

**JUST GROUP PLC (THE “COMPANY”)
GROUP AUDIT COMMITTEE TERMS OF REFERENCE**

Adopted by the Board on 4 March 2024

1. PURPOSE

- 1.1 The Just Group plc Audit Committee (the “**Committee**”) is constituted by the Board of Directors of the Company (the “**Board**”) and has been delegated the responsibility for overseeing the financial and solvency reporting and internal controls of the Company and its subsidiaries (collectively, the “**Group**”), and for maintaining an appropriate relationship with the external auditor of the Group.
- 1.2 The Board and the Committee note that two of the Company’s major subsidiaries, Just Retirement Limited (**JRL**) and Partnership Life Assurance Company Limited (**PLACL**) are insurance undertakings regulated by the Prudential Regulation Authority (the “**PRA**”) and as such are required to have their own audit committees (the “**JRL and PLACL Committees**”) in accordance with the PRA Rulebook capturing the requirements of article 39 of the Statutory Audit Directive. The JRL and PLACL Committees are responsible for overseeing the financial and solvency reporting and internal control framework of JRL and PLACL respectively. The JRL and PLACL Committees also have some responsibilities in respect of external and internal audit insofar as they relate to JRL and PLACL. The JRL and PLACL Committees are responsible to the Boards of JRL and PLACL but they shall also report into the Committee, where appropriate, on matters of mutual interest. This shall ensure that there is adequate co-operation within the Group as a whole to enable the Committee, the Board, the JRL and PLACL Committees and the JRL and PLACL Boards to discharge both their separate and their mutual responsibilities effectively and ensure that JRL and PLACL’s activities are aligned with the Company’s purpose, values and strategy.
- 1.3 These terms of reference replace any terms of reference for any audit committee of the Board adopted before the date above.

2. DUTIES OF THE COMMITTEE

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 (noting the exceptions set out in 1.2 above) and the Group as a whole, as appropriate.

Financial Reporting

- 2.1 The Committee shall:
- (a) monitor the integrity of the financial statements of the Company, including its annual and half-yearly reports, preliminary results announcements and any other formal statements relating to its financial performance, and review and report to the Board on significant financial reporting issues and judgements which those

statements contain having regard to matters communicated to it by the external auditor;

- (b) review the appropriateness and clarity of disclosures and compliance with financial reporting standards and relevant financial and governance reporting requirements including climate related disclosures in the annual and half-yearly reports;
- (c) review summary financial statements, significant financial returns to regulators, announcements and any other documents containing price-sensitive or otherwise significant financial information (where to carry out such a review is consistent with any prompt reporting requirements under any law or regulation including the Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook);
- (d) gain an understanding of the current areas of greatest financial risk and how these are being managed to ensure the accurate production of the annual report;
- (e) review and challenge significant accounting and reporting issues, including recent professional and regulatory pronouncements;
- (f) review management's process for ensuring that information contained in press announcements is consistent with published financial information;
- (g) meet with management, the external auditor and the Chief Actuary to review the financial statements, the key accounting policies and judgements, and the results of any audit;
- (h) ensure that significant adjustments, unadjusted differences, disagreements with management and critical accounting policies and practice are discussed with the external auditor; and
- (i) review the other sections of the annual report before its release and consider whether the information is understandable and consistent with members' knowledge about the business and its operations and lacks bias.

2.2 The Committee shall review and challenge where necessary in respect of the annual and half year financial statements:

- (a) the consistency of, and any changes to, accounting and treasury policies on a year on year basis, across the Company and the Group;
- (b) the methods used to account for significant or unusual transactions where different approaches are possible;
- (c) whether the Company has followed appropriate accounting policies and made appropriate estimates and judgements, taking into account the views of the external auditor; this will include review and approval of methods and assumptions for the valuation of assets and liabilities under IFRS for inclusion in the Company's annual report and accounts;
- (d) the clarity and completeness of disclosure in the Company's financial reports and the context in which statements are made;

- (e) all material information presented within the financial statements, such as the strategic report and the corporate governance statements relating to the audit and to internal control and risk management;
 - (f) decisions requiring a major element of judgement including significant adjustments arising from the audit;
 - (g) the appropriateness of adopting the going concern assumption, and identify any material uncertainties to the Company's ability to do so over a period of at least 12 months from the date of approval of the annual financial statements;
 - (h) management's assessment of the longer term viability of the business taking account of the current position and principal risks, and review the statement made on the viability assessment in the annual report; and
 - (i) the appropriateness of the accounting policies applied in the Company's and the Group's financial reports.
- 2.3 The Committee shall assess the effectiveness of the Company's financial reporting procedures.
- 2.4 Where the Committee is not satisfied with any aspect of the proposed financial reporting by the Company, it shall report its views to the Board.

