



**The Hanover Insurance Group, Inc.**  
**Charter of the Committee of Independent Directors**

*I. Statement of Purpose*

The Committee of Independent Directors is a committee of the Board of Directors. The purpose of the Committee is to discharge such responsibilities as are referred to it from time to time by the Board of Directors or a committee thereof. In particular, the Committee shall review and approve the recommendations of the Compensation and Nominating and Corporate Governance Committees, as appropriate, with respect to establishing performance criteria (goals and objectives) of the Chief Executive Officer of the Company (the "CEO"), evaluating the performance of the CEO, approving the CEO's compensation and administering the Company's Policy Regarding Recoupment of Formulae-Based Performance Compensation.

*II. Organization*

A. **Charter.** At least annually and in conjunction with the Nominating and Corporate Governance Committee, this charter shall be reviewed and reassessed by the Board.

B. **Members.** The members of the Committee shall be all members of the Board of Directors who meet the independence requirements of applicable law and the listing standards of the New York Stock Exchange, the requirements of an "outside director" for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended and as otherwise established by the Board. In addition, for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, and Rule 16b-3 in particular, whenever a vote is required to be taken to qualify for the exemptions of Rule 16b-3, those members of the Committee who meet both the foregoing requirements of "independence" and "outside director" and the additional requirements of a "non-employee director" under Rule 16b-3, shall operate as a subcommittee of this committee and such subcommittee shall operate under this charter. The Chairperson or the independent lead director of the Board of Directors shall be the Committee Chairperson, provided such director meets the foregoing requirements.

C. **Meetings.** The Committee shall meet as required to fulfill its responsibilities hereunder. Each executive session of the Committee accompanying a scheduled meeting of the Board and each pre-announced meeting of the Committee shall be considered to be a meeting of the Committee.

**D. Quorum; Action by Committee.** A quorum at any Committee meeting shall consist of a majority of the Committee members. All determinations of the Committee shall be made by a majority of its members present at a meeting duly called and held, except as specifically provided herein. Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully as effective as if it had been made at a meeting duly called and held.

**E. Agenda, Minutes and Reports.** The Chairperson of the Committee shall be responsible for establishing the agendas for meetings of the Committee. Minutes for all meetings of the Committee shall be prepared and submitted to the Committee for approval, which minutes may be recorded within the minutes of the full Board of Directors.

### *III. Responsibilities*

The following shall be the principal responsibilities of the Committee, such actions to be taken by the Committee to the extent it deems necessary or appropriate:

**A. Goals and Objectives.** The Committee shall review the recommendation of the Compensation Committee and approve the Company's goals and objectives relevant to compensation of the Chief Executive Officer.

**B. Compensation Levels.** Except as may be otherwise required by law, regulation, New York Stock Exchange Listing Requirement or otherwise, the Committee shall review the recommendation of the Compensation Committee and approve the compensation level (including base and incentive compensation) and material benefits of the Chief Executive Officer.

**C. Performance Evaluation.** The Committee shall review the recommendation of the Nominating and Corporate Governance Committee and approve the annual performance evaluation of the CEO.

**D. Recoupment Policy.** The Committee shall be responsible for administering the Policy Regarding Recoupment of Formulae-Based Performance Compensation. The Committee may seek the recommendation of the Compensation Committee with respect to such policy before making any decisions with respect thereto.

**E. Other Matters.** The Committee shall act with respect to such other matters as the Board determines in its discretion should be acted upon exclusively by the independent Directors of the Board or as otherwise shall be assigned to it from time to time by the Board of Directors or a committee thereof.

The basic responsibility of the members of the Committee is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company, including taking into consideration of the factors described in Article 10 of the Certificate of Incorporation of the Company. Each member of the Committee shall be entitled to rely on the integrity of those persons and organizations within and outside the Company that provide information to the Committee and the accuracy and completeness of any financial and other information provided to the Committee by such persons or organizations absent actual knowledge to the contrary.

*IV. Resources.*

**Access to Records, Consultants and Others.** In discharging its responsibilities, the Committee shall have full access to any relevant records of the Company and may retain, at the Company's expense, independent legal counsel and outside consultants to advise the Committee. The Committee shall have the authority to engage or terminate any outside consultant it requires to assist it in determining appropriate compensation levels for the Chief Executive Officer and to approve the terms of any such engagement and the fees of any such consultant. The Committee may also request that any officer or other employee of the Company, including the Company's senior compensation or human resource executives or General Counsel, the Company's outside counsel or any other person meet with any members of, or consultants to, the Committee, or provide other assistance to the Committee in the discharge of its duties.

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Revised and approved on September 13, 2016

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