TERMS OF REFERENCE

The Royal London Mutual Insurance Society Limited

Remuneration Committee

(the ‘Committee’)

The Royal London Mutual Insurance Society Limited

Remuneration Committee terms of reference

1 Role

1.1 The role of the Committee is to support the board of directors (the 'Board') of The Royal London Mutual Insurance Society Limited (the 'Company') and its subsidiaries (the 'Group') in determining the Group's Remuneration Policy, including the remuneration, pension rights and benefit plans (where applicable) of the Chair of the Board, Executive Directors of the Board ('Executive Directors') and other Identified Staff[1] .

2 Membership

2.1 The Committee shall comprise at least three independent Non-Executive Directors of the Company.

2.2 The Board shall appoint the Committee Chair. The Committee Chair shall have a minimum of twelve months experience on a remuneration committee prior to appointment and will not be the Chair of the Board. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the Committee meeting.

2.3 Only members of the Committee have the right to attend Committee meetings. Other individuals may be invited by the Committee Chair to attend all or part of meetings.

3 Secretary

3.1 The Company Secretary or their nominee shall act as the Secretary of the Committee.

4 Quorum

4.1 The quorum for a Committee meeting shall be two members. Members may attend a meeting of the Committee in person, by phone or by videoconference.

4.2 The Committee may consider and decide matters by email, or by a written resolution which shall be recorded by the Secretary.

4.3 Where delegated authority is provided by the Committee, the Committee Chair is authorised to make decisions on behalf of the Committee on matters requiring attention between Committee meetings, provided that such decisions are notified to the Committee members and ratified at the next Committee meeting.

5 Frequency of meetings

5.1 The Committee shall meet at least four times a year.

6 Notice of meetings

6.1 Committee meetings shall be called by the Secretary at the request of the Committee Chair or any member of the Committee.

6.2 Unless otherwise agreed with the Committee Chair, notices of meetings confirming the venue (or medium), time and date, together with the agenda and supporting papers, shall be sent to each member of the Committee.

7 Minutes of meetings

7.1 The Secretary shall minute the proceedings and resolutions of meetings, including recording the names of those present and in attendance.

7.2 Draft minutes of Committee meetings shall be circulated promptly to the Committee Chair and subsequently to Committee members for approval, unless, exceptionally, it is inappropriate to do so.

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[1] Identified Staff is determined by reference to one or more of the following regimes: Solvency II; Alternative Investment Fund Managers Directive (AIFMD); Undertakings for Collective Investment and Transferable Securities (UCITS) V and Investment Firms Prudential Regime (IFPR).

8 Duties

8.1 Remuneration

8.1.1 Determine the remuneration of the Chair of the Board.

8.1.2 Determine and monitor the remuneration-related arrangements for Executive Directors and Identified Staff (having taken advice from the Audit Committee Chair in respect of the Group Chief Audit Officer).

8.1.3 Approve the contractual terms for Executive Directors, including but not limited to, remuneration and notice periods.

8.1.4 Monitor and adjust the amount and structure of remuneration for Executive Directors in order to attract, retain and motivate the quality of management required to run the Group successfully, whilst avoiding over-compensating.

8.1.5 Review and approve on an annual basis the fees of Independent Non-Executive directors of the Group's subsidiary companies and Independent Committee members.

8.1.6 Determine malus and clawback provisions to enable the Company to recover and/or withhold sums or awards from Executive Directors and Identified Staff, specifying the circumstances in which it would be appropriate to do so. The Committee shall ensure that Executive Directors' contracts (and/or other agreements or documents covering Executive Director remuneration) include these provisions and specify the applicable circumstances.

8.1.7 Make adjustments for events that have been detrimental to the Group in accordance with malus and clawback provisions, having received information from the Risk and Capital Committee and the Audit Committee on the severity and materiality of the events in question, as appropriate.

8.1.8 Ensure that any payments made on the termination of employment of an Executive Director are in accordance with contractual terms and are fair to the individual and the Group, ensuring that failure is not rewarded and that the duty to mitigate loss is fully recognised.

8.1.9 Exercise any discretion under any of the Company's Remuneration schemes, except those specifically delegated to the Group Chief Executive Officer.

8.1.10 Approve the appointment and agree the terms of engagement for remuneration consultants and review any other connections they may have with the Group.

8.1.11 Determine performance-related pay schemes and the related measurements and outcomes, consistent with the Group's strategy, annual budget, business plan and capital requirements.

8.1.12 Annually review and approve the UK Distribution Incentive Plan and the Incentive Alignment Plan – Ireland, having considered advice from the Risk and Capital Committee to confirm that they do not encourage or incentivise inappropriate risk taking and align to the Group's risk appetite.

8.1.13 Review and provide any challenge to the maximum aggregate increase in salaries for the year.

8.2 Policies

8.2.1 Review and approve the Group Remuneration Policy annually, having considered advice from the Risk and Capital Committee to confirm that it does not encourage or incentivise inappropriate risk taking and aligns to the Group's risk appetite.

8.2.2 Review and recommend to the Board the Executive Directors' Remuneration Policy, having received advice from the Risk and Capital Committee to confirm that it does not encourage or incentivise inappropriate risk taking and aligns to the Group's risk appetite, to be put to the Company's members for approval at the Annual General Meeting at least once every three years.

8.2.3 Annually review key changes to workforce remuneration and related policies (including the Directors' and Employees' expenses policy) and the alignment of benefits and rewards with the Company's culture, taking these into account when setting the Group Remuneration Policy.

8.3 Governance

8.3.1 Review and approve, on an annual basis, the Group Remuneration Authorisation Matrix and approve recruitment packages in excess of the Group Remuneration Authorisation Matrix.

9 Reporting

9.1 The Committee Chair shall update the Board on the Committee's proceedings after each meeting.

9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit.

9.3 The Committee shall recommend to the Board the Directors' Remuneration Report, included in the Company's Annual Report and Accounts, to be put to the Company's members for approval at the Annual General meeting.

10 Other matters

10.1 As applicable to the Committee's duties, the Committee shall comply with applicable laws and regulations, including the UK Corporate Governance Code and the rules of the Prudential Regulation Authority, the Financial Conduct Authority and the Central Bank of Ireland.

10.2 The Committee will have access to sufficient resources to carry out its duties.

10.3 The Committee will 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.

10.4 The Committee is authorised to obtain, at the Company's expense, external legal, human resources, remuneration and other professional advice on any matter within its terms of reference.

10.5 The Committee shall review its performance against its terms of reference and recommend any changes to its terms of reference to the Board for approval on an annual basis.