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Explanatory Note

This presentation contains, and management may make, certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. Specifically, earnings guidance, statements about our share repurchase plans (which repurchase plans depend on a variety of factors, including our financial position, earnings, capital requirements of our operating subsidiaries, legal requirements, regulatory constraints, other investment opportunities (including mergers and acquisitions), strategic initiatives and other factors), statements about the potential impact of recent or future disruption in the investment markets and other economic conditions on our investment portfolio and underwriting results are forward looking, and we may make forward-looking statements about: our results of operations (including, among others, premium volume, premium rates (either for new or renewal business), net and operating income, investment income, return on equity, expected current returns and combined ratio) and financial condition (including, among others, invested assets and liquidity); the sufficiency of our asbestos and other reserves (including, among others, asbestos claim payment patterns); the cost and availability of reinsurance coverage; catastrophe losses; investment performance; investment, economic and underwriting market conditions; and strategic initiatives. Such statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond our control, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

Some of the factors that could cause actual results to differ include, but are not limited to, the following: catastrophe losses could materially and adversely affect our results of operations, our financial position and/or liquidity, and could adversely impact our ratings, our ability to raise capital and the availability and cost of reinsurance; during or following a period of financial market disruption or prolonged economic downturn, our business could be materially and adversely affected; our investment portfolio may suffer reduced returns or material losses; if actual claims exceed our loss reserves, or if changes in the estimated level of loss reserves are necessary, our financial results could be materially and adversely affected; our business could be harmed because of our potential exposure to asbestos and environmental claims and related litigation; we are exposed to, and may face adverse developments involving, mass tort claims such as those relating to exposure to potentially harmful products or substances; the effects of emerging claim and coverage issues on our business are uncertain; the intense competition that we face could harm our ability to maintain or increase our business volumes and our profitability; we may not be able to collect all amounts due to us from reinsurers, and reinsurance coverage may not be available to us in the future at commercially reasonable rates or at all; we are exposed to credit risk in certain of our business operations; our businesses are heavily regulated and changes in regulation may reduce our profitability and limit our growth; a downgrade in our claims-paying and financial strength ratings could adversely impact our business volumes, adversely impact our ability to access the capital markets and increase our borrowing costs; the inability of our insurance subsidiaries to pay dividends to our holding company in sufficient amounts would harm our ability to meet our obligations and to pay future shareholder dividends; disruptions to our relationships with our independent agents and brokers could adversely affect us; our efforts to develop new products or expand in targeted markets may not be successful and may create enhanced risks; our business success and profitability depend, in part, on effective information technology systems and on continuing to develop and implement improvements in technology; if we experience difficulties with technology, data security and/or outsourcing relationships our ability to conduct our business could be negatively impacted; acquisitions and integration of acquired businesses may result in operating difficulties and other unintended consequences; we are subject to a number of risks associated with our business outside the United States; we could be adversely affected if our controls to ensure compliance with guidelines, policies and legal and regulatory standards are not effective; our businesses may be adversely affected if we are unable to hire and retain qualified employees; and loss of or significant restriction on the use of credit scoring in the pricing and underwriting of Personal Insurance products could reduce our future profitability.

For a more detailed discussion of these factors, see the information under the caption "Risk Factors" in our most recent annual report on Form 10-K filed with the Securities and Exchange Commission and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent annual report on Form 10-K filed with the Securities and Exchange Commission.

Our forward-looking statements speak only as of the date of this presentation or as of the date they are made, and we undertake no obligation to update our forward-looking statements.

In this presentation, we may refer to some non-GAAP financial measures, including, among others, operating income, operating income per diluted share, operating income excluding catastrophes, operating return on equity, underwriting gain (loss), GAAP combined ratio excluding catastrophes and prior year development and adjusted and tangible book value per common share. For a reconciliation of these measures to the most comparable GAAP measures and a glossary of financial measures, we refer you to the press releases and financial supplements that we have made available with our quarterly earnings releases which are available on the Travelers website under the investor section (www.travelers.com).



➤ Overview

➤ Commercial Accounts Strategy

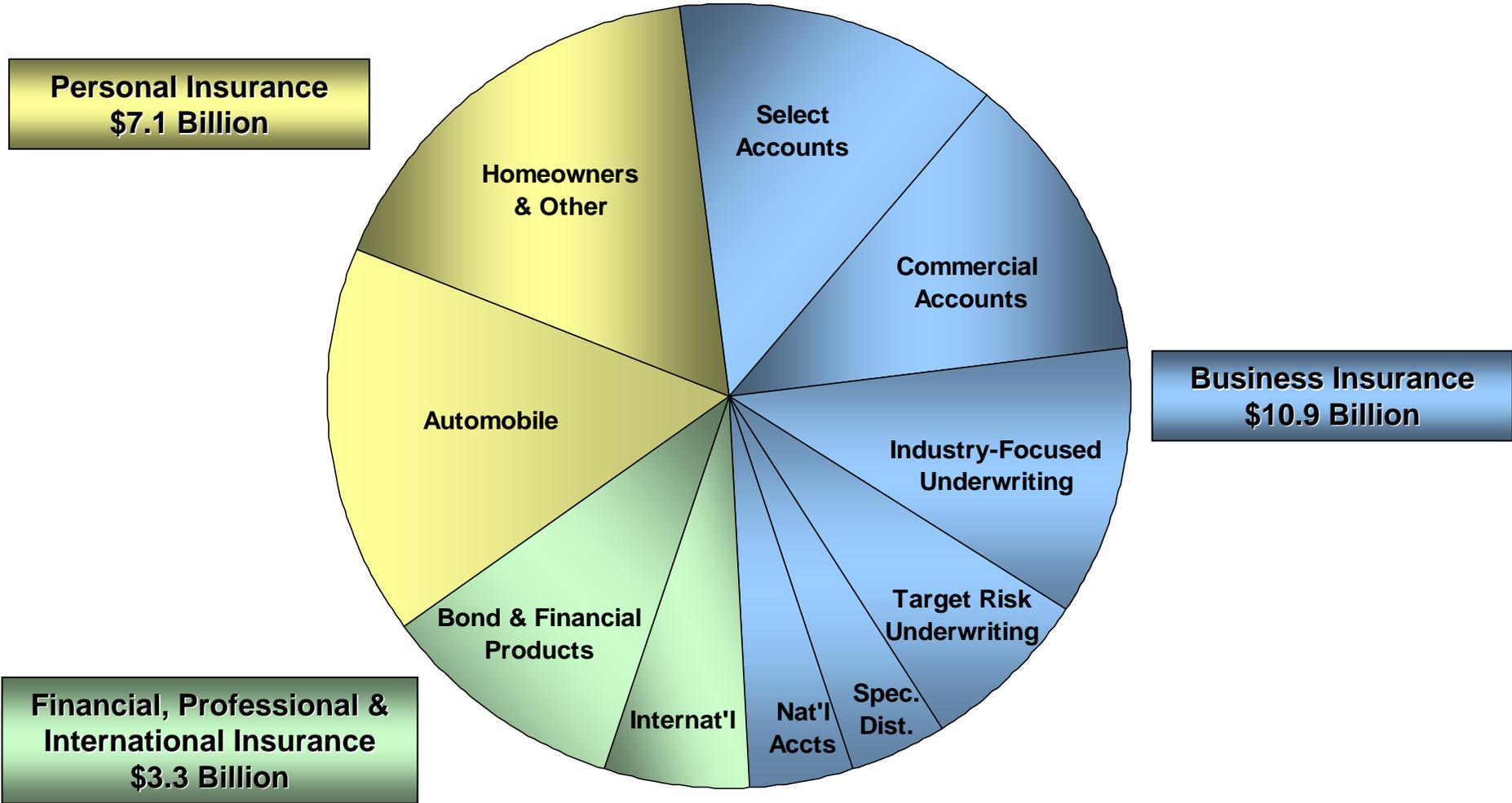
- Leverage size and scale while executing locally
- Capitalize on leadership position within distribution

