

TRAVELERS COMPANIES, INC.

Form DEF 14A

April 10, 2012

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ☒ X

Filed by a Party other than the Registrant ☐ O

Check the appropriate box:

- ☐ Preliminary Proxy Statement
☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
☒ Definitive Proxy Statement
☐ Definitive Additional Materials
☐ Soliciting Material Pursuant to §240.14a-12

The Travelers Companies, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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| (1) | Amount Previously Paid: |
| (2) | Form, Schedule or Registration Statement No.: |
| (3) | Filing Party: |
| (4) | Date Filed: |

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485 Lexington Avenue
New York, New York 10017

April 10, 2012

Dear Shareholders:

Please join us for The Travelers Companies, Inc. Annual Meeting of Shareholders on Wednesday, May 23, 2012, at 11:00 a.m. (Eastern Daylight Time) at the Hartford Marriott Downtown, 200 Columbus Boulevard, Hartford, Connecticut 06103.

Attached to this letter are a Notice of Annual Meeting of Shareholders and Proxy Statement, which describe the business to be conducted at the meeting. We also will report on matters of current interest to our shareholders.

At this year's meeting, you will be asked to (1) elect the 12 director nominees listed in the Proxy Statement, (2) ratify the appointment of our independent registered public accounting firm for 2012, (3) consider a non-binding vote to approve Travelers' executive compensation and (4) consider a shareholder proposal on political contributions and expenditures, if presented at the meeting. The Board of Directors recommends that you vote FOR items 1 through 3 and AGAINST item 4.

Your vote is important. Whether you own a few shares or many, and whether or not you plan to attend the Annual Meeting in person, it is important that your shares be represented and voted at the meeting. You may vote your shares by proxy on the Internet, by telephone or by completing, signing and promptly returning a proxy card, or you may vote in person at the Annual Meeting.

Thank you for your continued support of Travelers.

Sincerely,

Jay S. Fishman
Chairman of the Board and Chief Executive Officer

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PROXY VOTING METHODS

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If, at the close of business on March 26, 2012, you were a shareholder of record or held shares through Travelers 401(k) Savings Plan or through a broker or bank, you may vote your shares by proxy on the Internet, by telephone or by mail, or you may vote in person at the Annual Meeting. For shares held through a broker or nominee, you may vote by submitting voting instructions to your broker or nominee. To reduce our administrative and postage costs, we ask that you vote on the Internet or by telephone, both of which are available 24 hours a day. You may revoke your proxies or change your vote at the times and as described on page 4 of this Proxy Statement.

If you are a shareholder of record or hold shares through a broker or bank and are voting by proxy, your vote must be *received* by 11:59 p.m. (Eastern Daylight Time) on May 22, 2012 to be counted.

If you hold shares through Travelers 401(k) Savings Plan, your vote must be *received* by 11:59 p.m. (Eastern Daylight Time) on May 21, 2012 to be counted. Those votes cannot be changed or revoked after that time, and those shares cannot be voted in person at the Annual Meeting.

To vote by proxy:

BY INTERNET

- Go to the website www.proxyvote.com and follow the instructions, 24 hours a day, seven days a week.
- You will need the 12-digit number included on your Notice of Internet Availability of Proxy Materials or on your proxy card.

BY TELEPHONE

- From a touch-tone telephone, dial (800) 690-6903 and follow the recorded instructions, 24 hours a day, seven days a week.
- You will need the 12-digit number included on your Notice of Internet Availability of Proxy Materials or on your proxy card.

BY MAIL

- If you have not already received a proxy card, you may request a proxy card from us by following the instructions on your Notice of Internet Availability of Proxy Materials.
- When you receive the proxy card, mark your selections on the proxy card.

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- Date and sign your name exactly as it appears on your proxy card.
- Mail the proxy card in the postage-paid envelope that will be provided to you.

YOUR VOTE IS IMPORTANT. THANK YOU FOR VOTING.

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Wednesday, May 23, 2012

11:00 a.m. Eastern Daylight Time

Hartford Marriott Downtown, 200 Columbus Boulevard, Hartford, Connecticut 06103.

ITEMS OF BUSINESS

1. Elect the 12 director nominees listed herein.
2. Ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2012.
3. Consider a non-binding vote to approve executive compensation.
4. Consider a shareholder proposal relating to political contributions and expenditures, if presented at the Annual Meeting.
5. Consider such other business as may properly come before the Annual Meeting and any adjournments or postponements thereof.

