

**Pershing Square Holdings, Ltd.**  
**(the “Company”)**

**Terms of Reference for the Risk Committee**  
**(the “Committee”)**

**Function**

1. The function of the Committee is to ensure that the Company maintains high standards of risk identification, evaluation and management in relation to emerging risks and material business risks to the Company.
2. The Board remains responsible for the review of ongoing risks relating to the Company’s investments and operations.

**Membership**

3. The Committee shall comprise all the directors of the Board.
4. Only members of the committee have the right to attend Committee meetings. However, other individuals such as representatives of the Investment Manager or representatives of the Administrator may be invited to attend for all or part of any meeting, as and when appropriate.
5. Appointments to the Committee shall be for a period of up to three years, which may be extended for up to two further three-year periods.
6. The Board shall appoint the Committee chairman. In the absence of the Committee chairman and/or an appointed deputy, the remaining members present shall elect one of their number to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board. The Chairman of the Board shall not be chairman of the Committee.

**Secretary**

7. The company secretary or their nominee shall act as the secretary of the Committee and shall attend all meetings.

**Quorum**

8. The quorum necessary for the transaction of business shall be 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.
9. The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. The relevant member of the Committee shall not be counted towards the quorum and he/she must abstain from voting on any resolution of the Committee in which he/she and/or his/her associates have a material interest.

**Frequency of Meetings**

10. The Committee shall meet at least twice a year and at such other times as the chairman of the Committee shall require.
11. Any member of the Committee may request a meeting if he/she considers that one is necessary.

## **Notice of Meetings**

12. Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee chairman.
13. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than 5 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.
14. Any member of the Committee shall be entitled, by notice to the secretary, to include other matters relevant to the functions of the Committee in the agenda of a Committee meeting.

## **Minutes of Meetings**

15. The secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance. The minutes should also include any concerns raised by any member of the Committee and/or dissenting views expressed.
16. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee.

## **Annual General Meeting**

17. The Committee chairman, or in his absence a duly authorized representative of the Committee, shall attend the annual general meeting prepared to respond to any shareholder questions on the Committee's activities.

## **Action by the Committee**

18. Any resolution or decision of the Committee shall be passed by a simple majority. Resolutions may be passed between meetings either in writing or by electronic communications.

## **Duties**

The Committee shall:

19. Have regard to the Company's risk profile as described in the Company's investment policy, borrowing policy and the risk disclosures in its Prospectus and any listing documents published from time to time.
20. Identify, evaluate and report to the Board any emerging risks to the Company.
21. Ensure that appropriate controls and reporting are in place to allow for the identification, monitoring and management of key risks to the Company's business, including by review of the internal controls and procedures of the Company's Investment Manager and Administrator.
22. Conduct and submit to the Board an annual assessment of the material risks applicable to the Company's business, their causes, and the controls implemented for their mitigation, including, as appropriate:
  - a) risks relating to the Company's investment activities;
  - b) public relations, shareholder engagement and marketing risks;
  - c) cybersecurity risks;
  - d) business continuity and key man risk;
  - e) risks relating to the company secretary and other service providers to the Company;
  - f) regulatory risks and risks specific to the Company's listings on the London and Euronext Amsterdam stock exchanges; and

- g) risks relating to the Company's indebtedness.
- 23. Make recommendations to the Board regarding risk mitigation and ensure that deficiencies are addressed by the appropriate person or committee.
- 24. Review and recommend for approval by the Board all applicable risk reporting for regulatory purposes, including the AIC Code of Corporate Governance and the applicable requirements of the Disclosure and Transparency Rules of the UK Financial Conduct Authority and the Listing Rules of the UK Listing Authority.

### **Reporting Responsibilities**

- 25. The Committee chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 26. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 27. The Committee shall make a statement in the annual report about its activities, including its membership and the frequency of, and attendance at, its meetings.

### **Other**

- 28. The Committee shall, at least once a year, review its own performance, 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.
- 29. All members of the Committee shall have access to the advice and services of the secretary with a view to ensuring that procedures of the Committee and all applicable rules and regulations are followed.
- 30. In the event that the Committee or any member of the Committee requires access to independent professional advice in connection with its/his/her duties, a request may be made to the Chairman.
- 31. Every member of the Committee shall give sufficient time and attention to his/her duties as a member of the Committee. Committee members shall give the Company the benefit of their skills and expertise through regular attendance and active participation.

### **Authority**

- 32. The Committee is authorised by the Board to seek any information it requires from any employee or service provider of the Company in order to perform its duties, including review with representatives of the Investment Manager, the Administrator and such other persons as it sees fit any matter within its terms of reference.
- 33. In connection with its duties the Committee is authorised by the Board, at the Company's expense;
  - (a) to obtain any outside legal or professional advice; and
  - (b) within any budgetary restraints imposed by the Board, to appoint consultants, and to commission or purchase any relevant reports, surveys or information which it deems necessary to help fulfil its duties.