

**SUPPLEMENTAL COMPENSATION EXHIBIT**

For The Year Ended December 31, 2019  
(To Be Filed by March 1)

**PART 1 - INTERROGATORIES**

- 1 The reporting insurer is a member of a group of insurers or other holding company system:  yes  no. If yes, do the below amounts represent  
1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group: Yes [  ]; or 2) allocation to each insurer: Yes [  ].  
Effective January 1, 2014, allocation to the reporting insurer is 50% consistent with its governing intercompany pooling arrangements.
- 2 Did any person while an officer, director, or trustee of the reporting entity, receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity? Yes [  ] No [  ]
- 3 Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement? Yes [  ] No [  ]

**PART 2 - OFFICERS AND EMPLOYEES COMPENSATION**

1	2	3	4	5	6	7	8	9	10
Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Sign-on Payments	Severance Payments	All Other Compensation	Totals
<b>Principal Executive Officer</b>									
1 David H. Long	2019	\$686,538	\$3,421,523	\$1,072,445	\$4,289,963	--	--	\$3,230,857	\$12,701,326
David H. Long	2018	\$643,269	\$2,563,590	\$1,031,250	\$4,124,968	--	--	\$1,267,952	\$9,631,029
David H. Long	2017	\$618,269	\$4,157,845	\$988,416	\$3,953,280	--	--	\$795,554	\$10,513,364
<b>Current Principal Financial Officer</b>									
2 Christopher L. Peirce	2019	\$418,269	\$1,149,314	\$300,040	\$1,200,013	--	--	\$608,415	\$3,676,051
Christopher L. Peirce (Appt. 1/18)	2018	\$393,269	\$1,004,674	\$262,415	\$1,050,039	--	--	\$184,309	\$2,894,706
Dennis J. Langwell	2017	\$380,769	\$984,119	\$253,693	\$1,015,005	--	--	\$31,006	\$2,664,592
3 Timothy Sweeney-Vice President	2019	\$543,269	\$1,492,956	\$393,841	\$1,574,994	--	--	\$1,336,923	\$5,341,983
J. Paul Condrin, III-Vice President (Ret. 4/2018) <sup>1</sup>	2018	\$180,048	\$1,106,536	\$268,460	\$1,074,276	--	\$302,885	\$3,569,800	\$6,502,005
Timothy Sweeney-Vice President	2017	\$496,635	\$1,551,622	\$365,714	\$1,462,467	--	--	\$267,204	\$4,143,642
4 Dennis J. Langwell-Vice President	2019	\$480,769	\$1,201,754	\$346,788	\$1,387,458	--	--	\$752,991	\$4,169,760
Neeti Bhalla Johnson-Vice President	2018	\$411,538	\$1,562,822	\$257,194	\$1,028,769	--	--	\$286,928	\$3,547,251
Neeti Bhalla-Vice President	2017	\$371,635	\$1,859,427	\$253,693	\$1,015,005	--	--	\$78,111	\$3,577,871
5 Neeti Bhalla Johnson-Vice President	2019	\$443,269	\$1,715,183	\$264,292	\$1,056,932	--	--	\$418,999	\$3,898,675
Timothy Sweeney-Vice President	2018	\$518,269	\$804,122	\$375,075	\$1,499,996	--	--	\$277,813	\$3,475,275
J. Paul Condrin, III-Vice President	2017	\$434,135	\$1,209,955	\$297,623	\$1,190,020	--	--	\$352,709	\$3,484,442
6 Kevin H. Kelley-Vice President	2019	\$351,692	\$689,100	\$0	\$0	--	--	\$1,699,655	\$2,740,447
Kevin H. Kelley-Vice President (Appt. 5/18) <sup>2</sup>	2018	\$600,000	\$779,688	\$0	\$49,600	--	--	\$1,673,924	\$3,103,212
Christopher L. Peirce-Vice President	2017	\$371,635	\$1,232,249	\$253,693	\$1,015,005	--	--	\$37,352	\$2,909,934
7 James M. McGlennon-Vice President	2019	\$334,135	\$553,895	\$162,547	\$649,961	--	--	\$338,275	\$2,038,813
Dennis J. Langwell-Vice President	2018	\$442,308	\$793,229	\$290,717	\$1,162,487	--	--	\$321,064	\$3,009,805
James M. McGlennon-Vice President	2017	\$321,635	\$580,079	\$140,575	\$562,519	--	--	\$29,909	\$1,634,717
8 Melanie M. Foley-Vice President	2019	\$334,135	\$566,489	\$129,855	\$519,987	--	--	\$304,713	\$1,855,179
Melanie M. Foley-Vice President	2018	\$321,635	\$393,015	\$109,363	\$437,509	--	--	\$644,057	\$1,905,579
James F. Kelleher-Vice President	2017	\$271,635	\$544,347	\$91,978	\$367,490	--	--	\$315,687	\$1,591,137
9 James F. Kelleher - Vice President	2019	\$293,269	\$566,361	\$109,994	\$439,968	--	--	\$260,108	\$1,669,700
James M. McGlennon-Vice President	2018	\$325,000	\$446,598	\$146,183	\$584,994	--	--	\$39,012	\$1,541,787
Melanie M. Foley-Vice President	2017	\$309,135	\$552,375	\$104,882	\$420,036	--	--	\$30,453	\$1,416,881
10 Mark C. Touhey-Secretary	2019	\$234,135	\$235,311	\$67,524	\$270,031	--	--	\$247,411	\$1,054,412
James F. Kelleher-Vice President	2018	\$275,000	\$397,361	\$96,173	\$384,995	--	--	\$87,760	\$1,241,289
J. Eric Brosius-Vice President	2017	\$207,308	\$205,011	\$93,900	\$375,726	--	--	\$74,113	\$956,058

