

THE TRAVELERS COMPANIES, INC.
INVESTMENT AND CAPITAL MARKETS COMMITTEE CHARTER

Purpose

The Investment and Capital Markets Committee (the “Committee”) is created by the Board of Directors (the “Board”) of The Travelers Companies, Inc. (the “Company”) to assist the Board in exercising its oversight of management’s investment of the Company’s investment portfolio and to review and monitor the financial affairs of the Company.

Membership

The Committee shall consist of not less than three members of the Board. At least three-fourths of the members of the Committee shall be “independent” directors as defined in the Company’s Governance Guidelines. The members of the Committee shall be appointed by the Board and shall serve at the pleasure of the Board. The Board shall designate one member of the Committee as the Committee’s chairperson, upon the recommendation of the Nominating and Governance Committee.

Committee Operations

The Committee shall meet as often as it determines is appropriate to carry out its responsibilities under this Charter. The Committee’s chairperson, in consultation with the other Committee members and management, shall determine the frequency and length of the Committee meetings and shall set the meeting agendas consistent with this Charter.

At all meetings of the Committee, a majority of the total number of members of the Committee shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee.

Authorities and Responsibilities

Company Investment Policy. Based upon periodic reports and recommendations of management, the Committee shall (i) regularly review and recommend appropriate Board action with respect to the Company’s investment policies and guidelines and related grants of authority set forth in the investment division transaction authorizations forming part thereof, (ii) review the Company’s implementation of and compliance with those policies and guidelines and related investment division transaction authorizations, each in the form approved by the Board (collectively, the “Company Investment Policy”), (iii) review and authorize, in its discretion, investment division transactions delegated to it under the Company Investment Policy; and (iv) review the performance of the Company’s investment portfolios and investment managers.

Authority in Addition to Company Investment Policy. In addition to, and to the extent not otherwise authorized pursuant to the grants of authority set forth in the Company Investment Policy, based upon periodic reports and recommendations of management, the Committee regularly shall review the financial affairs of the Company and shall:

1. monitor the Company's financial structure, and to the extent not otherwise authorized pursuant to this Charter or the Company Investment Policy, recommend appropriate Board action with respect to debt and equity financing;
2. review and recommend appropriate Board action with respect to the Company's capital management policies and activities, including repurchases of Company securities, dividends and stock splits;
3. monitor the Company's capital needs and financing arrangements, the Company's ability to access capital markets (including the Company's debt ratings) and management's financing plans;
4. review and recommend appropriate Board action with respect to, or to the extent within its delegated authority and in its judgment approve, the transactions set forth in the Committee's Transaction Authority and Approval Policy;
5. review reports of management regarding material transactions approved by officers of the Company pursuant to authority granted by the Committee or in the Committee's Transaction Authority and Approval Policy since the date of the last meeting of this Committee;
6. unless otherwise reviewed and approved by the Board, review and approve the Company's capital expenditure budgets;
7. review the Company's policies and procedures for investment risk management, review and monitor the credit risk of the Company's investment portfolios and make related recommendations, as might be appropriate, to the Board; and
8. monitor the Company's financial strategies regarding risk (currency and interest rate exposure and use of derivatives).

Delegation

The Committee may, in its discretion, delegate any of its duties and responsibilities to the Chairperson of the Committee or to a subcommittee composed of one or more members of the Committee, when it deems it appropriate and in the best interests of the Company.

Committee Records and Reports to the Board

The Committee shall maintain minutes or other records of the meetings and activities of the Committee. The Committee also shall provide to the Board a summary of the matters discussed and actions taken at each Committee meeting or pursuant to written consent, which shall be presented orally to the Board at the next Board meeting or as soon thereafter as is practicable.

At least annually, the Committee shall evaluate its own performance and report to the Board on such evaluation.

The Committee shall periodically review and assess the adequacy of this Charter and recommend any proposed changes to the Nominating and Governance Committee.

Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate, and approve the fees and other retention terms of special counsel or other experts, advisors, consultants, or administrative support, as it deems appropriate, without seeking approval of the Board or management. The Committee may request any officer or employee of the Company or the Company's outside counsel to meet with any members of, or advisors to, the Committee.

The Company shall provide for appropriate funding, as determined by the Committee, for payment of (i) compensation to any advisors retained by the Committee and (ii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.