

# CHUBB®

2018 Communication on Progress  
United Nations Global Compact

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### **About This Report**

As a member of the United Nations Global Compact, Chubb is required to produce an annual “Communication on Progress” report, which outlines the company’s commitment to the Global Compact’s 10 Principles on human rights, labor, the environment and anti-corruption. The report also reviews the actions the company has taken to advance the Principles as part of its culture and day-to-day operations.

### **About Chubb**

Chubb is the world’s largest publicly traded property and casualty insurance company. With operations in 54 countries and territories, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. As an underwriting company, we assess, assume and manage risk with insight and discipline. We service and pay our claims fairly and promptly. The company is also defined by its extensive product and service offerings, broad distribution capabilities, exceptional financial strength and local operations globally. Parent company Chubb Limited is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index. Chubb maintains executive offices in Zurich, New York, London, Paris and other locations, and employs more than 30,000 people worldwide. Additional information can be found at: [www.chubb.com](http://www.chubb.com).

## Message from Chubb's Chairman and CEO



Chubb joined the United Nations Global Compact in 2017 and is committed to its 10 principles on human rights, labor, the environment and anti-corruption. We are pleased to present our second annual Communication on Progress, which describes how Chubb fulfills its commitment and the tangible actions and initiatives we are taking to advance the Compact's important mission.

Chubb's journey to joining the UN Global Compact began with an invitation by the United Nations Secretariat, which recognized the unique nature of the Chubb Rule of Law Fund. The only corporate fund of its kind, the Chubb Rule of Law Fund supports organizations focused on building and strengthening the rule of law and vital legal institutions around the world.

As a truly global insurance company, with operations in 54 countries and territories, Chubb depends on the presence of stable, predictable and just legal systems. The dynamic social and economic roles that insurers play – assuming risk from individuals and businesses and pooling capital for long-term investments and infrastructure development – help drive growth and build nations in both the developed and developing worlds. History tells us that nations must have stable, competitive and growing economies operating under the rule of law in order for human rights, the environment, labor and public and private-sector integrity to flourish.

Chubb is proud to do its part in building and shaping a future that advances the UN Global Compact's 10 principles.

A handwritten signature in black ink that reads "Evan Greenberg". The signature is fluid and cursive, with a long, sweeping underline that extends to the right.

**Evan Greenberg**

Chairman & Chief Executive Officer  
Chubb Limited

# Human Rights

**Principle 1:**  
Businesses should support and respect the protection of internationally proclaimed human rights and

**Principle 2:**  
make sure that they are not complicit in human rights abuses

## **Chubb's Commitment to Human Rights**

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Through its business as an insurer, the company plays an important role in fostering conditions where human rights can be advanced. We pursue business opportunities in developing nations across Asia and Latin America, where long-term trends point to substantial GDP growth. Access to insurance, which offers protection to families and businesses from unpredictable risks and threats, is one of the pistons that help propel growth in emerging economies. Dynamic economic activity, in turn, drives the emergence and expansion of the middle class. Since the industrial revolution, the rise of a middle class in a country has been an augur of positive societal change, including the advancement of more accountable government, the rule of law and greater respect for human rights. A growing middle class is good for business, including the insurance business, but is also a positive force for human rights.

Chubb's commercial P&C business provides protection for companies of all sizes, which not only create and deliver essential products and services, but also provide livelihoods. The company's general insurance and life insurance businesses pool long-term assets, which are, in turn, invested in important areas such as infrastructure development – a critical component of nation building. During periods of volatility, insurers like Chubb that invest with a longer-term view play a key role in stabilizing financial markets. Insurers are there for consumers as they begin to acquire wealth and become aware and conscious of the need to protect their new home, automobile or business. Chubb's global accident and health business, which provides affordable personal accident and supplemental health insurance coverage for lower and middle-income individuals and families, offers similar protection from life's misfortunes, and is often the first or only insurance protection they might have.

In this way, the risk-taking function of insurers has a profound and positive impact on the lives of people, businesses, economies and, ultimately, human rights.



The Chubb Code of Conduct requires that we conduct our business in a manner that respects the human rights and dignity of all, and we support international efforts to promote and protect human rights. Chubb does not tolerate abuse of human rights in a Chubb workplace or in the course of Chubb business.

