



Corporate Governance Framework Policy

Updated 21 March 2024

PURPOSE AND OBJECTIVES

The objective of the Corporate Governance Framework Policy (“policy”) is to describe the arrangements in place to deliver effective and prudent governance management and oversight, to deliver the long-term success of USS Group. The policy sets out the principles and high-level arrangements from which governance processes and procedures are derived. For the purposes of this policy, USS Group is defined as Universities Superannuation Scheme Limited (“USSL”) and its investment management subsidiary, USS Investment Management Limited (“USSIM”).

The policy has been drafted with reference to the Companies Act 2006, Pensions Act 2004, Pension Schemes Act 2017, the Wates Principles, the UK Corporate Governance Code (“Code”)¹ and other relevant legislation, regulation and guidance. It has been developed to address the needs of the scheme and take account of USS Group’s operating environment and regulatory framework.

1. DEFINITION AND BACKGROUND

The Code defines corporate governance as:

“...the system by which companies are directed and controlled.”

The Code clearly distinguishes corporate governance from the day to day operational management of the company by full time executives. The policy adopts this definition. Separate management systems have been developed to cover the day to day operational management.

2. APPLICABILITY & SCOPE

The group general counsel is the sponsor of this policy. The head of governance is responsible for reviewing and maintaining this policy and for reviewing the policy at least annually, and where relevant, submitting it to the USSL Board for re-approval.

The policy applies to the following people:

- USSL Board and committee members;
- USSIM Board members and
- All USSL and USSIM employees.

The policy does not apply to USS’s special purpose vehicles (“SPVs”) companies, which have been incorporated to facilitate a scheme investment. The governance of these SPVs is covered by the USS Group SPV Policy.

3. POLICY STATEMENT

¹ The Code is only applicable to listed companies and is therefore not binding on USS. However, the USS Corporate Governance Framework Policy, and accompanying Governance team procedures, are drafted with reference to the best practice principles set out in the Wates Principles and the Code, where deemed to be relevant and appropriate, recognising USS’s status as a trust, .

This policy is owned by the USSL Board. All other detailed governance policies and procedures must either comply with this policy or the owner must seek an exceptional approval from the USSL Board. If another policy or procedure specifies a conflicting rule, then the rule in this policy shall apply.

4. POLICY PRINCIPLES

USSL is regulated by the Pensions Regulator (“TPR”) and is registered as a Master Trust. Its subsidiary, USSIM, is regulated by the Financial Conduct Authority (“FCA”) as an Occupational Pension Scheme firm (‘OPS’) and enhanced firm under the FCA’s Senior Managers & Certification Regime (‘SMCR’). In accordance with UK legislation and regulation, the USS Group is required to have appropriate governance arrangements in place.

Compliance with this policy is mandatory. However, all employees, directors and committee members are also required to think and act with integrity and apply professional judgement.

The USSL Board retains responsibility for strategic oversight of governance. Responsibility for monitoring and reviewing the governance framework, and the effectiveness of it, is delegated to the governance and nominations committee (“GNC”). The USSL Board and the executive expect all employees to be accountable; successful governance is a priority for the USS Group.

In fostering a successful governance framework and culture, the USSL Board expects the executive to develop and monitor the governance framework alongside the business strategy, ensuring that the growing complexity of the business is matched with appropriate enhancements to the governance arrangements.

5. ROLES AND RESPONSIBILITIES

- The head of governance is responsible for reviewing and maintaining this policy;
- The GNC is responsible for reviewing this policy and recommending approval to the USSL Board;
- The USSL Board is responsible for approving this policy; and
- The USSL and USSIM Boards and committee members, and all USSL and USSIM employees, are responsible for complying with this policy.

6. COMPONENTS

The USS Group governance framework comprises the USSL Board, the USSIM Board and a number of committees which have been established under delegated authority from those boards.

The following documents make up the governance framework:

- This policy;
- USSL articles of association;
- USSIM articles of association;
- Scheme Rules;
- The terms of reference (“TOR”) for the USSL Board, USSIM Board and their committees;

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- The investment management and advisory agreement (“IMAA”);
 - The Statement of Investment Principles (“SIP”);
 - The defined contribution section default Statement of Investment Principles (“DC Default SIP”); and
 - USSL’s Director appointment, removal, evaluation and training policy (“Composite Policy”).

7. DELEGATION PRINCIPLES

The USSL Board has approved a set of delegation principles, which apply to the USS Group governance framework. The delegation principles state that all delegations within the USS Group governance framework will:

- Be in accordance with the USS Group corporate structure;
- Be consistent with the USSL and USSIM articles of association and the Scheme Rules;
- Be consistently applied across all areas of business within USSL and USSIM;
- Be well-defined, transparent and with clear lines of responsibility;
- Demonstrate appropriate apportionment of roles and responsibilities;
- Promote effectiveness, efficiency and accountability;
- Be clearly documented, approved by the USSL and USSIM Boards and reflected in all relevant TOR, job descriptions, policies and procedures;
- and
- Recognise only four key activities which can be vested in one body for any particular matter of business. These activities are: (i) perform; (ii) recommend; (iii) approve, and (iv) oversee.²

Notwithstanding the above or any other provision of this policy, to the extent that the group executive team (“GET”) (previously known as the Group Executive Committee “GExCo”) would otherwise take any decision where the interests of the GET (as a whole) are in conflict with the interests of scheme members, such decision will be escalated to the USSL Board for approval (in its capacity as trustee of the USS Scheme).

Where the policy or a board or committee’s (each being an “Approving Body”) terms of reference provide that such board or committee is to approve any matter ‘on recommendation from’ another board or committee (the “Recommender”), the Approving Body shall have absolute discretion as to whether or not it follows the Recommender’s recommendation and may therefore choose to make a contrary decision.

Where in this policy or under the USSL Board’s terms of reference the USSL Board has oversight of a decision that is made by any other board or committee, the USSL Board may, at its discretion, review that decision and, if the USSL Board considers it appropriate, substitute a new decision in its place.

² It is acknowledged that the USSL and USSIM Boards and committee may be asked to carry out a range of activities to fulfil their ‘oversight’ responsibility.

8. SUMMARY OF KEY GOVERNANCE DOCUMENTS

USSL Articles of Association

The USSL articles of association were adopted in April 1974, and most recently amended by written resolution on 8 December 2022.

USSIM Articles of Association

The USSIM articles of association were adopted on 4 September 2012 and most recently updated by written resolution on 8 December 2022.

Scheme Rules

USS was established by Trust Deed on 2 December 1974. A deed adopting replacement Scheme Rules was executed on 19 November 2015 and applies to all persons who are, or become, active scheme members on or after 1 April 2016. Any changes to the Scheme Rules require approval by the Joint Negotiating Committee (“JNC”) and the USSL Board.

IMAA

Under the IMAA USSL has appointed USSIM to invest the assets of the scheme and advise USSL in respect of scheme investments. USSL is USSIM’s sole client and 100% parent company. The allocation of responsibilities between the USSL Board and the investment committee, and the USSIM Board, are clearly set out in the TOR.

