

1. Membership

- 1.1** Members of the Committee shall be appointed by the Group Board, on the recommendation of the Group Nomination and Governance Committee in consultation with the Chair of the Committee. The Committee shall be made up of at least three members.
- 1.2** The majority of members of the Committee shall be independent non-executive directors and may include the Chair of the Board.
- 1.3** Any member of the Group Board of Directors is able to attend Committee meetings. However, usually meetings will be attended only by Committee members. Other individuals such as the Chief Financial Officer, Chief Executive Officer, Chair of the Group Board, Chief Risk Officer, the Heads of Compliance and Internal Audit and representatives from within the Group may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 1.4** The Group Board shall appoint the Committee Chair who shall be an independent non-executive director. In the absence of the Committee Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.

2. Secretary

- 2.1** The Company Secretary or their nominee shall act as the Secretary of the Committee 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.

3. Quorum

- 3.1** The quorum necessary for the transaction of business shall be two members. A duly convened meeting of the Committee 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. Frequency of Meetings

- 4.1** The Committee shall meet at least four times a year at appropriate times, and otherwise as required.

5. Notice of Meetings

- 5.1** Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Chair of the Group Risk Committee or any of its members, or at the request of the Group Heads of the Risk or Compliance functions, if they consider it necessary.

5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date of the meeting, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees, as appropriate, at the same time.

6. Minutes of Meetings

6.1 The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

6.2 The Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

6.3 Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee. The minutes and papers for each Committee meeting shall be made available to all other members of the Group Board, unless it would be inappropriate to do so.

7. Annual General Meeting

7.1 The Chair of the Committee should attend the Annual General Meeting to answer shareholder questions on the Committee's activities. In addition, the Committee Chair should support engagement with stakeholders, including shareholders, where appropriate on significant matters related to the Committee's areas of responsibility, in consultation with the Group Board Chair.

8. Duties

The Committee should carry out the duties below for the Group, as appropriate.

8.1 Risk Management Framework

8.1.1 Oversee the development, implementation and maintenance of the Group's overall risk management framework and mitigation strategies, and ensure these are in line with emerging regulatory, corporate governance and best practice guidelines.

8.1.2 Recommend to the Group Board the Group's overall risk management strategy including periodic assessment of its effectiveness.

8.1.3 Periodically review an assessment of the Group's risk culture.

8.1.4 Risk identification: Periodically review the Group's risk taxonomy (the Group Risk Universe), its Principal Risks and Uncertainties ("PR&Us") and the Top Risks it believes could significantly impact or affect the successful achievement of the Group's strategic direction. A particular focus should be given to cyber risks.

8.1.5 Recommend to the Group Board for approval for inclusion in the Annual Report and Accounts a statement confirming that a robust assessment of the principal risks facing the Group has been carried out, including those that would threaten its business model, future performance, climate-related risks, solvency or liquidity. The Committee should confirm in the Annual Report and Accounts that it has completed this assessment, including a description of the Group's PR&Us, what procedures are in place to identify emerging risks, notable risk drivers impacting the Group's principal risks and an explanation of how these are being managed and mitigated.