➤ Results

- Renewal business
- New business

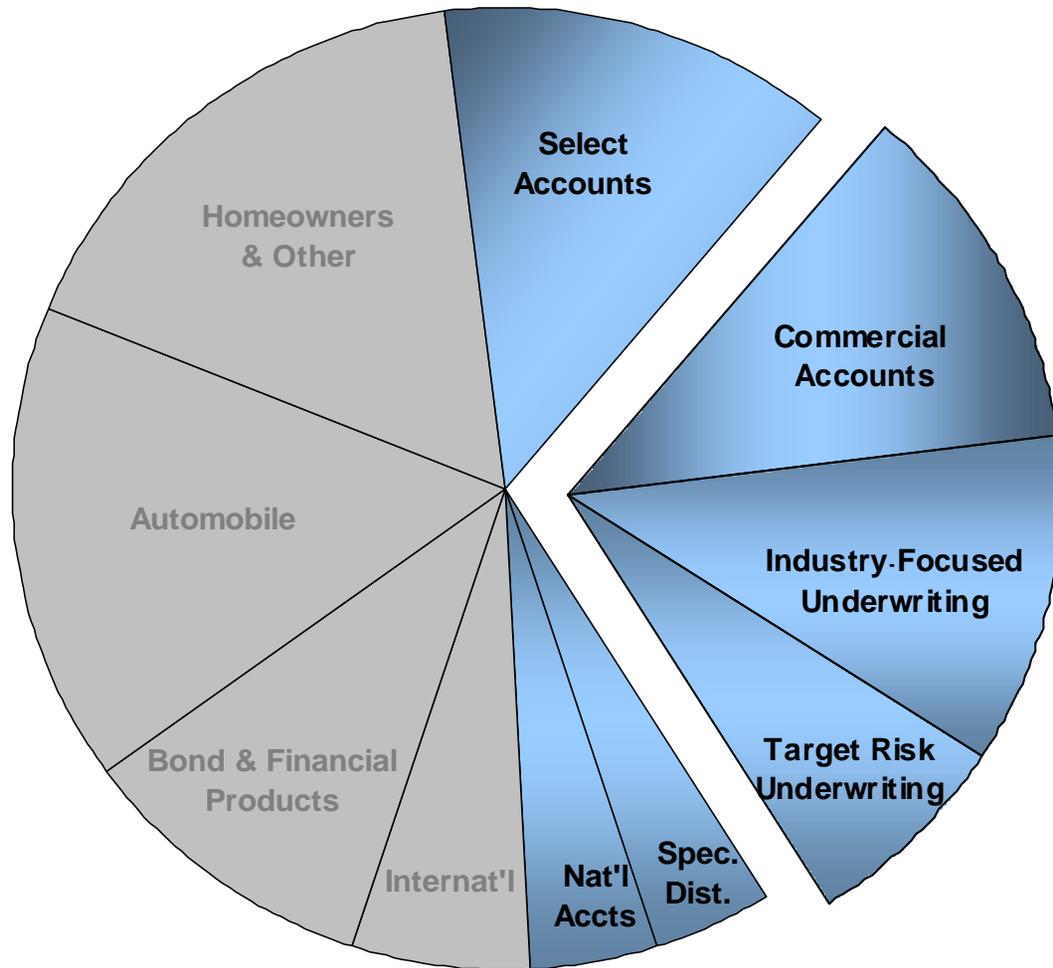
Overview: Travelers Segments

Travelers Full Year 2009 Net Written Premiums: \$21.3 Billion



Overview: Business Insurance

Business Insurance Full Year 2009 Net Written Premiums: \$10.9 Billion



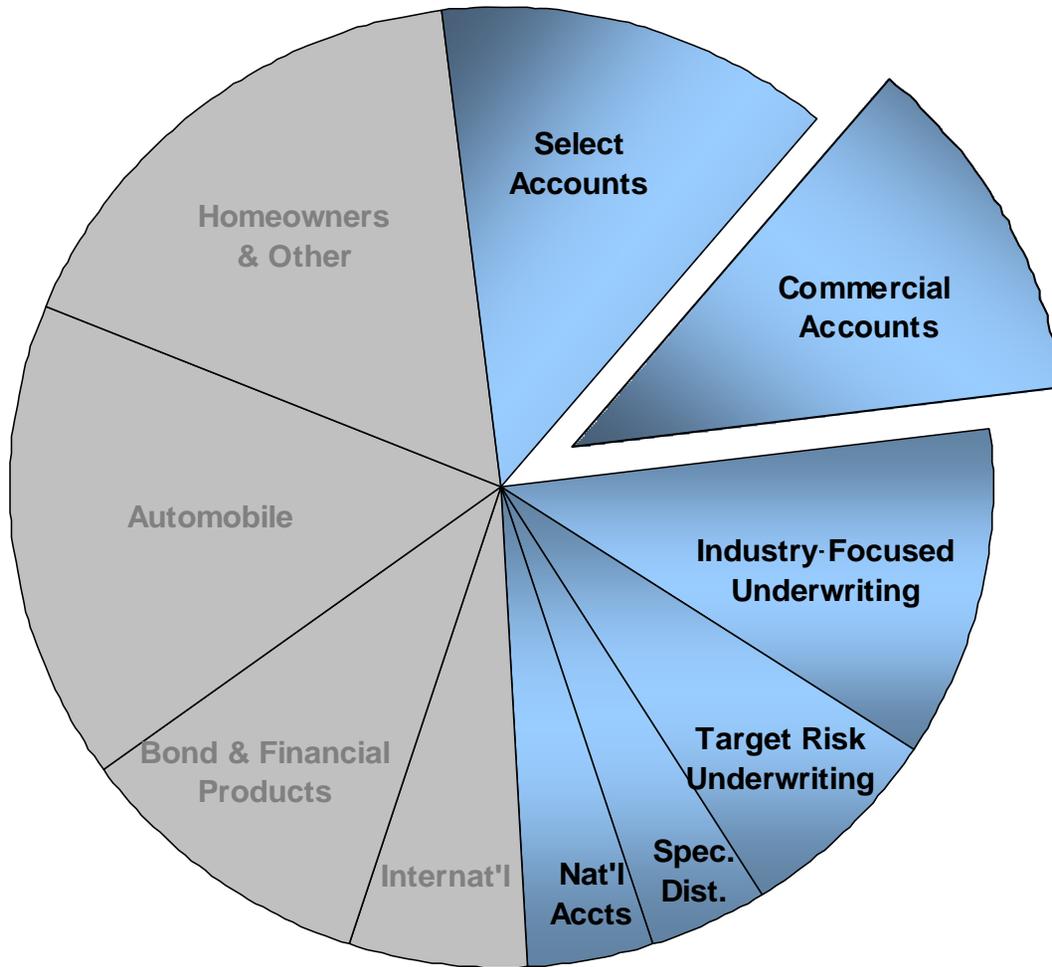
Core Multi-Line Middle Market Businesses 2009 NWP: \$6.3 Billion

Characteristics:

- Underwriting and pricing driven by loss experience and exposure of individual account
- Local point of sale where field-based expertise is critical
- Majority of account premiums less than \$500,000

Overview: Business Insurance

Business Insurance Full Year 2009 Net Written Premiums: \$10.9 Billion



Commercial Accounts 2009 NWP: \$2.5 Billion

- \$50,000 - \$1 million premium per account
- Primarily general liability, property, auto, workers' compensation and umbrella
- Individually underwritten accounts
- Over 400 underwriters in over 50 field offices; average experience approximately 14 years

➤ Overview

➤ Commercial Accounts Strategy

- Leverage size and scale while executing locally
- Capitalize on leadership position within distribution

➤ Results

- Renewal business
- New business

Strategy - Commercial Accounts

Providing Relationship-Oriented Value Proposition to Customers and Agents

Leverage size and scale while executing locally

- Enhance industry leading analytics and predictive modeling
- Build upon product breadth, expertise and specialization with new and enhanced products
- Execute on excellence in underwriting and risk selection

Capitalize on leadership position within distribution

- Increase penetration with top performing agents
- Add new agency relationships

Leverage Size and Scale While Executing Locally

Industry Leading Analytics and Predictive Modeling

Scale → Significant Data → Analytics → Underwriting Advantage

Predictive models

- Large scale of proprietary data
- More robust management information
- Better pricing segmentation
- Continuously refine and update