A USSIM escalation policy has been established, under the IMAA. This allows USSIM to gain approval for certain matters, which ordinarily fall within the remit of the investment committee, outside of the normal investment committee meeting timetable, and on an urgent basis, as a result of a market shock or similar event. The USSIM escalation policy is approved by the investment committee and USSIM Board, in accordance with the IMAA, and is as follows:

USSIM / Investment Committee Escalation Policy

This USSIM escalation policy will enable a representative of the USSIM executive to send an email to all of the investment committee members outlining the proposal for approval. The members of the investment committee would be given a “longstop date” which should reflect the degree of urgency of the matter in question, after which approvals would be collated and action taken, or otherwise. Actions taken will be on the basis of responses received by the longstop date. In order for an item to be approved, three responses (including Chair of investment committee) will be deemed to be a quorum sufficient for the approval.

Any approvals made under this USSIM escalation policy would be notified to the investment committee at the next meeting.

This USSIM escalation policy will apply to approvals that are not covered by other delegated authorities to USSIM, or situations where it is already agreed that the Chair of investment committee or a sub-committee of the investment committee has delegated authority to approve recommendations from the USSIM CEO. For avoidance of doubt, the USSIM escalation policy does not apply to any matter regulated by the FCA and which, therefore, falls outside the remit of the investment committee.

If there are insufficient responses, then the decision will not be deemed to be approved by the longstop date.

If there are disagreements/concerns then these may be resolved via email communication. However, if by the longstop date, there are still members of the investment committee who do not agree with the proposal then this shall be deemed not to be approved and a conference call will be established to discuss the matter.

Pensions Committee escalation policy

A pensions committee escalation policy has been established by the pensions committee to allow the pensions committee to gain approval for certain matters which ordinarily fall within the remit of the pensions committee outside of the normal pensions committee meeting timetable, and on an urgent basis, primarily in relation to employer participation cases or similar issues. The escalation policy is approved by the pensions committee and is as follows:

Pensions Committee escalation policy

The pensions committee established an escalation policy to gain approval for proposals outside of formal pensions committee meetings. To use this policy a representative of the GET will send an email to all of the pensions committee members outlining a proposal for approval. The members of the pensions committee would be given a "longstop date" which should reflect the degree of urgency of the matter in question, after which approvals would be collated and action taken, or otherwise. Actions taken will be on the basis of responses received by the longstop date. In order for an item to be approved, two responses (including Chair of pensions committee) will be deemed to be a quorum sufficient for the approval.

Any approvals made under this pensions committee escalation policy would be notified to the pensions committee at the next meeting.

This pensions committee escalation policy will apply to approvals that are not covered by other delegated authorities of the pensions committee, or situations where it is already agreed that the Chair of pensions committee or a sub-committee of the pensions committee has delegated authority to approve recommendations.

If there are insufficient responses, then the decision will not be deemed to be approved by the longstop date.

If there are disagreements /concerns then these may be resolved via email communication. However, if by the longstop date, there are still members of the pensions committee who do not agree with the proposal then this shall be deemed not to be approved and a conference call will be established to discuss the matter.

Terms of reference for the USSL Board, USSIM Board and their committees

The terms of reference ('TOR') have been established to ensure appropriate allocation of all responsibilities and reduce the risk of duplication. The purpose and remit of each of the USSL and USSIM Boards, and their committees, is set out in the TOR in the annexes. The TOR have been drafted in accordance with the USS Group delegation principles, as set out above. An illustration of the USS Group governance structure is also included in the annexes.

Risk Event Reporting and escalation policy

In addition to reporting to the boards as required under the respective terms of reference for the USSL and USSIM Boards and committees, details of all 'red' (high rated) events (error, breach, near-miss, and operational loss) identified by the executive are provided to the USSL and USSIM Boards as part of the standard quarterly risk reports prepared by the executive to the boards. In addition, the USS event reporting framework requires that 'high' rated events also be escalated promptly to the relevant board if one or more of the following apply:

- The event causes a serious reputational impact;
- There is an indication of a broader, systemic issue; or
- The event is reportable to a regulator.

SIP

The SIP is a statutory requirement and sets out the investment principles and long-term investment policy of the scheme. It is reviewed regularly and at least every three years or without delay after any significant change in investment policy. If amended, the SIP is approved by the USSL Board, following receipt of investment advice and consultation with the scheme's participating employers.

DC Default SIP

USSL has a Statement of Investment Principles for the DC Default Lifestyle Option (the "DC Default SIP").

The USS Default Lifestyle Option is the default arrangement in relation to the DC section of the scheme, the Investment Builder. Although the USS Default Lifestyle Option can be actively chosen by members as their investment strategy, as a default arrangement it is the investment strategy into which the DC contributions of members who do not make any investment decisions are paid.

The DC Default SIP is reviewed regularly and at least every three years or without delay after any significant change in investment policy. It is approved by the USSL Board following receipt of investment advice.

Director appointment, evaluation, training and removal procedures

The governance team maintains various procedures around the appointment, retirement, induction and training of directors. A short summary of the appointment procedures is included below.

9. BOARD COMPOSITION AND APPOINTMENT

To achieve effective leadership and discharge their duties successfully, the USSL Board and USSIM Board must have an appropriate balance of knowledge, skills and experience. Recruitment, ongoing training and development and performance management processes are in place to achieve this.

9.1. USSL BOARD COMPOSITION

The composition of the USSL Board is laid out in the USSL articles of association. The composition is:

A supervisory board consisting of between 10 and 12 non-executive members comprising:

- Four UUK directors³;
- Three UCU⁴ directors (one of whom is the pensioner member); and
- Between three and five independent directors.

The authority to appoint USSL Board members is laid out in the articles of association and summarised below:

- UUK is entitled to appoint any person to be a UUK director to fill any vacancy caused by the removal, retirement or death of a UUK director, subject to the approval of the USSL Board, not to be unreasonably withheld or delayed.
- UCU is entitled to appoint any person to be a UCU director to fill any vacancy caused by the removal, retirement or death of a UCU director, subject to the approval of the USSL Board, not to be unreasonably withheld or delayed.
- The USSL Board is entitled to appoint any person to be an independent director to fill any vacancy caused by the removal, retirement or death of an independent director.

Recruitment procedures will be formal, fair, open, transparent and rigorous. Any search will be conducted with due regard to the skills and knowledge of the candidates against the

³ Universities UK

⁴ University & College Union

requirements of the USSL Board and USS Scheme. USS recognises that having a diverse and inclusive board will support fulfilling the company's commitments and achieving objectives. USS seeks to develop a diverse and inclusive workplace that embraces individuality, where people are welcomed and feel comfortable in the knowledge that they can be themselves. Therefore, USS is committed to procedures and practices that maximise the potential of all individuals.

Succession planning processes are in place to allow orderly appointments, maintenance of board skills and experience and progressive refreshing of the board.

