

**GENUIT GROUP PLC**

**RISK COMMITTEE – TERMS OF REFERENCE**

## GENUIT GROUP PLC (the "Company")

### RISK COMMITTEE - TERMS OF REFERENCE

#### CONSTITUTION

1. The Risk Committee (the "**Committee**") shall consist of a minimum of 3 members appointed by the Board of the Company (the "**Board**"), all of whom 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. Members of the Committee shall be appointed by the Board, on the recommendation of the Nomination Committee in consultation with the Chair of the Risk Committee. Appointments and membership shall be reviewed by the Board on an annual basis, to ensure that members still meet the criteria for membership of the Committee.
3. The Board shall appoint the Committee Chair. In the absence of the Committee Chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.
4. 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 and shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
5. The quorum for decisions of the Committee shall be any 2 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.
6. Only members of the Committee have the right to attend Committee meetings. It is for the Committee to decide if non-members should be invited to attend as and when appropriate. The Chair of the Audit Committee shall be invited to attend at least one meeting of the Committee each year.

## ROLE

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

### 7.1 Risk appetite, tolerance and strategy

The Committee shall:

- 7.1.1 advise the Board on the Company's overall risk appetite, tolerance and strategy, and the principal and emerging risks the Company is willing to take in order to achieve its long-term strategic objectives.
- 7.1.2 seek assurance on the risks the Company identifies as those to which the businesses may be exposed. The risks will be specific to the Company's sector, operations and circumstances.
- 7.1.3 advise the Board on the likelihood and the impact of principal risks materialising, and the management and mitigation of principal risks to reduce the likelihood of their incidence or their impact.

### 7.2 Narrative reporting

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

- 7.2.1 monitor and review the effectiveness of the Company's risk management and internal control systems;
- 7.2.2 review the Company's procedures to manage or mitigate principal risks and to identify emerging risks, to assist in the Board's assessment of principal and emerging risks;
- 7.2.3 review and assess the Company's climate related risks and opportunities in the context of the Task Force for Climate-related Financial Disclosures requirements or any updates thereto or variations thereof, to assist in the Board's assessment of climate related risk;
- 7.2.4 review and assess the Company's risk appetite and associated stress testing;
- 7.2.5 evaluate the Company's principal risks, to be taken into account by the

Board when assessing the Company's prospects; and

- 7.2.6 review and approve the statements to be included in the annual report concerning internal controls and risk management and climate related risks and opportunities.

### **7.3 Internal controls and risk management systems**

The Committee shall oversee and seek suitable assurance regarding:

- 7.3.1 the risk exposures of the Company, including risk to the Company's business model, and solvency and liquidity risks;
- 7.3.2 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;
- 7.3.3 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 risks;
- 7.3.4 the Company's capability to identify and manage new and emerging risks;
- 7.3.5 the effectiveness and relative costs and benefit of particular controls;
- 7.3.6 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 when necessary;
- 7.3.7 the Company's ability to reduce the likelihood of principal risks materialising and the impact on the business of risks that do materialise;
- 7.3.8 the appropriateness of the Company's behaviours and culture and reward systems for managing risk and internal controls, and the extent to which the culture and behaviours are embedded at all levels of the Company; and
- 7.3.9 the Committee Chair's right of direct access to the Chair of the Board.

### **7.4 Reporting responsibilities**

- 7.4.1 All proceedings of the Committee shall be reported formally to the Board by the Committee Chair at the Board meeting following each Committee

meeting. This shall include an update on all matters within its duties and responsibilities, and a summary of the decisions and approvals required by the Board, including supporting documentation, to enable to the Board to fulfil its responsibilities in relation to risk appetite, tolerance and strategy.

**7.4.2** The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

**7.4.3** The Committee shall compile a report on its activities to be included in the Company's annual report and accounts, describing the work of the Committee.

## **7.5 Other matters**

**7.5.1** The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required;
- (b) 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;
- (c) give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Financial Conduct Authority's Listing, Prospectus and Disclosure Guidance and Transparency Rules and any other applicable rules, as appropriate;
- (d) oversee any investigation of activities which are within its terms of reference;
- (e) 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 Board for approval; and
- (f) work and liaise as necessary with all other Board Committees ensuring interaction between Committees and with the Board is reviewed regularly, taking particular account of the impact of risk

management and internal controls on the work of other Committees.

## PROCEDURE

8. Meetings of the Committee shall be held not less than four times each year at appropriate intervals in the financial reporting cycle and at such other times as required.
9. At least 5 working days' notice of any meeting of the Committee shall be given, although such notice period may be waived or shortened with the consent in writing of all the members of the Committee for the time being. Notice of the meeting shall confirm the venue, time and date together with an agenda of items to be discussed. Notice shall be sent to each member of the Committee and any other person required to attend. Supporting papers shall be sent to Committee members and to other attendees as appropriate at the same time. Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.
10. The minutes of the meetings of the Committee shall be agreed with the Committee Chair and then circulated to all members of the Committee and, once agreed, to the Board..
11. The Chair of the Committee shall attend the Company's Annual General Meeting prepared to respond to any shareholder questions on the Committee and its activities and responsibilities. In addition, the Committee Chair should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.
12. The Committee is authorised:
  - 12.1 to investigate any activity within its terms of reference and seek directly any information it requires from any employee or contractor of the Company (all such persons being directed to co-operate with any such request by the Committee);
  - 12.2 to obtain outside legal or other independent professional advice at the cost of the Company to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary (but such persons shall not be members of the Committee);
  - 12.3 delegate any matter or matters to another committee or person(s) as it deems appropriate; and

- 12.4** to call any employee to be questioned at a meeting of the Committee as and when required.
- 13.** References in these terms of reference to the "**Group**" mean the Company, its subsidiaries and its subsidiary undertakings.

#### **APPROVAL**

- 14.** These terms of reference were adopted by the Board on 2 February 2024.

These terms of reference should be made available on the Company's website:  
[www.genuitgroup.com](http://www.genuitgroup.com)