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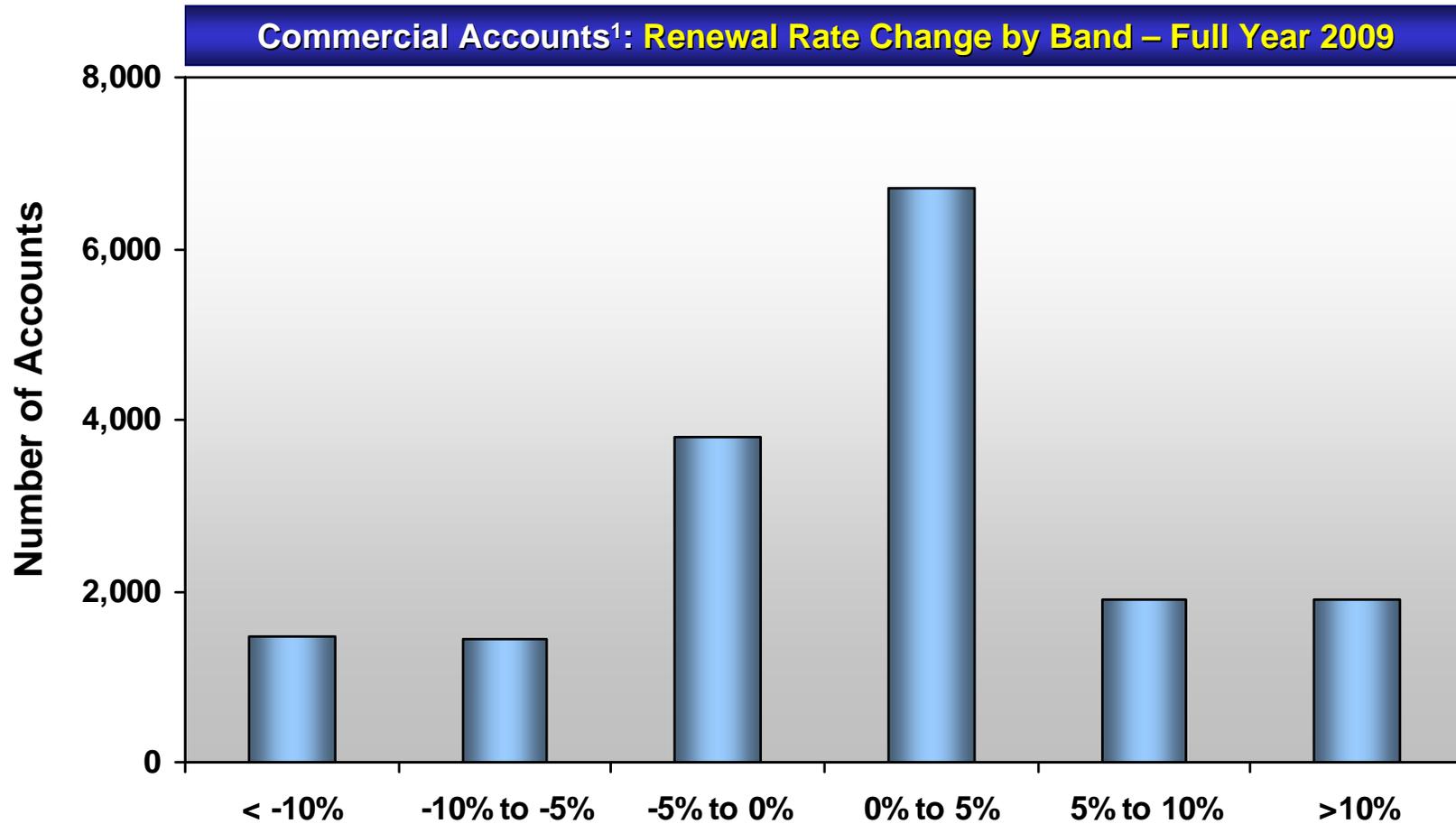
Business metrics

- Granular views of profit, loss, production metrics
- Views include by: region, office, account, industry, underwriter, etc.
- Macro and micro level data enables quick identification of trends

Industry leading tools enhance local underwriting and pricing decisions

Leverage Size and Scale While Executing Locally

Renewal Rate Change Distribution



Combination of sophisticated pricing tools and experienced underwriters leads to better pricing segmentation

Leverage Size and Scale While Executing Locally

Build Upon Product Breadth, Expertise & Specialization

INDUSTRYEdgeSM

- Suite of products and services providing tailored risk management solutions
 - Tailored coverage solutions
 - Packaged sales kits and joint advertising for agents
 - Pre-qualified leads

Commercial Accounts: **Examples of New and Enhanced Products**

2007 & Prior

- Auto Dealers
- Educational Institutions
- Electrical Equipment
- Food Manufacturers
- Hotels & Restaurants
- Imported Products
- Printers/Publishers

2008

- Architects
- Engineers
- Wood Products
- Plastics & Rubber Goods

2009

- Building Service Contractors
- Plastic & Rubber Goods Manufacturing
- Retail Businesses
- Wholesalers & Distributors
- Healthcare

Meeting specialized needs of customers

Leverage Size and Scale While Executing Locally

Execute on Excellence in Underwriting and Risk Selection

INDUSTRYEdgeSM

- Effective tools for underwriters and agents
 - Underwriting knowledge edge
 - Pricing

- Industry leading risk control organization
 - Over 700 specialists help customers assess risk and mitigate loss experience
 - Approximately 75% of new accounts inspected prior to quote

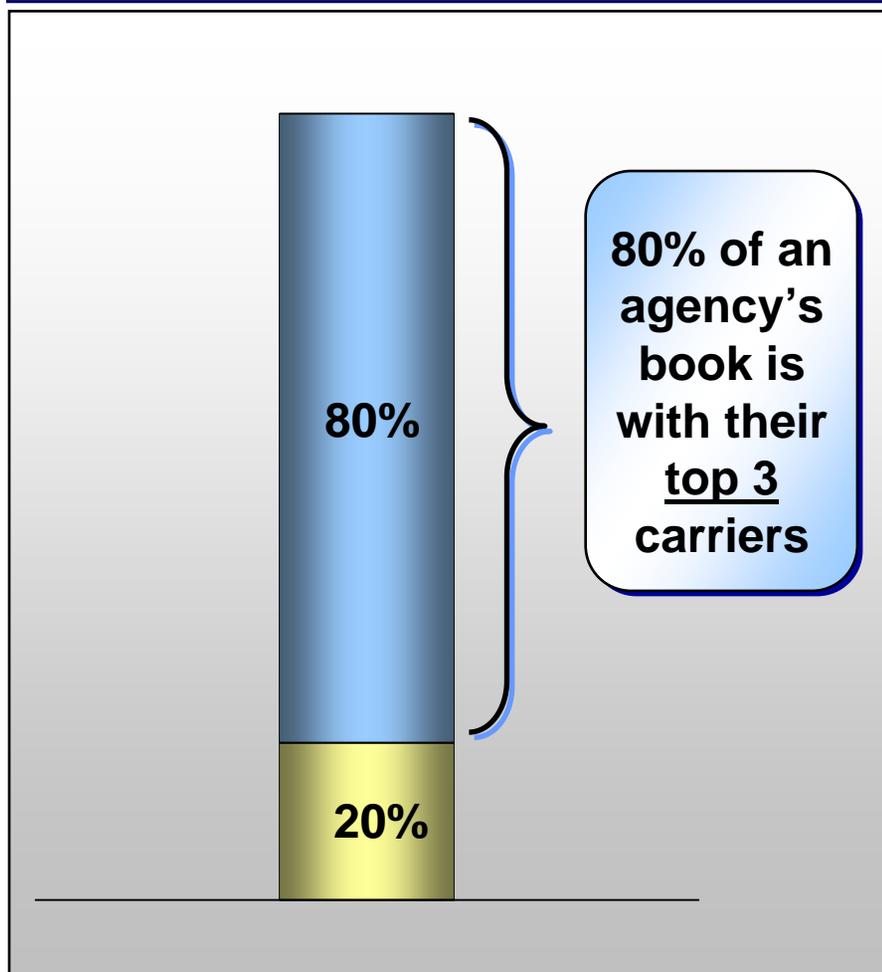
- Claim experience / claim management
 - Connectivity between underwriting and claim organization
 - Claim effectiveness

Risk selection advantage

Capitalize on Leadership Position Within Distribution

Increase Penetration With Top Performing Agents

An Agency's Average Share of Middle Market Written Premium With Their Top 3 Carriers¹



Agency Preference Survey²

- Percentage of agents who responded that **Travelers** was one of the top 5 companies they do business with:

Commercial Lines

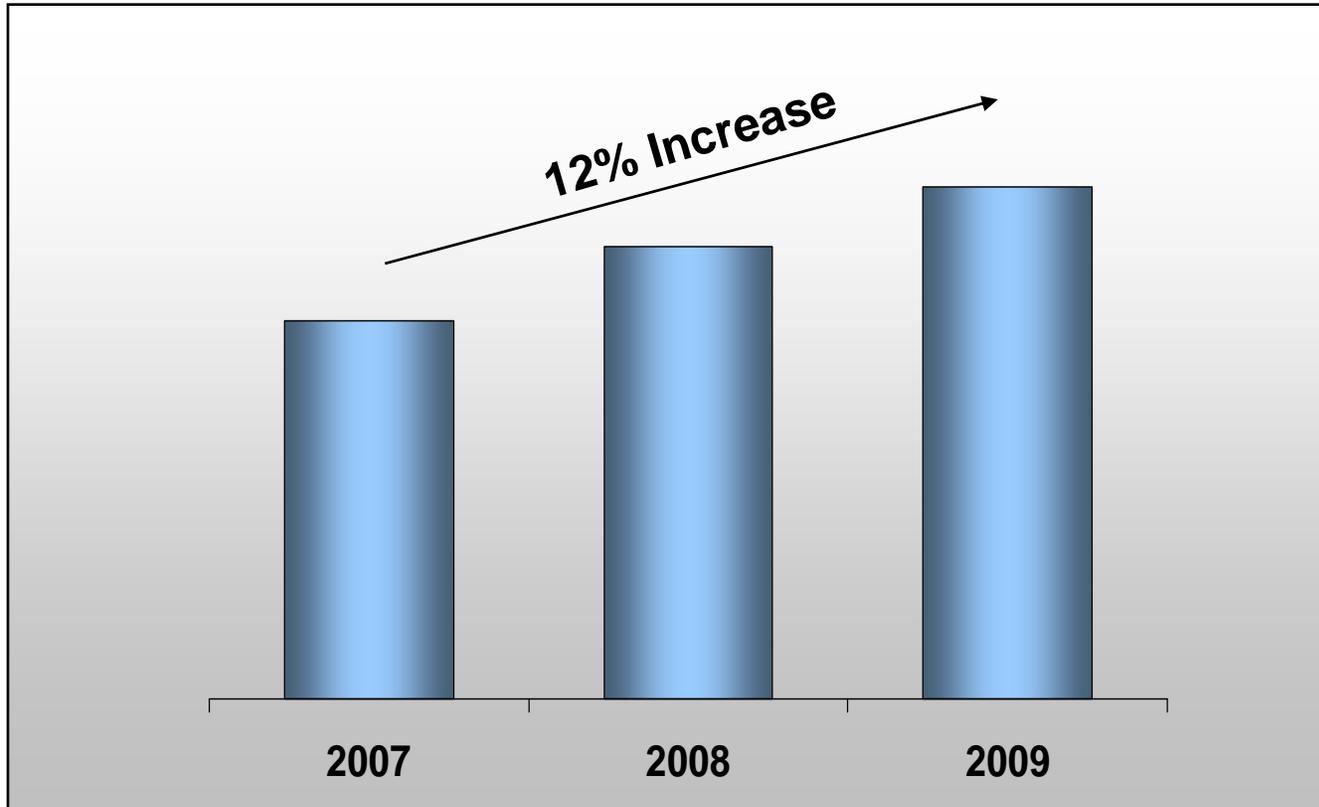
#1 Rank: Travelers: 69%

#2 Ranked Company: 35%

Capitalize on Leadership Position Within Distribution

Add New Agency Relationships

Commercial Accounts: **Agency Relationships**



Expanding on broad distribution plant



➤ **Overview**

➤ **Commercial Accounts Strategy**

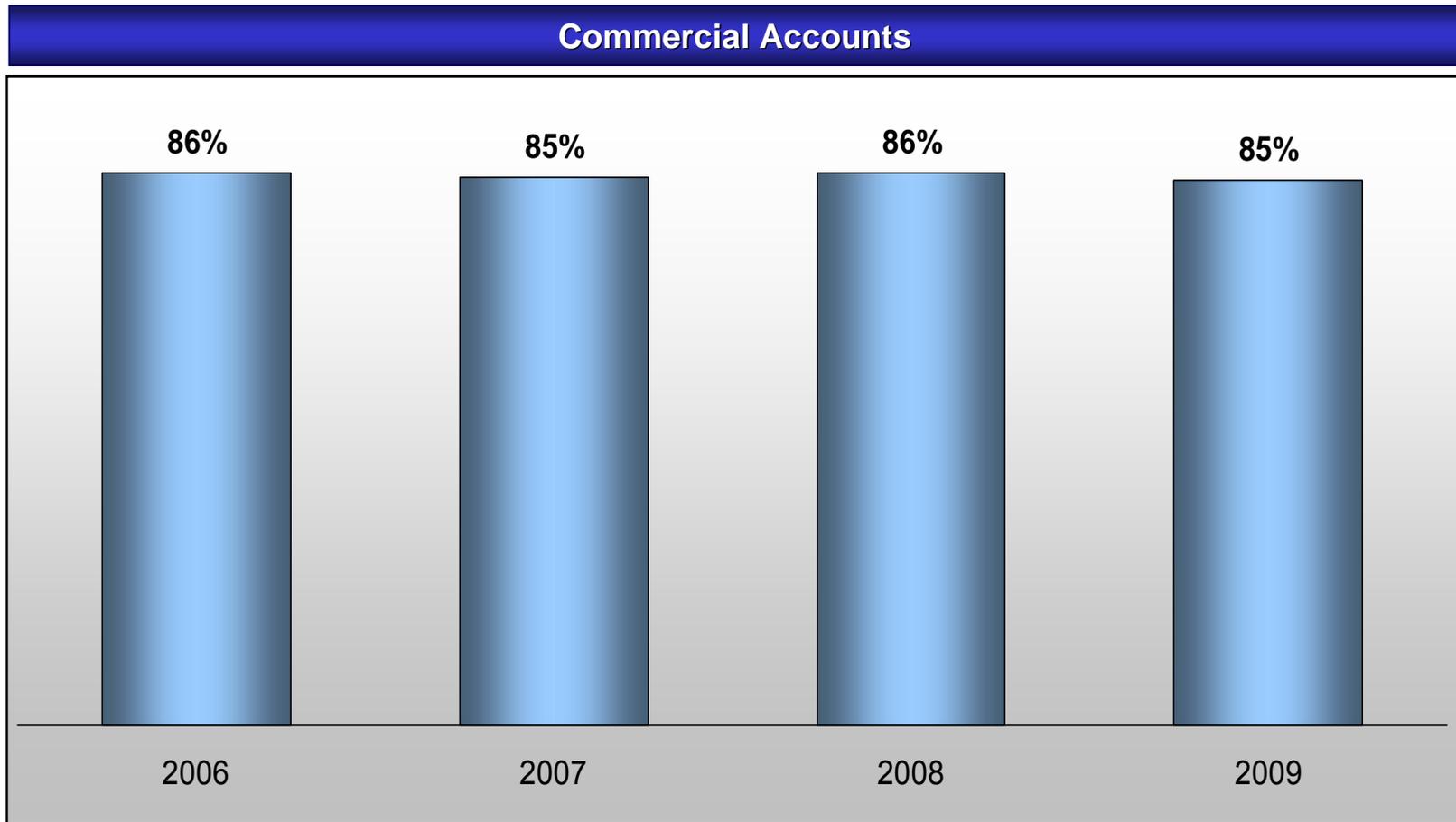
- **Leverage size and scale while executing locally**
- **Capitalize on leadership position within distribution**

