2024 TCFD Report

ABOUT THIS REPORT

At The Hartford, we recognize that climate change represents a large and increasingly significant risk for our stakeholders and that the insurance industry has a significant role to play in supporting the energy transition.

As a U.S. insurer with a track record of environmental leadership, we firmly believe that advancing the energy transition, both with product solutions and investments to support renewable energy and decarbonization technologies, and by continuing to reduce our own greenhouse gas emissions (GHGe) is a societal and business imperative. We embrace these principles throughout our organization as we manage risks, organize around opportunities and hold ourselves accountable by setting ambitious goals and measuring our progress against them.

In April 2022, we announced an ambition to achieve net zero greenhouse gas emissions (GHGe) for our full range of businesses and operations by 2050, in alignment with the Paris Climate Accord. Achieving our net zero ambition will depend on multiple external variables, including aggregate reporting of and adherence to measurement protocols that remain under development. Despite this uncertainty, we are committed to seeking an approach that reflects a balanced transition to a green economy – our priorities must serve both our net zero ambition and our commitment to a just, equitable and achievable energy transition, while keeping shareholder value creation central to our journey.

STRATEGY

We remain committed to managing environmental risk and our strategy for making progress is focused on the following areas:

Governance	A successful climate strategy requires a robust and connected framework to effectively identify, assess and manage climate risks and opportunities, and escalate these to senior leaders and the Board of Directors. A dedicated enterprise sustainability governance structure provides the necessary connectivity and collaboration to meet these needs.
Understanding the risk	Our unwavering commitment to underwriting and risk-management excellence sits at the core of our business strategy and serves as a competitive differentiator for The Hartford. Our underwriters and investment professionals leverage deep expertise, disciplined decision-making and advanced capabilities to optimize risk selection and pricing which translates into stronger financial results. Understanding the climate risk embedded in our underwriting portfolio and investment strategy is no exception to this process. The Hartford identifies and manage risks and opportunities arising out of changing climate or weather patterns on the company's insurance portfolio, investment holdings and operations. Short to medium term trends are analyzed and quantifiable trends are incorporated into analytics and risk assessment practices. Longer term trends are used in strategic planning. The Hartford leverages climate research firms, modeling vendors and other industry experts to better understand climate risk.
Underwriting for and investing in the transition	The greening of industry, in particular the energy sector, is occurring on a large scale with promising commercial opportunities in renewable energy and decarbonizing technologies emerging at an unprecedented rate. We work to support and capture the opportunities within the energy transition by providing risk-transfer services or investment capital to climate technology companies seeking start-up financing all the way to the largest multinational companies managing their transition to a low carbon economy.
Supporting resilient clients and communities	Aligned with our mission to underwrite human achievement and provide our customers and communities with support and protection to prevail through the unexpected, we continue to look for ways to help our policyholders and the communities we serve become more resilient to the impacts of climate change.
An efficient Hartford	The Hartford has a proud history of environmental stewardship and has made great progress to reduce the Company's energy dependency. Since we began reporting our data in 2007, we have set and outperformed all our GHGe reduction goals and reduced our Scope 1 and 2 GHGe[1] by 86.1%. We also actively engage with our employees, suppliers, and customers to educate and collaborate on ways to reduce GHGe, an important part of our net zero journey.

[1] The "operational boundary" for Scope 1 and 2 GHGe is defined by reference to the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard.

GOVERNANCE

The Board of Directors

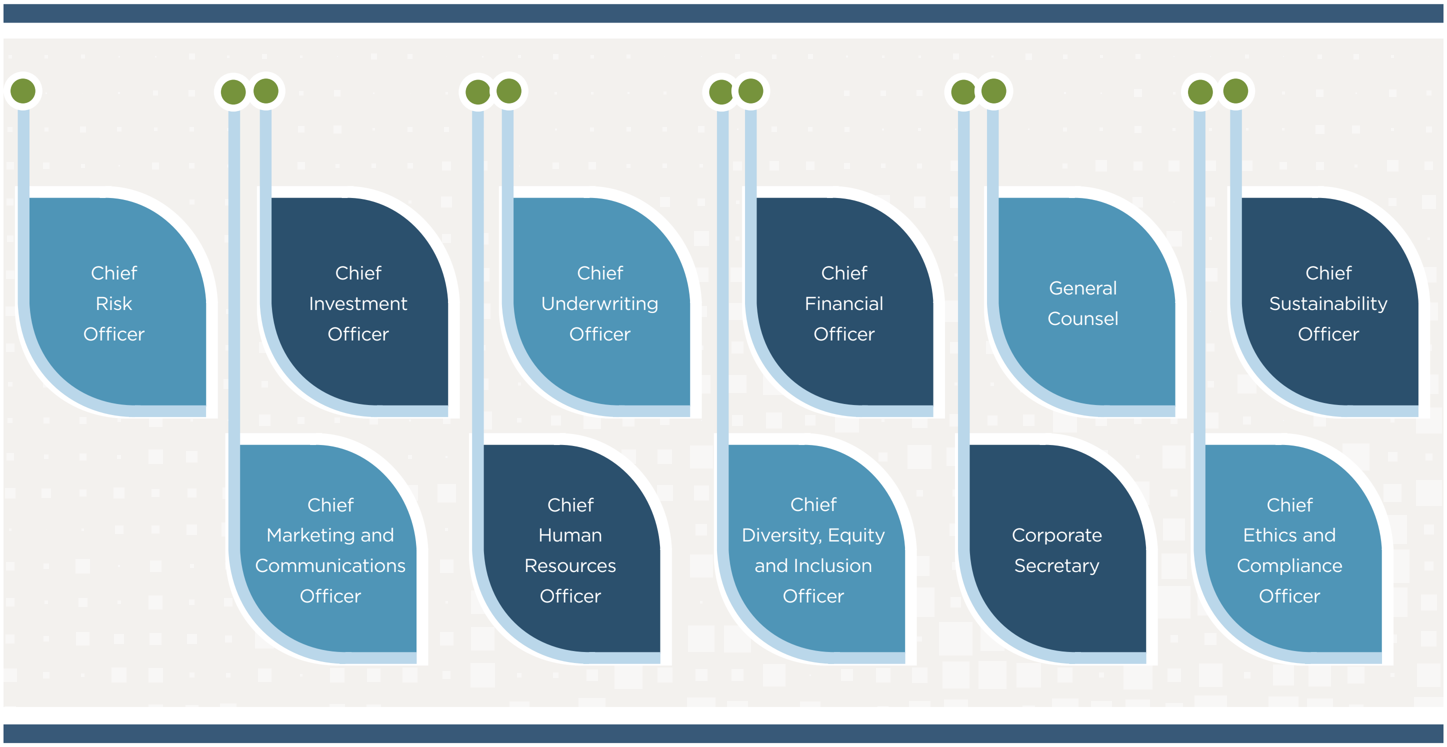
At The Hartford, the full Board of Directors (the Board) has ultimate oversight of sustainability matters, including climate-related issues. Per its charter, the Board's Finance, Investment and Risk Management Committee (FIRMCo), which is comprised of the full Board, is responsible for oversight of investment activities, financial management, and risk management activities of the Company and its subsidiaries and oversees risk falling outside the responsibility of any other committee. 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. FIRMCo meets at regular Board meetings and is updated on risk management activities by members of management including the Enterprise Chief Risk Officer.