Any director may be removed from the USSL Board in accordance with USSL's articles of association.

The USSL Board Chair is appointed by the USSL Board of directors in accordance with article 45 of USSL's articles of association. The USSL Board chair must be 'non-affiliated' for the purposes of the C&G Regs⁵.

9.2. USSL DIRECTOR APPOINTMENT PROCESS

A job description for USSL directors, as agreed by the USSL Board from time to time, which includes the time commitment, standards of conduct and competencies required as a board member, is utilised in the recruitment process.

a) Independent Directors

- The GNC evaluates the balance of skills, experience and knowledge on the USSL Board and, in light of this evaluation, approves a role profile for the particular appointment which, along with the director job description, provides the search criteria;
- The GNC leads the search for candidates via a variety of media such as professional networks and advertising or, where appropriate, delegates the search to a recruitment specialist;
- The USSL chair is consulted on the proposed appointment;
- The GNC, in conjunction with the USSL Board and GCEO, conducts interviews with appropriate candidates and provides its recommendations to the USSL Board for approval;
- The USSL Board approves the appointment; and
- Prior to the appointment of a proposed independent director to the USSL Board, there will be a consultation with the UUK and UCU appointing bodies.

For the purposes of this policy, and the terms of reference of the USSL and USSIM Boards and committees, a director is considered "Independent" if he/she is not appointed by either UUK or UCU⁶. Independent for the purposes of this Policy does not bear the same meaning as "non-affiliated" as set out in the Occupational Pension Scheme (Changes and Governance) Regulations

⁵ The Scheme Administration Regulations 1996 (as amended by the Occupational Pension Schemes (Charges and Governance) Regulations 2015).

⁶ As per the definition of an independent director under the USSL Articles of Association.

2015, where non-affiliated means not connected to a service provider to the scheme.

b) UUK and UCU Directors

- In the case of UUK and UCU vacancies, the GNC evaluates the balance of skills, experience and knowledge on the USSL Board and, in light of this evaluation, approves a role profile for the particular appointment which, along with the director job description, is provided to the relevant UCU or appointing body;
- A member of the GNC sits on the interview panel to provide expert knowledge of USSL Board requirements to the appointing bodies;
- The GNC conducts due diligence on the candidate, including at its discretion a further interview, and provides its recommendation to the USSL Board for approval;
- The USSL Chair is consulted on the proposed appointment; and
- The USSL Board approves the appointment.

If the GNC determines that a proposed appointee does not meet the requirements of the role profile and the legal and regulatory requirements for the role, the GNC will notify the appointing body who will have the right to propose further candidates.

9.3. USSIM DIRECTOR APPOINTMENT PROCESS

- The GNC evaluates the balance of skills, experience and knowledge on the USSIM Board and, based on a recommendation from the USSIM Board, approves a role profile for the particular appointment. The role profile and director job description provide the search criteria;
- The GNC conducts interviews with appropriate candidates, in conjunction with the USSIM Board, GCEO and USSIM CEO;
- Due diligence is completed, and in line with SMCR requirements, the directors' line manager is asked to confirm the fitness and propriety and training and competency of the candidate (and FCA approval sought if it is an Senior Manager Function role);
- The GNC recommends appointment of the candidate to the USSL Board; and
- The USSL Board approves the appointment.

9.4. USSL DIRECTOR TERMS OF OFFICE

The USSL articles of association state that no director may hold office for a period exceeding five years unless they have been reappointed and this policy lays out further provisions (as below) to ensure a balanced board is established and maintained. Where a director has been appointed for a term of office shorter than the maximum permitted under the USSL articles of association, the board may, if it considers it appropriate, for example for continuity reasons or to facilitate succession planning, with the agreement of

the relevant director agree to extend the term up to the maximum period permitted under USSL's articles of association and as permitted by law.

The following criteria are applied for all directors:

- Given the complexity of the matters considered by the USSL Board and the requirement to undertake a full recruitment exercise at the end of each director's term of office, the USSL Board is of the view that four year terms of office are generally appropriate. However, the USSL Board may, in certain circumstances, appoint directors for shorter terms or agree to extend terms of office (within the maximum permitted in the USSL articles) in order to manage succession and continuity of the directors on the board.
- Directors may be appointed for further terms of office, but the maximum length of time that a director may continuously serve on the USSL Board is nine years⁷. This means that many directors are appointed for two, four-year terms of office, and therefore serve on the USSL Board for eight years continuously.
- Once a director has served on the board continuously for a maximum of nine years, the individual is not eligible for appointment to the USSL Board for a period of three years.

9.5. USSIM DIRECTOR TERMS OF OFFICE

The USSIM articles of association do not state a maximum term of office for directors. However, the articles of association do stipulate the process for removal of USSIM directors. USSIM's board is comprised of both non-executive and executive directors. Independent USSIM non-executive directors are generally appointed for an initial term of three years, with a maximum of two reappointments, resulting in a maximum term of office of nine years, although the term of office of any USSIM non-executive director who is also a USSL director is generally aligned with their term of office as a USSL director. The USSL Board may, in exceptional circumstances, resolve to approve that the term of office of an independent USSIM non-executive director be up to 5 years and the maximum term of office of nine years increased accordingly.

10. SCHEME GOVERNANCE

The USS Group corporate governance structure exists within the wider context of the USS Scheme governance framework. There are two key committees which form part of the USS governance framework: (i) the Joint Negotiating Committee ("JNC"), and (ii) advisory committee. The JNC and advisory committee are constituted, empowered and governed by the Scheme Rules, not the USSL Board.

10.1 JNC

⁷ The maximum tenure permitted under Master Trust regulations in order to continue to be considered 'non-affiliated' is 10 years (with each term being for a maximum of 5 years).

The JNC is a body established under Rule 64 of the Rules. It is comprised of 5 UUK appointees, 5 UCU appointees and an independent chair. The primary function of the JNC is a negotiating forum for the stakeholders to determine the benefit design of the Scheme. The JNC has power to initiate rule amendments, which the Trustee Board is obliged to implement, provided that the conditions in the amendment power are not infringed. The consent of the JNC is required for any rule amendments proposed by the Trustee.

The JNC also has a key role under the Scheme's cost-sharing provisions to determine the split of contributions and or benefit change where the Trustee determines, following an actuarial investigation, that an increase or decrease to the overall rate of contributions is required.

Arrangements are in place to foster a cooperative and successful relationship between the two groups. This includes:

- Reporting mechanisms that allow ongoing communication between the two bodies on relevant matters; and
- Regular briefing sessions with the Chair of the USSL Board and Chair of the JNC.

10.2 ADVISORY COMMITTEE

The advisory committee is established under Rule 65 of the Rules and exercises the dispute resolution function on behalf of the Trustee under section 50 of the Pensions Act 1995. Its role also extends to advising the Trustee company on matters on which it requires advice, including those relating to:

- the exercise by the Trustee company of its powers and discretions (other than those relating to investment matters);
- difficulties in the interpretation or application of the Scheme Rules; and
- complaints received from members or participating employers. It is comprised of 3 UUK appointees and 3 UCU appointees with an additional UUK and UCU appointed director where it is exercising its dispute resolution function.

