



MONY GROUP PLC (the "Company")

TERMS OF REFERENCE FOR THE RISK AND SUSTAINABILITY COMMITTEE

1. CONSTITUTION

- 1.1 The Risk and Sustainability Committee (the "**Committee**") has been established by resolution of the Board of Directors of the Company (the "**Board**").
- 1.2 The Committee has the delegated authority of the Board in respect of the functions and powers set out in these terms of reference.

2. MEMBERSHIP

- 2.1 The Board shall appoint the chair of the Committee (the "**Chair**") who shall be an independent Non-Executive Director.
- 2.2. The members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee, in consultation with the Chair.
- 2.3. The Committee shall consist of at least three members, all of whom shall be Independent Non-Executive Directors. The Chair of the Audit Committee shall be a member of the Committee.
- 2.4. At least one member of the Committee shall have appropriate knowledge, skills and expertise to fully understand risk appetite and strategy. The Committee as a whole shall have competence relevant to the sector in which the Company operates.
- 2.5. Appointments to the Committee shall be for a period of up to three years, which may be extended by no more than two additional three-year periods, provided the Non-Executive Director still meets the criteria for membership of the Committee.
- 2.6. In the absence of the Chair and/or an appointed deputy, the remaining members present at a Committee meeting shall elect one of themselves to chair the meeting.
- 2.7. The Board shall regularly review the membership of the Committee to ensure that membership is refreshed, and undue reliance is not placed on particular individuals.

3. QUORUM

- 3.1. The quorum necessary for the transaction of business shall be two members present in person or by audio or video conference.
- 3.2. A duly convened Committee meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

4. ATTENDANCE AT MEETINGS

- 4.1. Only members of the Committee are entitled to be present or vote at a meeting of the Committee. However, other individuals may be invited to attend by the Chair for all or part of any meeting, as and when appropriate and necessary.
- 4.2. Without prejudice to the foregoing provision the Chief Financial Officer and Chief Risk Officer shall be expected to attend on a regular basis and other individuals, such as the Chair of the Board, Chief Executive Officer, General Counsel and Company Secretary,

Head of Internal Audit and external advisors, will be invited to meetings on a regular basis.

5. SECRETARY

- 5.1. The Company Secretary (or their nominee) shall act as the secretary of the Committee (the "**Secretary**") and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.
- 5.2. The Secretary shall keep a record of the membership, and the dates of any changes to the membership, of the Committee.

6. FREQUENCY OF MEETINGS

- 6.1. The Committee shall meet at least three times a year at appropriate times and otherwise as required.

7. PROCEEDINGS

- 7.1. Unless varied by these terms of reference, meetings and proceedings of the Committee will be governed by the provisions of the Company's Articles of Association ("**Articles**") regarding the meetings and proceedings of Directors.
- 7.2. The Articles provide, amongst other things, that meetings may be held by telephone or video conference and a quorum shall be deemed to be present if at least the number of Committee members required to form a quorum participates by telephone or video conference.
- 7.3. Meetings of the Committee shall be called by the Secretary at the request of the Chair or any member thereof.
- 7.4. Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and relevant supporting papers, shall be made available to each member of the Committee and any other person required to attend no later than 48 hours prior to the date of the meeting.
- 7.5. The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The Secretary shall record the proceedings and decisions of the Committee, including the names of those present and in attendance. The Secretary shall circulate the draft minutes of such meetings to all members of the Committee promptly. Once agreed, the minutes shall be circulated by the Secretary to all members of the Board, unless, exceptionally, the Committee decides it would be inappropriate to do so.
- 7.6. Although normally decisions are reached on a consensus, in the event of a disagreement, decisions on any matter are made by the majority, with the Chair having the casting vote in the event of a tie. A Committee member who remains opposed to a proposal after a vote is taken can ask for his or their dissent to be noted within the minutes.
- 7.7. The Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

8. AUTHORITY

The Committee is authorised to:

- 8.1. Request the attendance of any employee at a meeting of the Committee and/or seek any information it requires from any employee of the Company in order to perform its duties;
- 8.2. Delegate any matter or matters to another Committee or person(s) at it deems appropriate; and
- 8.3. Obtain at the Company's expense, independent legal or other professional advice on any matter within its terms of reference if it considers it necessary.

9. DUTIES

- 9.1. The Committee should have oversight of the Group as a whole and, unless required otherwise by regulation, carry out the duties below for the parent company, major subsidiary undertakings and the Group as a whole, as appropriate.

9.2. Risk appetite, tolerance and strategy

The Committee shall:

- 9.2.1. Advise the Board on the Company's overall risk appetite, tolerance and strategy, and the principal risks the Company is willing to take in order to achieve its long-term strategic objectives; and
- 9.2.2. Advise the Board on the likelihood and the impact of significant current and emerging risks materialising, and the management and mitigation of those risks to reduce the likelihood of their incidence or their impact.

9.3. Narrative reporting

The Committee shall carry out the following duties to assist the Board in fulfilling its reporting responsibilities in the annual report:

- 9.3.1. Monitor and review the effectiveness of the Company's risk management and internal control framework, to include all material controls, including financial¹, operational, reporting and compliance controls;
- 9.3.2. A declaration of the effectiveness of the material controls as at the balance sheet date;
- 9.3.3. Review the Company's procedures to manage or mitigate significant risks and to identify emerging risks, to assist in the Board's assessment of current and emerging risks;
- 9.3.4. Review and evaluate the Company's principal risks, to be taken into account by the Board when assessing the Company's prospects; and
- 9.3.5. Review and approve the statements to be included in the annual report and accounts concerning internal controls and risk management.