➤ **Results**

- **Renewal business**
- **New business**

Renewal Business Results

Retention

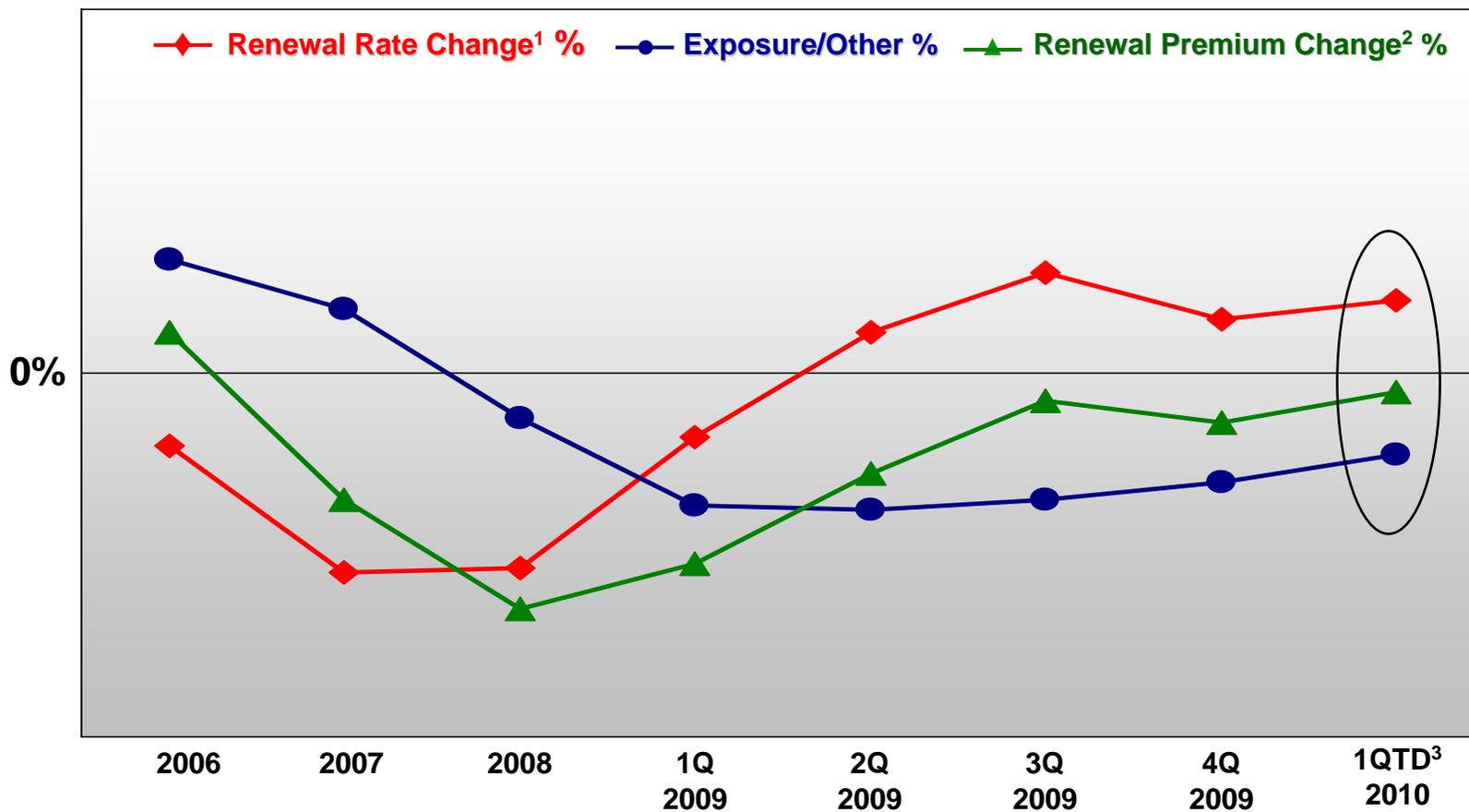


Retaining business at historically high levels

Renewal Business Results

Pricing

Commercial Accounts



¹ Each percentage represents the estimated change in average premium on policies that renew, excluding exposure changes, versus the average premium on those same policies for their prior term.

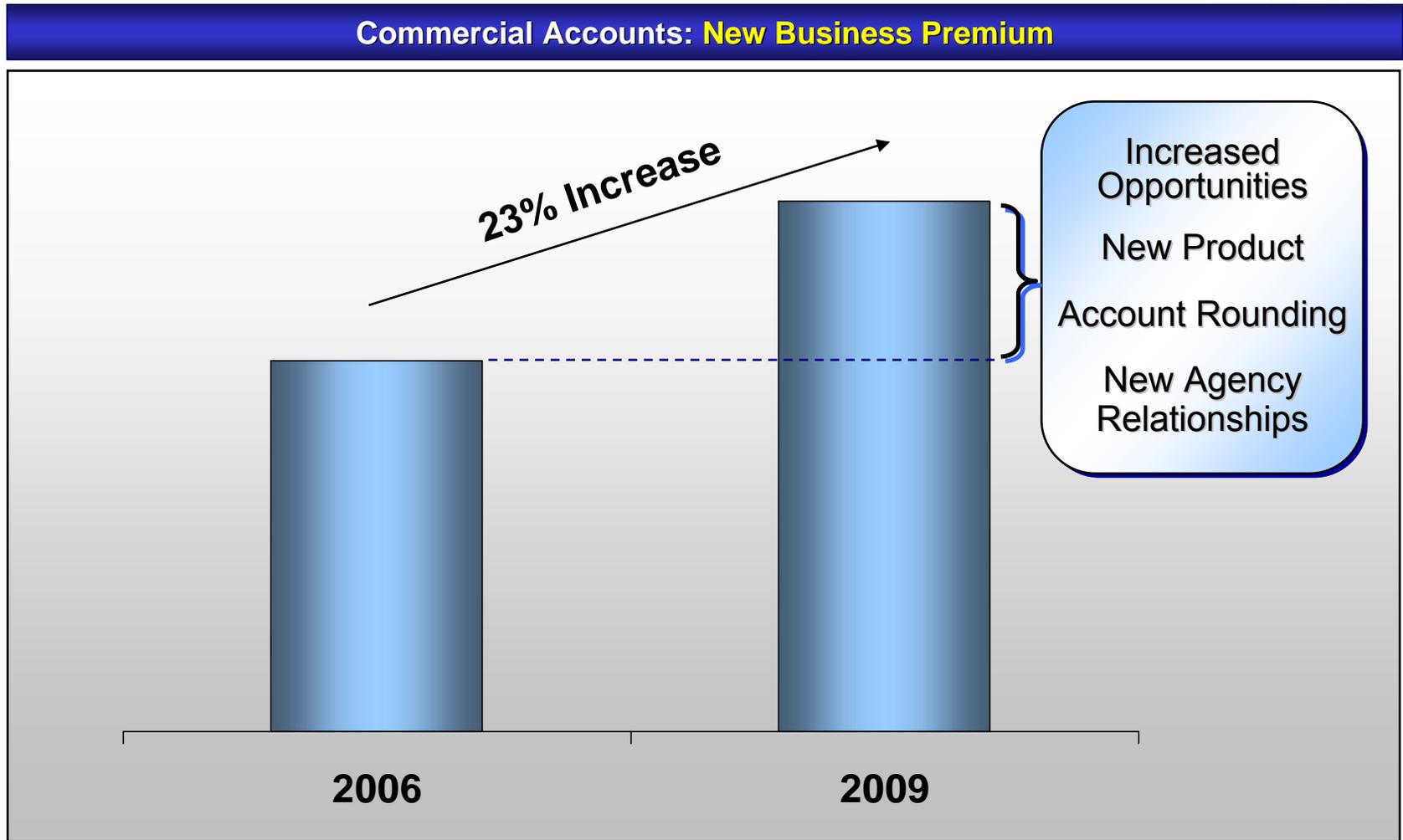
² Each percentage represents the estimated change in average premium on policies that renew, including rate and exposure changes, versus the average premium on those same policies for their prior term.

³ First quarter-to-date results through end of February 2010.



Note: statistics are subject to change based on a number of factors, including changes in actuarial estimates.

New Business Results

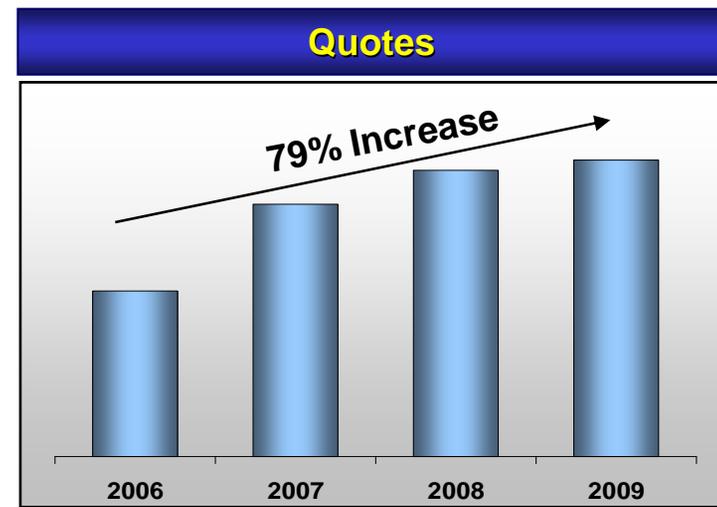
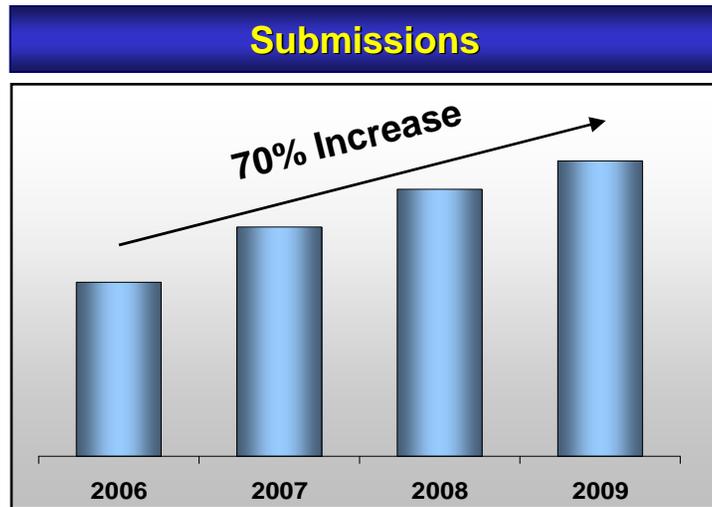


