

# GREAT-WEST LIFECO INC. RISK COMMITTEE CHARTER

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## SECTION 1. MEMBERSHIP

The Risk Committee (the “Committee”) of the Board of Directors (the “Board”) shall consist of not less than five Directors. All members of the Committee shall be Directors who are neither officers nor employees of Great-West Lifeco Inc. (the “Corporation”) or its subsidiaries and an appropriate number of committee members shall have sufficient knowledge in the risk management of financial institutions and shall include individuals with technical knowledge in risk disciplines. Members of the Committee shall be appointed by the Board and shall serve as members at the pleasure of the Board. The Board shall also appoint the Chair of the Committee, who shall not be the Chair of the Board.

## SECTION 2. PROCEDURAL MATTERS

In connection with the discharge of its duties and responsibilities, the Committee shall observe the following procedures:

- 2.1. Meetings.** The Committee shall meet as often as may be necessary to discharge its duties and responsibilities hereunder. The Committee may meet at any place within or outside of Canada.
- 2.2. Joint Meetings with Audit Committee.** The Committee shall meet, at least annually, with the Corporation’s Audit Committee of the Board and the Corporation’s Chief Internal Auditor.
- 2.3. Joint Meetings with Investment Committee.** The Risk Committee may meet with the Corporation’s Investment Committee of the Board as appropriate.
- 2.4. Advisors.** The Committee may, at the Corporation’s expense, engage such outside advisors as it determines necessary or advisable to permit it to carry out its duties and responsibilities.
- 2.5. Quorum.** A quorum at any meeting of the Committee shall be a majority of the Committee members.
- 2.6. Secretary.** The Corporate Secretary or an Associate Secretary or such other person as may be designated by the Chair (or, in the absence of the Chair, the acting Chair) of the Committee shall act as secretary of meetings of the Committee.
- 2.7. Calling of Meetings.** A meeting of the Committee may be called by the Chair of the Committee, by the Chair of the Board, by the Chief Risk Officer (the “CRO”), by such other Director(s) as may from time to time be authorized by the Chair of the Committee, or by a majority of the Committee members, on not less than 48 hours’ notice to the members of the Committee specifying the place, date and time of the meeting. Meetings may be held at any time without notice if all members of the Committee waive notice provided that the attendance of a Committee member at any such meeting shall be a waiver of notice of that meeting except where the Committee member objects to the transaction of business on the grounds that the meeting had not been validly called. If a meeting of the Committee is called by anyone other than the Chair of the Board, the

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person(s) calling the meeting shall so inform the Chair of the Board and the Chair of the Committee.

- 2.8. In-Camera Sessions.** At every regularly-scheduled meeting of the Committee, the members of the Committee shall meet without members of management present.

## **SECTION 3. DUTIES AND RESPONSIBILITIES**

In addition to any other duties and responsibilities assigned to it from time to time by the Board, the Committee shall:

- 3.1.** At least annually or more frequently, as required, without management present, meet with each of the CRO and the Chief Compliance Officer (the “CCO”).
- 3.2.** After due consultation with the President and Chief Executive Officer and the Chair of the Board, review and recommend to the Board for approval the appointment and/or removal of the CRO and the CCO.
- 3.3.** Review and approve substantive changes to, and review at least every five (5) years, the mandates of the CRO and the CCO.
- 3.4.** Annually assess the performance of the CRO, CCO, and the effectiveness of the Risk and Compliance Functions.
- 3.5.** Annually approve the organizational and reporting structure, budget and resources of the Risk and Compliance Functions and satisfy themselves that the Functions have adequate resources and independence to discharge the responsibilities and planned activities of the CRO under the CRO mandate and the CCO under the CCO mandate.
- 3.6.** Annually approve the appropriate risk systems and resources of the Risk and Compliance Functions required to support the execution of risk processes.
- 3.7.** Advise the Board in its oversight of the Corporation’s principal risks, including, but not limited to credit, insurance, market, operational, conduct and strategic risks<sup>1</sup>
- 3.8.** Recommend to the Board for approval substantive changes to, and review at least every five (5) years, the Corporation’s Enterprise Risk Management Policy (the “ERM Policy”) and Risk Appetite Framework (the “RAF”).
- 3.9.** Ensure both the ERM Policy and the RAF are aligned with the Corporation’s annual business plan and strategy and shall:
  - (a)** annually review compliance with the ERM Policy, the RAF, risk policies and operating standards and guidelines, and matters that require attention such as

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<sup>1</sup> incorporates environmental, social and governance (ESG) risk including climate change risk

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policy non-compliance and exceptions, as reported by the CRO or CCO (or delegate); and

- (b) escalate material non-compliance to the Board.
- 3.10. Approve substantive changes to, and review at least every five (5) years, relevant policies (Credit Risk, Insurance Risk, Market & Liquidity Risk, Operational Risk, Conduct Risk, Strategic Risk, Anti-Money Laundering, Anti-Terrorist Financing and Sanctions Measures (AML/ATF), Privacy Risk, Anti-Bribery and Corruption, Reinsurance Risk Management Policy and the Product Design and Pricing Risk Management Policy).
- 3.11. Review Risk and Compliance Functions' reports evidencing that effective processes are in place for management control over the identification, measurement, management, monitoring and reporting on significant current and emerging risks, at the Corporation and each of its operating subsidiaries.
- 3.12. Review the reports of the CRO and CCO.
- 3.13. Annually approve the Own Risk and Solvency Assessment (ORSA) Report.
- 3.14. Periodically approve the Recovery Plan Playbook.
- 3.15. Upon identification by the CRO, advise the Board of any developments that would materially alter the risk profile of the Corporation.
- 3.16. Annually meet with the Audit Committee and the Chief Internal Auditor to review the Chief Internal Auditor's opinion on Governance, Risk Management and Control.
- 3.17. Recommend to the Board for approval substantive changes to, and review at least every five (5) years, the Corporation's Code of Conduct.
- 3.18. Monitor compliance with the Corporation's Code of Conduct.
- 3.19. Periodically consider and provide input regarding the relationship between risk and compensation at the Corporation.

## **SECTION 4. ACCESS TO INFORMATION**

The Committee shall have access to all information, documents and records of the Corporation that it determines necessary or advisable to enable it to perform its duties and to discharge its responsibilities under this Charter.

## **SECTION 5. REVIEW OF CHARTER**

The Committee shall periodically review this Charter and recommend any changes to the Board that it deems appropriate.

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## SECTION 6. REPORTING

The Chair of the Committee shall report to the Board at its next regularly scheduled meeting on matters reviewed or considered by the Committee since the Chair's last report to the Board.