**PART 3 - DIRECTOR COMPENSATION\***

1 Name and Principal Position or Occupation and Company (if Outside Director)	Paid or Deferred for Services as Director				6 All Other Compensation Paid or Deferred	7 Totals
	2 Direct Compensation	3 Stock Awards	4 Option Awards	5 Other		
1 Bhalla Johnson, Neeti - President, LM Investments	\$0	\$0	\$0	\$0	\$0	\$0
2 Foley, Melanie Marie - Chief Talent & Ent Srvc's Offcr	\$0	\$0	\$0	\$0	\$0	\$0
3 Kelleher, James Francis - Chief Legal Officer	\$0	\$0	\$0	\$0	\$0	\$0
4 Kelley, Kevin Hugh - Vice Chairman	\$0	\$0	\$0	\$0	\$0	\$0
5 Langwell, Dennis James - Pres, Global Risk Solutions	\$0	\$0	\$0	\$0	\$0	\$0
6 Long, David Henry - Chairman & CEO	\$0	\$0	\$0	\$0	\$0	\$0
7 McGlennon, James Martin - Chief Information Officer	\$0	\$0	\$0	\$0	\$0	\$0
8 Peirce, Christopher Locke - Chief Financial Officer	\$0	\$0	\$0	\$0	\$0	\$0
9 Sweeney, Timothy Michael - Pres, Global Retail Markets	\$0	\$0	\$0	\$0	\$0	\$0
10 Touhey, Mark Charles - Corp Sec'y&Chief of Staff-CEO	\$0	\$0	\$0	\$0	\$0	\$0
11						
12						
13						
14						

\* All directors are either employees or officers of affiliates of the reporting insurer within the Liberty Mutual Holding Company Inc. structure and do not receive compensation for their director services.

**PART 4 - NARRATIVE DESCRIPTION OF MATERIAL FACTORS**

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables

**BONUS:**

Amounts reported under "Bonus" in Part 2, Column 4 reflect short-term incentive amounts earned during the performance year ending immediately prior to payment and long term-incentive payments earned in prior plan cycles, based on Company financial performance. Effective December 31, 2016, the Company terminated its cash long-term incentive compensation plan for senior executives (LTIP). The amounts reported in this Column 4 for 2017 and 2018 include prorated runoff payments from LTIP for participating executives. See notes regarding "Stock Awards" and "Option Awards" for additional information regarding the impact of the LTIP termination on executive officer compensation.

