

CHARTER OF THE COMPENSATION COMMITTEE
OF
KRATON CORPORATION

(As Amended and Restated February 11, 2016)

I. Statement of Purpose

The Compensation Committee (the “Committee”) is a standing committee of the Board of Directors (the “Board”) of Kraton Corporation (the “Company”). The purpose of the Committee is to discharge the responsibility of the Board relating to compensation of the Company’s executive officers and such other employees as the Committee may determine (together, “management”) and related matters.

The Committee shall also cause to be prepared the report of the Committee required by the Securities and Exchange Commission to be included in the Company’s annual proxy statement.

Each member of the Committee, in exercising his or her business judgment, shall be entitled to rely in good faith on the integrity of those persons and organizations within and outside the Company from whom he or she receives information, and on the accuracy of the information provided to the Committee by such persons or organizations unless he or she has reason to inquire further.

II. Organization

A. *Charter.* This charter shall be reviewed and reassessed by the Committee periodically and any proposed changes shall be submitted to the Board for approval.

B. *Members.* The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. Committee members may be replaced by the Board. The Committee shall be comprised of at least three members. Committee members shall not be employees of the Company and shall meet the independence requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), as well as any stock exchange on which the Company’s common stock (the “Common Stock”) is listed (which initially shall be the NYSE). In addition, the members of the Committee shall be subject to the following additional independence requirements:

i. at least two members of the Committee shall meet the requirements of an “outside director” for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended; and

ii. if at any time less than two of the members of the Committee meet the requirements of a “non-employee director” for purposes of Section 16 of the Exchange Act, the Committee shall recommend that the Board approve any transactions under

employee benefit plans if such approval is required to exempt such transactions from the short-swing profit provisions of Section 16 of the Exchange Act.

C. *Committee Chairperson.* The Board shall designate a Committee Chairperson, who shall preside at meetings of the Committee. The duties of the Committee Chairperson shall be determined by the Committee and include, but are not limited to, facilitating communications between the Committee and the Board and scheduling Committee meetings. In the absence of the Committee Chairperson, the majority of the members of the Committee present at a meeting shall appoint a member to preside at the meeting.

D. *Meetings.* In order to discharge its responsibilities, the Committee shall each year establish a schedule of not less than four meetings. Additional meetings may be scheduled as required. The Committee Chairperson or a majority of the members of the Committee may call special meetings of the Committee at any time upon notice as specified in the Company's Bylaws. The Committee may request attendance from management to gather their observations and input on certain matters. All meetings of the Committee may be held in person or telephonically.

E. *Quorum; Action by Committee.* The presence of members constituting a majority of the Committee shall constitute a quorum for the transaction of business. Except as specifically provided herein, the act of a majority of the members present at any meeting at which a quorum is present shall be the act of the Committee. In the event the number of Committee members voting in favor of a proposal and the number of Committee members voting against such proposal are equal, the proposal shall be submitted to a vote of the Board. The Committee may also act by unanimous written consent provided that such consent is filed with the minutes of the proceedings of the Committee. When reviewing and approving compensation for executive officers, any compensation arrangement approved by the Committee that is intended as performance-based compensation within the meaning of Section 162(m) of the Internal Revenue Code will be approved by no less than two Committee members who qualify as outside directors as defined in Section 162(m) of the Internal Revenue Code.

F. *Agenda, Minutes and Reports.* The Committee Chairperson, in consultation with other members of the Committee and management of the Company, shall cause to be prepared an agenda, which, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. The Committee shall prepare minutes of its meetings. The Committee shall make regular reports to the Board.

G. *Performance Evaluation.* The Committee shall evaluate its performance on an annual basis or such other more frequent time period as the Committee shall determine and develop criteria for such evaluation. The Committee shall report its evaluation to the Board.

H. *Access to Records, Retention of Experts and Others.* In discharging its responsibilities, the Committee shall have access to any relevant records of the Company and shall have the authority to retain outside consultants, legal counsel and other advisers to assist the Committee in fulfilling its duties and responsibilities. The Committee shall have the sole authority and responsibility to engage or terminate such experts, negotiate and approve the fees and other retention terms of such experts, and direct the payment of fees to such experts. The

Committee may also request that any officer or other employee of the Company, including the Company's senior compensation or human resources executives, the Company's outside counsel or any other person meet with any members of, or consultants to, the Committee.

I. *Delegation.* The Committee may delegate any of its responsibilities to one or more subcommittees comprised of one or more members of the Committee.

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

K. *Bylaws.* Nothing in this charter shall be deemed to amend the provisions of the Company's Bylaws with respect to this Committee or other committees of the Board absent a separate resolution of the Board expressly amending such Bylaws.

III. Responsibilities

The following shall be the principal responsibilities of the Committee:

A. *Engagement of Compensation Advisors.* The Committee shall be solely responsible for engaging, at Company expense and without seeking Board approval, compensation advisors, and overseeing, evaluating and, where appropriate, replacing or terminating such compensation advisors. Any compensation advisors shall report directly to the Committee. The Committee shall have the authority to approve the retention terms and fees paid to any compensation advisor, which must be appropriately funded by the Company.