9.4. Internal controls and risk management systems

The Committee shall oversee and seek suitable assurance regarding:

¹ Assurance over Financial controls is conducted by the Audit Committee.

- 9.4.1. The significant risk exposures of the Company, including risk to the Company's business model, future performance, and operational and compliance risks;
- 9.4.2. The adequacy and effectiveness of the Company's processes and procedures to manage risk and the internal control framework, including the design, implementation and effectiveness of those systems;
- 9.4.3. The ability of the Company's risk management and internal control systems to identify the risks facing the Company and enable a robust assessment of principal and significant risks;
- 9.4.4. The Company's capability to identify and manage new and emerging risks;
- 9.4.5. The effectiveness and of particular controls;
- 9.4.6. The effectiveness of management's processes for monitoring and reviewing the effectiveness of risk management and internal control systems and ensuring corrective action is taken where necessary;
- 9.4.7. The Company's ability to reduce the likelihood of significant risks materialising and the impact on the business of risks that do materialise;
- 9.4.8. The Chief Risk Officer's right of direct access to the Chair of the Board and to the Committee;
- 9.4.9. The appropriateness of the Company's values, culture and reward systems for the Company's internal control and risk management system, and the extent to which these have been embedded throughout the Company; and
- 9.4.10. Ensure that relevant disclosures are given in the Board report as to the Company's risk management and strategy in relation to financial instruments.

9.5. **Sustainability Framework**

The Committee shall undertake the following duties in relation to the Group's Sustainability Framework and Strategy: including related targets, metrics and reporting as follows:

- 9.5.1. Review, challenge and oversee the content of and approach to the Company's Sustainability Framework and Strategy, taking into account the Group's purpose, culture and values and recommend the same for Board approval;
- 9.5.2. Review the Company's execution of its Sustainability Framework and Strategy via reporting from the Sustainability Steering Committee and Executive Risk & Sustainability Committee, including KPIs and related targets, and provide updates and assurance to the Board on the same;
- 9.5.3. Oversee plans to set, report and achieve science-based targets related to carbon emissions;
- 9.5.4. Review the extent and effectiveness of the Group's external reporting of sustainability performance and participation in relevant external benchmarking indices as assessed by third party ratings agencies;

- 9.5.5. Oversee the Company's approach to external communications relating to sustainability and ensure a good dialogue with the Company's shareholders on sustainability matters is maintained;
- 9.5.6. Ensure that the Committee and the Board are kept up to date regarding any regulatory changes in relation to sustainability which impact the business of the Group and its Sustainability Framework;
- 9.5.7. Monitor developments and emerging best practice in approaches to sustainability and provide insights against the Company's strategy, including the appropriateness of the Group's position on relevant emerging sustainability issues; and
- 9.5.8. Monitor and review changes in the Company's reputation and its stakeholders' expectations on sustainability, and ensure the Board is kept appropriately informed.

10. REPORTING RESPONSIBILITIES

- 10.1. The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 10.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 10.3. The Committee shall compile a report of its activities to be included in the Company's annual report, which shall include:
 - 10.3.1. Describing the work of the Committee;
 - 10.3.2. Details of the membership of the Committee, number of meetings held and attendance over the course of the year;
 - 10.3.3. How the Committee's performance evaluation has been conducted;
 - 10.3.4. The significant issues that the Committee considered and how these have been addressed;
 - 10.3.5. Confirmation that the Board has carried out a robust assessment of the emerging and principal risks facing the Company, a description of those risks, what procedures are in place to identify emerging risks and an explanation as to how they are being managed and mitigated;
 - 10.3.6. All other information requirements set out in the UK Corporate Governance Code; and
 - 10.3.7. Any other issues on which the Board has requested the Committee's opinion.

11. RELATIONSHIP WITH AUDIT COMMITTEE

- 11.1. Where there is any overlap between the responsibilities of the Risk Committee and those of the Audit Committee of the Company, the respective chair of the committees shall have the discretion to agree the most appropriate committee to fulfil any obligation.

- 11.2. Any obligation which falls under the terms of reference of the Committee will be deemed by the Board to have been fulfilled providing that it is dealt with by either the Committee or the Audit Committee.

12. CHIEF RISK OFFICER

The Committee shall:

- 12.1. Review all reports from the Chief Risk Officer and monitor the response of the executive management to all the Chief Risk Officer's findings and recommendations;
- 12.2. Ensure that the Chief Risk Officer is given all information rights necessary to fulfil the role; and
- 12.3. Recommend the appointment and removal of the Chief Risk Officer to the Board and review the Chief Risk Officer's performance.

13. OTHER MATTERS

The Committee shall:

- 13.1. Have access to sufficient resources in order to carry out its duties, including access to the Governance team for advice and assistance as required;
- 13.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- 13.3. Satisfy itself that the risk function has resources which are satisfactory for it to fulfil its responsibilities;
- 13.4. Give due consideration to all relevant laws and regulations, the provisions of the Code and published guidance, the requirements of the FCA's Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate;
- 13.5. Oversee any investigation of activities which are within its terms of reference;
- 13.6. Work and liaise as necessary with all other Board committees ensuring interaction between committees and with the Board is reviewed regularly, taking account of the impact of risk management and internal controls on the work of other committees;
- 13.7. Ensure that a period evaluation of the Committee's performance is carried out; and
- 13.8. At least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

14. ANNUAL GENERAL MEETING

- 14.1. The Committee Chair should attend the annual general meeting to answer any shareholder questions on the Committee's activities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibilities.

Date of approval
December 2024

Date of next review
December 2025