Narrative Reporting

- 2.5 The Committee should review the content of the annual report and accounts and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Solvency and Solvency Reporting

- 2.6 The Committee shall:
- (a) receive reports from the Group Chief Actuary in relation to the Group's capital position, including key assumptions and material adjustments affecting the matching adjustment, risk margin, technical provisions and transitional measures, and on the Solvency Capital Requirement for inclusion in the Group's Solvency and Financial Condition Report (**SFCR**) submissions to the PRA (as reviewed by the JRL and PLACL Committees);
 - (b) review the calculation or recalculation of any Transitional Measures on Technical Provisions (**TMTPs**) in relation to those provisions, as reviewed by the JRL and PLACL Committees, and provide an additional review to ensure the calculations or recalculations are consistent with and appropriate for the solvency reporting of the Group as a whole;
 - (c) review any report on the basis of any proposals by management to recalculate any TMTPs of JRL or PLACL (to ensure continued compliance with those entities with the conditions set out in Regulation 54 of the Solvency II Regulations 2015 (SI 2015/575)), as reviewed by the JRL and PLACL Committees, and provide an additional review to ensure any proposals are consistent with and appropriate for the solvency reporting of the Group as a whole;

- (d) review the Group's SFCR and any other solvency reporting to the PRA if requested (for example Annual Quantitative Reporting Templates), reporting on its findings to the Board before the publication or submission to the PRA (as applicable) of those reports; and
 - (e) review the JRL and PLACL solvency reporting to the PRA (solo Annual Quantitative Reporting Templates), if requested by the JRL and PLACL Committees, the JRL and PLACL Boards, the Board or the Group Risk and Compliance Committee ("GRCC").
- 2.7 The Committee Chair shall provide to the PRA written confirmation of the outcome of the Committee's reviews under paragraph 2.6 in relation to the following:
- (a) that the numbers resulting from the calculation or recalculation of technical provisions in respect of any transitional measures, are suitable for use;
 - (b) that those numbers meet the requirements of any written notice issued by the PRA giving approval to the use of any transitional measure in relation to technical provisions; and
 - (c) that, in respect of any annual review of a transitional measure where no recalculation has been performed, there has been no material change to the risk profile of JRL or PLACL that would have required a recalculation and that the transitional measure has been appropriately reduced in line with the requirements of Solvency II.

Internal Audit

- 2.8 The Committee shall (noting the responsibility of the JRL and PLACL Committees for internal audit reports which are in relation to JRL and/or PLACL):
- (a) approve the appointment and removal of the Director of the internal audit function (**Director of Group Internal Audit**);
 - (b) consider and approve the remit, full budget and resources of the internal audit function. Ensure it has unrestricted scope, adequate resources and appropriate access to information to enable it to perform its function effectively and in accordance with the relevant professional standards, and that the function has adequate standing and is free from management or other restrictions;
 - (c) review and approve, at least annually, the internal audit charter ensuring it is appropriate for the current needs of the Group;
 - (d) review and approve the proposed internal audit plan for the coming year and ensure that it addresses key areas of risk and that there is appropriate co-ordination with the external auditor;
 - (e) receive and review regular reporting from the Director of Group Internal Audit on the results of the internal audit function's work and any other matters that require the attention of the Committee. Consider and agree any remedial action, where appropriate;
 - (f) ensure that Consumer Duty is being considered as a key focus in relevant aspects of the internal audit function's work;

- (g) review and monitor management's responsiveness to the findings and recommendations of the internal auditor and ensure that management's proposed responses are received, discussed and appropriately acted on;
 - (h) receive and review an annual report from Group Internal Audit on the operation of the Internal Control framework across the Group;
 - (i) monitor and assess the role and effectiveness of the Group's internal audit function in the context of the Group's overall risk management system and the work of Compliance, Finance and the external auditor;
 - (j) ensure the Director of Group Internal Audit has direct access to the Board Chair and to the Committee Chair, providing independence from management and accountability to the Committee;
 - (k) carry out an annual assessment of the effectiveness of the internal audit function to determine whether it is satisfied that the quality, experience and expertise of the internal audit function is appropriate for the business and to ensure that it has appropriate standing within the business and is free from management or other restrictions; and
 - (l) meet the Director of Group Internal Audit at least once a year, without management being present, to discuss their remit and any issues arising from the internal audit reviews carried out and give the Director of Group Internal Audit a right of direct access to the Committee.
- 2.9 The Chair of the Committee, with input from the Chief Executive Officer, shall be accountable for the setting and appraisal of the Director of Group Internal Audit's objectives and performance.
- 2.10 The Chair of the Committee will submit a written summary to the Remuneration Committee to feed into the determination of the functional bonus for Group Internal Audit. The Chief Executive Officer will make the final recommendation to the Remuneration Committee for the functional bonus to ensure consistency across the broader organisation.