**STOCK AWARDS:**

Amounts reported under "Stock Awards" in Part 2, Column 5 reflect certain amounts of restricted units ("RUs") granted to executive officers under the Liberty Mutual Executive Partnership Deferred Compensation Plan ("EPDCP") in the reporting year. Each RU is a bookkeeping entry that entitles the holder to a payment of cash at a later time. The value of each RUs is based on the Company's book value. The reported amounts reflect the target RU compensation at the grant date. The target RU compensation is determined based upon reference to market data for executives with similar responsibilities and with companies of similar size and complexity to the Company. There can be no assurance that the target RU compensation will actually be delivered as the actual amount realized will vary based upon the performance of the Company and the time period the RUs are held prior to redemption. RUs granted to executive officers generally vest over a 4 year period in annual increments of 25%. Effective December 31, 2016, the Company terminated its long-term incentive compensation plan for senior executives (LTIP). Beginning in 2017, the pay mix for senior executives was adjusted and target LTIP compensation has been reallocated, resulting in increased target RU compensation for impacted participants including officers listed on this exhibit. See note regarding "All Other Compensation" for additional information regarding RUs granted to executive officers.

**OPTION AWARDS:**

Amounts reported under "Option Awards" in Part 2, Column 6 reflect certain amounts of appreciation units ("AUs") under the Liberty Mutual Executive Partnership Plan ("EPP") in the reporting year. Each AU is a bookkeeping entry that entitles the holder to a payment of cash at a later time. An AU has no immediate cash value. Instead, the executive officer may only become entitled to a later cash payment to the extent that there is an increase in the unit value after the grant date. The increase or decrease in unit value after the grant date is measured based on the change in the Company's book value. The reported amounts reflect the target AU compensation at the grant date. The target AU compensation is determined based upon reference to market data for executives with similar responsibilities and with companies of similar size and complexity to the Company. There can be no assurance that the target AU compensation will actually be delivered as the actual amount realized will vary based upon the performance of the Company and the time period the AUs are held prior to exercise. AUs generally vest over a 4 year period in annual increments of 25%. Effective December 31, 2016, the Company its cash long-term incentive compensation plan for senior executives (LTIP). Beginning in 2017, the pay mix for senior executives was adjusted and target LTIP compensation has been reallocated, resulting in increased target AU compensation for impacted participants including the officers listed on this exhibit. See note regarding "All Other Compensation" for additional information regarding AUs.

**SEVERANCE PAYMENTS:**

Amounts reported under “Severance Payments” in Part 2, Column 8 reflect severance pay or separation pay received as a result of termination of employment and, with respect to termination due to retirement, includes the value of periodic pension payments under the Company pension plans received during the reporting year. Pension plans provide income for periods of retirement and are structured to reward and retain employees for long service. The Company sponsors a defined benefit pension plan covering substantially all of the Company’s employees (the “LM Retirement Plan”). If the benefit for an eligible individual exceeds the tax-qualified limits, the excess is provided from an un-funded, non-qualified plan (the “Non-Qualified Plan”). Given their level of compensation, the executive officers are all participants in the Non-Qualified Plan. The formula for determining an employee’s as well as an executive officer’s annual pension benefit at normal retirement under the Liberty Mutual retirement plans changed effective January 1, 2014 and is now a function of the sum of two distinct formulas. Any benefit due for service through December 31, 2013 is determined under a final average pay formula. The final average pay formula benefit is based on a participant’s years of credited service as of December 31, 2013, and the participant’s age and “final average pay” as of the his or her termination date. Final average pay under the Liberty Mutual retirement plans is determined using the highest five consecutive years of annual compensation in the last 10 years prior to termination. Pay increases or decreases after December 31, 2013 are taken into account in determining the final average pay benefit. Only base salary and short-term incentive compensation are considered eligible compensation for purposes of the final average pay formula. The percentage of final average pay used to determine the benefit for credited service through December 31, 2010 is 54% minus 50% of the Social Security benefit, and for credited service beginning on or after January 1, 2011, 35% minus 35% of the Social Security benefit. For the first 5 years of credited service in excess of 35 years, an annual accrual equal to 0.5% of final average pay. No additional service credit accrues under the final average pay formula after December 31, 2013. Effective as of January 1, 2014, any benefit due for service after December 31, 2013 is determined under a cash balance benefit formula. Under this formula, each participant in the retirement plans will have a notional cash balance account which will be credited with pay credits equal to 4.5 percent per annum of eligible compensation and interest credits based on the 30-Year US Treasury rate for the August immediately preceding a plan year. Compensation taken into account under the final average pay and cash balance formula is the same. The total benefit due under the retirement plans is the sum of the amount due under the final average pay formula and the cash balance formula. The Company also sponsors a Section 401(k) plan covering substantially all of the Company’s employees (the “LM 401(k) Plan”) that allows them to set aside eligible pay, subject to a Company match, on a tax advantaged basis. The Non-Qualified Plan also allows participants to elect to set aside eligible pay that is not otherwise allowed for under the Company’s 401(k) Plan due to tax law limits for payment at a fixed future date or beginning at retirement. Certain amounts set aside for savings under the Non-Qualified Plan are also matched by the Company under the same match formula that applies to employees generally under the LM 401(k) Plan. Under both the LM 401(k) Plan and the Non-Qualified Plan, amounts set aside by a participant and the matching contributions, are invested in one or more investment options elected by the participants and account balances are adjusted accordingly for their respective investment gains or losses.