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 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.

SUSTAINABILITY GOVERNANCE COMMITTEE

The Hartford's Sustainability Governance Committee (SGC) has been the primary management oversight vehicle for sustainability and ESG since its inception in 2017. The SGC approves overall sustainability strategy, establishes goals and KPIs, oversees stakeholder engagement and outside organization affiliations relative to ESG, and sits at the center of The Hartford's sustainability governance framework. The SGC reviews all sustainability related materials and presentations delivered to the Board of Directors, including a "deep dive" on sustainability provided by senior management at least annually.



The Hartford has also established a comprehensive and interconnected network of subcommittees that regularly report into the SGC. These subcommittees, each chaired by a member of the SGC, bring deep subject matter experts together to help assess and analyze sustainability issues of significance to The Hartford.

The ESG Underwriting Committee (chaired by the Global Chief Underwriting Offer) oversees and coordinates new product initiatives, assessment of emissions methodologies and the enhancement of underwriting guidelines and protocols with sustainability and ESG dimensions

The Climate Risk Committee (chaired by the Enterprise Chief Risk Offer) provides guidance and oversight of all matters related to climate risk and reporting

The DEI Committee (chaired by the Chief Diversity, Equity & Inclusion Offer) identifies and supports the inclusion of DEI principles into the company's strategy and operations

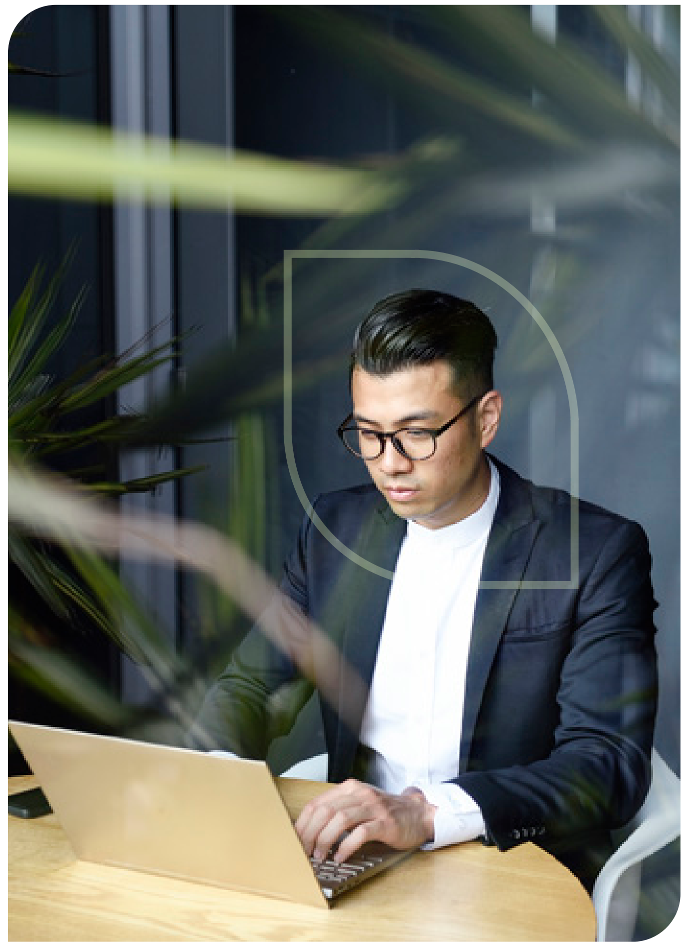
We have established additional sustainability-dedicated committees and working groups that report to the SGC on an ad hoc basis in areas such as investments, mutual funds and our international business.

ENTERPRISE RISK MANAGEMENT AND OTHER RISK MANAGEMENT COMMITTEES

The Enterprise Risk and Capital Committee (ERCC), a management committee chaired by the CEO and comprised of senior leaders, oversees the risk profile, capital structure and risk management practices of the Company. A number of functional committees sit underneath the ERCC. These committees provide oversight of specific risk areas, including those related to climate, and recommend risk mitigation strategies across the Company. The Emerging Risk Steering Committee reviews and reports significant emerging risks to the ERCC and the FIRMCo.

The Enterprise Risk Management (ERM) organization 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 Enterprise Chief Risk Officer who reports to the CEO and is responsible for maintaining and enforcing ERM's program and policies. ERM is responsible for overseeing the Company's management and underwriting and investment activities to mitigate risks associated with climate change, which are discussed below, in the Company's 10-K, and described in the Company's Statement on Climate Change.

