



**CHARTER  
of the  
COMPENSATION COMMITTEE  
of the  
BOARD OF DIRECTORS  
of  
KEMPER CORPORATION (“COMPANY”)**

**I. COMMITTEE PURPOSE AND GOVERNING PROCEDURES**

The Compensation Committee (“Committee”) is a standing committee of the Company’s Board of Directors (“Board”) and shall discharge the Board’s responsibilities relating to the Committee’s Responsibilities set forth in Section III below.

Except as expressly provided in this Charter, the Company’s Amended and Restated Bylaws, the Company’s Corporate Governance Guidelines, the listing requirements of the New York Stock Exchange or such other securities market or exchange on which the Company’s common stock may from time to time be listed or qualified for trading (“Listing Requirements”), applicable regulations of the Securities and Exchange Commission (“SEC Rules”) or applicable law (collectively, “Governing Rules”), the Committee may fix its own rules of procedure, subject to the provisions on Committee Governance set forth in Section IV below.

**II. COMMITTEE COMPOSITION**

**A. Membership and Independence.** The Committee shall consist of three or more members appointed annually by the Board. Each member of the Committee shall satisfy the independence standards and any other applicable requirements of the Governing Rules.

**B. Selection of Committee Chair and Members.** The Board shall select one of the Committee members as the Chair of the Committee. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies in it, subject to satisfying the standards outlined above.

**III. COMMITTEE RESPONSIBILITIES**

**A. Subject Employee Compensation.** The Committee shall review and approve the compensation of the following individuals (“Subject Employees”): (a) the Company’s Chief Executive Officer (“CEO”) and other executive officers of the Company; and (b) such other members of senior management of the Company or its affiliates as may from time to time be designated as Subject Employees by resolution of the Committee.

**B. CEO Compensation and Performance.** The Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objectives, and set the CEO's compensation based on this evaluation. In determining any long-term incentive component of CEO compensation, the Committee may consider such factors as it deems relevant and material, including but not limited to such factors as the Company's performance and relative shareholder return, the value of similar awards to CEOs at comparable companies, and the awards given to the CEO in past years.

**C. Annual Compensation Approval.** The Committee shall annually review and approve the following for the Subject Employees: (a) annual base salaries, (b) cash-based incentive awards under the Company's Executive Performance Plan and any successor or other cash-based plan from time to time in effect (collectively, "Cash Plans"), (c) equity-based incentive awards under the Company's Omnibus Equity Plan and its predecessor and any successor or other equity plan in effect from time to time (collectively, "Equity Plans"), and (d) any discretionary bonuses. The Committee shall also annually approve, and certify the results of, the performance criteria applicable to incentive awards (or portions thereof) for any of the Subject Employees that are intended to comply with the requirements of Section 162(m).

**D. Material Terms of Agreements.** The Committee shall review and approve, prior to implementation, the material terms of all employment agreements, severance arrangements, and change in control agreements/provisions covering any of the Subject Employees.

**E. Cash and Equity-Based Compensation Plans.** The Committee shall administer and make recommendations to the Board (to the extent subject to Board approval) with respect to the Company's Cash Plans and Equity Plans. Except for grants to non-employee directors (the amount and terms of which are determined by the Board in its sole discretion, after considering any recommendation of the Committee), the Committee shall have authority in accordance with the terms of the Equity Plans to approve the selection of persons to whom awards are granted under the Equity Plans and to establish the terms and conditions thereof.

**F. Approval and Oversight of Compensation-Related Policies and Processes.** The Committee shall approve such other policies and procedures as it deems necessary and appropriate to facilitate the Company's compliance with the Governing Rules related to executive and director compensation, including any required approvals and advisory votes by shareholders. The Committee shall oversee the administration of the Company's Forfeiture and Clawback Policy, Director and Executive Officer Stock Ownership Policy, and overall methodology and comparison group used for benchmarking Subject Employees. The Committee shall establish such processes and procedures as it deems appropriate for assessing the appropriate level of risk in the Company's compensation programs. The Committee shall request and review reports from management as necessary to oversee compliance with such policies and procedures.

**G. Proxy Disclosures.** The Committee shall also annually review and discuss with management the Compensation Discussion and Analysis (“CD&A”) required by the SEC Rules to be included in the Company’s proxy statement for its annual meeting of shareholders. Based on such review and discussion, the Committee shall indicate to the Board whether it recommends the inclusion of the CD&A in such proxy statement. The Committee shall further authorize and adopt the disclosure required by the SEC Rules to be made by the Committee under the caption “Compensation Committee Report” in such proxy statement.

**H. Non-Employee Director Compensation.** The Committee shall annually review and make recommendations to the Board with respect to non-employee director compensation.

**I. Other Responsibilities.** The Committee shall discharge any other duty or responsibility assigned to it by the Board. The Committee shall perform such additional duties as may be necessary to fulfill any other requirements imposed on the Committee by the Governing Rules as in effect from time to time, and shall consider such other processes and governance matters as the Committee deems necessary or appropriate in its discretion.

#### **IV. COMMITTEE GOVERNANCE**

**A. Committee Meetings.** The Committee shall meet at such times as deemed necessary or appropriate by the Chair or a majority of the members of the Committee, but no less frequently than annually. The Committee shall maintain minutes of each Committee meeting to be prepared by a person designated by the Chair as the secretary of such meeting and shall be submitted to the Committee for approval. All minutes shall be filed with the records of the Company.

**B. Subcommittees.** The Committee may form subcommittees of one or more members and may delegate to such subcommittees such power and authority as the Committee deems appropriate; provided that the Committee may not delegate to a subcommittee any power or authority required by the Governing Rules to be exercised by the Committee as a whole.

To the extent permitted by Governing Rules, the Committee may also delegate to one or more executive officers of the Company the authority, within guidelines established by the Committee, to approve equity compensation awards under established equity plans of the Company to employees other than those subject to Section 16 of the Securities and Exchange Act of 1934 and other officers of the Company. The Committee may also delegate any non-discretionary administrative authority under Company compensation and benefit plans consistent with any limitations specified in the applicable plans.

**C. Advisors.** The Committee shall have the authority to retain and obtain advice from any consultants, legal counsel or other advisors to assist the Committee in its duties and responsibilities hereunder, and shall likewise be directly responsible for the appointment,

compensation and oversight of any such advisors. The Committee may direct the proper officers of the Company to pay the fees and expenses of any such advisors. The Committee shall comply with all applicable requirements of the Governing Rules in connection with its retention of and relationship with any of its advisors.

**D. Charter Review.** The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.

**E. Committee Self-Evaluation.** The Committee shall annually review its own performance and report its findings to the Board.

**F. Reports.** The Committee shall make regular reports of its meetings and activities to the Board.

Last Revised: August 2019

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