

**THE JAMES S. KEMPER FOUNDATION  
ANNUAL MEETING OF BOARD OF TRUSTEES  
DECEMBER 3, 2020**

A meeting of the Board of Trustees (“Board”) of The James S. Kemper Foundation (“Foundation”) was held on Wednesday, December 3, 2020 at 10:00 a.m., utilizing a web-based virtual meeting platform. The following Trustees were present: John M. Boschelli, Charles T. Brooks, John K. Conway (Trustee Emeritus), C. Thomas Evans, Jr., Mark A. Green, Joseph P. Lacher, Jr., James J. McKinney and Christine F. Mullins. At the request of the Board, the following persons also participated:

Barbara Ciesemier, President, Foundation  
Jenn Merriman, Treasurer, Foundation  
Serena Kenost, Assistant Secretary, Foundation  
Peter Locy, Senior Vice President and Controller, Kemper Corporation (“Kemper”)  
Jane Wong, Assistant Vice President, Strategy and Executive Operations, Kemper  
Janelle Kavalunas, Auditor, CliftonLarsonAllen (“CLA”)  
Melissa Struck, Auditor, CLA

Mr. Lacher acted as Chairman of the meeting and Mr. Evans acted as Secretary. The meeting materials were made available to the Board in advance of the meeting.

The first item was approval of the minutes from the Board’s previous meeting, held on May 20, 2020. After review, the following resolution was adopted:

RESOLVED, that the Minutes of the Meeting of the Board of Trustees on May 20, 2020, are hereby ratified, confirmed and approved.

Mr. Lacher noted several governance items to be acted upon, including (i) election of officers, (ii) designation of committee chairs and (iii) ratification of actions taken by the Board and officers of the Foundation since the annual meeting of Trustees on December 2, 2019. Additionally, the Board was to consider (i) the transition of the Foundation to a private non-operating foundation as determined by IRS guidelines and (ii) a change to the Foundation name.

Mr. Evans led the discussion on the governance items. The current Trustees were all proposed for reelection and it was also proposed that Mr. Lacher continue as Chair of the Foundation and Mr. Green should serve as the Foundation’s Vice Chair. With regard to the ratification of actions, Mr. Evans explained that the annual election of Trustees was inadvertently omitted from the actions taken at the December 2019 meeting of the Board and, in order to correct the omission, it was recommended that the Board ratify all actions taken by the Board of Trustees and officers of the Foundation since December 2, 2019. The Board concurred with these items and the following resolutions were adopted:

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**Election of Officers**

RESOLVED, that pursuant to Article 4.5 of the Amended Bylaws of the Corporation, Joseph P. Lacher, Jr. is elected as Chair of the Board of Trustees and Mark A. Green is elected as Vice Chair of the Board of Trustees for terms ending with the Annual Meeting of Trustees in 2021, or until their earlier resignation or removal;

RESOLVED, that pursuant to Article 6.2 of the Amended Bylaws of the Corporation, the following individuals be elected to the offices indicated, each to serve in the capacity set forth opposite his or her name until a successor has been duly elected or until his or her earlier resignation or removal:

President	Barbara Ciesemier
Treasurer	Jenn Merriman
Secretary	C. Thomas Evans, Jr.
Assistant Secretary	Serena Kenost

RESOLVED, that all actions taken by the Board of Trustees and Officers of the Foundation since the Annual Meeting of Trustees on December 2, 2019 are adopted, ratified and approved.

The proposed transition of the Foundation to a private non-operating foundation was discussed, and Mr. Evans provided an overview of the transition, noting that the switch would benefit the Foundation by allowing for greater flexibility with the Foundation's charitable activities. In connection with the Foundation's name change, Mr. Evans explained that although research was still being completed, it was anticipated that the new name would be "The Kemper Foundation" or something very similar. Once the new name could be confirmed, the Foundation's Chair and President would have authority to give final approval. The Board indicated its agreement and adopted the following recitals and resolutions:

**Transition to Private Non-Operating Foundation and Change of Foundation Name**

WHEREAS, the Board of Trustees ("Board") of the Foundation has determined that the Foundation should make certain modifications to its charitable activities, which changes can be more easily accomplished if the Foundation reverts to its prior status as a private non-operating foundation;

WHEREAS, in connection with the changes to the Foundation's charitable activities, the Board has determined that it is appropriate to change the Foundation's name to "The Kemper Foundation" or something reasonably similar, and intends to authorize the Chair of the Board and the Foundation President to make the final decision on the name and take any necessary steps to effectuate the change.