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



RISK MANAGEMENT – UNDERSTANDING THE RISK

In addressing the growing threat of climate risk, The Hartford acknowledges that climate change has impacted the frequency and severity of natural catastrophe events across different geographies. The Hartford's continued efforts on assessing and managing climate-related risk include partnering with model vendors, brokers and other climate experts to better understand the evolving and shifting weather patterns. The Hartford continues investing and enhancing climate analytics and engaging with outside industry experts to advance climate evaluation tools.

The Hartford expects climate-related risks to impact various dimensions of its business, particularly its investment portfolio and its property and casualty insurance underwriting activities. The Company also assesses emerging risks across a broad landscape of threats and industries, including potential climate risk litigation.

The Company uses both internal and third-party models to estimate the potential exposure resulting from climate change and various catastrophe events and the potential financial impact those exposures would have on the Company's financial position and results of operations across its businesses.

POTENTIAL SOURCES OF CLIMATE RISK

Balance Sheet	Sources of Risk	Potential Impacts of Climate Risks
Fixed Maturity Investments	• Corporate Bonds • Municipal Bonds • Government/Government Agency Bonds • Asset-backed Securities • Mortgage-backed Securities	• Decline in asset values • Impairments/loss on defaults • Decline in investment income • Realized loss upon sale • Variability in cash flows
Other Investments	• Mortgage Loans • Limited Partnerships/Alternative Investments • Equity Securities • Mutual Funds	
Property Insurance	• Property • Marine & Energy • Automobile Physical Damage • Assumed Reinsurance	• Unexpected severity, frequency, geographic location and seasonality trends in weather events • Outsized concentration • Reinsurance availability • Underpriced business, future trends not fully understood
Casualty Liabilities	• General Liability, D&O • Environmental Liability • Workers' Compensation	• Litigation due to insureds' failure to prepare for climate-related events or climate change
Group Benefits	• Group Life & Disability	• Increased human health implications related to climate change

The Hartford's policies and procedures for managing climate risks include disciplined underwriting protocols, exposure controls, sophisticated risk-based pricing, risk modeling, risk transfer, and capital management strategies. The Company uses 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 p. 89 of The Hartford's 10-K.

INVESTMENT RISK MANAGEMENT

As published in The Hartford's Sustainable Investing Policy Statement, the Company believes that incorporating sustainability factors, including climate attributes, into the investment analysis and decision-making process provides a robust assessment of the risks and opportunities associated with investment decisions. The Hartford Investment Management Company (HIMCO), our affiliated investment manager, is focused on delivering investment returns which support The Hartford's financial and strategic goals and align with this Policy Statement. The policy was approved by the Board of Directors in 2018 and is published on The Hartford's website. The policy sets an expectation that HIMCO consider environmental factors such as climate change, natural resources, pollution and waste, along with a range of other sustainability, business and financial risk factors as part of the overall assessment taken to determine expected performance and risk of investment over time. To ensure material risk considerations are incorporated into The Hartford's investment strategy, the Company regularly reviews sustainability factors related to the Portfolio holdings with HIMCO. As part of the investment analysis and decision-making process, sustainability and climate considerations are evaluated across asset classes, including for fixed income securities (investment grade, high yield, municipal, emerging markets, securitized assets, private credit) as well as for private equity, and real estate.

ESG INTEGRATION

- ESG factors have been incorporated into HIMCO's proprietary credit research platform and analysts provide assessments and commentary as applicable for active portfolio holdings. As part of the investment analysis and decision-making process, ESG considerations are evaluated across asset classes, including for fixed income securities (investment grade, high yield, municipal, emerging markets, securitized assets, private credit) as well as for private equity, and real estate.
- Subject to certain exceptions, analysts identify and document directional risk level and the intensity of that risk for investments in the Company's portfolio, including for Environmental ("E") assessments. ESG risk analysis is completed as part of the initial review and for subsequent interim reviews, including as material news or events may warrant.
- HIMCO has conducted a series of training sessions to educate investment staff on HIMCO's ESG investment process, The Hartford's sustainability goals, and related topics.

EXPOSURE CONTROLS AND MONITORING

- The Hartford aggregates and analyzes exposure reporting on the investment portfolio based on the categories designated by analysts, which provides a portfolio view of climate related risks and opportunities.

MANAGING EXPOSURE TO COAL AND TAR SANDS IN INVESTMENTS

» Coal produces outsized greenhouse gas emissions in relation to the energy content it produces, contributing to extreme weather and air pollution, and we believe coal-based business models represent heightened insurance and investment risks as the global economy transitions to cleaner energy sources. The Company's Coal and Tar Sands Policy commits us to no longer insure or make new investments in companies that generate more than 25% of their revenues from thermal coal mining or more than 25% of their energy production from coal, or that generate more than 25% of their revenues directly from the extraction of oil from tar sands.

» As of December 31, 2023, The Hartford has exited all insurance relationships and investments in publicly traded securities in companies that exceed coal and tar sands related policy thresholds.

INSURANCE RISK MANAGEMENT

UNDERWRITING GUIDELINES

- The Hartford has established underwriting guidelines for both individual risks through individual policy limits and limiting the authority of underwriters in our field offices and for aggregate risks with aggregate exposure limits by geographic zone and peril.
- The Hartford has underwriting guidelines which instruct underwriters to decline certain classes of business that present elevated risk, including concerns about health hazards, moral hazard, environmental impact, pollution and dangerous operations.
- The Hartford also considers MSCI's ESG ratings when underwriting public company Directors & Officers (D&O) coverage. MSCI ESG Ratings provide underwriters a holistic view of the ESG and climate efforts that the prospective insured has undertaken and is a key element in determining whether to underwrite the business. Other governance considerations include Board of Directors diversity, Sarbanes-Oxley compliance, executive compensation comparisons and disclosure, and environmental litigation.

