exclusions: Business travel, fleet vehicles, employee commuting	100%	***Exceeded Goal!*** 100% of our facilities' energy consumption is either derived from or offset by renewable energy sources in 2021
Reducing our non-recyclable, non-biodegradable solid waste from our facilities by 20% by 2022 • In-Scope: Waste that can't be recycled or composted such as prepackaged food and other plastic products in owned and leased offices in the U.S. and Canada • Exclusions: Landlord managed waste removal; international sites; construction waste, decommissioned furniture, computer hardware	20% reduction	***Exceeded Goal!*** Waste reduced by 83% from baseline, aided by a new centralized waste management program including composting, *(Remote work materially impacted waste streams in 2020 and 2021)*
Eliminating the use of Styrofoam by 2020 • In-Scope: Connecticut fully managed sites • Exclusions: Prepackaged food, computer packaging, partially managed (leased) locations	Eliminate	***Goal Achieved!*** Successfully eliminated the use of Styrofoam and plastic food containers in our Connecticut offices in 2019

Doubling the percentage of hybrid fleet vehicles and moving to 100% electric campus shuttles and security vehicles by 2022 • In-Scope: Entire fleet; shuttles and security vehicles in Connecticut • Exclusions: None	Double percentage and move to 100%	We doubled the percentage of hybrid vehicles in our fleet, successfully achieving our goal and in 2019, we introduced the first 100% electric shuttle to our Connecticut fleet

This progress is achieved through a variety of actions and initiatives including those highlighted in The Hartford's 2021 Sustainability Highlight Report, (p. 7-12).

While the information included in this report primarily focuses on the Company's actions in 2021, it is important to note that in April 2022, The Hartford announced a goal to achieve net zero GHGe for our full range of businesses and operations by 2050, in alignment with the Paris Climate Accord. Achieving this goal will depend on multiple external variables including aggregate reporting of and adherence to measurement protocols that remain under development. Despite these uncertainties, we are committed to balancing stakeholder impact as we navigate the global energy transition.

We are currently working to reassess and recalibrate our existing emissions targets to align with our recently announced net zero ambition.

The Hartford's commitment to identifying and actively managing climate-related risks is consistently recognized by external organizations including:

- Designated one of the world's most ethical companies by the Ethisphere Institute, receiving this recognition for the thirteenth time in 2021
- Named to the Dow Jones Sustainability Index (2012-2021)
- Ranked #51 on the Green Power Partnership Fortune 500 Partners List (2021)
- Earned "Gold" certification for "Leadership in Energy and Environmental Design" per the LEED rating system as created and maintained by the U.S. Green Building Council for a building on our home office campus (2020)

Support Links:

- 2021 Sustainability Highlight Report; Environmental metrics including our net zero approach, p. 7-12
- The Hartford's Net Zero announcement and approach
- 2017 Sustainability Highlight Report; Goal announcement, p. 3-7

Important Legal Information

Except where noted, the information covered in this report highlights our performance and initiatives in fiscal year 2021. Some of the language in this report, including that related to our goal of achieving net zero greenhouse gas (“GHG”) emissions for the full range of our operations by 2050, may be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Factors that could cause actual results to differ, possibly materially, from those in the forward-looking statements include, but are not limited to, our ability to formulate and implement plans to reduce our Scope 1 and 2 GHG emissions as anticipated; our reliance on third parties, whose actions are outside our control, to reduce our Scope 3 GHG emissions; and the lack of widely accepted standards for measuring greenhouse gas emissions associated with underwriting, insurance and investment activities, as well as other factors discussed in our 2021 Annual Report on Form 10-K, subsequent Quarterly Reports on Forms 10-Q, and the other filings we make periodically with the Securities and Exchange Commission. The inclusion of information in this document should not be interpreted as a representation of the materiality or financial impact of that information. For additional information, please consult the documents The Hartford has filed and will file with the Securities and Exchange Commission, cited above. We assume no obligation to update this document, which speaks as of the date issued.

The Hartford is a leader in property and casualty insurance, group benefits and mutual funds. With more than 200 years of expertise, The Hartford is widely recognized for its service excellence, sustainability practices, trust and integrity. More information on the company and its financial performance is available at TheHartford.com.

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