

**COMPENSATION COMMITTEE CHARTER
OF THE
BOARD OF DIRECTORS OF EMPLOYERS HOLDINGS, INC.**

**As Amended and Restated by the Board of Directors
on October 26, 2016**

PURPOSE OF THE COMMITTEE

1. Purpose

The purpose of the Compensation Committee ("Committee") of the Board of Directors of Employers Holdings, Inc. ("EMPLOYERS" or the "Company") shall be to oversee the Company's compensation and employee benefit plans and practices, including its executive compensation plans, and its incentive-compensation and equity-based plans; to review and discuss with management the Company's compensation discussion and analysis ("CD&A") to be included in the Company's annual proxy statement or annual report on Form 10-K filed with the Securities and Exchange Commission ("SEC"); and to prepare the Compensation Committee Report as required by the rules of the SEC.

COMPOSITION OF THE COMMITTEE

2. Members

The Compensation Committee shall consist of a minimum of three Directors. Members of the Committee shall be appointed by the Board of Directors upon the recommendation of the Board Governance and Nominating Committee and may be removed by the Board in its discretion. Any vacancy on the Committee shall be filled by a majority vote of the Board after receiving the recommendation of the Board Governance and Nominating Committee.

3. Committee Chair

The Chair of the Compensation Committee shall be elected by the full Board of Directors, provided that if the Board does not so designate a chair, the members of the Committee, by a majority vote, may designate a chair.

4. Independence

Each member of the Committee shall be qualified to serve on the Committee pursuant to the requirements of the New York Stock Exchange (the "NYSE"), and any additional requirements that the Board deems appropriate. Members of the Committee shall also qualify as "non-employee Directors" within the meaning of Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended, and "outside Directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended. In evaluating Directors for membership on the Committee, the Board of Directors shall affirmatively determine the

independence of such Directors by considering all factors specifically relevant to determining whether a Director has a relationship to the Company that is material to that Director's ability to be independent from management in connection with the duties of a member of the Committee, including those identified in the NYSE Listed Company Manual.

MEETINGS

5. Meetings

The Committee shall meet at such times as it determines to be necessary or appropriate, but not less than four times per year. The Committee is governed by the same rules regarding meetings, action without meetings, notice, waiver of notice, quorum, and voting requirements as are applicable to the full Board of Directors.

6. Attendees

The Committee, in its discretion, may ask members of management, other Directors or any additional individuals it deems appropriate to attend its meetings (or portions thereof) and to provide pertinent information as necessary.

7. Minutes

The Committee shall maintain minutes of its meetings and records relating to those meetings and shall report regularly to the Board on its activities, as appropriate.

8. Limitation of Liability

The Committee is authorized to adopt its own rules of procedure that do not conflict with (a) any provision of this Charter, (b) any provision of the Bylaws of EMPLOYERS, (c) the New York Stock Exchange Listed Company Manual, or, (d) federal or Nevada state law. Although the members of the Committee have the duties and responsibilities set forth in this Charter, nothing contained in this Charter is intended to create, or should be construed as creating, any responsibility or liability of members of the Committee, except to the extent otherwise provided under applicable federal or Nevada state law.

AUTHORITIES, RESPONSIBILITIES AND LIMITATIONS

In furtherance to its purpose, the Committee shall have the following authority, responsibilities and limitations consistent with and subject to applicable law and rules and regulations promulgated by the SEC, NYSE or any other applicable regulatory authority:

9. Responsibility

Be directly responsible for the appointment, compensation, retention and oversight of the work of any independent compensation consultant engaged for the purpose of assisting the Committee in fulfilling its duties. The Committee is responsible for determining that any such

compensation consultant satisfies the “independence” requirements in place during the time of its service to the Committee.

10. Goals and Objectives of Executive Compensation Plans

Review at least annually the goals and objectives of the Company's executive compensation plans, and amend these goals and objectives if the Committee deems it appropriate.

11. Compensation of Chief Executive Officer

Establish and recommend to the Board annually, corporate financial and leadership goals and objectives of the Chief Executive Officer, evaluate performance annually in light of those goals and objectives and determine and approve the Chief Executive Officer's compensation, including awards under cash and equity-based programs and applicable performance goals. In determining the long-term incentive component of the Chief Executive Officer's compensation, the Committee shall consider all relevant factors, including the Company's performance and relative stockholder return, the value of similar awards to chief executive officers of comparable companies, and the awards given to the Chief Executive Officer of the Company in past years. The Committee may discuss the Chief Executive Officer's compensation with the non-independent Board members if it chooses to do so.

12. Compensation of Executive Officers

Approve the compensation of all other executive officers. To the extent that long-term incentive compensation is a component of such executive officers' compensation, the Committee shall consider all relevant factors in determining the appropriate level of such compensation, including the factors applicable with respect to the Chief Executive Officer. The Chair of the Committee shall have authority to approve the compensation for any newly hired employee that will report directly to the Chief Executive Officer and will report such approval to the Board at its next meeting.