EXPOSURE CONTROLS AND MONITORING

- Climate change has contributed to a rise in the frequency and severity of natural catastrophe events, lengthened the season for those events and has expanded the geographic areas prone to natural catastrophes. The Hartford analyzes these trends on a regular basis and incorporate them into natural catastrophe risk models and analytics in the underwriting and assessment of insurance risks the company provides.
- The Hartford 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 Hartford partners with model vendors, brokers and other climate experts to better understand the evolving and shifting weather patterns and to stay informed of potential implications of climate-related impacts that are incorporated into risk assessment. To manage implications of severe weather and climate change, the Company incorporates these risks into catastrophe risk assessment and management strategies through product pricing, underwriting and management of aggregate risk.
- The Hartford manages underwriting by focusing on risk selection, establishing limits to loss on individual policies and limiting the authority of underwriters in the field offices. The Hartford uses micro concentration assessment tools and metrics to manage exposures by weather peril and geographic region. The Company also uses scenario analysis to assess the impact on earnings volatility and capital.

- Aggregations by peril and region are monitored and proactively managed through strategic growth and exposure management initiatives. This analysis cascades from The Hartford's executive team to business leaders, underwriters, investment managers and field leaders.

- Actual exposure and concentration by natural catastrophe peril and region are monitored by ERM, in consultation and collaboration with product and underwriting leaders, relative to established risk appetite limits, monitoring thresholds and defined guidelines across each business segment and product line.
  - Distribution of loss results (expected average loss, multiple return periods) by peril (hurricane, wild fire, flood, earthquake, tornado, hail, winter storm) by geographic region and product line.
  - Hurricane concentrations are managed along the coastline from Texas to Maine and the Company manages 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 aggregate events to identify areas within states with the most exposure to tornado and hail losses.

- The Hartford reviews other information such as exposed total insured value, risk characteristics of both the location and property, as well as the surrounding area.
- 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.
- The modeled catastrophe losses and volatility are important factors and considerations for our strategies including underwriting and concentration management, pricing, capital allocation, risk mitigation and reinsurance.

SCENARIO ANALYSIS AND HISTORICAL LOSS EXPERIENCE

- The Hartford monitors historical loss experience, such as frequency and severity of hurricane, wildfire, winter storm, tornado and hail catastrophe events. We apply the results of our research and work with the vendors in calibrating the output from natural catastrophe models to industry experience. We consider the average annual loss for pricing purposes, but we use multiple return periods (50- year, 100-year, and 250-year) to assess loss distribution for capital allocation.
- The Hartford analyzes various stress tests (e.g., 1 in 100 return period, 1 in 250 return period) for natural catastrophe perils (e.g., hurricane, earthquake, wildfire, tornado, hail, winter storm, flood) and utilizes 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 following table represents the probabilities that estimated pre-tax catastrophe losses, from an aggregate of all catastrophe events and from a single hurricane or earthquake event occurring in a one-year timeframe before and after reinsurance, will equal or exceed the indicated loss amounts before and after reinsurance. 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.

Estimated catastrophe projected losses are based on proprietary methodologies and vendor models utilized by The Hartford. Modeled catastrophe loss estimates are not comparable across insurers since there are no industry-standard methodologies and assumptions for projecting catastrophe losses. Catastrophe modeling methodologies and assumptions reflect both experience and science, as well as judgement, which may result in volatility of modeled loss. Therefore, the loss results in the table below exhibit high confidence directionally, however inherent uncertainty exists in the magnitude of modeled loss.

MODELED LOSS GROSS AND NET OF REINSURANCE ($ MILLIONS)

PROBABLE MAXIMUM LOSS (LIKELIHOOD OF EXCEEDANCE)	GROSS OF REINSURANCE	NET OF REINSURANCE
Aggregate annual all-peril (1-in-100 Year) (1.0%)	$2,594	$1,465
Aggregate annual all-peril (1-in-250 Year) (0.4%)	$3,503	$2,022
Hurricane single occurrence (1-in-100 Year) (1.0%)	$1,456	$568
Hurricane single occurrence (1-in-250 Year) (0.4%)	$2,275	$1,091
Earthquake single occurrence (1-in-100 Year) (1.0%)	$914	$480
Earthquake single occurrence (1-in-250 Year) (0.4%)	$1,553	$643

The modeled probability of loss exceedance represents the likelihood that total property modeled loss for hurricane single occurrence events, property and workers' compensation modeled losses for earthquake single occurrence events, and modeled aggregate annual losses for natural catastrophe losses from all perils (hurricane, flood, earthquake, hail, tornado, wildfire and winter storms) will exceed the indicated amount in a one-year time frame.
The net loss estimates provided assume that the Company is able to recover all losses ceded to reinsurers under its reinsurance programs.

Reinsurance as a Risk Management Strategy

The Hartford 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 also participates in governmentally administered reinsurance facility Florida Hurricane Catastrophe Fund (FHCF). The Hartford utilizes various reinsurance programs to mitigate catastrophe losses including excess of loss occurrence-based treaties covering property and workers' compensation, a catastrophe bond, an aggregate property catastrophe treaty, and individual risk agreements.

GREENHOUSE GAS EMISSIONS

The Hartford's underwriting leadership team is working to better understand the emissions profile of our underwriting portfolio and identify where we have opportunities to shape our underwriting strategies to align with our climate objectives.

We established a dedicated cross-functional team focused on understanding existing GHGe measurement protocols used by industry groups and institutions to inform our evaluation of our own underwriting portfolio. This work has provided some meaningful insights regarding emissions related to our policy base in various sectors. While those measurements are subject to varying levels of precision depending on the nature of the portfolio (i.e., Personal Lines versus Commercial Lines), they still offer directional guidance on emissions across different business units and industry sectors. We are confident that our ability to understand our portfolio will continue to improve as industry methodologies advance and our data sources are enhanced.