**Relevant links:**

[Chubb Code of Conduct](#)

[Chubb Rule of Law Fund](#)

[Chubb Ethics Helpline](#)

[“Best Places to Work for LGBTQ Equality”](#)

[Corporate Equality Index \(CEI\)](#)

[International Rescue Committee \(IRC\)](#)

[Teach For All](#)

**Progress on Initiatives to Fulfill Chubb’s Commitment to Human Rights**

Chubb can report progress in the following areas:

**Annual Affirmation of Code of Conduct.** In 2018, Chubb’s more than 30,000 employees affirmed or reaffirmed that they know, understand and accept the standards expected of them in the Code of Conduct.

**Relaunched the Chubb Rule of Law Fund.** As a corporate citizen, Chubb recognizes the rule of law as the foundation of a liberal world order that the company embraces as essential to the proper functioning of markets and the protection of personal freedoms. Through the Chubb Rule of Law Fund, a unique corporate initiative, we support projects around the world that promote the preservation and advancement of the rule

We conduct our business in a manner that respects the human rights and dignity of all

of law. Over the past decade, the Chubb Rule of Law Fund has been making grants to support organizations and activities that promote the preservation and advancement of the rule of law, including the development of rules-based legal systems, independent and knowledgeable judiciaries, anti-corruption, improved administrative procedures, and access to legal services. The Fund has made more than \$1 million in grants to organizations in every region in which Chubb does business.

As the Fund celebrated its 10th anniversary, Chubb relaunched the initiative with new funding commitments from the Chubb Charitable Foundation and 15 partner law firms, which will allow it to expand the breadth and depth of support for worthy projects. The Fund, which began as a Legal and Compliance Group program, is now a global corporate commitment, reflecting the importance of the rule of law to our company, our employees, our customers and our communities.

In the most recent reporting period, 10 new projects were funded. Among them were an initiative in Sri Lanka to support the legal community in its effort to encourage post-civil war reconciliation and the restoration of the rule of law; a program in Brazil to support the provision of defense counsel for indigent criminal defendants; and a project to support a pan-African network of judges and lawyers committed to the development of commercial law competence.

**Human Rights Campaign Foundation Recognitions.** In 2018, Chubb was named one of the “Best Places to Work for LGBTQ Equality” by the Human Rights Campaign. Chubb in North America again received a perfect score of 100 percent on the Corporate Equality Index (CEI), a national benchmarking survey and report on corporate policies and practices related to LGBTQ workplace equality and is administered by the Human Rights Campaign Foundation.” The CEI evaluates LGBTQ-related policies and practices including non-discrimination workplace protections, domestic partner benefits, transgender-inclusive health care benefits, competency programs, and public engagement with the LGBTQ community.



**Philanthropic Initiatives.** The Chubb Charitable Foundation continues to provide support to nonprofit organizations that advance human rights.

- For nearly a decade, the Chubb Charitable Foundation has supported the International Rescue Committee (IRC), which responds to the world’s worst humanitarian crises and helps individuals affected by crisis and conflict rebuild their lives.
- Chubb is helping support the expansion of educational opportunities around the world through its support of Teach For All, a global network that enlists promising leaders to teach in high-need areas for two years, and, in the long-term, drive systemic changes in their community.

Chubb collaborates with Latin American microfinance and microinsurance institutions to provide underserved groups with access to affordable insurance products



**Products and Services.** Chubb, in partnership with Singapore-based DBS, the largest bank in Southeast Asia, introduced an innovative personal cyber insurance product to protect individuals from cyber bullying and online identity theft. The product, CyberSmart, gives customers access to a dedicated 24-hour concierge service hotline and can tap into a team of trauma counseling specialists, legal experts and 24/7 IT/tech support. The partnership, which also involves the National Council of Social Service (NCSS), Media Literacy Council (MLC) and Institute of Technical Education (ITE), aims to counter the rise of bullying in Singapore. The program involves 500 ITE College West students who will be trained on the basics of cyber safety and, in turn, educate their peers and community to increase impact and awareness.

