



## **AUDIT COMMITTEE CHARTER**

### **Purpose**

The Audit Committee (the "Committee") is appointed by the Board of Directors (the "Board") of Unum Group (the "Company") to assist the Board in its oversight of (1) the integrity of the financial statements of the Company, (2) the effectiveness of the Company's internal control over financial reporting, (3) the compliance by the Company with legal and regulatory requirements, (4) the qualifications and independence of the Company's independent auditor, (5) the performance of the Company's internal audit function and independent auditor, and (6) financial risk.

The Committee shall provide a forum for private and direct communications between Committee members and the Company's independent auditor, internal audit department and senior financial management. The Committee shall serve as a channel of communication to the Board for the Company's independent auditor and internal audit department. The Committee shall prepare the report required by the rules of the Securities and Exchange Commission (the "SEC") to be included in the Company's annual proxy statement.

While the Committee has the responsibilities and powers set forth in this Charter, its primary function is oversight. It is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations, to conduct investigations, or to ensure compliance with legal or regulatory requirements. These are responsibilities of management and the auditors.

### **Committee Operations**

The Committee shall consist of three or more members, each of whom shall meet the independence and financial literacy requirements of the New York Stock Exchange (the "NYSE"), as well as the independence requirements of Section 10A(m)(3) of the Securities Exchange Act of 1934, the rules and regulations of the SEC and the Company's Corporate Governance Guidelines. The Committee shall also have at least one member who is an "audit committee financial expert" as defined by the rules of the SEC. Committee members shall not simultaneously serve on the audit committees of more than two other public companies.

Members of the Committee shall be appointed by the Board based on recommendations of the Governance Committee and shall serve at the pleasure of the Board and for such term or terms as the Board may determine. The Board shall have the power at any time to change the membership of the Committee and to fill vacancies on the Committee. The Board shall designate one member of the Committee as its chairperson (the "Chairperson"). The Chairperson shall preside at each Committee meeting. In the event the Chairperson is not present at a meeting, another Committee member shall be designated, either by the Chairperson in advance of such meeting or, if not so designated, by the Committee members present at such meeting, as the acting chair of such meeting.

The Committee shall meet as often as it determines necessary or advisable to carry out its responsibilities, but not less frequently than quarterly. The Committee shall meet periodically

with management, the internal auditors and the independent auditor in separate executive sessions. The Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

A majority of the members of the Committee shall constitute a quorum at a meeting, and the affirmative vote of a majority of the Committee members present at the time of the vote, if a quorum is present, shall constitute action by the Committee, provided that if action is taken by written consent in lieu of a meeting unanimous written consent shall be required of all members of the Committee. The Committee shall fix its other rules of procedure, except as expressly provided in this Charter, the Certificate of Incorporation or bylaws of the Company, the Company's Corporate Governance Guidelines, or as otherwise prohibited by law or the rules of the NYSE.

### **Resources and Authority**

The Committee shall have sole authority and be directly responsible for the appointment, compensation, retention and oversight of the work of any independent auditor engaged (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work for the Company. The independent auditor shall report directly to the Committee.

The Committee shall pre-approve all auditing services and permitted non-audit services (including the fees and terms thereof) to be performed for the Company by its independent auditor. The Committee may form and delegate authority to subcommittees consisting of one or more members when appropriate, including the authority to grant preapprovals of audit and permitted non-audit services, provided that decisions of such subcommittees to grant preapprovals shall be presented to the full Committee at its next scheduled meeting.

The Committee shall have the authority to the extent it deems necessary or appropriate, to retain independent legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to the independent auditor for the purpose of rendering or issuing an audit report and to any advisors employed by the Committee. The Company shall also provide for payment of ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **Committee Duties and Responsibilities**

The Committee shall:

#### Financial Statement and Disclosure Matters

1. Review and discuss with management and the independent auditor the annual audited financial statements to be included in the Company's Annual Report on Form 10-K prior to the filing thereof with the SEC, including disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations," and recommend to the Board whether the audited financial statements should be included in the Form 10-K.
2. Review and discuss with management and the independent auditor the quarterly financial statements to be included in the Company's Quarterly Reports on Form 10-Q prior to the filing thereof with the SEC, including disclosures made under

"Management's Discussion and Analysis of Financial Condition and Results of Operations" and the results of the independent auditor's review of the quarterly financial statements.

3. Discuss with management and the independent auditor critical accounting policies and significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including any significant changes in the Company's selection or application of accounting principles or financial statement presentation, any major issues as to the adequacy of the Company's internal control over financial reporting and any special steps adopted in light of significant deficiencies or material weaknesses identified in internal control over financial reporting.
4. Review and discuss with the independent auditor:
  - (a) The results of their audit, including their opinion on the financial statements.
  - (b) Any significant difficulties encountered during the audit and management's response, including any restrictions on the scope of the independent auditor's activities or access to requested information.
  - (c) Their procedures for reviewing the Company's internal control over financial reporting and their evaluation of the effectiveness of the Company's internal control over financial reporting and any special steps adopted in light of significant deficiencies or material weaknesses identified in internal control over financial reporting.
  - (d) All other matters required to be communicated to the Committee under Auditing Standard No. 16, as adopted by the Public Company Accounting Oversight Board ("PCAOB") including with respect to the terms of the audit, an overview of the audit strategy, significant risks identified and significant changes in planned strategy or identified risks, significant accounting policies and practices, significant transactions that are outside the normal course of business or unusual, difficult or contentious matters for which the independent auditor consulted outside the engagement team, any disagreements with management that could be significant to the Company's financial statements, any illegal acts detected or of which the independent auditor was made aware, and any other matters arising from the audit that are significant to the oversight of the Company's financial reporting process.
5. Discuss with management and the independent auditor significant accounting accruals, reserves or other estimates made by management, including reviewing reports from actuaries.
6. Review with management and the independent auditor:
  - (a) All critical accounting policies and practices to be used.
  - (b) All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.