11 ANNUAL REVIEW

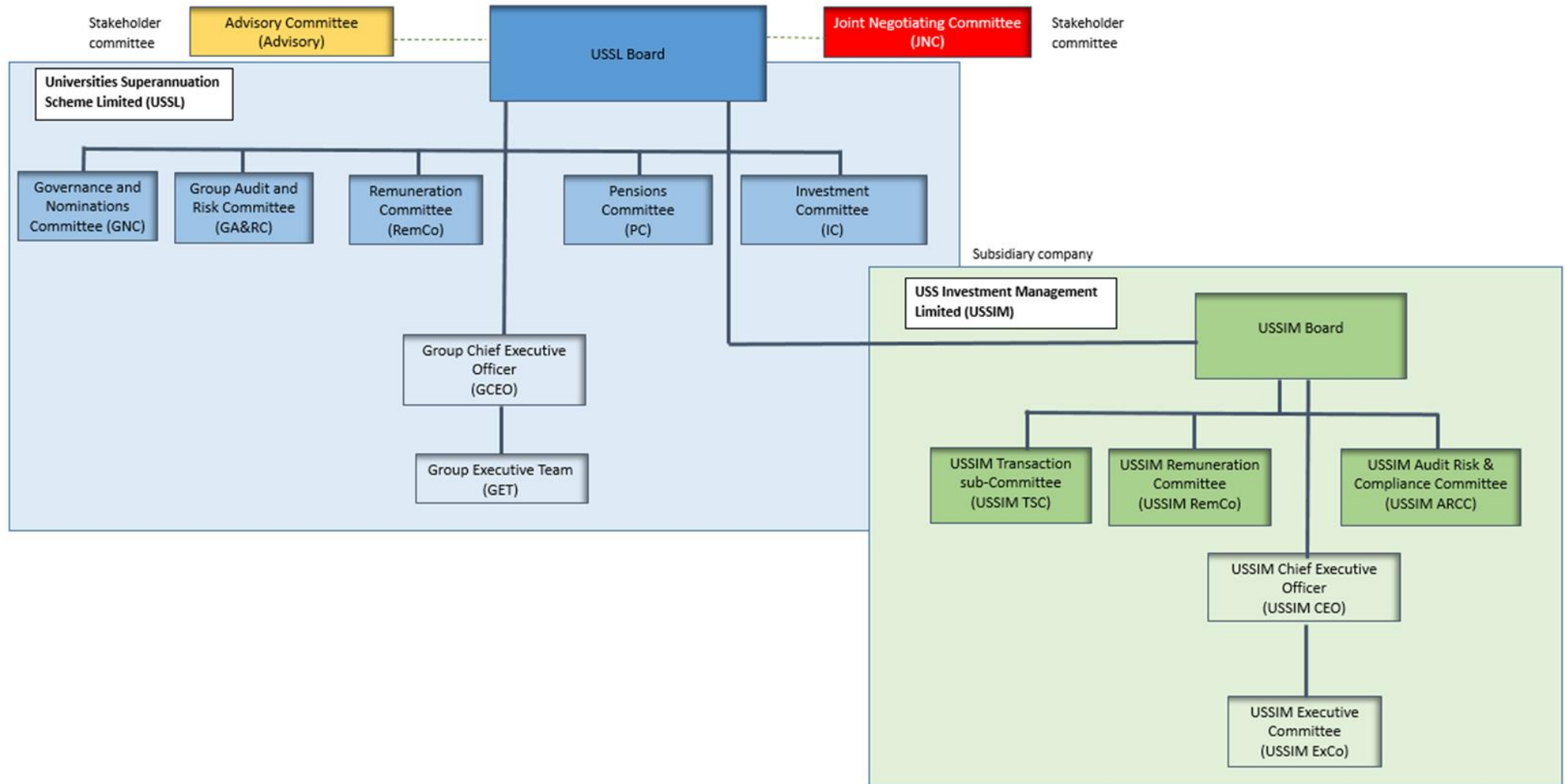
This policy will be reviewed annually by the Governance team.

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USS GROUP CORPORATE GOVERNANCE STRUCTURE

Main Boards and Committees



Note – This chart shows a simplified version of the USS structure. In practice there are many different reporting and communication lines between USSIM and USSL,

and the USSIM CEO is also a member of the Group Executive Team. USSIM also maintains its own detailed Management Responsibilities Map in compliance with the FCA's SMCR requirements

TERMS OF REFERENCE (“TOR”)

TRUSTEE BOARD (“TB” or the “Board”)

Chair	<ul style="list-style-type: none"> • A non-executive director, with the requisite skills and experience • Appointed by the TB from its number
Directors	<p>Not less than ten and not more than twelve non-executive members comprising:</p> <ul style="list-style-type: none"> • Four UUK Directors • Three UCU Directors (one of whom is the pensioner member) • Between three and five independent¹ directors • In carrying out all duties of the Board, the directors will act in accordance with all relevant and applicable law and regulation. In particular, they will take account of the directors’ duties contained in the Companies Act 2006.
Standard Attendees	<ul style="list-style-type: none"> • Group Chief Executive Officer (“GCEO”) • Group General Counsel • Head of Governance <p><i>(or an appointed delegate of each)</i></p>
Additional Attendees	Other attendees as agreed by the Chair.
Quorum	<ul style="list-style-type: none"> • Three directors • Where a consensus is not reached, questions will be decided by a majority of votes, with the Chair having a second, casting vote.
Meeting Frequency	A minimum of six times per annum.
Secretary	A member of the Governance and Company Secretariat team.
This Board receives authority from	<ul style="list-style-type: none"> • The Scheme Rules • USSL Articles • The TB is accountable to the Scheme’s stakeholders, employers and members.
Purpose of this Board	<ul style="list-style-type: none"> • Overall leadership, strategy and oversight of USS Group. • Monitoring and oversight of USS’s operations, ensuring competent and prudent management, sound planning, proper procedures for the maintenance of adequate systems of internal control, and for compliance with statutory and regulatory obligations. • Overall oversight of the administration (including investment of the Scheme’s assets) of the Scheme to ensure that: (i) the Scheme is adequately funded; (ii) benefits are paid when they fall due; (iii) the Scheme is effectively administered in line with objectives; and (iv) the

¹ A director is considered independent if he/she is not appointed by either UUK or UCU i.e. as per the definition of an independent director under the USSL Articles of Association.