External Audit

- 2.11 The Committee shall (noting the responsibility of the JRL and PLACL Committees in relation to the independence of the auditor, selection of the auditor and audit planning and the audit of JRL and PLACL):
- (a) consider and make recommendations to the Board, to be put to the shareholders for approval at the annual general meeting, in relation to the appointment, re-appointment, or removal of the Group's external auditor;
 - (b) develop and oversee the procedure for the selection of the external auditor in accordance with the applicable UK Corporate Governance Code 2018 and regulatory requirements, ensuring that all tendering firms have access to all necessary information and individuals during the tendering process;
 - (c) if an external auditor resigns, investigate the issues leading to this and decide whether any action is required;
 - (d) oversee the relationship with the external auditor, including (but not limited to):

- i) the negotiation and approval of their remuneration, whether fees for audit or non-audit services and ensure that the level of fees is appropriate to enable an effective and high quality audit to be conducted;
- ii) approval of their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit in light of the present circumstances of the business and changes in regulatory and other requirements;
- iii) reviewing on an annual basis the performance of the external auditor;
- iv) considering the auditors' own internal quality control procedures;
- v) assessing annually their independence and objectivity in accordance with paragraphs 2(3), 2(4), 3, 4(1), 4(2), 5 to 8 and 10 to 12 of Schedule 1 to the Statutory Auditors and Third Country Auditors Regulations 2016 (SI 2016/649) and Article 6 of the Statutory Audit Regulation, and in particular the suitability of the provision of non-audit services to the Company in accordance with Article 5 of the Statutory Audit Regulation;
- vi) reviewing and monitoring their expertise, resources, professional qualifications and objectivity, taking into account relevant legal, professional and regulatory requirements and the relationship with the external auditor as a whole;
- vii) satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the Group (other than in the ordinary course of business) which could adversely affect the external auditor's independence and objectivity;
- viii) agreeing with the Board a policy on the employment of former employees of the Company's external auditor, taking account of relevant ethical standards and legal requirements, and monitoring the application of this policy;
- ix) monitoring the auditor's processes for maintaining independence, its compliance with relevant law, relevant ethical standards and other professional requirements including guidance on the rotation of audit partners and staff;
- x) monitoring the level of fees paid by the Group compared with the overall fee income of the firm, office and partner and assess these in the context of relevant legal, professional and regulatory requirements, and ethical standards;
- xi) assessing annually their qualifications (including background and experience auditing personnel), expertise and resources, independence and the effectiveness of the audit process, taking into consideration relevant professional and regulatory requirements, which shall include a report from the external auditor on their own internal quality control procedures;
- xii) seeking to ensure coordination with the activities of the internal audit function; and

- xiii) evaluating the risks to the quality and effectiveness of the financial reporting process in the light of their communications with the Committee, and consideration of the need to include the risk of the withdrawal of the Company's present external auditor from the market in that evaluation;
- (e) meet regularly with the external auditor (including in private where necessary or requested by the external auditor), including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once a year without management being present, to discuss their remit and any issues arising from the audit;
- (f) discuss with the external auditor the factors that could affect audit quality and review, and review and approve the annual audit plan, ensuring that it is consistent with the scope of the audit engagement, having regard to the seniority, expertise and experience of the audit team;
- (g) review the findings of the audit with the external auditor, including but not limited to:
 - i) a discussion of any significant issues which arose during the audit;
 - ii) the external auditor's explanation of how the significant risks to audit quality were addressed;
 - iii) key accounting and audit judgements;
 - iv) the external auditor's view of their interaction with senior management;
 - v) the level of errors identified during the audit and obtaining explanations from management and (where necessary) the auditors as to why certain errors might remain unadjusted;
 - vi) the basis for the "going concern" assumption; and
 - vii) compliance with relevant financial reporting standards and relevant financial and governance reporting requirements;
- (h) ensure that significant findings and recommendations made by the external auditor and management's proposed response are received, discussed and appropriately acted on;
- (i) discuss any difficulties, reservations or other matters arising from the external auditors' audits (in the absence of management where necessary);
- (j) review any representation letter(s) requested by the external auditors before they are signed by management;
- (k) review the management letter and management's response to the external auditor's findings and recommendations;
- (l) assess the effectiveness and quality of the audit and audit process including the handling of key judgements by the external auditor and their response to questions from the Committee; and
- (m) develop, apply and keep under review a policy on the provision of non-audit services by the external auditor (including prior approval of non-audit services by

the Committee and specifying the types of non-audit service to be pre-approved, and assessment of whether non-audit services have a direct or material effect on the audited financial statements), taking into account any relevant ethical guidance on the matter. The Group policy on the use of the external auditors to provide non-audit services should include consideration of the following matters:

- (i) threats to the independence and objectivity of the external auditor and any safeguards in place;
- (ii) the nature of non-audit services;
- (iii) whether the external audit firm is the most suitable supplier of the non-audit service;
- (iv) the fees for the non-audit services, both individually and in aggregate, relative to the audit fee; and
- (v) the criteria governing compensation.

Internal Controls and risk management systems

2.12 The Committee shall, in relation to the Group as a whole:

- (a) keep under review the system of internal financial controls that identify, assess, manage and monitor financial risks and other internal controls;
- (b) receive regular reports from management on the operation of the financial control framework for controls over financial and solvency reporting;
- (c) review progress from management on the Chief Actuary's and external audit recommendations for improvements in financial controls; and
- (d) review and approve the statements to be included in the annual report and accounts and solvency reporting of the Group concerning internal controls and any viability statements.

Tax

2.13 The Committee shall review and approve the tax strategy of the Group for publication on the website on an annual basis.

Whistleblowing

2.14 The Committee shall review the adequacy and security of the Group's arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action.

2.15 The Chair of the Committee shall also act as the Whistle-blowers' Champion and has the responsibility for ensuring and overseeing the integrity, independence, autonomy and effectiveness of the Group's policies and procedures on whistleblowing including the Group Whistleblowing Policy.

2.16 The Committee shall review and approve the Group Whistleblowing Policy.

- 2.17 The Group Company Secretary shall act in support of the Chair of the Committee in the discharge of his or her responsibilities as Whistle-blowers' Champion, and shall be responsible for considering whether any relevant matter needs to be referred or escalated to the Committee.
- 2.18 The Chair of the Committee, in his or her capacity as Whistle-blowers' Champion, shall be responsible for dealing with any whistleblowing disclosures which represent a conflict for the Group Company Secretary. Where such a conflict exists, he or she must determine who should investigate the concern instead.

Other

- 2.19 The Committee shall review other disclosures and documents as determined by the Board.

3. COMPOSITION

- 3.1 The Committee shall comprise at least three members, all of whom shall be independent non-executive directors. At least one member shall also be a member of the GRCC and where possible, one member of the Remuneration Committee. The Chair of the Board shall not be a member of the Committee. Any member who is determined by the Board no longer to be independent shall cease to be a member of the Committee.
- 3.2 At least one member of the Committee shall have been determined by the Board to have competence in accounting and/or auditing, ideally with a professional qualification from one of the professional accountancy or audit bodies. The Committee as a whole is required to have competence relevant to the sector in which the Company operates.
- 3.3 Members of the Committee shall be appointed by the Board on the recommendation of the Nomination and Governance Committee in consultation with the Chair of the Committee. Appointments to the Committee shall be for a period of up to three years, extendable by no more than two further three-year periods, provided the director still meets the criteria for membership of the Committee.
- 3.4 The Committee shall appoint one of its members to act as its Chair. The Chair of the Committee shall not be the Chair of the Board.
- 3.5 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.
- 3.6 Only members of the Committee have the right to attend Committee meetings. However, the Director of Group Internal Audit shall be expected to attend all meetings and the Group Chief Financial Officer and the external auditor's Lead Partner will be invited to attend meetings of the Committee on a regular basis. Other individuals may be invited to attend all or part of any meeting as and when appropriate.

4. QUORUM

- 4.1 The quorum necessary for the transaction of business shall be two members.
- 4.2 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.