- 8.1.6** Review risks related to major new strategic and product initiatives, as identified by the triggers articulated in the Risk Opinions Procedure Document.
- 8.1.7** Periodically review emerging risk developments, both in summary and in the form of “deep dives”, where appropriate.
- 8.1.8** Consider and recommend to the Group Board for approval the Group’s risk appetite, including any changes to risk appetite for each material type of risk faced by the Group.
- 8.1.9** Regularly review risk acceptance decisions to ensure that actions are being taken as soon as possible to return the area to within risk appetite.
- 8.1.10** Monitor compliance with the Group’s risk management strategy, risk appetite and risk policies, and satisfy itself that action plans to address significant breaches are in place. Where a breach of key risk indicator (“KRI”) trigger and/or limit is identified, the Committee will oversee the action taken by management in accordance with the Group Risk Management Policy and Group Risk Appetite Statement.
- 8.1.11** Oversee the Group’s approach to operational resilience, including the identification of risks, definition of impact tolerances for intolerable harm, and ensuring that appropriate measures are in place to prevent, withstand and recover from disruption.
- 8.1.12** Review an annual gap analysis between the Group’s key risks (PR&Us and key level 1 and 2 risks within the Group Risk Universe) and Group Policy suite, including the proposed means of mitigating any gaps identified.
- 8.1.13** Monitor and review the Group’s risk exposures, both gross and net of controls/mitigation, with ultimate responsibility for determining the appropriateness of the internal control framework to mitigate risks.
- 8.1.14** Periodically review summary reports on significant breaches of regulations and risk events (including operational).
- 8.1.15** Review and discuss the Group Chief Risk Officer Report at each Committee meeting.
- 8.1.16** Review significant findings and recommendations of the internal auditors in risk management and related areas.
- 8.1.17** Review and approve a half-yearly proposal from the Group Chief Risk Officer outlining risk events that should be considered when determining the application of risk adjustment, malus and/or clawback to be applied to the performance objectives and remuneration arrangements. Once approved, this proposal is provided to the Group Remuneration Committee confirming the Committee’s view:
 - 8.1.17.1** The Committee’s review of the proposal will confirm that the events are complete and consistent, and have been described in accordance with the information that was reported to the Committee in the relevant period.
 - 8.1.17.2** The Committee’s review of the proposal will not include information relating to accountability. This may be requested by the Group Remuneration Committee separately from management.
- 8.1.18** Oversee major issues reported from the Risk Management Governance Structure, which is composed of the Group Assets and Liabilities Committee, Investment Committee, Group Governance Committee, subsidiary boards, risk committees (if applicable) and executive risk management committees.

- 8.1.19** Consider and approve the remit of the Group Risk function and ensure that it has adequate resources and appropriate access to information to enable it to perform its functions effectively. The Committee shall also ensure the function has adequate standing and is free from management or other restrictions. The reports associated with Internal Audit reviews of the Group Risk function shall be reviewed by the Committee.
- 8.1.20** Meet the Group Chief Risk Officer at least twice a year, without management being present, to discuss their remit and any issues arising from the risk reviews carried out. In addition, the Group Chief Risk Officer shall be given right of access to the Chair of the Group Board and to the Committee.
- 8.1.21** Approve the annual plan for the Group Risk function, including principal activities. The progress against the plan is reviewed on a quarterly basis. The approval of the Committee will be sought for any changes to the plan.
- 8.1.22** Review the annual Consolidated Assurance Plan.

8.2 Prudential Risk

- 8.2.1** Review and monitor the Group's current and future prudential risk exposure via the Risk Management Information.
- 8.2.2** In respect of the Own Risk and Solvency Assessment ("ORSA") process:
 - 8.2.2.1** Review the ORSA Policy prior to Group Board approval, challenge and oversee how the process is designed and implemented, review and challenge the results and the verification of how the process was executed.
 - 8.2.2.2** Challenge, during the ORSA process, the identification and assessment of risks, giving direction on management actions to be taken if certain risks materialise, and challenge the assumptions behind the calculation of the Solvency Capital Requirement.
 - 8.2.2.3** Oversee and challenge the design and execution of the Group's stress and scenario testing, to understand under what situations the Group would fail, taking account of the current and prospective macroeconomic and financial environment. Be satisfied with the level of current mitigation and what actions would be taken if such circumstances occurred.
- 8.2.3** Review and approve the Group Stress and Scenario Testing Framework, to ensure that there is a clear approach for governance, methodology and reporting of scenarios carried out across the business to test financial resilience under severe but plausible conditions.
- 8.2.4** Oversee and challenge the design and execution of the Group's capital policy setting process, including any changes to methodology and bases, giving due regard to the business strategy and risk tolerance. The Committee will review the Group's proposed final dividend payments.
- 8.2.5** Set a standard for the accurate and timely monitoring of any predictive models used with the assessment of the Group's capital requirement, and ensure that "use test" requirements for internal models are satisfied.
- 8.2.6** Review and approve the Group Reinsurance Policy and monitor adherence to this Policy via risk appetite and Risk Management Information.
- 8.2.7** Review and challenge the Group's progress to Admiral Internal Model ("AIM") implementation, including Model Governance Committee recommendations, relevant policies, model changes, review of the main decisions, judgements, limitations and results, and the feedback from independent validation, to support