RECORD DATE

You may vote at the Annual Meeting if you were a shareholder of record at the close of business on March 26, 2012.

VOTING BY PROXY

To ensure your shares are voted, you may vote your shares on the Internet, by telephone or by completing a paper proxy card and returning it by mail. Internet and telephone voting procedures are described on the preceding page, in the General Information section beginning on page 1 of this Proxy Statement and on the proxy card.

By Order of the Board of Directors,

Matthew S. Furman
Senior Vice President and
Corporate Secretary

*This Notice of Annual Meeting and Proxy Statement are being distributed
or made available, as the case may be, on or about April 10, 2012.*

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PROXY STATEMENT FOR ANNUAL MEETING OF SHAREHOLDERS

Wednesday, May 23, 2012

11:00 a.m. Eastern Daylight Time

Hartford Marriott Downtown, 200 Columbus Boulevard, Hartford, Connecticut 06103.

GENERAL INFORMATION

Why am I being provided with these materials?

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We are providing this Proxy Statement to you in connection with the solicitation by the Board of Directors (the **Board**) of The Travelers Companies, Inc. (the **Company** or **Travelers**) of proxies to be voted at our Annual Meeting of Shareholders to be held on May 23, 2012 (**Annual Meeting**), and at any postponements or adjournments of the Annual Meeting. We have either

(1) delivered to you a Notice of Internet Availability of Proxy Materials (the **Notice**) and made these proxy materials available to you on the Internet, or (2) delivered printed versions of these materials, including a proxy card, to you by mail. You are also invited to attend the meeting and vote your shares in person.

What am I voting on?

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There are four items scheduled to be voted on at the meeting:

- **Item 1:** Election of the 12 director nominees listed in this Proxy Statement;
- **Item 2:** Ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2012;
- **Item 3:** Non-binding vote to approve executive compensation; and
- **Item 4:** Shareholder proposal relating to political contributions and expenditures, if presented at the Annual Meeting.

Who is entitled to vote?

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Shareholders as of the close of business on March 26, 2012 (the Record Date) may vote at the Annual Meeting. You have one vote for each share of common stock held by you as of the Record Date, including shares:

- Held directly in your name as shareholder of record (also referred to as registered shareholder);
- Held for you in an account with a broker, bank or other nominee (shares held in street name) street name holders generally cannot vote their shares directly and instead must instruct the broker, bank or nominee how to vote their shares; and
- Credited to your account in the Company's 401(k) Savings Plan.

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GENERAL INFORMATION

What constitutes a quorum?

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A majority of the shares of common stock entitled to vote must be present or represented by proxy to constitute a quorum at the Annual Meeting. Abstentions and shares represented by broker non-votes, as described below, are counted as present

and entitled to vote for purposes of determining a quorum. On the Record Date, 390,585,629 shares of the Company's common stock were outstanding, and each share is entitled to one vote at the Annual Meeting.

How many votes are required to approve each item?

Each director shall be elected at the Annual Meeting by the vote of a majority of the votes cast with respect to the director. A majority of the votes cast with respect to election of a director means that, of the votes cast by the holders of all the then outstanding shares of voting stock of the Company, those votes cast **FOR** a director must exceed the votes cast **AGAINST** that director. In an uncontested election of directors at which a quorum is present, if any nominee for director receives a greater number of votes **AGAINST** his or her election than votes **FOR** such election, our Governance Guidelines require that such person must promptly tender his or her resignation to the Board following certification of the shareholder vote. Our Governance Guidelines further provide that the Nominating and Governance Committee will then consider the tendered resignation and make a recommendation to the Board as to whether to accept or reject the tendered resignation or whether other action should be taken. The Board will act on the tendered resignation, taking into account the Nominating and Governance Committee's

recommendation, and publicly disclose its decision regarding the tendered resignation and the rationale behind the decision within 90 days from the date of the certification of the election results. Cumulative voting in the election of directors is not permitted.

Shareholder approval of each of the other proposals, including the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2012, the proposal to approve executive compensation and the shareholder proposal regarding political contributions and expenditures, if presented at the Annual Meeting, requires an affirmative vote equal to the greater of (1) a majority of the votes represented in person or by proxy at the Annual Meeting that are entitled to vote on the item and (2) a majority of the voting power of the minimum number of shares entitled to vote that would constitute a quorum at the Annual Meeting. See the particular proposal in this Proxy Statement for a description of the effect of a particular voting outcome with respect to that proposal.

What is a broker non-vote and how does it affect voting on each item?