Creating opportunities to drive positive new business results

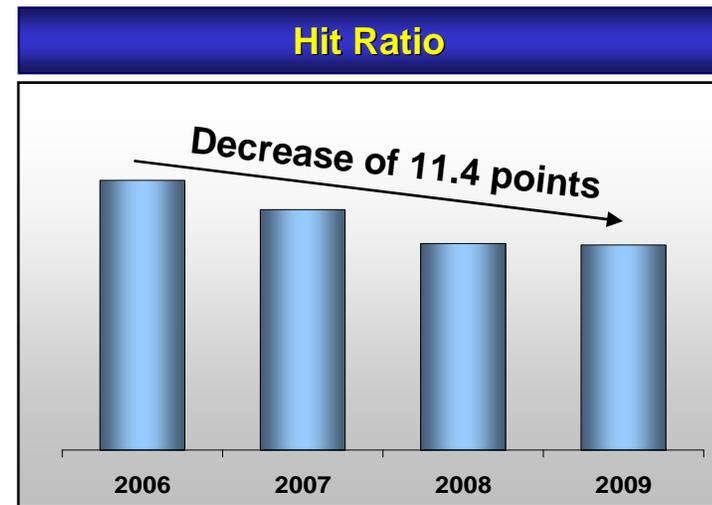
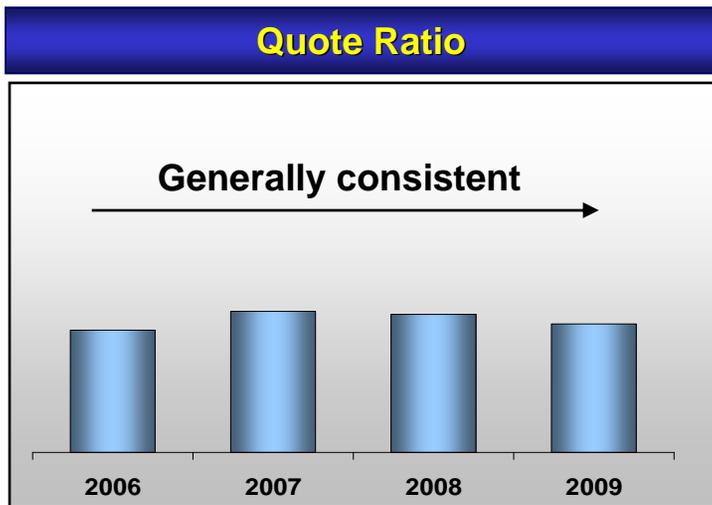
New Business Results

Increased Opportunities

Generating more opportunities...