Chubb continues to collaborate with numerous local Latin American microfinance/microinsurance institutions to provide underserved groups with access to a range of affordable general insurance and personal accident and supplemental health insurance. Our microinsurance and microfinance products are available to all populations, including those with health-related conditions. Coverages include low-cost residential (fire, theft, flood, tropical storm and earthquake) and personal accident as well as microfinance products in Brazil, Chile, Colombia, Ecuador and Mexico.

Chubb works with Latin American utility, pharmaceutical and telecom companies to develop insurance products and distribution options designed to create access and education for underserved groups and/or geographies. Examples include insurance/finance products sold door-to-door, including personal accident and funeral coverage, with premium payments combined with utility bills.

We anticipate these products will impact approximately 3 million customers.

## Labor

**Principle 3:**  
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

**Principle 4:**  
the elimination of all forms of forced and compulsory labor;

**Principle 5:**  
the effective abolition of child labor; and

**Principle 6:**  
the elimination of discrimination in respect of employment and occupation.

### **Chubb's Commitment to Fair Labor**

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As a global company, Chubb competes for talent in every market in which we operate. We believe that achieving sustainable success in our industry begins with underwriting excellence and delivering on our promise of service, including paying claims fairly and promptly. Achieving sustainable success requires clarity of strategy, capable leadership and excellence in execution. It demands experience, technical excellence, strong enterprise risk management, robust technology and effective training and professional development. And it depends on committed individuals working together to achieve common goals. To be that kind of organization, Chubb recognizes that its approach to managing talent, including labor-related policies, is not only about compliance with local labor laws and regulations. We also need policies, incentives and rewards that are aligned with our business objectives and culture.

At Chubb, we recognize our responsibility to ensure opportunity within our own organization, where we foster a diverse and inclusive meritocracy. We can't succeed unless we give everyone the opportunity to thrive and advance in our company, and we hold our leaders accountable for improving the advancement of women and people of all races, nationalities and religions around the globe.

Chubb prohibits discrimination on the basis of race, color, religion, age, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, mental and physical disability, medical condition, genetic information, military and veteran status, age, and pregnancy or any other characteristic protected by law. We make all employment decisions and set all terms and conditions of employment without regard to these characteristics. Chubb is also committed to complying with equal employment opportunity laws and/or other applicable civil rights, human rights and labor laws.



## Labor



Chubb has Business Compliance Officers around the world who are responsible for compliance with the Code of Conduct which includes a commitment to human rights. Each region is led by a Regional Compliance Officer who reports to the Global Chief Compliance and Business Ethics Officer. There are Local Compliance Officers responsible for each country who report to the Regional Compliance Officers. In addition, there are 32 compliance officers who oversee every North American line of business.

### Relevant links:

[Chubb Code of Conduct](#)

[Promoting Diversity and Equal Employment](#)

[Learning and Development](#)

### **Progress on Initiatives to Fulfill Chubb's Commitment to Fair Labor**

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Chubb can report progress in the following areas:

**ESG Governance.** Nominating and Governance charter of the Chubb Limited Board of Directors has been amended to incorporate oversight of the company's environmental, social and governance (ESG) activities.

Chubb recognizes that culture is about more than “how work gets done;” culture is about the principles by which we run our business



Employee engagement events that continued to get attention in 2018 were:

- **Chubb Mosaic.** Mosaic is Chubb’s multicultural business roundtable. The group’s mission is to advance Chubb’s corporate diversity and business objectives.
- **Chubb Pride.** Chubb Pride positively influences our culture and policies regarding LGBTQ issues and advocacy by collaborating with our business units to build a greater presence throughout the organization and within the marketplace. All employees are welcome.
- **Chubb Impact.** Chubb Impact is dedicated to supporting, developing and advancing women as they work to realize their career goals, while driving Chubb’s business objectives and strengthening ties to clients, brokers and the insurance industry.

Other initiatives that took place in 2018 included:

- **Chubb Signatures,** a global and regional lecture series for successful senior women, diverse men and inclusion champions to share their unique backgrounds, experiences and hard-earned lessons in business.
- **Chubb Start,** a program aimed at women early in their careers, which supports the development of skills and capabilities necessary for sustained success at Chubb.