13. Contracts

Review and approve any contractual, severance or termination arrangements to be made with any executive officer of the Company.

14. Perquisites/Personal Benefits

Review and approve perquisites or other personal benefits to the Company's executive officers and Directors.

15. General Compensation Plans and Employee Benefit Plans

Review, approve and/or recommend to the Board of Directors the Company's general compensation plans, including incentive-compensation and equity-based plans, as appropriate to

the plan. Review the goals and objectives of the Company's general compensation plans and other employee benefit plans, and amend those goals and objectives as the Committee deems appropriate.

16. Equity-Compensation Plans

Review and approve all equity-based compensation plans to be submitted for stockholder approval under the NYSE listing standards, and review and, in the Committee's sole discretion, approve all equity-based compensation plans that are exempt from such stockholder approval requirement.

17. Other Responsibilities

Perform such duties and responsibilities as may be assigned to the Committee under the terms of any compensation or other employee benefit plan, including any incentive-compensation or equity-based plan.

18. Compensation for Board and Committee Service

Evaluate annually the appropriate level of compensation for Board and Committee service by non-employee Directors, including retainer fees, committee fees, and any other form of compensation.

19. Annual Proxy Statement or Annual Report on Form 10-K

- a. Review and discuss with management the Company's CD&A, and based on that review and discussion, approve and recommend to the Board of Directors that the CD&A be included in the Company's annual proxy statement or annual report on Form 10-K.
- b. Produce the Compensation Committee Report in accordance with the rules and regulations of the SEC for inclusion in the Company's annual proxy statement or annual report on Form 10-K.
- c. Review the description of the Committee's processes and procedures for the consideration and determination of executive and Director compensation to be included in the Company's annual proxy statement.

20. Chief Executive Officer Recommendations

The Chief Executive Officer shall make, and the Committee may consider, recommendations to the Committee regarding the Company's compensation and employee benefit plans and practices, including its executive compensation plans, its incentive-compensation and equity-based plans with respect to executive officers other than the Chief Executive Officer and the Company's Director compensation arrangements.

RISK MANAGEMENT

21. Risk Management

- a. Review the risk of the loss of members of management or key staff holding industry expertise or those who have special relationships with stakeholders.
- b. Review the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, review and discuss at least annually the relationship between risk management policies and practices and compensation, and evaluate compensation policies and practices that could mitigate such risk.

SAY ON PAY

22. Say on Pay

Review and recommend to the Board of Directors for approval the frequency with which the Company will conduct a stockholder advisory vote on executive compensation ("Say on Pay Vote"), taking into account the results of the most recent Say on Pay Vote required by the rules and regulations of the SEC, and, review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's Proxy Statement. In evaluating and determining compensation policies and decisions, the Committee shall consider the results of the most recent Say on Pay Vote.

DELEGATION OF AUTHORITY

23. Delegation

The Committee may form subcommittees for any purpose that the Committee deems appropriate and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided, however, that no subcommittee shall consist of fewer than two members; and provided further that the Committee shall not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Committee as a whole.

EVALUATION OF THE COMMITTEE

24. Committee Evaluation

The Committee shall evaluate its performance on an annual basis utilizing the process established and approved by the Board. In conducting this review, the Committee shall evaluate whether the Charter appropriately addresses the matters that are or should be within its scope and shall recommend such changes as it deems necessary or appropriate. The evaluation shall address all matters that the Committee considers relevant to its performance, including a review and assessment of the adequacy of this Charter, and shall be conducted in such manner as the Board deems appropriate. The Committee shall address all matters that the Committee considers

relevant to its performance, including at least the following: the adequacy, appropriateness and quality of the information and recommendations presented by the Committee to the Board, the manner in which they are discussed or debated, and whether the number and length of meetings of the Committee were adequate for the Committee to complete its work in a thorough and thoughtful manner.

25. Report to the Board of Directors

The Committee shall deliver to the Board of Directors a report, which may be oral, setting forth the results of its evaluation, including any recommended amendments to this Charter and any recommended changes to the Company's or the Board's policies or procedures.

INVESTIGATIONS

26. Investigations, Studies and Outside Advisers

The Committee may conduct or authorize investigations into or studies of matters within the Committee's scope of responsibilities, and may retain, at the Company's expense, such independent counsel or other consultants or advisers as it deems necessary or appropriate, including compensation consultants to advise the Committee with respect to amounts or forms of executive and Director compensation. The Committee shall have the sole authority to retain or terminate any consultant, legal counsel or other adviser to assist the Committee in carrying out its responsibilities, including sole authority to approve their fees and retention terms, such fees to be borne by the Company.

Before selecting or soliciting advice from a compensation consultant, legal counsel or other advisers (other than the Company's in-house counsel), the Committee shall take into consideration the factors in the NYSE Listed Company Manual related to the independence of such advisers. Additionally, the Committee shall evaluate whether any compensation consultant retained or to be retained by it has any conflict of interest in accordance with the rules and regulations of the SEC.

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