TERMS OF REFERENCE

The Royal London Mutual Insurance Society Limited

Investment Committee

(the ‘Committee’)

The Royal London Mutual Insurance Society Limited

Investment 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'), together with its subsidiaries (the 'Group') in managing investments held by the Company as principal, in a manner that is consistent with the Group's Investment Philosophy and Beliefs.

2 Membership

2.1 The Committee shall comprise at least three members, at least two of whom, including the Committee Chair, shall be Non-Executive Directors of the Company.

2.2 The Board shall appoint the Committee Chair. If the Committee Chair is absent from a meeting, 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.

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 of 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 the Committee for approval.

8 Duties

8.1 Investment oversight

8.1.1 Make recommendations to the Board for changes to the Committee's delegated authority limits.

8.1.2 Where asset managers other than Royal London Asset Management ('RLAM') are being considered for the provision of material asset management services that RLAM already provides or (in the reasonable opinion of the Company's Investment Office) has appropriate capability to provide, recommend to the Board the appointment of such asset managers. For the purposes of this clause, “material” is where assets under management exceed £100m.

8.1.3 Recommend to the Board the termination of material asset management services provided by RLAM as required. For the purposes of this clause, “material” is where assets under management exceed £100m.

8.1.4 Annually make a recommendation to the Board to approve the Group’s Investment Philosophy and Beliefs, which includes responsible investment.

8.1.5 Make recommendations to the Risk and Capital Committee regarding any proposed investments outside of the Company’s risk appetite.

8.1.6 At least triennially, or more frequently if material changes are proposed, review and recommend for approval by the Board the Company’s Responsible Investment and Stewardship Policy Framework, including the Responsible Investment and Stewardship Policy, Exclusions Policy, and Voting Policy, and including limitations of delegations to asset managers and the governance process of decision-making around, in particular, high risk and sensitive resolutions proposed by investee boards of directors, shareholders or bondholders.

8.1.7 Establish an appropriate approach to comply with the Prudent Person Principle in accordance with Solvency UK, and oversee evidence of compliance.

8.1.8 Periodically review the approach to investment in both existing and new investment asset classes, having considered the interests of policyholders and members, including material environmental (including climate), social and governance matters.

8.1.9 Review and approve Strategic Asset Allocations (‘SAA’) for all relevant funds, in line with the SAA Framework, having taken the advice of the With-Profits Committee for significant changes to the life funds.

8.1.10 Subject to clause 8.1.2, approve the appointment or termination of any material asset/fund manager firm or any material investment service provider. For the purposes of this clause, a “material” asset manager is one with whom the Company either has no pre-existing relationship or one that has Company funds under management greater than £100m.

8.1.11 Approve asset classes used for investment after considering relevant risks, controls and capabilities and consistency with the Group’s Investment Philosophy and Beliefs, the Investment Risk Framework and the SAA Framework, where applicable.

8.1.12 Approve limits for investment in approved asset classes at individual fund level, where appropriate.

8.1.13 Approve delegated authority limits to appointed asset managers, as required, ensuring that such approvals are consistent with the Group’s Risk Appetite Framework.

8.1.14 Approve investments outside authorities delegated to appointed asset managers, but within the limits of the Committee’s authorities.

8.1.15 Review and approve investment decisions that have systemic implications for conduct risk.

8.1.16 Consider and approve seeding proposals in accordance with the Company’s Seeding Policy.

8.1.17 Review and approve the creation or termination of funds, where these are beyond the delegated authorities of the Group Chief Executive Officer or the Group Chief Financial Officer.

8.1.18 At least annually review the effectiveness and skill sets of the Group’s Investment Office, making recommendations to the Group Chief Financial Officer for any required changes.

8.1.19 Periodically review the systems and resources in place to manage all risks, including systemic and idiosyncratic risks associated with investment and markets, and environmental, social and governance risks in line with the Investment Risk Framework.

8.1.20 Periodically review the performance of all asset managers, investment-related outsource service providers, custodians and derivative counterparties, instigating change as necessary.

8.1.21 Review and approve the Company's submission in respect of the UK Stewardship Code.

8.1.22 At least every three years, formally review the appropriateness of RLAM to manage substantially all of the Company's assets.

8.1.23 At least every three years review and approve the following:

- Investment Risk Framework
- SAA Framework
- Approved Assets Policy
- Seeding Policy

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.

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 and the Financial Conduct Authority.

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 investment 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.