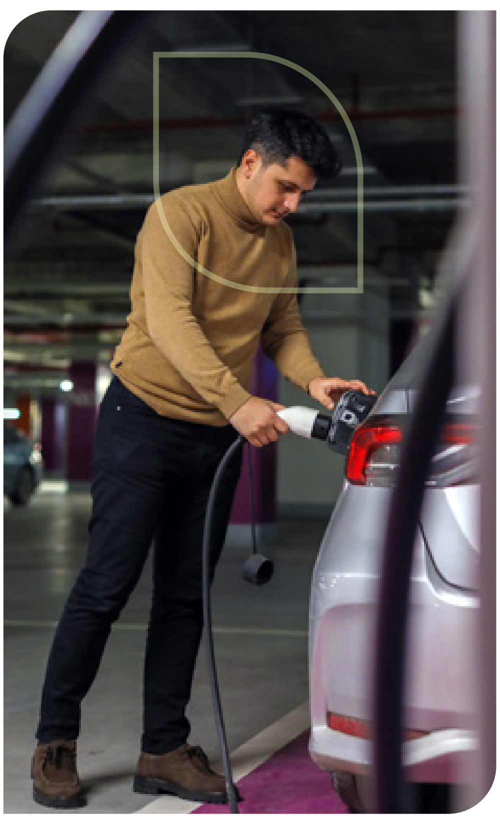
On the investment side, we made progress towards developing an inventory of our financed GHGe and the proportion of investments in public and private corporate issuers that have a commitment to net zero. This inventory will continue to evolve over time, but provides insight into the challenges and work that will need to be accomplished to move toward a net zero portfolio by 2050.

UNDERWRITING AND INVESTING IN THE TRANSITION

The greening of industry, in particular the energy sector, is occurring on a large scale with promising commercial opportunities in renewable energy and decarbonizion technologies emerging at an unprecedented rate. We work to **support and capture the opportunities within the energy transition** by providing insurance products and investment capital to a variety of climate-friendly businesses, from climate technology companies seeking start-up financing all the way to the largest multinational companies managing their transition to a low carbon economy.

INVESTING IN THE TRANSITION

The Hartford, through HIMCO, our affiliated asset manager, was among the first insurers to announce an investment goal in companies advancing the energy transition and addressing climate change. We announced a goal to invest $2.5 billion over five years in technologies, companies and funds that are advancing the energy transition and addressing climate change. As of December 31, 2023, approximately $2.0 billion has been invested in areas such as climate change infrastructure, clean transportation, green buildings, pollution prevention and sustainable water and wastewater management.



UNDERWRITING THE TRANSITION

Our unwavering commitment to underwriting excellence sits at the core of our business strategy and serves as a competitive differentiator for The Hartford. Our underwriters leverage deep expertise, disciplined decision-making and advanced capabilities to optimize risk selection and pricing which translates into stronger financial results. Underwriting emerging climate technologies is no exception to this process. We are working hard to continually educate ourselves on these technologies to maintain our high level of underwriting excellence. We realize the significant growth opportunities at the intersection of sustainability and insurance, and this process of continuous education and the evolution of our thinking will help us thoughtfully expand our insurance offerings and provide critical risk mitigation expertise to our customers.

To accelerate our education and product development process, in 2023 The Hartford's Middle & Large Commercial (MLC) business named a dedicated sustainability lead in the product and underwriting division. The sustainability lead's focus is on education of our underwriters on emerging climate technology, thoughtful appetite expansion opportunities, and new product offerings and coverage enhancements aligned with the energy transition and climate resiliency. MLC's sustainability lead, in collaboration with The Hartford's Y-Risk Innovation Lab, helps vet new product concepts to determine how we might most effectively insure emerging climate technologies.

Across the organization our strategy to support and invest in the energy transition is focused on the following areas:

EMERGING CLIMATE TECHNOLOGIES | CLIMATE PROTECTING TECHNOLOGIES | SUPPORTING TRANSITIONING COMPANIES | CLIMATE RESILIENCY

EMERGING CLIMATE TECHNOLOGIES

The Hartford supports emerging climate technologies through HIMCO's purchases made through its Energy Transition Commitment, providing risk transfer solutions to enable climate technology financing, and providing insurance to climate technology developers.

Purchases made through our Energy Transition Commitment include:

- $456M of purchases or commitments supporting Climate Infrastructure focused on renewable power (including wind power, solar power, battery storage and hydro-electric), renewable fuels projects (renewable natural gas, renewable diesel, sustainable aviation fuel, and hydrogen-related projects), and other energy transition-related projects focused in areas such as electric vehicle charging stations, carbon capture, and energy efficiency.
- $380M of purchases supporting Clean Transportation where bond proceeds are used to advance electric vehicle technologies or mass transit.

These investments are expected to generate appropriate returns relative to the perceived risks.

Climate Technology Financing

Within Global Specialty, our Credit and Political Risk (CPR) Insurance practice insures investments or loans including those to projects that support the emerging alternative energy market for non-carbon based power sources (e.g., geothermal in Guatemala, solar in Chile).

In 2023, the CPR team supported a large number of investments, projects and transactions that contributed to The Hartford's climate goals. Examples include:

- Providing Credit Insurance to a multilateral development bank (MDB) to cover a portfolio of credit facilities to a government in Latin America. An MDB is a financial institution founded by two or more countries for the purpose of encouraging economic development in developing nations. The credit facilities provided by the MDB were used to fund large scale, essential infrastructure projects in the country. This included an irrigation project in a major city that helped reduce the risk of flooding, and an environmental project that helped reduce pollution of a nearby bay and improve sanitation services in low-income areas. The credit insurance product helped the MDB free up capital that will be leveraged to increase development financing and continue improving lives in other borrowing member countries of the MDB.
- Providing Political Violence Insurance to a developer and investor of renewable power projects. The Hartford worked with the insured to provide coverage across their entire portfolio of renewable power projects around the world, including solar power projects in Africa and wind power projects in Asia. The procurement of this type of insurance was integral in ensuring continued investment by the Insured into these countries who seek to decarbonize their electricity grid.

Climate Technology Development

The Middle & Large Commercial underwriting team selectively integrates sustainability businesses into our underwriting portfolio including entities working to safeguard against the impacts of climate change by supporting the development of climate-protecting technologies including batteries, and battery charging products.

In our London syndicate, our Marine and Energy team support emerging technologies in the low carbon and renewable energy sector, including carbon sequestration, battery energy storage and geothermal drilling.