## A commitment to learning and development is a key element of the company's culture

- **The Coach's Award**, a recognition program that identifies inclusive managers who are strong performers and who are viewed by their employees as doing an outstanding job in providing feedback, coaching and development support.
- **The Chubb Sponsorship Program**, a 2018 pilot initiative to supplement the company's talent planning and development activities and to strengthen the pipeline of "ready-now" women leaders.

**Learning and Development.** Learning and professional development are central to the Chubb culture, and we are committed to ensuring that all employees – at all levels of the organization – have the opportunity to evolve professionally and reach their full potential.

All employees have access to over 1,500 professional development learning programs to support self-directed learning and upskilling on topics such as management, leadership, diversity, business skills, and personal effectiveness (many are available in multiple languages).

In 2018, more than 75% of all employees globally participated in training and development. On average, full-time employees spent seven hours on receiving training and development in 2018.

Among Chubb's signature employee engagement programs that continued to get attention in 2018 were:

- **The Chubb Associate Program** is a two year program geared to early career professionals to help them develop expertise and technical acumen as an insurance professional. In 2018, Chubb hired 294 employees into the Chubb Associate Program class.
- **The Chubb Experienced Manager program** focuses on elevating the performance of teams.
- **The Chubb New Manager program** focuses on preparing new managers for success in their role.

In 2018, 25% of full-time employees participated in the manager programs.

**Communication from leadership.** Senior Chubb leadership communicates regularly with employees on the company's strategy, results and vision for the future. During 2018, the Chairman and CEO held quarterly global "town hall" videoconferences, where he takes questions directly from employees. Regional presidents also conducted periodic videoconferences for employees.

## Environment

**Principle 7:**  
Businesses should support a precautionary approach to environmental challenges;

**Principle 8:**  
undertake initiatives to promote greater environmental responsibility; and

**Principle 9:**  
encourage the development and diffusion of environmentally friendly technologies

### **Chubb's Commitment to the Environment**

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Chubb recognizes the reality of climate change and the substantial impact of human activity on our planet. Our environmental activities reflect our desire to do our part as a steward of the Earth. Through our Foundation, we support important environmental projects, including the protection of biodiversity and saving land. In our business, the company is a leader in developing insurance products and risk management services that facilitate market-based solutions to environmental and climate-related issues. In our operations, the company has had a formal program to measure, record and reduce greenhouse gas (GHG) emissions in its own operations since 2006.

#### **Relevant links:**

[Chubb's Corporate Environment Program](#)

[Chubb's Environmental Report](#)

[New GHG emissions reduction goal](#)

[Partnership with The Nature Conservancy](#)

[American Forests Global ReLeaf](#)

### **Progress on Initiatives to Fulfill Chubb's Commitment to Environment**

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Chubb can report progress in the following areas:

**New GHG emissions reduction goal.** In 2019, Chubb announced a new companywide goal to reduce its global greenhouse gas (GHG) emissions 20% on an absolute basis by 2025. The company also established a long-term goal to reduce absolute GHG emissions 40% by 2035. Both goals use 2016 emissions levels as the baseline. Chubb's goals are aligned with the two-degree Celsius target outlined in the Paris Climate Agreement, as well as the quantitatively supported science-based standards methodology of the United Nations Environmental Program. The company will continue to deploy successful approaches for GHG emissions reduction, including installing energy efficient lighting and equipment and more efficient use of office space.

## Environment

**Partnership with The Nature Conservancy.** The Chubb Charitable Foundation has supported the work of The Nature Conservancy, the world's largest conservation organization, in the repair and protection of the unique and critically important Mesoamerican Reef along Mexico's Yucatan Peninsula, which helps protect the local coastal infrastructure and economy against storm surge. In 2018, The Nature Conservancy and Chubb announced their intention to work together to reduce the risk from storm impacts and rising sea levels along one of our country's most vulnerable shorelines. The collaboration, funded by a \$1 million grant from the Chubb Charitable Foundation, includes a restoration and resilience project in Miami-Dade County to demonstrate the flood protection benefits of nature-based solutions. The project is designed to increase protection from flooding and serve as a model that can be replicated in other coastal cities in the U.S. and globally.

**The Conservation Fund.** Chubb's partnership with the Conservation Fund is focused on protecting America's most important landscapes and waterways for future generations. In recent years, the Chubb Charitable Foundation has provided more than \$1 million to The Conservation Fund initiatives that, as of 2018, have protected more than 369,837 acres of threatened lands and waters.

