



Phoenix Group Holdings plc

Sustainability Committee Terms of Reference

Date of adoption:
5 February 2025

Purpose

The Sustainability Committee is responsible for but not limited to:

1. Purpose	<ul style="list-style-type: none">Assist the Board in overseeing the Group's Sustainability Strategy, related activity and approach to ESG related matters.
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Membership & Attendance

2. Chair	<ul style="list-style-type: none">The Chair shall be appointed by the Board on recommendation of the Nomination Committee.In the absence of the Chair, the members shall elect one of themselves to be the Chair for the meeting.
3. Members & Attendees	<ul style="list-style-type: none">Committee members appointed by the Board on the recommendation of the Nomination Committee.At least three members comprising of Independent Non-Executive Directors of the Board (INEDs).Appointments to the Committee shall be for a period of up to three years, which may be extended for two further three-year periods, provided that the majority of Committee members remain independent.Only Committee members have the right to attend meetings.Others may attend by invitation, including but not limited to:<ol style="list-style-type: none">Group Chief Executive Officer;Director of Corporate Affairs and Brand;Chief Sustainability Officer; andMembers of Management and any advisers appointed by the Committee.
4. Committee Secretary	<ul style="list-style-type: none">Group Company Secretary or a nominee.

Meeting Management & Governance

5. Frequency & Format	<ul style="list-style-type: none">The Committee shall meet at least four times annually and ad hoc as required at the request of the Committee Chair or two members.
	<ul style="list-style-type: none">Notice of each meeting confirming the venue, time, and date together with an agenda of items and supporting papers to be discussed, should be forwarded to the Board and any other person required to attend at least five days before the meeting (unless otherwise agreed, in which case the number of days should not be less than three).
	<ul style="list-style-type: none">Members should attend in person (where possible), or via video conferencing or telephone. If required, matters may be approved by written resolution or electronically.
	<ul style="list-style-type: none">The Secretary will minute the proceedings and resolutions of all Committee meetings. Once approved by the Chair, minutes to be circulated promptly to members.
6. Quorum	<ul style="list-style-type: none">Two members shall constitute a quorum.

7. Conflicts of Interest	<ul style="list-style-type: none"> Members of the Committee shall declare any conflicts of interest prior to participating in meetings and any such conflicts to be declared and noted in the Committee minutes.
8. Independent Advice	<ul style="list-style-type: none"> In addition to having access to the services of the Group Company Secretary and external advisors of PGH, Directors may seek independent advice in connection with their duties at the expense the Company and invite those persons to attend meetings of the Committee.
9. Delegation of Authority	<ul style="list-style-type: none"> The Committee is authorised by the Board to undertake any activity within its terms of reference and seek any information from any employee or subsidiary company as and when required.

Duties & Responsibilities

10. The duties and responsibilities of the Committee are as follows:

Sustainability Strategy and Framework

- 10.1 Review, challenge, oversee and recommend to the Board for APPROVAL the Sustainability Strategy. Ensure that this strategy is effective, aligned with prevailing regulations and good practice, and integrated into the Group's business plan, strategy, purpose, culture and values.
- 10.2 Review, robustly challenge and oversee progress against the Sustainability Strategy (including associated Key Performance Indicators ('KPIs'), targets and metrics) and related management initiatives to ensure coherent and consistent approach is adopted across the Group.
- 10.3 Drive a consistent approach to the execution of, and ensure embedding of, the Sustainability Strategy across the entire Group.
- 10.4 Challenge the balance of non-financial targets and commitments within the Sustainability Strategy with the delivery of financial value for shareholders and other stakeholders

Sustainability Disclosures

- 10.5 Review the content and integrity of the Group's sustainability reporting, including but not limited to the Group's Sustainability Report, Net Zero Transition Plan and TCFD disclosures - subject to the Board Audit and Board Risk Committees' respective duties to review and recommend such content for approval by the Board.
- 10.6 Review, robustly challenge and oversee progress against the Group's Net Zero Transition Plan (including associated KPIs, targets and metrics).

Culture

- 10.7 Support the Board in monitoring the culture of the Company and review reports and Management Information ('MI') relating to people and corporate culture, including reports from the Designated NED for Workforce Engagement, people strategy and Diversity, Equity and Inclusion ('DE&I').

Horizon Scanning

- 10.8 Keep up to date with sustainability best practice and thought leadership.
- 10.9 Consider the appropriateness of the Group's position on relevant existing and emerging sustainability related issues and trends.
- 10.10 Receive updates on and review compliance with material regulation and legislation on sustainability related issues (as appropriate)

Collaboration with the Board and Board Committees

10. The duties and responsibilities of the Committee are as follows:

- 10.11 Assist the Board Remuneration Committee in the exercise of its duties relating to the inclusion of appropriate sustainability related elements within the relevant parts of the Group remuneration framework.
- 10.12 Engage with the Board Audit and Risk Committees at least bi-annually to drive a consistent approach to Sustainability Reporting, having particular focus on climate risk and reporting.
- 10.13 Engage with the Board Nomination Committee in the exercise of its duties relating to diversity, equity and inclusion matters.
- 10.14 Engage with the Life Companies Board and Life Companies Board Investment Committee (as appropriate) in the exercise of their duties relating to the implementation of responsible investment strategy as part of the overall Sustainability Strategy.

Governance, Reporting and Other Procedures

- 10.15 Recommend to the Board for APPROVAL the Sustainability Committee Report which forms part of the PGH Annual Report and Accounts.
- 10.16 Recommend to the Board for APPROVAL the Sustainability Report, subject to the Board Audit and Board Risk Committees' respective duties to recommend such content for approval by the Board.
- 10.17 Review at least annually the Committee's Terms of Reference and recommend to the Board for APPROVAL as necessary.
- 10.18 Members shall undertake a review of the Committee's performance as part of the annual Board Evaluation process.
- 10.19 Delegate any of its powers to one or more of its members or the secretary of the Committee.
- 10.20 Have access to the Company Secretariat on all Committee matters.
- 10.21 Consider any other matters as may be requested by the Board.
- 10.22 Oversee any investigation of activities that are within the Terms of Reference.
- 10.23 The Committee Chair should report to the Board, matters reviewed and make the appropriate recommendations.
- 10.24 The Committee shall produce an annual report of its duties and activities for inclusion in the PGH Annual Report and Accounts.
- 10.25 Produce an annual report on the activities of the Committee against the Terms of Reference and all applicable laws, guidance and regulations of any market on which the Company's securities operate and are listed must be included.

Defined Terms

Board of Directors or Board	Board of Directors of the Company
Committee	Sustainability Committee
Company	Phoenix Group Holdings plc
DE&I	Diversity, Equity and Inclusion
Group	Phoenix Group Holdings plc and its subsidiaries
INED	Independent Non-Executive Director
KPIs	Key Performance Indicators
Life Companies	Phoenix Life CA Limited, Phoenix Life Limited, ReAssure Life Limited, ReAssure Limited and Standard Life Assurance Limited.
PGH	Phoenix Group Holdings plc
TCFD	Task Force on Climate-related Financial Disclosures