...while continuing to apply discipline

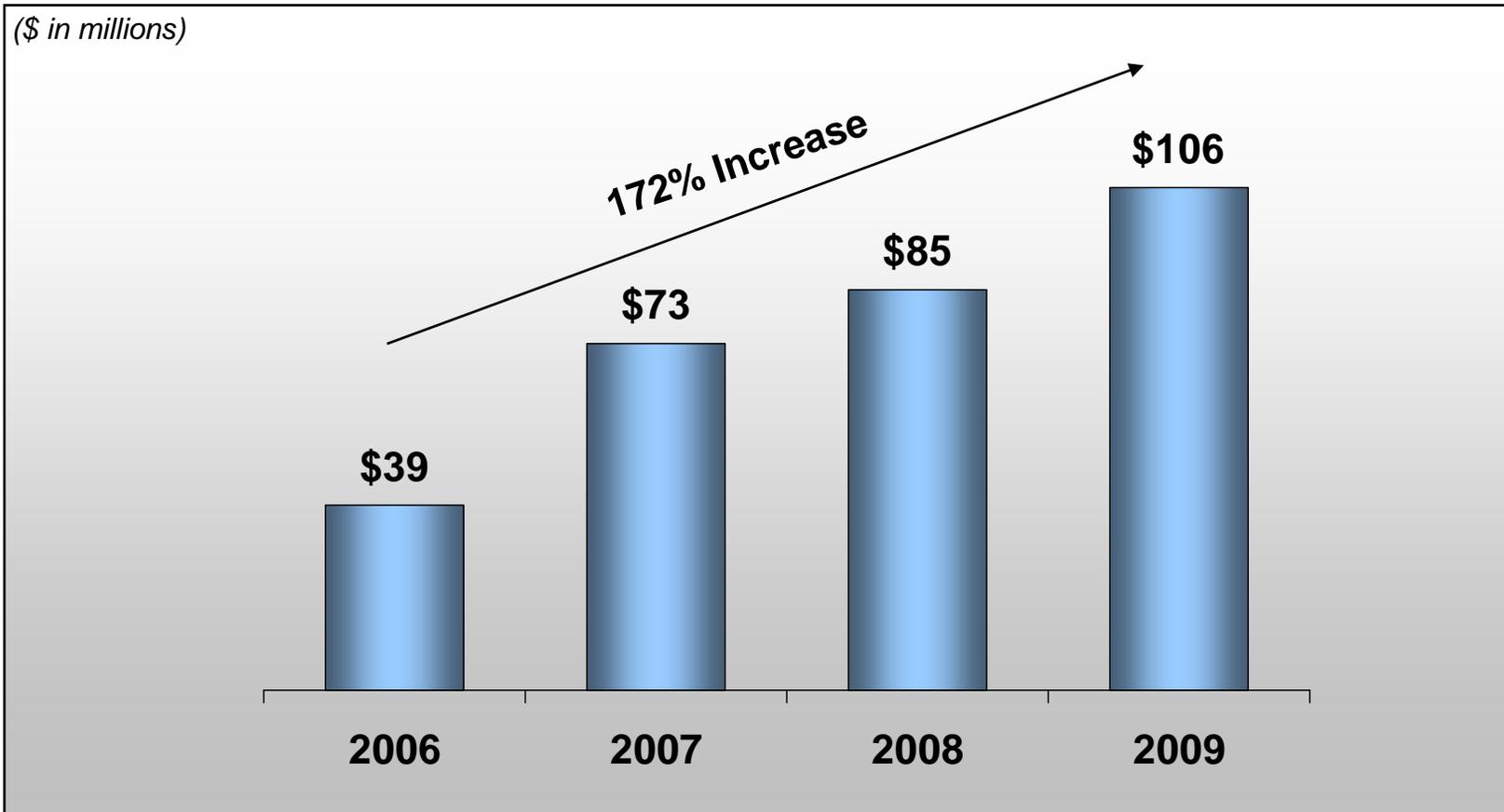


New Business Results

New Products

Commercial Accounts: **New Business Premium from New Products**

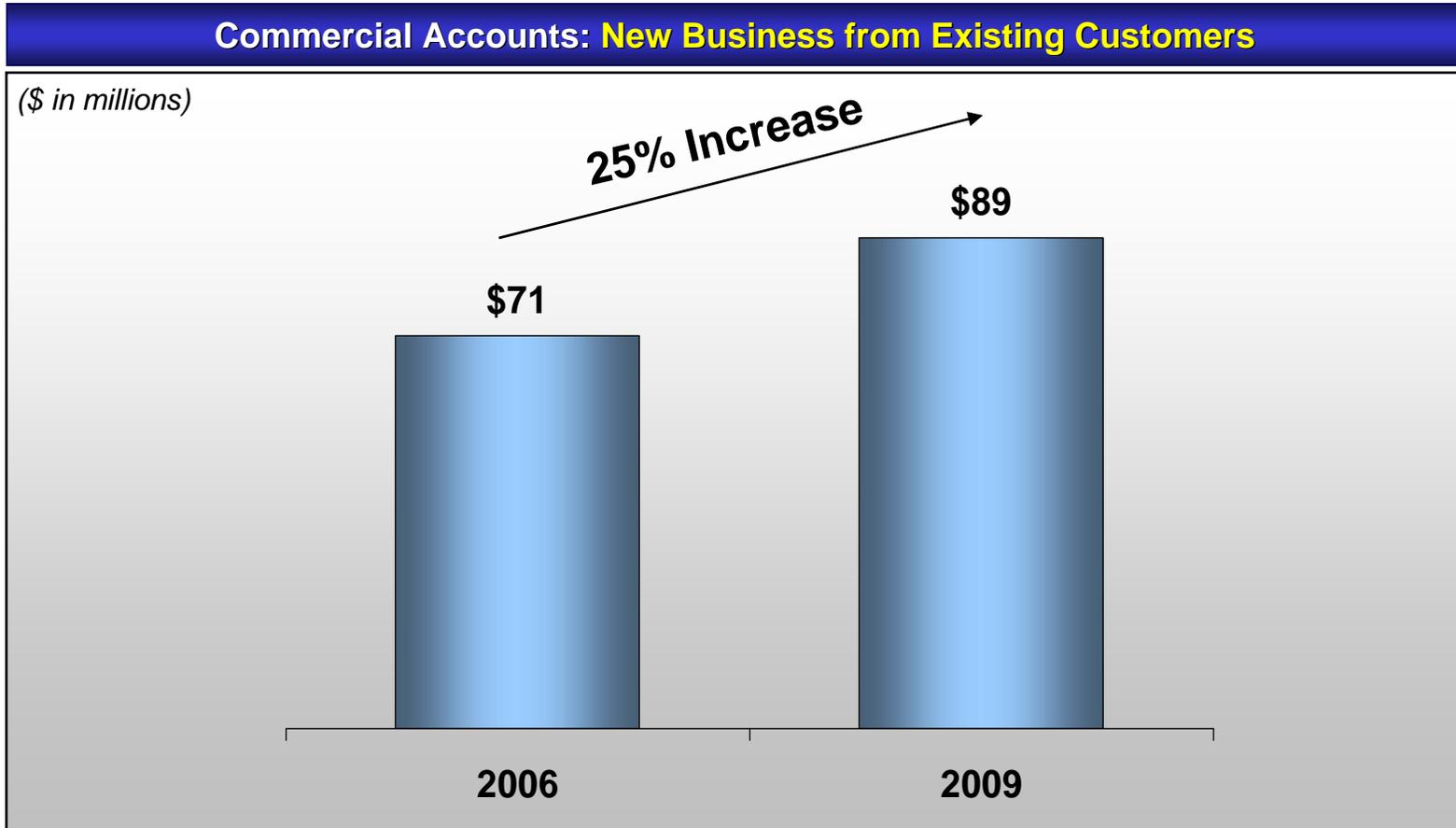
(\$ in millions)