5. MEETING ADMINISTRATION

- 5.1 The Committee shall meet as often as it deems necessary but in any case at least four times per year, at appropriate times in the financial reporting and audit cycle, at such times and places as determined by the Committee Chair, with further meetings to occur, or actions to be taken by unanimous written consent (including unanimous consent by electronic means), when deemed necessary or desirable by the Committee or its Chair. The Committee shall approve the annual calendar of its meetings.
- 5.2 Outside of the formal meeting programme, the Committee Chair will maintain a dialogue with key individuals involved in the Company's governance, including the Board Chair, the Chief Executive Officer, the Group Chief Financial Officer, the external auditor's Lead Partner and the Director of Group Internal Audit.
- 5.3 Meetings of the Committee shall be called by the secretary of the Committee at the request of any of its members or at the request of the external auditor's Lead Partner or Director of Group Internal Audit if they consider it necessary.
- 5.4 Unless otherwise agreed by all Committee members, notice of each meeting confirming the venue, time, date and remote access details (if required), together with an agenda of the items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend as soon as practicable (usually within five working days of the meeting) and in any event no later than two 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.
- 5.5 All members of the Committee may participate in a meeting of the Committee by means of a conference telephone or any communication equipment which allows all persons participating in the meeting to hear each other or otherwise be party to all elements of the discussion. A member of the Committee so participating shall be deemed to be present in person at the meeting and shall be entitled to fully participate and be counted in the quorum accordingly.
- 5.6 Any conflicts of interest of members of the Committee are to be declared at the start of each meeting in relation to the matters to be discussed and recorded accordingly in the minutes.

6. SECRETARY

- 6.1 The Group Company Secretary, or such person as the Group Company Secretary nominates, 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.
- 6.2 The secretary shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.3 Minutes of Committee meetings shall be circulated to all members of the Committee for approval.

7. SELF-EVALUATION

- 7.1 The Committee shall, at least once a year, review its own performance, composition and terms of reference and recommend any changes it considers necessary to the Board for approval.

8. REPORTING RESPONSIBILITIES AND SHAREHOLDER ENGAGEMENT

- 8.1 The Committee Chair shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities and shall also formally report to the Board on how it has discharged its responsibilities. This report shall include:
- (a) the significant issues that it considered in relation to the financial statements and how these were addressed;
 - (b) the outcome of the statutory audit and how the statutory audit contributed to the integrity of financial reporting, and the role the Committee in the process;
 - (c) its assessment of the effectiveness of the external audit process, the approach taken on the appointment or reappointment of the external auditor, length of tenure of the audit firm, when a tender was last conducted and advance notice of any retendering plans;
 - (d) any other issues on which the Board has requested the Committee's opinion;
- and on an annual basis:
- (e) a report on the effectiveness of the Group's whistleblowing arrangements including arrangements for protecting whistle-blowers against detrimental treatment.
- 8.2 The Committee shall make such recommendations to the Board as it deems appropriate on any area within its remit where action or improvement is desirable. In particular, the Committee shall submit recommendations or proposals to ensure the integrity of the financial reporting process.
- 8.3 The Committee shall compile a report to shareholders on its activities to be included in the Company's Annual Report. The report should include:
- (a) an explanation on how the Committee has assessed the independence and effectiveness of the external audit process and the approach taken to the appointment or reappointment of the external auditor, information on the length of tenure of the current audit firm, when a tender was last conducted and advance notice of any retendering plans;
 - (b) the significant issues that the Committee considered in relation to the financial statements and how these issues were addressed, having regard to matters communicated to it by the auditor;
 - (c) an explanation of how auditor objectivity and independence are safeguarded where the external auditor provides non-audit services; and
 - (d) all other information requirements set out in the UK Corporate Governance Code.
- 8.4 In compiling the reports referred to in 8.3, the Committee should exercise judgement in deciding which of the issues it considers to be significant in relation to the financial statements, but should include at least those matters that have informed the Board's assessment of whether the Company is a going concern and the inputs to the Board's viability statement.
- 8.5 The Committee Chair shall attend the Annual General Meeting prepared to respond to 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 responsibility.

9. OTHER MATTERS

9.1 The Committee shall:

- (a) have access to sufficient resources in order to carry out its duties, including access to the Group 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 the provisions of the UK Corporate Governance Code, the requirements of the FCA's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules sourcebook and any other rules, laws and regulations applicable to the Company;
- (d) be responsible for the oversight of the co-ordination of the external and internal auditors;
- (e) oversee any investigation of activities which are within its terms of reference; 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 internal controls being delegated to different committees.

10. AUTHORITY

10.1 The Committee is authorised by the Board to:

- (a) undertake any activity within its terms of reference;
- (b) seek any information that it requires from any Group employee, consultant, contractor or any other provider of services to the Company (for example, legal and tax advisers, management consultants) in order to perform its duties;
- (c) obtain, at the Company's expense, independent legal or other professional advice on any matter within its terms of reference and to invite those persons to attend meetings of the Committee;
- (d) call any Group employee or contractor to be questioned at a meeting of the Committee, as and when required;
- (e) publish in the Company's annual report details of any issues that cannot be resolved between the Committee and the Board. If the Board has not accepted the Committee's recommendation on the external appointment, reappointment or removal, the annual report should include a statement explaining the Committee's recommendation and the reasons why the Board has taken a different position; and
- (f) delegate any of its powers to one or more of its members or the secretary.