**CDP.** Chubb reports its GHG emissions data and related activities to CDP, an international, not-for-profit organization providing the only global system for companies and cities to measure, disclose, manage and share vital environmental information. For 2018, the company earned a score of B on the CDP's climate change program ranking.

**American Forests Global ReLeaf.** In 2018, Chubb pledged its support to sponsor the planting of 33,000 trees to support the American Forests Global ReLeaf® program. Chubb's sponsorship is the largest by the company since it began supporting the cause in 2008. Chubb's pledge represents one tree for each new environmental insurance policy written globally in 2018. Chubb's contribution will support planting projects in native forest landscapes across North America. Specific project landscapes include California, Michigan, and Ontario.

**Employee Volunteer Efforts.** Chubb organizes employee volunteer projects regionally with an environmental focus. For example, in addition to providing financial assistance to the Fairmount Park Conservancy and its Growing the Neighborhood Program, Chubb employees in the Philadelphia area have volunteered on park cleanup days throughout the year. Other examples of Chubb environmental volunteerism includes supporting the Insurance Industry Charitable Foundation's Week of Service,

Chubb is among the world's largest and advanced global underwriters of environmental liabilities and pollution risks



**Grow-A-Row.** Employees gleaned, or salvaged, apples that would otherwise go to waste after the harvest is collected and picked from the trees. Chubb aided in the rescuing of over 7,000 pounds of apples, which equates to over 28,000 servings of fresh produce that will go out to those in need. Additionally, others volunteered at Liberty State Park mulching, weeding and planting to improve the condition of the New Jersey park.

Examples of international initiatives include Chubb employees in Thailand who have volunteered in mangrove reforestation in the Rayong Province. In Mexico, our employees in partnership with Marsh held Ecotec training events in Mexico City, Monterrey and Guadalajara. Employees and their families taught local communities how to plant and harvest vegetables and then dehydrate them for their own consumption – a more economical way to produce their food through simple eco-technology.

**Chubb Environmental Network (CEN).** In 2019, Chubb launched the Chubb Environmental Network (CEN), which is comprised of volunteer ambassadors in each office who will locally help Chubb achieve its environmental goals and act as a resource for employees across the globe. The CEN is an expansion of local employee efforts that have existed for many years.

# Anti-Corruption

## Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

### **Chubb's Commitment to Anti-Corruption**

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Chubb's business is to offer protection for the risks faced by individuals, families, businesses, nonprofits, governments, public entities and other organizations. In our business, we have a special responsibility to fulfill the obligations we make to each policyholder. At Chubb, we know that only within a system of a functioning rule of law can the obligations, or promises, made by an insurer be enforced. It necessarily follows that sustaining and expanding our business requires the trust of our customers which, in turn, demands an effective rule of law in every country, and territory where we operate.

#### **Relevant links:**

[Chubb Code of Conduct](#)

[Chubb Compliance](#)

[Chubb Rule of Law Fund](#)

### **Progress on Initiatives to Oppose Corruption**

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Chubb can report progress in the following areas:

**Chubb Rule of Law Fund.** As a corporate citizen, Chubb recognizes the rule of law as the foundation of a liberal world order that the company embraces as essential to the proper functioning of markets and the protection of personal freedoms. Through the Chubb Rule of Law Fund, a unique corporate initiative, we support projects around the world that promote the preservation and advancement of the rule of law. Please see page 4 of this report for more information.

For example, the Fund has supported the International Bar Association's (IBA) Judicial Integrity Initiative (JII) to counter corruption within the legal profession and broader community on a world-wide basis. The first stage of the JII initiative was aimed at identifying the most prevalent patterns in which corruption manifests itself in judicial systems, corruption risks in the interactions between actors in judicial systems and the risks arising at different stages of judicial processes. The second phase of the initiative consisted of identifying a range of measures to address the practices that undermine the impartiality and legitimacy of judicial procedures. The Fund supported both phases.

# Chubb. Insured.<sup>SM</sup>

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at [www.chubb.com](http://www.chubb.com). Insurance provided by U.S. based Chubb underwriting companies. All products may not be available in all states. Coverage is subject to the language of the policies as actually issued. Ed. 5/18