CLIMATE PROTECTING TECHNOLOGIES

The Hartford supports climate protecting technologies through HIMCO's Energy Transition commitment, including:

- $298M in purchases supporting Green Buildings through direct ownership, loans or bonds financing the construction of green properties, or the installation of renewable energy or energy efficiency technologies.
- $125M of purchases supporting Pollution Prevention, Sustainable Water and Wastewater Management including energy from waste infrastructure, water recycling, and estuary management.

These investments are expected to generate appropriate returns relative to the perceived risks.

Beyond more targeted Energy Transition purchases, The Hartford investment portfolio is invested across a range of opportunities that evidence our climate objectives and commitments, while also delivering returns that support The Hartford's overall financial and strategic goals, including:[2]

- $1 billion invested in Municipal Bonds with environmentally positive attributes, contributing, for example, toward the development and maintenance of electric and water utilities, public transportation infrastructure, and LEED certified[3] construction.
- $636 million invested in Green, Sustainable and Sustainability Linked Bonds where bond proceeds are utilized for environmentally responsible initiatives.[4]
- $585 million invested in LEED certified private real estate and REITs supporting efforts to reduce carbon emissions through investing in properties that are built and operate to enable a sustainable and socially responsible environment.

Within our insurance business units, Middle & Large Commercial continues to focus on opportunities in the renewable energy sector. Within our energy business unit, we offer specially designed renewable energy products that provide end-to-end coverage for the solar, wind, fuel cell and biomass industries, from research and development through construction, to production. As of December 31, 2023, 35% of written premium in our Energy business were written for risks involved in renewable energy operations.

We continue to target renewable energy-related business in our inland marine unit, where we offer coverages specifically designed to meet the unique and evolving needs of businesses all along the renewable energy value chain. As of December 31, 2023, 10% of overall written premium is in coverages specifically designed to meet the unique and evolving needs of businesses all along the renewable energy value chain.

[2] Investments overlap with Energy Transition investments.
[3] Leadership in Energy and Environmental Design (LEED) is a globally recognized rating system for sustainable buildings and communities developed by the U.S. Green Building Council (USGBC).
[4] Labeled Green, Social and Sustainable Bond investments overlap with other categories.

Our Global Specialty business unit is also focusing on renewable energy and other climate protecting technologies. Our Wholesale Primary and Excess Casualty teams actively underwrites energy related industries including renewable power classes such as solar panel installation and residential solar, electrification classes such as battery storage, and operation efficiency classes such as insulation manufacturing and installation.

Our Environmental Liability team provides pollution coverage and other environmental products for solar energy projects, for customers building wind energy for clients, for companies specializing in cleaning of contaminated soil and mineral waste for reuse and for operations and maintenance to the wind energy industry.

Our Construction Surety customers provide a wide range of services that positively affect our environment. We have provided bonds for electric vehicle (EVs) plants, battery manufacturing plants for EVs, mass transit projects, water line replacement, water treatment and wastewater treatment plants, waste handling facilities, and bonds for green energy (solar fields and wind power generation).

Finally, within Financial Lines, The Hartford provides management liability coverage to companies that develop or have operations in renewable energy, energy efficiency and low carbon technology. Directors & Officers (D&O) insurance supports such companies and projects by providing protection against costly legal fees, whether securities related or otherwise. Approximately 28% of written premium in our financial lines energy and utility portfolio, principally D&O insurance, is written for companies that engage in or support energy efficiency projects and operations.

Within Personal Lines, we have a broad appetite for electric and hybrid vehicles and offer insurance premium discounts for hybrid or electric cars to reduce emissions. The Hartford was a leading insurer to offer coverage of garage EV charging stations in its homeowners policies and we now insure more than 70,000 electric and hybrid vehicles.

For commercial automotive coverage, in our Small Commercial and Middle & Large Commercial businesses we also offer an endorsement that provides additional coverage to a covered auto if there is a total loss and the insured chooses to replace it with a hybrid or electric vehicle.

Lastly, Middle & Large Commercial is also piloting coverage for EV charging stations in recognition of the tremendous growth that will need to occur in our electrical infrastructure to support the transition to electric vehicles.

SUPPORTING TRANSITIONING COMPANIES

In our London syndicate, our Marine and Energy team continue to assist the energy transition journey of oil and gas companies by providing insurance in support of their own decarbonization, carbon recapture and energy security activities.

Our Global Specialty Environmental practice also provides insurance products to a wide range of industries and companies that are embracing sustainable practices and energy initiatives. The environmental team is focused on increasing the number of environmentally sustainable focused businesses and projects we underwrite, such as solar farms and wind turbine farm installations. The environmental team insures manufacturers, contractors and site owner-operators that support the development and growth of renewable and sustainable energy practices, and, in addition to wind and solar farm installations, actively pursue other green energy projects and properties. When there is a loss, our products allow our insureds to repair, replace or restore the damaged property with products that meet green standards. Environmental coverage offers that in the event of a loss, the standard coverage pays for the use of and adherence to "green standards" for restoration and cleanup costs.

Our Financial Lines business unit is one of a select group of carriers that has partnered with Marsh to support businesses with superior ESG governance frameworks. This initiative pairs Marsh clients with select law firms specializing in ESG governance practices for an independent review, and where appropriate, a strengthening of their ESG governance frameworks. These companies can then be considered for preferred D&O terms and conditions relating to their ESG exposures, including climate change disclosures and representations.

CLIMATE RESILIENCY

Aligned with our mission to underwrite human achievement and provide our customers with support and protection to prevail through the unexpected, we continue to look for ways to help our policyholders become more resilient to the impacts of climate change.

We offer optional coverages to help homeowners and businesses upgrade to greener alternatives in the event of a covered loss.

- Our Green Rebuilding endorsement provides additional coverage to effect repair or replacement with more environmentally sound alternatives or materials. For example, use of low VOC paint or bamboo versus wood flooring.
- For homeowners, our equipment breakdown coverage provides for the repair or replacement of covered equipment, such as furnaces and central air conditioning, after a mechanical or electrical breakdown event. This includes a feature which provides an additional 25% in the event of a loss to help cover the cost of upgrading to a more efficient, "greener" unit.