recommendations to the Group Board. These responsibilities will persist as the programme progresses from the application process into business as usual once the regulators grant permission to use the AIM for setting regulatory capital.

- 8.2.8** Review the Terms of Reference for the Actuarial function and recommend their approval to the Group Board.
- 8.2.9** Review the Actuarial Function Reports in relation to the Adequacy of Reinsurance, the Underwriting Policy and Risk Management, and recommend their approval to the Group Board.
- 8.2.10** Provide oversight and challenge of due diligence on risk issues relating to material transactions and strategic proposals, ensuring the potential consequences of any such transactions are appropriately considered.
- 8.2.11** Review and challenge the Group Recovery Plan and recommend its approval to the Group Board.
- 8.2.12** Provide oversight and challenge of Solvent Exit Planning requirements related to the Group insurers.

8.3 Compliance, Conduct and Regulatory Risk

- 8.3.1** Consider and recommend for Group Board approval a risk appetite for conduct risk.
- 8.3.2** Consider and approve appropriate indicators of adherence to the conduct risk appetite.
- 8.3.3** Review and approve the compliance conduct risk framework on an annual basis.
- 8.3.4** Review and monitor the Group's current and future conduct risk exposures via the Risk Management Information.
- 8.3.5** Consider and approve any changes to conduct risk indicators for principal conduct risks.
- 8.3.6** Reconfirm, on at least an annual basis, that the indicators continue to reflect the established conduct risk appetite and that the principal conduct risks identified remain appropriate.
- 8.3.7** Receive reports on the Group's adherence with the Financial Conduct Authority's ("FCA") Consumer Duty regulations and the outcomes being received by customers.
- 8.3.8** Review a summary of the Complaint Management Information and associated root cause analysis conducted by the business.
- 8.3.9** Review Compliance or Audit Reports escalated to the Committee that provide an opinion on the effectiveness of conduct risk controls within the business.
- 8.3.10** Review any significant conduct risk issues that have a material impact on the customers of the business.
- 8.3.11** Monitor and review the key conduct risk concerns of the regulator and any business participation in thematic reviews.
- 8.3.12** Provide an opinion on any product developments of sufficient materiality to warrant the Committee's oversight as escalated by relevant Group functions and/or subsidiary boards.
- 8.3.13** Monitor and review the effectiveness of the Group's compliance functions in meeting FCA and other regulators' requirements, with particular reference to conflict of interest, customer outcomes conduct risk,

rule breaches, compliance assurance and complaints. Whilst also monitoring management's responsiveness to findings and recommendations of the Group-wide compliance reviews.

- 8.3.14** Consider and approve the remit of the Group's compliance functions and ensure they have adequate resources and appropriate access to information to enable them to perform their functions effectively. The Committee shall also ensure the functions have adequate standing and are free from management or other restrictions. The reports associated with Internal Audit reviews of the Group Compliance function shall be reviewed by the Committee.
- 8.3.15** Review and approve the annual Group Compliance Plan.
- 8.3.16** Review reports from Group Compliance incorporating updates from the subsidiary compliance functions.
- 8.3.17** Meet the Group Head of Compliance at least once a year, without management being present, to discuss their remit and any issues arising from the compliance reviews carried out. In addition, the Group Head of Compliance shall be given the right of direct access to the Chair of the Group Board and to the Committee.