	<p>Scheme and its administration continue to meet the needs of the UK higher education sector.</p> <ul style="list-style-type: none"> Monitoring and oversight of the trustee’s relationship and engagement with key stakeholders, including UUK, UCU and the JNC. <p><i>It is acknowledged that while the TB retains overall oversight of USS Group, day to day management of USSL in accordance with the approved business plan and budget has been vested by the TB in the GCEO, who allocates specific responsibilities to the senior members of his team. Where it is unclear whether a matter falls within those set out below, the GCEO will discuss with the Chair whether such matter should be brought to the attention of the TB.</i></p> <p><i>All decisions, obligations and powers of the Trustee under the Scheme Rules pertaining to the administration of the Scheme are delegated to the GCEO except as expressly retained in these TORs.</i></p>
<p>Reporting and Escalation</p>	<ul style="list-style-type: none"> Minutes of meetings will be issued to all directors and regular attendees. All committees that act on the direct delegated authority from the TB, will provide a report to the TB following each meeting. The reports will cover: (i) key matters discussed and approved; (ii) decisions taken, and (iii) items recommended for approval by the TB.
<p>Scope of this Board’s responsibilities:</p>	
<p>The Board is responsible for Approving:</p>	<p>APPOINTMENTS</p> <ol style="list-style-type: none"> The appointment, reappointment or removal of the following, on recommendation from the GNC: <ol style="list-style-type: none"> Any directors to or from the TB; TB Chair; TB Deputy Chair and Senior Director; and TB committee members (including any non-director committee members “special committee members”). The appointment or removal of the chair of any TB committee on recommendation from the TB chair. The appointment or removal of the GCEO, on recommendation from the GNC. The appointment or removal of the USSIM CEO, on recommendation from the GNC. The appointment or removal of the USSIM board chair and directors, on recommendation from the GNC. The period for which any independent director is to hold office (as long as it does not exceed any time limit in USSL’s articles of association (“Articles”) or the Corporate Governance Framework Policy). Appointment (and subsequent removal) of an independent director to the Advisory Committee (who is not otherwise a member of the Advisory Committee) on a temporary basis, where neither the additional members (nor alternates) are able to participate in its Dispute Resolution Function as further referred to in Scheme Rule 65.

	<p>8. The appointment or removal of one or more persons to act as Company Secretary of USSL and USSIM, on recommendation from GNC.</p> <p>9. The extension of tenure of an independent director on the TB beyond the maximum term (nine years), on recommendation from GNC.</p> <p>10. Appointment or removal/replacement of the Scheme's actuary, on recommendation from the GCEO.</p> <p>GOVERNANCE</p> <p>11. Any matters relating to the power of directors and decision-making by directors, subject to the USS Articles and any applicable laws and regulations.</p> <p>12. Any necessary authorisations for the purposes of section 175 Companies Act 2006 (<i>Duty to avoid conflicts of interest</i>).</p> <p>13. The delegation of any of its powers to any person or any committee or sub-committee consisting of one or more directors, and such other persons, as the TB thinks fit.</p> <p>14. The removal of any delegation in whole or in part, or to amend its terms of reference.</p> <p>15. The Corporate Governance Framework Policy, and any amendments to it, on the recommendation of the GNC.</p> <p>16. The governance framework and processes put in place by the GCEO around major strategic projects.</p> <p>17. Material changes to the terms of reference for all committees and subsidiary boards that act on the direct delegated authority from the TB.</p> <p>18. Any signing mandate, authorised signatories, powers of attorney or authorities to bind USS (including delegation of authority to an entity authorised to act as agent of USS but excluding personnel of such entity when the delegation of authority has been made).</p> <p>19. Who shall sign any instrument to which the USS common seal is affixed.</p> <p>20. Significant contracts above the thresholds set out in any signing mandates.</p> <p>21. As sole shareholder of USSIM, the payment of dividends and other distributions of USSIM.</p> <p>22. As sole shareholder of USSIM, the capitalisation of any profits of USSIM.</p> <p>23. The director appointment, removal, evaluation and training policy, on recommendation from the GNC.</p> <p>24. The Board Code of Conduct, on recommendation from the GNC.</p> <p>OPERATION OF THE SCHEME</p> <p>All of the following to be approved and performed in accordance with and as required by the Scheme Rules:</p> <p>25. Material pension increases under Scheme Rule 17, on recommendation of the GCEO.</p> <p>26. The financial monitoring plan (FMP) for the Scheme and any amendments (to be reviewed at least triennially).</p>
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	<p>27. Amendments to the Scheme Rules for recommendation to the JNC (as appropriate) or approving amendments to the Scheme Rules (as appropriate) following receipt of JNC consent or recommendations (<i>including that the conditions set out in the Scheme Rules for the power of amendment are met prior to execution of any deed of amendment</i>), on recommendation from PC.</p> <p>28. That any permissive statutory override be used in relation to the Scheme Rules (including any decision to apply such an override retrospectively), on recommendation from PC.</p> <p>29. The Scheme’s funding and benefits position and allocations, acting on actuarial advice and in consultation with the JNC where required.</p> <p>30. The statement of funding principles and schedules of contributions.</p> <p>31. The triennial valuation and process (including assumptions, methodology and outcomes).</p> <p>32. The principal employer contribution rate in accordance with the Scheme Rules.</p> <p>33. The framework to address any alteration or addition to the Scheme that is required following actuarial investigation, in consultation with the JNC (on recommendation by the GCEO).</p> <p>34. Any proposals that will have a material impact on member benefits/experience/offering (employer service levels and/or the cost of operating the Pensions Segment), on recommendation from PC.</p> <p>35. Any material proposals in relation to the range of DC investment Options, DC Benefit Options (under the Scheme Rules) and/or Services and Flexibilities provided to members, including the member requirements and any specifications for such products and services, on recommendation from PC.</p> <p>36. The appointment or removal of, or entering into any material arrangement with, any material third party supplier who (a) provides services to members (e.g. Services and Flexibilities or as a MPAVC provider) and/or (b) provides DC administration or DC investment platform services, on recommendation from PC.</p> <p>37. The framework for admission, participation and exit of participating employers, on recommendation from PC and /or GCEO.</p> <p>38. The delegation of any employer participation decisions to PC under: (i) the employer participation delegations framework (“Delegations Framework”); (ii) any employer participation decisions that are reserved to TB under the Delegations Framework, on recommendation from PC; and (iii) any other material proposals in relation to day to day employer participation issues (i.e. those not relating specifically to the Scheme’s valuation), including admission of a participating employer or exit / withdrawal of an Institution (other than for persistent late payment of contributions).</p> <p>39. Bulk transfer in arrangements under Scheme Rule 48.</p> <p>40. Wind-up of the Scheme or cessation to be the administrator (in conjunction with approval by the JNC).</p> <p>41. The Master Trust Continuity Strategy and any revisions to it, on recommendation from PC.</p>
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	<p>42. The Master Trust Continuity Option (following a Trigger Event¹).</p> <p>43. The Master Trust Implementation Strategy (including any delegations and matters reserved for the TB within the Implementation Strategy) on recommendation from the GCEO.</p> <p>44. The purchase of insurance (in a buy-out situation).</p> <p>45. The principles for implementation of the subsidy of DC management charges, on recommendation from PC.</p> <p>46. The Scheme's Value for Money Assessment, and the Chair's statement, on recommendation from the GCEO and / or PC.</p> <p>47. The Scheme's annual supervisory return, on recommendation from PC.</p> <p>48. The Scheme's Annual Assurance Framework, on recommendation from PC.</p> <p>INVESTMENT</p> <p>49. The investment policy and beliefs of the Scheme, the SIP and DC Default SIP, on recommendation from the IC, to ensure that these are appropriate for the Scheme given the Scheme's funding position, liabilities, covenant, Scheme benefits and DC member requirements.</p> <p>50. The Valuation Investment Strategy and any amendments to achieve the FMP's return objectives and risk tolerances (to be reviewed at least triennially), on recommendation from the IC.</p> <p>51. Amendments to the IMAA (as required), on recommendation from the IC.</p> <p>52. The appointment or removal/replacement of any investment manager (including USSIM but excluding any investment manager that is managed by USSIM), on recommendation from the IC.</p> <p>53. The Responsible Investment Strategy (including the USS UK voting policy; USS and USSIM's Stewardship Principles and the public policy areas of focus) and approach to Environmental, Social and Governance ("ESG") and climate risk related matters as they relate to USSL and the Scheme.</p> <p>54. The USS climate related strategy, including climate related scenario analysis, metrics and targets, on recommendation from the IC.</p> <p>55. The short, medium and long-term time horizons that are relevant to the Scheme's climate related strategy, on recommendation from the IC.</p> <p>56. Appointment or removal/replacement of professional custodians on recommendation from the IC.</p> <p>57. The Valuation Investment Strategy (as defined in the IMAA) and any amendments to achieve the return objectives and risk tolerances required by the actuarial valuation (to be formally reviewed at least triennially, and reaffirmed intra-valuation on an annual basis), on recommendation from the IC and analysis from the Scheme Actuary.</p> <p>58. The DB Investment Objectives (as defined in the IMAA) as set out in the USSIM DB Investment Balanced Scorecard on recommendation from the IC.</p>
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¹ As defined by the Pension Schemes Act 2017