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RESOLVED, that the officers of the Foundation are hereby authorized, directed and empowered to take the necessary steps to change the Foundation's status with the Internal Revenue Service to that of a private non-operating foundation;

RESOLVED, that the name of the Foundation shall change from "The James S. Kemper Foundation" to "The Kemper Foundation" or something reasonably similar, to be decided by the Chair of the Board and Foundation President with such change to be effective as soon as practicable; and

RESOLVED, that the officers of the Foundation are authorized, in the name of and on behalf of the Foundation, to take or cause to be taken all such further actions and to prepare, execute and deliver all such instruments and documents, to pay such fees and expenses, and to do all acts and things which they deem necessary or appropriate to carry out the intent and purposes of the foregoing resolutions.

The report on the performance of the Foundation's investment portfolio was supplied by Mr. Boschelli, who began with an overview of the performance of the financial markets. The Foundation's strategic asset allocation for the portfolio was reviewed and no changes were recommended. Mr. Boschelli advised that the portfolio's allocations are within the investment policy limits and are appropriate to satisfy the goals of the Foundation's distribution requirements. The portfolio's generated returns outperformed the targeted returns, with Mr. Boschelli noting that the targeted rate range returns have been based on adjusted college rates.

Mr. Lacher suggested that given that the Foundation is expected to change its operating status and develop a broader charitable program, the timing might be good for the Foundation to also consider changing its fiscal year from an academic year (August to July) to a calendar year ending on December 31. Mr. Boschelli noted that this would allow reports on the investment portfolio to better align with typical financial reporting. Mr. Lacher requested that the matter be given further review and that a recommendation be brought to the Board in 2021.

The report of the Board's Audit and Administration Committee was supplied by Mr. McKinney, which report included the results of the audit performed by CLA. The audit was completed with no material or unadjusted items to be discussed, nor any conflicts with the auditor.

Ms. Struck, at the invitation of the Board, discussed CLA's audit report, a draft of which was included in the meeting materials. Ms. Struck provided an overview of the audit and tax services provided by CLA and then proceeded to review the draft financial statements, governance letter and post-audit presentation. Ms. Struck advised that the audit opinion would be a clean opinion and that there were no audit disagreements, change to audit process, or internal control issues. Additionally, with the exception of COVID-19 disclosures, no sensitive disclosures were

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communicated by to those charged with governance. At the conclusion of Ms. Struck's report, the following recitals and resolution were adopted:

RESOLVED, that the draft audit report of the Foundation as of July 31, 2020, is approved.

The annual acknowledgement of the Foundation's Conflict of Interest Policy was included I the meeting materials, and the Trustees were requested to review and execute the forms.

The Operations Report provided by Ms. Ciesemier began with an overview of the legacy Kemper Scholars Program The class of 2020 has 14 students in the program, while the class of 2021 has 16 students. Ms. Ciesemier discussed the current working concept for the new Kemper Scholars program which is expected to have broader student participation drawn from a larger pool of colleges and universities.

A discussion followed on grants made by the Foundation since November 2020. Ms. Ciesemier noted that grants of \$40,000 or more to a single organization in a calendar year must receive Board approval. A grant to the Juvenile Diabetes Research Foundation was before the Board for consideration, and no additional grants are anticipated to be made in 2020. After further discussion, on motion made and seconded, the following recitals and resolutions were adopted:

WHEREAS, the Board of Trustees ("Board") of the Foundation determined that grant awards in excess of \$40,000 to a single organization in a calendar year shall require approval by the full Board; and

WHEREAS, the Foundation has received a grant request from the Juvenile Diabetes Research Foundation ("JDRF") to be a sponsor at the \$50,000 level for the One Dream Gala-Close to Home event to be held on December 12, 2020.

RESOLVED, that the grant request from the JDRF in the amount of \$50,000 is approved.

There being no further business to come before the Board of Trustees, the meeting was adjourned at 10:40 a.m.

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Joseph P. Lacher, Jr.  
Chairman

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C. Thomas Evans, Jr.  
Secretary