We are also offering a new roof replacement upgrade – wind/hail resistance coverage, which was launched in select states. In the event of a covered loss where an insured's standard roof must be completely replaced due to damage, the roof will be replaced with one that meets specified wind/hail resistance requirements. This will help reduce future losses due to windstorm or hail events and can be a part of building resilience to climate change as weather patterns shift in terms of geography and severity.

The Hartford also works with clients as they 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. The Hartford is also working with our construction clients as they 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 and its clients to gain greater resiliency to climate-related events.

Lastly, The Hartford's provides a number of resources to help customers manage climate-related risks.

- Our 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.
- Educational resources to help customers manage climate-related risks, operate in a more sustainable way and prevent environmental construction hazards. Examples include:
  - » Green Your Business – The Hartford's Business Owners Playbook
  - » Green product information including technical information on green construction and an overview of builder's risk insurance

COMMISSION ON CLIMATE RISK

To help our clients build resiliency to a changing climate, The Hartford is proud to be a founding sponsor of the National Commission on Climate and Workforce Health and participate as a member of the commission. As part of the commission, The Hartford will support the development of research and establishing of networks for collaboration to help educate employers on the threats that extreme heat and weather poses to the health of their employees. The commission will also help employers manage that risk by developing a first-of-its-kind financial projection tool to forecast the health-related costs associated with a changing climate as well as tip sheets and recommended actions to help prevent and mitigate these risks.

METRICS AND TARGETS - AN EFFICIENT HARTFORD

The Hartford has a proud history of environmental stewardship. Our annual Sustainability 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.3).

In April 2022, we announced an ambition to achieve net zero greenhouse gas emissions (GHGe) for our full range of businesses and operations by 2050, in alignment with the Paris Climate Accord. Achieving our net zero ambition will depend on multiple external variables, including aggregate reporting of and adherence to measurement protocols that remain under development. Despite this uncertainty, we are committed to seeking a pragmatic approach that reflects a balanced transition to a green economy – our priorities must serve both our net zero ambition and our commitment to a just, equitable and achievable energy transition, while keeping shareholder value creation central to our journey.

We have made strong progress to reduce the Company's energy dependency. Since we began reporting our data in 2007, we have set and outperformed all our GHGe[5] reduction goals and reduced our Scope 1 and 2 GHGe by 86.1%. Building on that progress, we recently announced a new goal to reduce our Scope 1 and 2 emissions by 50% by the end of 2030 using 2019 as the base year.

The Hartford has also achieved each of the year-end 2023 environmental goals announced in 2018, including:

- Reduced facilities energy use by 39% from the base year of 2017.
- Achieved a 65% decrease in water usage in all metered U.S. offices from the base year of 2017.
- Deriving 100% of our U.S. facilities' energy consumption from renewable energy sources or offsets.
- Reduced our non-recyclable, non-biodegradable solid waste from our owned and fully-managed leased facilities in U.S. and Canada by 64% since 2019.
- Eliminated the use of Styrofoam and transitioned to compostable food containers in our Connecticut offices.
- We doubled the percentage of hybrid vehicles in our fleet.

[5] The "operational boundary" for Scope 1 and 2 GHGe is defined by reference to the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard.

METRICS AND TARGETS

As we continue on our path toward reducing 50% of our Scope 1 and 2 GHGe by 2030, we will remain focused on opportunities to:

1. Increase the operational efficiency of our campuses.
2. Maximize the use of our real estate footprint.
3. Execute on fleet reduction, electrification and efficiency strategies.
4. Produce and/or procure renewable energy.
5. Migrate to cloud-based data centers powered by renewable energy sources.

The transition to a nearly 100% remote work environment due to COVID-19 had a positive environmental impact and generated higher than expected emissions reductions in 2020 - 2021. As expected, many of those effects were temporary, resulting in a rise in Scope 3 emissions as employees returned to the office. Several employment practices including hybrid work arrangements, have remained in place and these actions have helped keep emissions significantly lower than pre-pandemic levels.

Greenhouse Gas Emissions

	2021	2022	2023
Scope 1	8,401	7,268	6,767
Scope 2	14,262	13,048	11,329
Scope 3	2,320	13,476	15,108
Scope 1, 2 & 3 Emissions Total	24,984	33,792	33,204

* The Hartford's Scope 3 emissions included in reported data above are those generated from employee commuting, business travel, and corporate jets (added to Scope 3 in 2022). For a comprehensive review of the Company's relevant scope 3 emissions categories please refer to The Hartford's CDP response, published in July 2023.

Our Scope 1, 2 and select categories of Scope 3 GHG emissions data is verified by Apex Companies, an independent third party, in accordance with the ISO 14064-3 Second Edition 2019-04 Standard.

METRICS AND TARGETS

UNDERSTANDING THE EMISSIONS IN OUR VALUE CHAIN

The Hartford's 2050 net zero ambition incorporates the Company's indirect emissions in its value chain, including emissions attributable to us through our underwriting and investment portfolios. In order to inform actions and progress towards our net zero ambition, we must be able to capture decision-worthy emissions information from our customers, investees and business partners. While efforts to build solutions to provide that data are not lacking, quality data is not yet available and an industry consensus as to how to calculate and report the full scope of our value chain emissions in a way that reflects strategic progress has not emerged.

We continue to evaluate Scope 3 reporting methodologies as they are developed and refined and will seek to identify those that properly, accurately, and reliably account for and reflect the complexities of our business profile. Until these standards and metrics meet this threshold, we will continue to engage with our stakeholders and the industry to pursue solutions that will enable us to provide reliable data and disclosures on our net zero journey. In the meantime, we continue to leverage information currently available to gain a more comprehensive understanding of the GHGe profile of our supply chain and our underwriting and investment portfolios.

The Hartford does not view the challenges associated with carbon accounting as a rationale for complacency. As we are positioned today, our goal is primarily focused on galvanizing action to directionally drive progress toward decarbonization in our value chain. The most effective steps toward our net zero ambition must first be guided by the change we can most effectively influence, which requires an understanding of what we do and do not control.

