

# **CHARTER OF THE GOVERNANCE AND SUSTAINABILITY COMMITTEE LIBERTY MUTUAL HOLDING COMPANY INC.**

## **COMMITTEE CHARGE**

The Board of Directors of Liberty Mutual Holding Company Inc. (the “Company”) delegates to the Governance and Sustainability Committee (the “Committee”) the responsibility:

- for strategic oversight and performance evaluation of the Company’s environmental, social and governance (“ESG”) and sustainability priorities and practices including the Company’s charitable purposes;
- to identify and recommend qualified candidates for nomination to the Board of Directors and its committees, and to oversee the composition, structure, practices and evaluation of the Board of Directors and its committees; and
- to identify, evaluate, and recruit as applicable appropriate candidates as potential successors to the Chief Executive Officer (“CEO”).

## **ORGANIZATION AND MEETINGS**

The Committee will be composed of the Executive Chairman of the Board, the Lead Director, and not fewer than four additional independent Directors, who are not officers or employees of any company in the Liberty Mutual Group. Upon recommendation by this Committee, the Committee members and its Chair will be elected by the Board of Directors. Written minutes of the Committee’s proceedings will be kept. The Committee will meet at least four times a year. The Chair or the Chair’s designee will report to the Board of Directors following each Committee meeting.

## **AUTHORITY AND RESPONSIBILITIES**

The Committee has responsibilities, in consultation with the Executive Chairman of the Board and Chief Executive Officer, for the following:

- A. Identification and Nomination of Directors & Officers: In such a manner as the Committee deems appropriate to fulfill its responsibilities, the Committee shall:
  - Board Composition – Evaluate the current composition, size, role and functions of the Board of Directors and its committees to oversee successfully the business and affairs of the Company, and make recommendations to the Board of Directors for approval.
  - Director Recruitment – Identify and recruit appropriate candidates for the Board of Directors.
  - Nomination of Directors – Evaluate prospects and recommend nominees for election to the Board of Directors; recommend nominees for election to the Board of Directors at the Annual Meeting.
  - Board Committee Composition – Evaluate and make recommendations to the Board of Directors concerning the nomination of Directors to Board committees and the nomination of Board committee chairs.
  - CEO Succession Planning – Identify, evaluate, and recruit as applicable appropriate candidates as potential successors to the Chief Executive Officer.

- Nomination of Officers – Recommend officers for election.
- B. Annual Assessments: In such a manner as the Committee deems appropriate to fulfill its responsibilities, the Committee shall:
- Board Evaluations – Determine the methods and execution of annual evaluations of the Board of Directors, committees, and Director performance.
- C. Oversight of ESG and Sustainability Matters: In such a manner as the Committee deems appropriate to fulfill its responsibilities, the Committee shall periodically:
- ESG Strategy – Consider current and emerging political, social, and environmental trends and risks, as well as major global legislative and regulatory developments that may impact the Company’s operations, performance, or reputation in overseeing the development of and recommendations for the Company’s global ESG and sustainability strategy, initiatives, and objectives, including targets having a material impact to the Company, and make recommendations to the Board of Directors for approval as appropriate.<sup>1</sup>
  - Non-Financial Reporting and Disclosures – Oversee corporate governance disclosures, including but not limited to the Company’s annual Sustainability Review and Corporate Governance Annual Disclosure, to ensure compliance with legal and regulatory requirements and accuracy of mandatory and voluntary reporting
  - Community Investment –
    - Liberty Mutual Foundation Funding – Upon recommendation and request of the Liberty Mutual Foundation’s Board of Directors, the Committee will be responsible for reviewing and approving funding to the Liberty Mutual Foundation corpus. Upon Committee approval, management will determine which insurance subsidiaries will vote to provide funding.
    - Philanthropic Strategy and Structure – The Committee will be responsible for the review of Liberty Mutual Group’s philanthropic strategy, approach, structure, and design.
    - Philanthropic Portfolio Results – The Committee will review the implementation, execution, and results of the Company’s overall philanthropic portfolio.

The Committee will review this charter on an annual basis.

<sup>1</sup> The Board of Directors’ other committees oversee specific components of the Company’s ESG initiatives.