#### **ALL OTHER COMPENSATION:**

Amounts reported under “All Other Compensation” in Part 2, Column 9 reflect matching contributions under the Company’s retirement savings plans (e.g. – 401(k) plan), and the taxable portion, if applicable, of benefits related to personal financial planning and tax preparation services, life insurance premiums, parking, security, business travel or the personal use of corporate aircraft. This column also includes specific cash proceeds received, if any, by the executive officers from AUs exercised and RUs redeemed from grants previously awarded and vested. AUs are granted with a 10 year term. AUs can be exercised when vested at the personal discretion and timing of the executive officer, but within a redemption window, which is in the second quarter of the calendar year. Redemption decisions concerning RUs must be made by the executive officer prior to the grant and redemption is deferred to either (a) a fixed date beyond the vesting period or (b) retirement. See notes for “Stock Awards” and “Option Awards” for additional information concerning AUs and RUs. See note for “Severance Payments” for additional information concerning the Company’s pension and retirement savings plans.

<sup>1</sup> During 2017, Paul Condrin served as EVP and President, Commercial Insurance. On December 11, 2017, Mr. Condrin announced his intent to retire. At such time Mr. Condrin relinquished further executive authority and, in January 2018, the Company announced a realignment of its three existing business operations into two newly formed distinct units – Global Risk Solutions (GRS) and Global Retail Markets (GRM). At such time, portions of the former Commercial Insurance operations were separated and moved into GRS and GRM, respectively. In 2018, Mr. Condrin received a base salary of \$242,307.72 and incentive bonus payments in the aggregate amount of \$2,213,072 attributable to his performance and services rendered in fiscal year 2017. He also received Executive Partnership Program 2018 target grants in the amount of \$2,685,471 and received a payment in the amount of \$1,044,878.66 with respect to previously granted AUs that reached their ten year expiration term. Due to his retirement, Mr. Condrin received a severance payment of \$605,769.24 and also received a distribution in the amount \$6,035,632.81 with respect to his vested RUs in accordance with prior deferral elections that had been awarded and accumulated over the course of his 29-year career with the Company.

<sup>2</sup> On May 1, 2017, Liberty Mutual (“Liberty”) completed its acquisition of Ironshore, Inc. (“Ironshore”) and Ironshore became a wholly owned subsidiary of Liberty Mutual. Previously, Ironshore was owned by affiliates of Fosun International Limited (“Fosun”) through an acquisition completed on November 20, 2015. As a result of its 2017 acquisition of Ironshore, Liberty was required to assume Ironshore’s obligations under pre-existing compensation arrangements with certain Ironshore executives (the “Pre-Existing Compensation Plans”). These Pre-Existing Compensation Plans contained so-called “change-in-control” provisions. These provisions triggered additional payments to Mr. Kelley in 2018 of \$2,293,662.41 due to the prior Fosun acquisition and \$1,011,938.07 due to the subsequent acquisition by the Company.