A NEW CARBON ACCOUNTING SOLUTION

A NEW CARBON ACCOUNTING SOLUTION

After conducting a thorough evaluation process, The Hartford selected a carbon accounting platform to help quantify and manage our greenhouse gas emissions (GHGe) in our operations and supply chain beginning with the 2023 reporting year. The benefits to utilizing this tool include:

- Increased accuracy of our GHGe data (Scope 1, 2, and 3 emissions) and energy consumption, including by leveraging automated solutions to capture dynamic emissions factors.
- Strengthened auditability of our GHGe data through the creation of comprehensive calculation records in a central data repository and protocols to feed our public reporting and disclosures.
- Enhanced analytics, improving our ability to capture, calculate and manage our GHGe reduction progress and to make informed decisions as we work toward our interim GHGe reduction goals and net zero ambition.
- Ensuring our GHGe emissions calculations follow globally recognized standards and calculation methodologies.

Our carbon accounting platform provides significant value not only by creating efficiencies in the aggregation of GHGe data and enhancing the integrity of our GHGe disclosures, but also by providing additional capabilities to assess our value chain as standards and Scope 3 measurement methodologies take hold.

We will leverage this carbon accounting platform to further refine our emissions portfolio calculations and ensure the data we report is as accurate and comprehensive as possible across all emissions scopes and categories.

METRICS AND TARGETS

EMPLOYEE ENGAGEMENT

EARTH, The Hartford's environmentally focused employee interest group led by a team of volunteers, inspires and engages employees to care for the environment and advocate for sustainable growth. In 2023, the EARTH group continued to promote their mission to better align with The Hartford's sustainability goals, resulting in increased visibility and employee membership.

1,087

EMPLOYEE EARTH GROUP MEMBERS

in 2023 (10% increase from 2022).

Employees from all locations participated in a number of environmental activities across the Company, including:

- Educational webinars on topics including pollinators and environmental justice, as well as external pro bono guest speakers.
- Regular educational postings and offerings to build employee awareness of environmental issues and climate change.
- Monthly informational posts on a "topic of the month" such as transportation, green gift giving, and greening your space/diet.
- Earth Day volunteer clean-up event.
- The annual EcoChallenge with ecochallenge.org, encouraging participants to reduce emissions, water use and waste.
- Memorial Day tree planting in Liam McGee park in partnership with our Military Community Network (MILCOM).
- Courageous Conversation Circles on environmental topics including, "The Environment: Are We Doing Enough?," "Climate Anxiety" and "Environmental Justice."

Reducing our commuter footprint

- 60 electric vehicle (EV) chargers at 30 EV charging stations on our Connecticut and Pennsylvania campuses.
- 272 connected drivers have requested charging privileges.
- 409,030 kg of GHGe avoided since the inception of our EV charging stations. That's equal to planting 10,488 trees and letting them grow for 10 years.

Reducing paper consumption and recycling e-waste

- 283 short tons recycled including 100% of recycling bin paper from our offices.
- 8.3M sheets of paper were saved through responsible printing, resulting in 749,663 lbs of CO_2 saved.
- 100% of our shredded paper is recycled into new paper products, thus avoiding the environmental impacts of making virgin paper.
- 12,360 electronic devices recycled.
- No E-Waste went into landfills.

SUPPLIER ENGAGEMENT

Engaging with our suppliers to educate and collaborate on ways to reduce GHGe is an important part of our net zero journey. That engagement begins with understanding our suppliers' current GHGe profile. In 2023, we engaged 35 of our top suppliers (based on annual spend) to baseline select ESG commitments and practices as a reference point to measure progress. Through this effort, all suppliers participated and the results established a baseline for understanding sustainability maturity levels. This information was also used to engage in discussions with suppliers around their sustainability strategies, programs and ambitions while highlighting areas to further align with the sustainability commitments of The Hartford.

In 2024, we plan to reassess our top suppliers on these same sustainability commitments to measure progress while beginning to capture quantifiable emissions data and targets. As we continue to engage with our top suppliers, we will explore opportunities to grow the scope of our engagement and influence positive momentum that aligns to our sustainability goals and broader societal progress.

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.

The Hartford's Procurement organization continues to actively explore technology solutions to assist in the evaluation of our current and prospective suppliers' sustainability practices, including ratings from external sustainability agencies. These tools also offer the ability to more formally weight sustainability practices as criteria in our selection of suppliers during a sourcing event.

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.

METRICS AND TARGETS

CUSTOMER ENGAGEMENT

In 2023, our Personal Lines business continued to focus on leveraging digital technologies to improve the customer experience and reduce our own carbon footprint. Our new product, Prevail, which automatically enrolls policyholders in paperless delivery, has achieved paperless adoption with 68% of policyholders.

We also moved our pilot of the 'Do-It-Yourself' digital home inspection app to implementation and completed over 5,500 digital inspections. Our roadmaps include the objective of increasing volumes year over year for the next several years.

ADDITIONAL ACTIONS AND RECOGNITIONS OF RESPONSIBLE ENVIRONMENTAL ACTIVITY

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

- Our Climate Change Statement aligns with the 5th Assessment of the Intergovernmental Panel on Climate Change (IPCC) and was updated in 2023 to reflect current policy.
- Ranked #66 on the Green Power Partnership Fortune 500 Partners List (2023).
- Designated one of the world's most ethical companies by the Ethisphere Institute, receiving this recognition for the fifteenth time.
- 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).
- Continue to publish our Task Force on Climate Related Financial Disclosure (TCFD) since 2020.

TCFD INDEX

APPENDIX

SUPPORT LINKS:

- Sustainable Investing Policy Statement
- CDP
- Coal and Tar Sands Policy
- SASB Report
- 2023 Sustainability Report
- The Hartford's net zero announcement and approach
- The Hartford's Vendor Code of Conduct
- The Hartford's 10-K
- The Hartford's Statement on Climate Change

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

Important Legal Information

Except where noted, the information covered in this report highlights our performance and initiatives in fiscal year 2023. Some of the language in this report, including that related to our ambition 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 2023 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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