	<p>59. The DB Required Return (as defined in the IMAA) relative to liabilities (to be reviewed at least triennially), on recommendation from the IC and receipt of analysis from the Scheme Actuary.</p> <p>60. The DB Expected Returns of the Valuation Investment Strategy (to be reviewed at least triennially), on recommendation from the IC and receipt of analysis from the Scheme Actuary.</p> <p>61. The series of DB investment KRIs which include thresholds, limits and management actions for the DB Implemented Portfolio, as informed by the TB DB Investment Risk Appetite Statements and with advice from the USSIM CEO (as appropriate).</p> <p>62. The DC Long-Term Return Targets and Risk Limits for the Core Notional Funds and any changes to the DC Default Strategy and DC Ethical Strategy glidepaths, on recommendation from the IC (and with advice from USSIM).</p> <p>63. In respect of the DC Self Select Funds, on recommendation from the IC (and with advice from USSIM):</p> <p>64. The DC Investment Solutions for the DC Self Select Range;</p> <p>65. The DC Self Select Range outperformance targets and benchmarks (where applicable); and</p> <p>66. The Risk Tolerances and Risk Limits of the DC Self Select Funds (where applicable).</p> <p>67. Engagement of USSIM to commence direct management of DC assets.</p> <p>68. The investment management cost envelope for the DC default strategy.</p> <p>69. The method for setting investment return assumptions to be used for the purposes of Statutory Money Purchase Illustrations.</p> <p>70. The terms and limits proposed by USSIM in any DC Notification letter under the IMAA.</p> <p>OPERATION OF THE GROUP/REMUNERATION</p> <p>71. The USS Group and DC Business Plans and Budgets (including total estimated compensation) and any material deviations (including the business plan and budget for all subsidiaries), on recommendation from the GCEO, and the USSIM Board (in respect of the USSIM Business Plan and Budget and USS Investment Business Plan), and on recommendation from the GCEO and (in respect of the Pensions Segment in any Business Plan or Budget) PC.</p> <p>72. Any increase to the total compensation which exceeds the amount approved by the TB as part of the USS Group and DC Business Plans and Budgets, on recommendation from the RemCo.</p> <p>73. The USS Group's strategic aims and objectives.</p> <p>74. The USS Group Corporate Structure and any material amendments to it (excluding any SPVs or entities formed or acquired as investments of the Scheme).</p> <p>75. USSIM Board non-executive directors' fees and expenses and changes, recommended by Remco.</p> <p>76. Any amendments to the remuneration policy that are not in accordance with the USS Group Business Plans or strategy, on recommendation from the Remco.</p> <p>77. The USS Group strategy for recruitment, retention and motivation of its employees, on recommendation from the Remco.</p>
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	<p>78. The fee structure for members of any committee of the TB other than for members of the JNC, Advisory Committee and IC.</p> <p>RISK</p> <p>79. The Risk Governance Policy, on recommendation from the Group A&RC, PC and IC.</p> <p>80. The USS Group risk appetite statements on recommendation from IC, PC, Group A&RC, GNC or Remco, as appropriate and GET.</p> <p>81. The Integrated Risk Management Framework and funding monitoring and actions framework.</p> <p>AUDIT</p> <p>82. The appointment, re-appointment and removal of the Group external auditor for USS, the Scheme and USSIM, on the recommendation of the Group A&RC.</p> <p>83. The continued use of the going concern basis of accounting in the preparation of the USS and Scheme annual report and accounts.</p> <p>84. The external audit management representation letter for USS and the Scheme, on the recommendation of the Group A&RC.</p> <p>85. The USS and Scheme annual report and accounts for signing and publication, on recommendation from the Group A&RC.</p> <p>86. The Whistleblowing Policy, on recommendation from the Group A&RC.</p> <p>87. The Conflicts of Interest Policy, on recommendation from the Group A&RC.</p>
<p>The Board is responsible for Recommending for Approval:</p>	<p>88. To the JNC, Scheme Rule amendments, in accordance with Scheme Rule 79.</p> <p>89. To the JNC, the fee structure for current and prospective TB directors and any changes following a review, at such time as determined appropriate.</p> <p>90. To the JNC, any changes to the fee structure for members of the JNC, Advisory Committee and the IC, following a review at such time as determined appropriate.</p>
<p>The Board is responsible for Oversight:</p>	<p>In addition to the specific activities listed below, the TB also oversees all activities delegated to, and carried out by, the GCEO, committees and subsidiary boards, as documented in each of their TOR, through oversight of the reporting provided by them to the TB.</p> <p>APPOINTMENTS</p> <p>91. Monitoring the effectiveness of the recruitment process undertaken by the GCEO to appoint his/her executive team.</p> <p>GOVERNANCE</p> <p>92. Reviewing and evaluating any risks of material breaches/issues of compliance with the Corporate Governance Framework Policy, which have been reported by the GNC.</p> <p>93. Considering any advice provided by Advisory Committee, under its TOR.</p>