B. *Independence of Compensation Advisors.* Before selecting a compensation advisor, with the exception of in-house legal counsel, the Committee must take into consideration the independence factors specified in Rule 10C-1 under the Exchange Act and applicable listing standards and may take into account such other factors as it deems relevant.

C. *Compensation Philosophy.* The Committee shall review and approve periodically, but no less frequently than annually, the Company's compensation philosophy and objectives, which shall be disclosed in the Company's annual proxy statement in accordance with applicable rules and regulations.

D. *Goals and Objectives.* The Committee shall review and approve periodically, but no less frequently than annually, the Company's goals and objectives relevant to compensation of the Chief Executive Officer and other management, including the balance between short-term compensation and long-term incentives, shall evaluate the performance of the Chief Executive Officer and other management in light of those goals and objectives, and shall set the compensation level of the Chief Executive Officer and other management based on such evaluation.

E. *Compensation Levels of the Executive Officers.* The Committee shall establish the compensation level (including base and incentive compensation) and direct and indirect benefits of the Chief Executive Officer and other senior executives. In determining incentive compensation, the Committee shall consider, among other factors it deems appropriate from time to time, the Company's performance and relative stockholder return (or other criteria) during

such periods as the Committee may deem appropriate, the value of similar incentive awards to persons holding comparable positions at comparable companies, the awards given to management in prior years and the outcome of any applicable “Say-on-Pay” vote. The Chairperson of the Committee shall be responsible for communicating to the Chief Executive Officer the evaluation of the performance the Chief Executive Officer and the level of compensation approved for the Chief Executive Officer. The CEO may not be present during voting or deliberations on his or her compensation.

F. *Employment Terms; Post-Service Arrangements.* The Committee shall evaluate the employment terms and post-service arrangements and benefits of the Chief Executive Officer and senior executives and their reasonableness in light of practices at comparable companies and any benefits received by the Company in connection with such arrangements.

G. *Incentive Compensation Plans.* The Committee shall make recommendations to the Board, and, where appropriate or required, the stockholders of the Company, with respect to the establishment and terms of incentive compensation plans and equity-based plans and shall administer such plans with such authority and powers as are set forth in the respective plans’ instrument, including but not limited to establishing performance metrics and determining any awards to be granted to management under any such plan implemented by the Company. The Committee shall consider the appropriateness of clawback provisions pursuant to the Company’s plans.

H. *Appointment and Monitoring of Named Fiduciaries; Oversight of Employee Benefits Committee.* With respect to any funded employee benefit plan covering employees of the Company, or its subsidiaries, subject to the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974, the Committee shall have the authority to appoint and terminate the named fiduciary or named fiduciaries of such plan and shall monitor their performance, unless such fiduciaries are specified in the constituent plan documents. The Committee shall appoint and oversee a committee comprised of officers, directors and/or employees of the Company to administer U.S. and foreign defined contribution, defined benefit, and other pension and benefit plans as may be provided in plan documentation or otherwise (the “Employee Benefits Committee”). The Employee Benefits Committee shall report to the Committee as the Committee shall request.

I. *Evaluation of Compensation Program.* The Committee shall evaluate on a periodic basis the operation of the Company’s compensation program and, if necessary, shall recommend to the Board steps to modify compensation programs that provide benefits or payments that are not reasonably related or are disproportionate to the benefits received by the Company.

J. *Management Perquisite Policies.* The Committee shall establish and review periodically policies with respect to management perquisites.

K. *Review of Compensation Discussion and Analysis; Compensation Disclosures; Committee Report; Compensation Risk Management.* The Committee shall (i) review the Compensation Discussion and Analysis section proposed for inclusion in the Company’s Annual Report on Form 10-K or annual proxy statement and the related tabular and other disclosures

about director and executive compensation; (ii) discuss the Compensation Discussion and Analysis section with management and recommend to the Board whether such section should be included in the Annual Report or proxy statement; (iii) furnish for inclusion in such Annual Report or proxy statement its report with respect to such discussion and recommendation as required by applicable law; and (iv) evaluate periodically, but not less frequently than annually, whether the risks arising from the Company's compensation policies and practices for its employees are reasonably likely to have a material adverse effect on the Company and review any disclosure related thereto that is required in the Company's Annual Report or proxy statement.

L. *Compensation Consultant Conflicts of Interest.* The Committee shall evaluate whether any compensation consultant retained or to be retained by the Committee poses a conflict of interest under the applicable rules of the Securities and Exchange Commission and address any such conflict as required.

M. *Executive Talent Development.* The Committee shall oversee the Company's processes and procedures for the evaluation and development of executive talent and shall report to the Board on such matters in support of the Board's oversight of the Company's succession planning.

N. *Director Compensation and Perquisites.* The Committee shall advise the Board with respect to proposed changes in Board or Committee compensation, as well as director retirement programs and perquisites. In considering director compensation and perquisites, the Committee may take into consideration the relative responsibilities of directors in serving on the Board and its various Committees.

O. *Stock Ownership Guidelines.* The Committee shall review periodically from time to time any stock ownership guidelines applicable to directors and management and shall recommend to the Board revisions to any such guidelines as appropriate.