



**The Hanover Insurance Group, Inc.**  
**Nominating and Corporate Governance Committee Charter**

*I. Statement of Purpose*

The Nominating and Corporate Governance Committee is a standing committee of the Board of Directors. The purpose of the Committee is to identify individuals qualified to become members of the Board, to recommend Director nominees for each annual meeting of shareholders and nominees for election to fill any vacancies on the Board of Directors and to address related matters. The Committee shall also develop and recommend to the Board of Directors corporate governance principles applicable to the Company and be responsible for reviewing and ensuring the implementation of the procedures for the annual review of the performance of the President and Chief Executive Officer and leading the annual review of the Board.

*II. Organization*

A. **Charter.** At least annually, this charter shall be reviewed and reassessed by the Committee and any proposed changes shall be submitted to the Board of Directors for approval.

B. **Members.** The members of the Committee shall be appointed by the Board of Directors (or otherwise as authorized by the Board) and shall meet the independence requirements of applicable law, the listing standards of the New York Stock Exchange and as otherwise established by the Board. The Committee shall be comprised of at least two members. Committee members may be removed by the Board of Directors. The Board of Directors shall also designate a Committee Chairperson.

C. **Meetings.** In order to discharge its responsibilities, the Committee shall each year establish a schedule of meetings; additional meetings may be scheduled as required.

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 (or where only two members are present, by unanimous vote). 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. To the extent appropriate and practicable, an agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. Minutes for all meetings of the Committee shall be prepared and submitted to the Committee for approval. The Committee shall make regular reports to the Board of Directors.

**F. Performance Evaluation.** The Committee shall evaluate its performance on an annual basis.

### 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. Director Selection Criteria.** The Committee shall establish, subject to Board approval, general criteria for selecting new Directors, which shall reflect any requirements of applicable law or listing standards, and may include matters relating to a candidate's strength of character, judgment, business experience, specific areas of expertise and factors relating to the composition of the Board (including its size and structure).

**B. Director Recruitment.** The Committee shall consider (in consultation with the Board as it deems appropriate) and recruit candidates to fill positions on the Board of Directors, including as a result of the removal, resignation or retirement of any Director, an increase in the size of the Board of Directors or otherwise. The Committee shall also consider any qualified candidate recommended by the shareholders of the Company. As part of this responsibility, the Committee shall be responsible for conducting, subject to applicable law, any and all inquiries the Committee considers appropriate into the background and qualifications of any candidate for the Board of Directors and such candidate's compliance with the independence and other minimum qualification requirements established by the Committee.

**C. Reconsideration of Directors for Re-Election.** In connection with its annual recommendation of a slate of nominees, the Committee shall assess the contributions of those Directors selected for re-election, and shall at that time review its criteria for Board candidates in the context of the Board evaluation process and other perceived needs of the Board. The full Board of Directors shall make the final determination regarding Board-nominated candidates.

**D. Recommendation to Board.** The Committee shall recommend the size of the Board. The Committee shall recommend the Director nominees for approval by the Board of Directors and the shareholders, as appropriate.

**E. Advice as to Committee Membership and Operations.** The Committee shall advise the Board of Directors with respect to the establishment of various Committees of the Board of Directors, and the charters, structure, operations of such Committees and qualifications for membership thereon. The Committee shall also make recommendations to the Board of Directors regarding which Directors should serve on the various Committees of the Board and as Chairpersons thereof. The Committee shall review and recommend to the Board any matters relating to the independence of any Director under applicable law, New York Stock Exchange listing requirements, the Board's own criteria or otherwise.

**F. Recommendation of Independent Presiding Director.** The Committee shall annually recommend to the Board the election from among the Board's independent members, of either a Chairman of the Board or a lead director, and the duties of such person.

**G. Stock Ownership.** The Committee shall periodically review any stock ownership guidelines applicable to Directors and shall recommend to the Board of Directors revisions to any such guidelines as appropriate.

**H. Code of Conduct.** The Committee shall review and recommend to the Board of Directors the Code of Conduct of the Company, which Code shall be applicable to all officers and employees and, to the extent appropriate, directors, of the Company and its subsidiaries. The Committee shall be responsible for granting any waivers of such Code by the executive officers or directors of the Company and, not less frequently than annually, the Committee shall review the Code and report to the Board on conflicts of interest and waivers under the Code, if any.

**I. Evaluation of Board, Committees and Senior Management.** The Committee shall oversee the evaluation of the Board of Directors and facilitate the evaluation of Committees of the Board. The Committee shall report annually to the Board on the results of these evaluations. In addition, with respect to the evaluation of the Chief Executive Officer, the Committee shall review the process for the CEO's annual evaluation and ensure that it is implemented.

**J. Succession Planning.** The Committee shall conduct a periodic review with the Board of the succession plans relating to positions held by executive officers of the Company.

**K. Trading in Company Stock.** Not less frequently than annually, the Committee shall review the Company's policies relating to trading in shares of securities issued by the Company and shall receive a report for the preceding twelve (12) months of compliance with such policies by directors and executive officers of the Company.

**L. Other Risk Oversight Responsibilities.** The Committee shall review other areas of potential risk and the Company's assessment and mitigation efforts with respect to such risks, as requested by the Board from time to time.

**M. Indemnification and Insurance.** The Committee shall periodically review matters relating to indemnification of officers and directors of the Company and directors and officers liability insurance.

**N. Governance Guidelines.** The Committee shall recommend to the Board of Directors corporate governance guidelines addressing, among other matters, the composition and responsibilities of the Board of Directors and its Committees, including its oversight of management and consultations with management. The corporate governance guidelines shall be reviewed not less frequently than annually by the Committee, and the Committee shall make recommendations to the Board of Directors with respect to changes to the guidelines or with respect to other corporate governance-related matters and the roles of Directors in overseeing management of the Company.

**O. Shareholder Proposals and Constituent Communications.** The Committee shall review and make recommendations to the Board of Directors with respect to any shareholder proposals made pursuant to Rule 14a-8 issued by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended. The Committee shall also provide recommendations with respect to matters relating to the process for communications between the Board or individual non-management Directors and outside constituents of the Company, including regulators, investors, customers or others.

**P. 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 sole authority and responsibility to engage or terminate any outside consultant with respect to the identification of Director candidates and the nomination of members to the Board of Directors, 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, 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.

Q. **Delegation.** The Committee may delegate any of its responsibilities to a subcommittee comprised of one or more members of the Committee.

R. **Other Delegated Responsibilities.** The Committee shall also carry out such other duties that may be delegated to it by the Board of Directors from time to time.

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.

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**Reviewed and Approved on October 18, 2011**

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