	<p>94. Monitoring compliance with the conflicts of interest policy, based on assurance provided by Group A&RC.</p> <p>OPERATION OF THE SCHEME</p> <p>95. Monitoring and challenging the triennial actuarial valuation/investigation activities, performed by GCEO on the request of the TB.</p> <p>96. Monitoring and reviewing statutory increases to pension benefits, acting on actuarial advice.</p> <p>97. Keeping under review the admission of employers or modification of the Scheme Rules in relation to an Institution following amalgamation or where an Institution contributes to or participates in any other pension scheme.</p> <p>98. Monitoring and assessing the adequacy of policies and arrangements for employers joining and leaving the Scheme.</p> <p>99. Considering proposals (where required) in respect of decisions of the Advisory Committee that involve a significant issue of principle or policy where the Advisory Committee is required to refer the matter to the TB (in accordance with Scheme Rule 65.6.1), on recommendation from PC.</p> <p>100. Monitoring the integrity of the framework for the compromise of claims (excluding any claims in respect of s75 which shall not be compromised except in accordance with the PA 1995).</p> <p>101. Monitoring and assessing the adequacy of The Trustee's general approach to: (i) corporate affairs; (ii) member and employer engagement (excluding non-valuation related ordinary course member and employer communication and engagement, which will be reviewed by PC); and (iii) engagement with key stakeholders.</p> <p>102. Monitoring and assessing that the DC Section offers value for money for its members.</p> <p>INVESTMENT</p> <p>103. Reviewing and challenging the: a) DB investment strategy, and any amendments to incorporate the FMP and Valuation Investment Strategy to achieve the FMP's return objectives and risk tolerances; and b) the DC investment strategy and its suitability in meeting members' requirements.</p> <p>104. Reviewing and receiving regular reports about USSIM's performance and the reporting provided by USSIM Board and USSIM CEO as required under the IMAA.</p> <p>105. Monitoring whether USSIM is meeting the various investment objectives set by the Trustee based on reporting from the IC.</p> <p>RISK</p> <p>106. Monitoring and assessing the adequacy of the financial control, internal control and risk management framework of USS Group, based on assurance provided by the Group A&RC on each of the three lines of defence, as follows: (i) first line: the Group Executive and USSIM Board; (ii) second line: the GGC and CRO, and: (iii) third line: internal audit.</p>
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	<p>107. Monitoring and overseeing the processes to identify, manage, monitor and report (relative to risk appetite/risk tolerances) the risks to which USS is or might be exposed, based on assurance provided by the Group A&RC</p> <p>108. Reviewing and receiving regular reports on 'red' rated events (errors, breaches, near-misses and operational losses), and management's response to them.</p> <p>109. Monitoring compliance with all relevant regulatory notification and filing requirements applicable to USSL (including those under the Pensions Schemes Act 2017 and the Occupational Pension Schemes (Master Trust) Regulations 2018) and the implementation of an appropriate monitoring framework to support such compliance, based on assurance provided from the Group A&RC.</p> <p>110. Overseeing the management of the Scheme's funding and benefits position.</p> <p>OPERATION OF THE GROUP</p> <p>111. Monitoring and assessing the implementation of the USS Group Business Plans and Budgets (including the DC Business Plan) by the GCEO.</p> <p>112. Evaluating the execution of the Implementation Strategy by the GCEO.</p> <p>113. Monitoring and assessing the GCEO's performance in light of USS's company's strategic aims, objectives, business plans and budgets and the risk appetite set by the TB (and ensuring any necessary corrective action is taken).</p> <p>114. Assessing the effectiveness of the USS Group's operating structure, put in place by the GCEO.</p> <p>115. Reviewing management information from the GCEO and each business area, to evaluate implementation of the USS Group Business Plan.</p> <p>116. Monitoring and receiving regular reports and assurance about the performance of the Pensions Segment, against the Pensions Business Plan and Budget, as provided by PC.</p> <p>117. Monitoring and receiving regular reports and assurance about the performance of USSIM, against the USSIM Business Plan and Budget, as approved by the USSIM Board.</p> <p>118. Monitoring and receiving regular reports and assurance about performance against the USS Investment Business Plan, as provided by the IC.</p> <p>119. Monitoring and receiving regular reports and assurance about the from the USSIM Board on the level and adequacy of services provided by USSIM under the IMAA.</p> <p>120. Receiving regular reports about material communications with the all regulators.</p> <p>121. The review of the USSIM Board non-executive directors' fee and expenses structure as performed by Remco.</p> <p>122. Monitoring and assessing the adequacy of the executive's initiatives to promote diversity and inclusion across the USS Group. Diversity includes but is not limited to gender, social and ethnic background, cognitive and personal strengths.</p>
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<p>The Board is responsible for Performing:</p>	<p>123. The recruitment of the GCEO in conjunction with the GNC.</p> <p>124. The convening of a USS General Meeting, in accordance with the USS Articles and the Companies Act 2006.</p> <p>125. The convening of a USSIM General Meeting, as sole shareholder, in accordance with the USSIM Articles and the Companies Act 2006.</p> <p>126. Resolution of any doubt/disagreement as to whether the Advisory Committee is exercising its Dispute Resolution Function pursuant to Scheme Rule 65.2.4.</p> <p>127. Review of the GCEO's implementation of USS Group's objectives, values and culture (and ensuring that any corrective action is taken).</p> <p>128. An annual review of the TB's own effectiveness (including individual directors).</p> <p>129. An annual review of these TOR.</p>
<p>TOR last approved</p>	<p>23 March 2023</p>

TERMS OF REFERENCE (“TOR”)

PENSIONS COMMITTEE (the “PC” or the “Committee”)

Chair	<ul style="list-style-type: none"> • An independent¹⁰ non-executive director, with the requisite skills and experience. • Appointment approved by the Trustee Board (TB), on recommendation from the Governance and Nominations Committee (GNC). In the absence of the Committee Chair and/or a deputy appointed by the Chair, at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.
Members	<p>Minimum of five members, including:</p> <ul style="list-style-type: none"> • Group Chief Executive Officer (GCEO) • Chief Pensions Officer (CPO) <p>The Chair of the Group Audit & Risk Committee is not permitted to be a member of the Committee.</p>
Standard Attendees	<ul style="list-style-type: none"> • Chief Risk Officer (CRO) • Pension Strategy Executive • Pensions Operations Executive • Chief Legal Officer (CLO) • Chief Technology & Transformation Officer (CTTO) • Chief Scheme Strategy and Stakeholder Officer (CSSO) • Chief Finance Officer (CFO) (optional attendee) <p><i>(or an appointed delegate of each)</i></p>
Additional Attendees	Other attendees as agreed by the CPO and the Committee Chair.
Quorum	Three committee members, the majority of whom shall be non-executive directors.
Meeting Frequency	<p>Typically, four meetings per annum (to be focused around quarterly reporting) and at least one that is focused on strategic matters.</p> <p><i>Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of the PC members.</i></p>
Secretary	A member of the Governance and Company Secretariat team.
This Committee receives authority from:	The Committee operates under delegated authority from the TB.
Purpose of this Committee	<ul style="list-style-type: none"> • High-level monitoring and oversight of the performance of the Pensions Segment, including: <ul style="list-style-type: none"> ○ the Scheme’s administration and the services provided to employers and Scheme members;

¹⁰ A director is considered independent if he/she is not appointed by either UUK or UCU i.e. as per the definition of an independent director under the USSL Articles of Association.

