

**THE ST. PAUL TRAVELERS COMPANIES, INC.  
COMPENSATION COMMITTEE CHARTER**

Purpose of the Committee

The purposes of the Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of The St. Paul Travelers Companies, Inc. (the “Company”) are to discharge the Board’s responsibilities relating to compensation of the Chairman and CEO and the Chairman’s and CEO’s direct reports, development of compensation policies, and production of an annual report on executive compensation for inclusion in the Company’s proxy statement, in accordance with the rules and regulations of the Securities and Exchange Commission.

Committee Membership

The Committee shall consist of three or more members of the Board, each of whom the Board has determined has no “material” relationship with the Company and each of whom is otherwise “independent” under the applicable rules of the New York Stock Exchange, Inc. Members shall be appointed by the Board and shall serve at the pleasure of the Board.

Committee Structure and Operations

The Board shall designate one member of the Committee as the Committee’s chairperson. The Committee’s chairperson shall set the agendas for the Committee meetings.

The Committee shall meet in person or by such other means of remote communication through which the Committee members so participating and all Committee members physically present at the meeting may participate with each other during the meeting. The Committee shall meet at times and places determined by the Committee chairperson. The Committee may also act by unanimous written consent.

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.

Committee Duties and Responsibilities

The following are the duties and responsibilities of the Committee:

A. General Compensation

- 1) Review and approve the Company’s general compensation philosophy, and recommend to the Board the approval of the Company’s compensation and benefit programs.
- 2) Review and approve any new equity compensation plan or any material change to an existing plan where shareholder approval has not been obtained, make recommendations to the Board with respect to non-CEO executive officer

compensation, ensure that the compensation plans are properly administered by the responsible individuals and management committees in accordance with the terms of the plans, and discharge any responsibilities imposed on the Committee by any of these plans.

- 3) Review the Company's regulatory compliance with respect to compensation matters, including ensuring that reasonable efforts are made to structure compensation programs to preserve tax deductibility, and, as and when required, approving performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.
- 4) Review and approve any severance or similar termination payments proposed to be made to any current or former executive officer of the Company.
- 5) Review and approve all stock option, restricted stock, performance share, and similar stock-based grants.
- 6) Establish stock ownership guidelines for the Company's executives and monitor compliance therewith.
- 7) Prepare and issue the reports required under "Committee Reports" below.

B. Chairman and Chief Executive Officer Compensation

Review and approve the corporate goals and individual objectives relevant to the compensation of the Chairman and CEO, evaluate the performance of the Chairman and CEO considering those goals and objectives and other matters the Committee deems relevant, and determine and approve the compensation of the Chairman and CEO based on this evaluation. In determining the long-term incentive component of the Chairman's and CEO's compensation, the Committee shall consider, among other factors, the Company's performance against its goals and against its relative shareholder return, the value of similar incentive awards to Chairmen and CEOs at comparable companies, the awards given to the Chairman and CEO in past years, and other factors that it deems relevant.

C. CEO's Direct Reports

Review the performance and review and approve the salaries and incentive compensation of the Chairman's and CEO's direct reports.

Delegation to Subcommittee

The Committee may, in its discretion, delegate any of its duties and responsibilities to a subcommittee of the Committee. The committee may, in its discretion, also delegate some or all of its authority over the administration of any equity compensation plan, consistent with the terms of any such plan, to one or more officers of the Company.

### Committee Records and Reports

The Committee shall maintain minutes or other records of meetings and activities of the Committee. The Committee shall also provide to the Board a summary of the matters discussed and actions taken at each Committee meeting, which shall be presented to the Board at the next Board meeting or as soon thereafter as is practicable. The report to the Board may take the form of an oral report by the Committee chairperson or any other member of the Committee designated by the Committee to make such report.

The Committee shall also approve the following reports and provide them to the Board:

1. An Annual Report of the Committee on Executive Compensation for inclusion in the Company's annual proxy statement or annual report on Form 10-K in accordance with applicable SEC rules and regulations.
2. An annual performance evaluation of the Committee, which self-evaluation must, at a minimum, compare the performance of the Committee with the requirements of this charter. The performance evaluation should also recommend to the Board any improvements to this charter deemed necessary or desirable by the 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 or consultants, as it deems appropriate, without seeking approval of the Board or management. With respect to the retention or termination of compensation consultants retained to assist in the evaluation of the Chairman and CEO or senior executive compensation, including approval of the consultants' fees and other retention terms, this authority shall be vested solely in the Committee.