- (c) Other material written communications between the independent auditor and management, such as any management letters or schedule of unadjusted differences.
- 7. Discuss with management the Company's earnings press releases, including the use of "pro forma" or "adjusted" non-GAAP information, as well as the approach to be taken regarding the provision of financial information and earnings guidance to analysts and rating agencies. Such discussion may be done in general terms (consisting of discussing the types of information to be disclosed and the types of presentations to be made).
- 8. Discuss with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
- 9. Review disclosures made to the Committee by the Company's CEO and CFO during their certification process under Section 302 of the Sarbanes-Oxley Act for the Form 10-K and Form 10-Q about any significant deficiencies in the design or operation of internal control over financial reporting or material weaknesses therein and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.
- 10. Review management's report on its assessment of the effectiveness of internal control over financial reporting as of the end of each fiscal year.
- 11. Prepare the Committee report required by the rules and regulations of the SEC to be included in the Company's annual proxy statement.

#### Oversight of the Company's Relationship with the Independent Auditor

- 12. Review and evaluate the qualifications, performance and independence of the lead partner of the independent auditor's team.
- 13. Obtain and review a report from the independent auditor at least annually regarding (a) the independent auditor's internal quality-control procedures, (b) any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental authorities within the preceding five years respecting one or more independent audits carried out by the firm, (c) any steps taken to deal with any such issues, and (d) all relationships between the independent auditor and the Company. Evaluate the qualifications and performance of the independent auditor; the quality and candor of the independent auditor's communications with the Committee and the Company; and evidence supporting the auditor's independence, objectivity, and professional skepticism, including considering whether the auditor's quality controls are adequate. Review and discuss the written communications concerning independence delivered by the independent auditor as required by PCAOB Rule 3526 and consider whether permitted non-audit services are compatible with maintaining the auditor's independence, taking into account the opinions of management and internal auditors. The Committee shall present its conclusions with respect to the independent auditor to the Board.
- 14. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law. Consider whether, in order to assure continuing auditor independence,

it is appropriate to adopt a policy of rotating the independent auditing firm on a regular basis.

15. Establish Company policies for hiring of employees or former employees of the independent auditor.
16. Review communications required to be submitted by the independent auditor to the Committee concerning discussions between the Company's audit team and the national office of the independent auditor on auditing or accounting issues presented by the engagement.
17. Meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.
18. Review Management (Internal Control) Letters issued to the Company by the independent auditor.

#### Oversight of the Company's Internal Audit Function

19. Review the appointment and replacement of the senior internal auditing executive.
20. Review the scope of Internal Audit's plan for the year and also review a summary of significant findings by Internal Audit and management's responses.
21. Discuss with the independent auditor and management, including the internal auditor, the internal audit department responsibilities, budget and staffing and any recommended changes in the planned scope of the internal audit.

#### Compliance Oversight Responsibilities

22. Review reports from the Company's General Counsel concerning significant legal and regulatory matters, and discuss with the General Counsel any such matters that may have a material impact on the Company's business, financial statements or compliance policies.
23. Ensure the establishment of procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
24. Periodically discuss the Company's guidelines and policies with respect to the process by which the Company undertakes risk assessment and risk management.
25. Review and discuss any reports concerning material violations of law submitted by Company attorneys or outside counsel pursuant to the SEC attorney professional responsibility rules.
26. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.

27. Review and, if appropriate, approve or ratify related party transactions that are subject to the Company's Related Party Transactions Policy.

#### Subsidiary Responsibilities

28. Review and discuss with management and the independent auditor:
  - (a) The statutory financial information and required auditor communications (the "Audited Financial Report") associated with each of the Company's U.S. domestic insurance company subsidiaries, to the extent the Committee serves as or is deemed to be the Audit Committee of such subsidiary, and recommend to the board of each such reporting subsidiary whether the annual Audited Financial Report of the reporting subsidiary should be accepted and filed with the appropriate regulatory authorities.
  - (b) Any major issues as to the adequacy of any reporting subsidiary's internal control over statutory financial reporting, including any unremediated significant deficiencies or material weaknesses and any special steps adopted in light of such deficiencies or weaknesses, and management's report of internal control over financial reporting for the reporting subsidiaries.
29. Request and review such documentation as the Committee deems necessary or appropriate to carry out the following actions on behalf of each New York domiciled stock life insurance company subsidiary of the Company for the sole purpose of compliance with New York Insurance Law Section 1202(b)(2) (the "NY Law"):
  - (a) Recommend the selection of the independent audit firm.
  - (b) Review the Company's financial condition.
  - (c) Review the scope and results of the independent audit and any internal audit.

Except to the extent required by or expressly set forth under the NY Law, no member of the Committee shall be deemed to be a director, officer or agent of the subsidiary as a result of assuming or carrying out the foregoing responsibilities required by the NY Law.

#### **Other Responsibilities**

In addition to the duties and responsibilities set forth above, the Committee also shall:

1. Report regularly to the Board on significant activities of the Committee and make such recommendations as the Committee may deem necessary or appropriate. Reports to the Board may take the form of an oral report by the Chairperson or any other member of the Committee designated by the Committee to make the report.
2. Review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee may also receive reports from time to time concerning the Committee's compliance with its responsibilities under this Charter and applicable laws, regulations and listing requirements.

3. Conduct, and report to the Board the results of, an annual self-evaluation of the Committee's own performance. The performance evaluation shall be conducted in such manner as the Committee deems appropriate.
4. Periodically review and discuss with management succession plans for senior level internal audit and finance personnel.
5. Exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified in this Charter and as may from time to time be requested by the Board.