New products helping drive new business

New Business Results

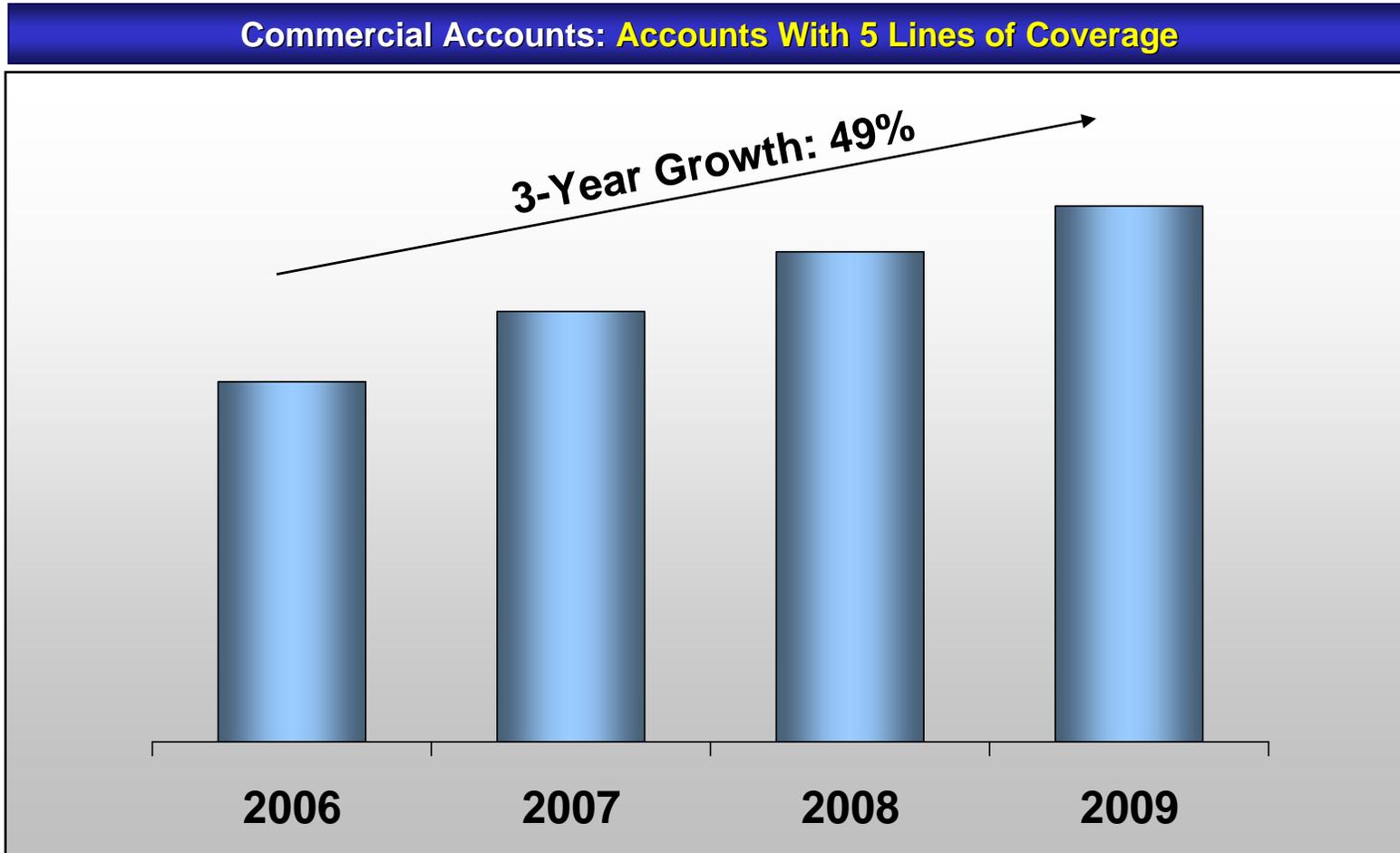
Account Rounding



Leveraging existing relationships

New Business Results

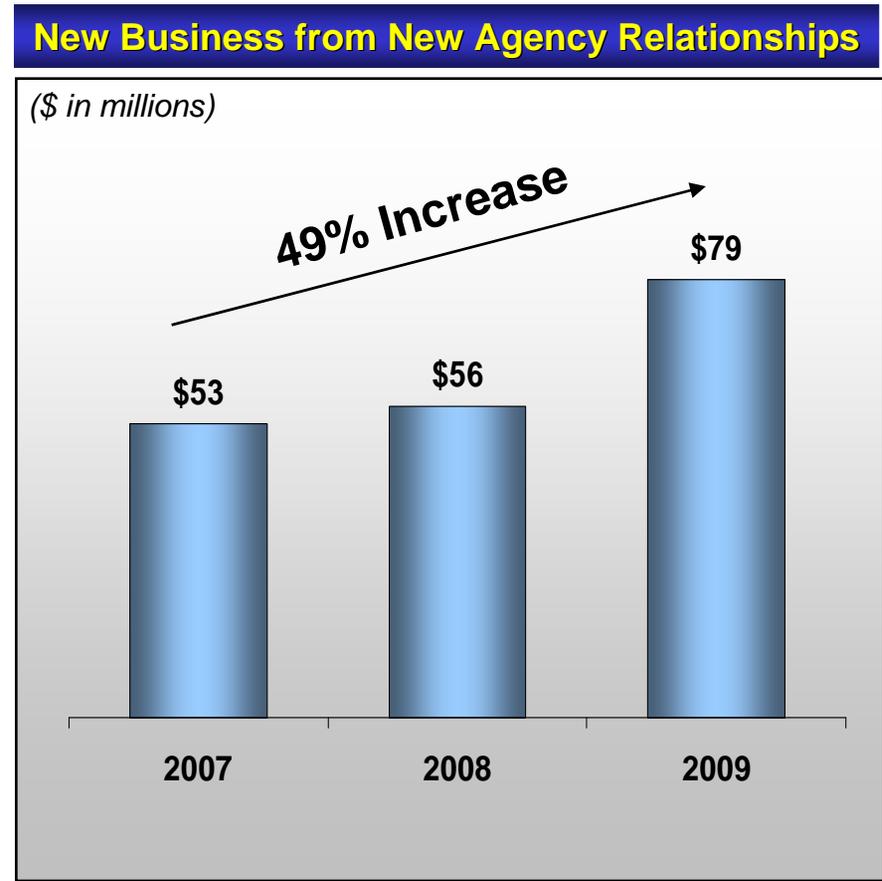
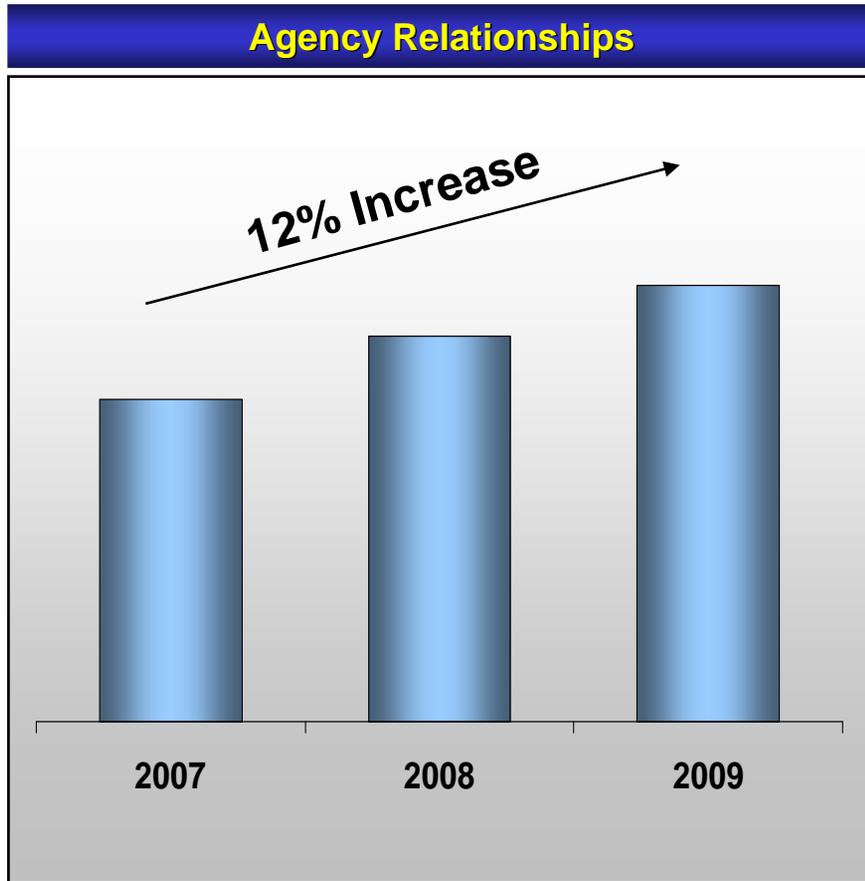
Increasing the Number of Lines per Account



Retention improves as the number of lines increase

New Business Results

New Agency Relationships

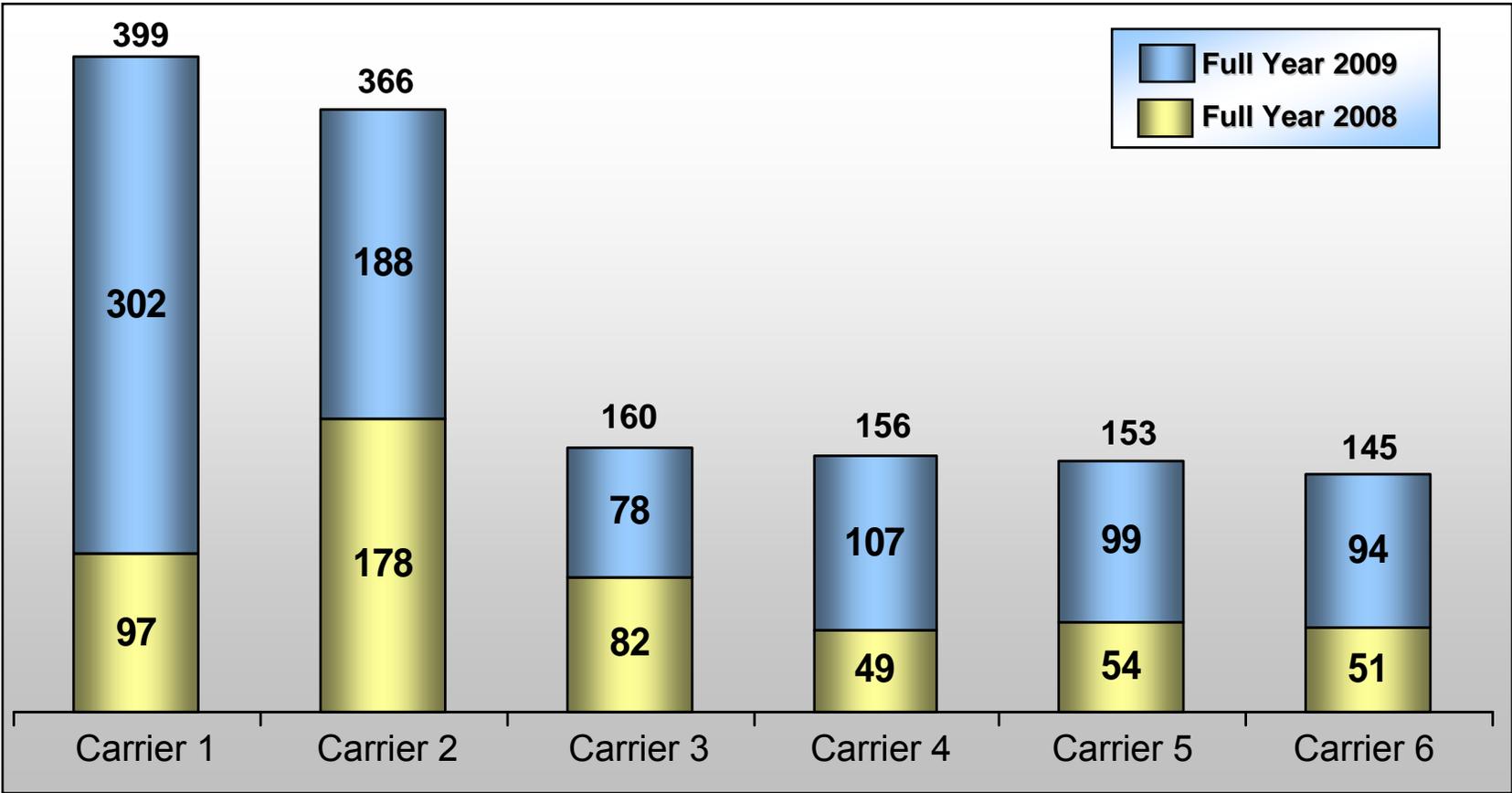


Utilizing the strength of the franchise to build successful new relationships

New Business Results

Net Gain in Accounts from Top Competitors

Commercial Accounts: Net Gain in Accounts¹



Significant advantage over competitors

¹ Based on extensive sampling of Commercial Account data for net gain from top competitors in accounts greater than \$50,000

Travelers Commercial Accounts

Widening the Gap Through Superior Execution

- **Industry leading analytics**
- **Product breadth**
- **Disciplined underwriting**
- **Agency relationships**

Optimizing results in any market environment

Disclosure

- **For further information, please see Travelers reports filed with the SEC pursuant to the Securities Exchange Act of 1934 which are available at the SEC’s website (www.sec.gov)**
- **Copies of this presentation and related financial supplement are publicly available on the Travelers website (www.travelers.com)**
- **From time to time, Travelers may use its website as a channel of distribution of material company information. Financial and other material information regarding the company is routinely posted on and accessible at <http://investor.travelers.com>. In addition, you may automatically receive email alerts and other information about Travelers by enrolling your email by visiting the “E-mail Alert Service” section at <http://investor.travelers.com>.**



TRAVELERS  **J**