8.4 Financial Crime

- 8.4.1** Review the Company's systems and controls for the prevention of bribery and corruption and receive periodic reports on the topic.
- 8.4.2** Review the adequacy and effectiveness of the Group's financial crime systems and controls and receive reports from the Money Laundering Reporting Officer.
- 8.4.3** Review material financial crime breaches and instances of tax evasion.
- 8.4.4** Where the Committee identifies any matters in relation to the above that it deems material, the Committee will report on these matters to the Group Audit Committee.
- 8.4.5** The Committee shall provide a summary of its activities in relation to financial crime to the Group Audit Committee on a half-yearly basis (as part of the half and full year reporting).

8.5 Data

- 8.5.1** Review the adequacy and effectiveness of the company's data protection systems and controls, and receive reports from the Group Data Protection Officer.
- 8.5.2** Review the adequacy and effectiveness of the company's artificial intelligence ("AI") and data governance.
- 8.5.3** Updates shall be provided to the Committee on a half-yearly basis and interim key updates will be provided by the Group Chief Risk Officer Report.
- 8.5.4** The Committee shall provide a summary of its activities in relation to data protection to the Group Audit Committee on a half-yearly basis (as part of the half and full year reporting).

8.6 Climate Risk

- 8.6.1** Oversee that climate and sustainability risks (including physical, transition and liability risks) are integrated into the Group's risk management framework, risk appetite, stress and scenario testing and emerging risk processes.

- 8.6.2** Oversee the progress towards the business' "net zero" targets through the implementation of the Net Zero Transition Plan and other relevant subsidiary initiatives. In addition, assess the risks involved in meeting these targets and the impact they may have on the Group's business strategy.
- 8.6.3** Oversee that risk management processes are aligned to climate risk regulations and industry standards.
- 8.6.4** Review the appropriateness of climate-risk-related external disclosures consistent such as the Task Force on Climate-Related Financial Disclosures (TCFD).
- 8.7** **Group Internal Controls**
- 8.7.1** Annually review and approve the Group Control Requirements Framework. The Committee will be provided with updates on the application of the Group Control Requirements Framework in the Reading Room for reference.
- 8.8** **Remuneration**
- 8.8.1** At least on a three-yearly basis, review and provide feedback to the Group Remuneration Committee on the Directors Remuneration Policy (draft). The GRCs review of the draft policy will consider whether the Policy evidences regard for and alignment to the risk appetite of the Company.
- 8.8.2** Review and provide feedback to the Group Remuneration Committee, on a half yearly basis, regarding the appropriateness of the formulaic calculations utilised in determining remuneration adjustments. The Committee will consider the appropriateness of calculation by considering its implications for risk management and compliance. Such considerations, where appropriate, will apply to the financial and non-financial metrics.
- 8.8.3** The Committee shall meet with the Group Head of Reward at least once a year to evaluate and agree the remuneration package for the Group Chief Risk Officer, on the recommendation of the Group Chief Executive Officer.
- 8.9** **Reporting Responsibilities**
- 8.9.1** The Committee Chair shall report formally to the Group Board on its proceedings after each meeting on all matters within its duties and responsibilities. Meeting minutes will also be provided to the Group Board when approved.
- 8.9.2** A summary report of key points of discussion will be provided to the Group Board, together with a summary of the Group CRO Report, the Group Compliance Report and any risk reviews relating to major strategic and product initiatives.
- 8.9.3** The Committee shall provide advice and feedback to the Group Remuneration Committee in accordance with its responsibilities outlined in paragraphs 8.1.15, 8.2.12, 8.2.13 and 8.2.14.
- 8.9.4** The Committee shall make whatever recommendations to the Group Board it deems appropriate on any area within its remit where action or improvement is needed.
- 8.9.5** The Committee shall compile a report of its activities to be included in the Group Annual Report, describing the work of the Committee.
- 8.9.6** As part of informing the Group Audit Committees view of the Annual Report and Accounts the Committee Chair is responsible for providing a report at least annually (or more frequently if requested) to the Group Audit Committee on the following to facilitate their recommendation of the Annual Report and Accounts to

the AGp Board. This includes providing the Group Audit Committee with the relevant draft disclosure, and an overview of the supporting evidence that enable the Directors to be comfortable in approving the disclosures:

- 8.9.6.1** Confirmation that a robust assessment of the emerging and principal risks, as well as key risk drivers, to the Group has been undertaken (including those risks that would threaten its business model, future performance, solvency or liquidity).
- 8.9.6.2** The effectiveness of the Group's risk management systems and internal control frameworks, as well as the effectiveness of the Group's material controls as at the balance sheet data. Where a material control has not operated effectively as at the balance sheet date, a description should be provided, along with the action taken/proposed and any action taken to address previously reported issues.
- 8.9.6.3** The annual viability statement, taking account of the Group's position and principal risks, confirmation of how the Group's prospects have been assessed, over what period and why the period is regarded as appropriate. The Committee shall also advise on whether there is a reasonable expectation that the Group will be able to continue to meet its liabilities as they fall due over the said period, drawing attention to any qualifications or assumptions as necessary.
- 8.9.6.4** Whether any risks are sufficient, in certainty and/or materiality, to have affected the Group's judgment as a going concern.
- 8.9.6.5** Advise the Group Audit Committee of the risk implications of any material transactions and strategic proposals that are being reported on in the Group's Annual Report and Accounts.

8.10 Other Matters

- 8.10.1** The Committee shall have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required.
- 8.10.2** The Committee shall have access to appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 8.10.3** The Committee shall give due consideration to relevant laws and regulations, the provisions of the UK Corporate Governance Code and published guidance, the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other applicable rules, as appropriate.
- 8.10.4** The Committee shall oversee any investigation of activities which are within its terms of reference.
- 8.10.5** The Committee shall work and liaise, as necessary, with all other Group Board Committees and relevant local entity committees ensuring that interaction between the Committees and the Group Board is reviewed regularly, taking particular account of the impact of risk management and internal controls on the work of other Committees.
- 8.10.6** The Committee shall arrange for periodic reviews of its own performance and, 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 Group Board for approval.

9. Authority

- 9.1** The Committee is authorised to seek any information it requires from any employee of the Group in order to perform its duties.

- 9.2** The Committee is authorised to request the attendance of any employee at a meeting of the Committee and/or seek any information it requires from any employee in order to perform its duties.
- 9.3** The Committee is authorised to obtain, at the Group’s expense, independent legal or other professional advice on any matter within its terms of reference if it believes it necessary to do so.
- 9.4** To the extent that a significant matter cannot be agreed by the Committee such matters will be referred to the Group Board.

10. Policies

- 10.1** The Committee is required to provide effective oversight of the below policies. Oversight is primarily comprised of (i) the Committee’s annual or two-yearly review of the policy refresh (and approval (A) or recommendation to the Group Board (RBA), as appropriate), and (ii) consideration of the Policy Owner’s half-yearly assessment of adherence to the policy requirements (provided by the Policy Owner and recommended by the relevant Group Management Committee):

Policies	
Artificial Intelligence (AI) Policy (A)	Business Continuity Policy (A)
Conduct Risk and Compliance Policy (A)	Data Governance and Quality Policy (A)
Data Protection Policy (A)	Financial Crime and Anti-Bribery Policy (A)
Operational Claims Policy (A)	Procurement and Third-Party Management Policy (A)
Reinsurance Policy (A)	Reputational Risk Policy (A)
Risk Management Policy (A)	Solvency UK/II Data and Systems Policy (A)
Sustainability Policy (A)	Technology and Information Security Policy (A)
Underwriting Risk and Pricing Policy (A)	Volatility Adjustment Policy (A)
Capital Management Policy (RBA)	Entity Conflict of Interest Policy (RBA)
Executive and Non-Executive Directors Conflict of Interest Policy (RBA)	Materiality Policy (RBA)
Model Change Policy (RBA)	Model Governance Policy (RBA)
ORSA Policy (RBA)	Remuneration Policy (recommend to the Group Remuneration Committee)
Validation Policy (RBA)	