	<ul style="list-style-type: none"> ○ Engagement with members and employers (other than in relation to valuations); ○ the Scheme’s approach to any material regulatory, policy or strategy developments impacting the Pensions Business; and ○ the development, agreement and implementation of changes to the Scheme Rules. <p>Note: <i>The Committee is authorised by the TB to obtain, at USSL’s expense, external legal or independent professional advice, and secure the attendance of external parties with relevant experience and expertise if necessary (subject to TB approval of the USS Group budget).</i></p>
Reporting and Escalation	<ul style="list-style-type: none"> ● The Committee will report to the TB after each Committee meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit, (iii) items recommended for approval by the TB and (iv) any other material issues that the Committee wishes to escalate to the TB. ● Minutes of the meetings will be issued to all Committee members and regular attendees and will be made available, on request, to members of the TB. ● All activities listed below are undertaken under the delegated authority from the TB and must be: (i) in accordance with the USS Group business plan; (ii) in line with relevant regulatory and statutory requirements, and (iii) included in the appropriate budget. Where these conditions are not met, the Committee must escalate to the TB.
Notice of meetings	<ul style="list-style-type: none"> ● Meetings of the Committee shall be called by the secretary of the Committee, at the request of the Committee chair or any of its members. ● Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Committee members and to other attendees as appropriate.
Scope of this Committee’s responsibilities:	
This Committee is responsible for Approving:	<p><u>Member Options and Service Developments</u></p> <ol style="list-style-type: none"> 1. The assumptions, beliefs and preferences of members (for the DC Investment Options and DC Services and Flexibilities to be offered to members). 2. The range of investment options under money purchase additional voluntary contributions (“MPAVCs”). 3. The principles for conversion of defined benefit (“DB”) lump sum entitlements into DB pension (and vice versa) as per Rule 21 or the conversion of MPAVC funds (Rule 36) or a member’s defined contribution (“DC”) account (Rule 22) into DB benefits. 4. Material changes to the Member Journey. 5. Any non-material proposals in relation to the range of Services and Flexibilities provided to members. 6. The strategic objectives for the employer and member communications strategy (excluding engagement specifically in the context of the valuation, which fall to the Trustee Board).

	<p><u>Employer Participation</u></p> <p>7. Any employer participation decisions that are reserved to PC under the employer participation delegations framework (“Delegations Framework”) from time to time.</p> <p><u>Specific Policies/Frameworks</u></p> <p>8. The following policies, principles and frameworks:</p> <ol style="list-style-type: none"> a. Member Dispute Policies; b. The DC errors and omissions framework; c. USS commutation policies and procedures; d. Fairness principles for DC Illiquids; and e. Framework for purchase of insurance under Scheme Rule 20 (Buy-outs). <p><u>Governance</u></p> <p>9. The Rules Group TOR.</p> <p>10. Any immaterial changes to the Committee’s TOR or amendment to the Committee’s escalation policy.</p> <p>11. The annual report from the Committee for inclusion in the USS annual report and accounts.</p> <p><u>Miscellaneous</u></p> <p>12. Payments to compromise claims under the Scheme Rules or relevant pensions legislation and regulations in excess of £5 million, (excluding any compromise of claim regarding section 75 of the Pensions Act (“PA”) 1995 except as authorised by legislation).</p> <p>13. The reports prepared for the JNC about elections under the enhanced opt out provisions and employee specific voluntary salary cap under schedules 14 and 15 of the Scheme Rules.</p>
<p>This Committee is responsible for Recommending for Approval:</p>	<p><u>General</u></p> <p>14. Any proposals that will have a material impact on member benefits/experience/offering (employer service levels and/or the cost of operating the Pensions Segment).</p> <p>15. Any proposals in relation to the range of DC Investment Options, DC Benefit Options (under the Scheme Rules) and/or Services and Flexibilities provided to members, including the member requirements and any specifications for such products and services.</p> <p>16. The appointment or removal of, or entering into any material arrangement with, any material third party supplier who (a) provides services to members (e.g. DC Services and Flexibilities or as an MPAVC provider) and/or (b) provides DC administration or DC investment platform services.</p> <p><u>Business Plans</u></p> <p>17. The proposed objectives (and key KPIs) in respect of the Pensions Segment in any Business Plan or Budget (including the Annual Business Plan, 3 Year Plan and/or DC Business Plan).</p> <p>18. The principles for the implementation of the subsidy of DC management charges.</p>

	<p><u>Employer Participation</u></p> <p>19. The framework for admission, participation and exit of participating employers.</p> <p>20. (i) the employer participation Delegations Framework, (ii) any decisions that that require TB approval under the Employer Delegations Framework and (iii) any other material proposals in relation to day to day employer participation issues (i.e. those not relating specifically to the Scheme’s valuation), including admission of a participating employer or exit/ withdrawal of an Institution (other than for persistent late payment of contributions).</p> <p><u>Risk</u></p> <p>21. Any amendment to the Risk Appetite Statements in respect of the Product, Members and Service Delivery risks that the Committee has oversight of, as set out in paragraph 30 below, and as required by the Board or any other aspects of the Risk Governance Policy.</p> <p><u>Master Trust</u></p> <p>22. The Scheme’s Master Trust Annual Supervisory Return and Continuity Strategy and any revisions to it.</p> <p><u>Scheme Rule Amendments</u></p> <p>23. Amendments to the Scheme Rules and/or any decision to use a permissive statutory override in relation to the Scheme (including any decision to apply such an override retrospectively).</p> <p><u>Governance</u></p> <p>24. Proposals (where required) in respect of decisions of the Advisory Committee that involve a significant issue of principle or policy where the Advisory Committee is required to refer the matter to the TB (as per Scheme Rule 65.6.1).</p> <p>25. Material changes to the Committee’s TOR.</p>
<p>This Committee is responsible for Oversight:</p>	<p><u>Strategy Business Planning and Operations</u></p> <p>26. Reviewing and assessing performance of the Pensions Business, including overseeing implementation of the Pension Segment of any Business Plan (including any significant projects being undertaken, the Annual Business Plan, 3 Year Plan and/or DC Business Plan).</p> <p>27. Evaluating the adequacy of the strategy, planning and business development for the Pensions Segment.</p> <p>28. Monitoring and evaluating the adequacy of the Trustee’s proposed response to legal, regulatory, fiscal, policy and/or sector specific issues that may have a material impact on the way in which the Scheme is administered, members and/or employers are serviced and/or the Trustee engages with members and/or employers.</p> <p>29. Monitoring and assessing the effectiveness and appropriateness of the Trustee’s communication, education and engagement with Institutions and Scheme members and keeping under review of any communications/engagement frameworks (but excluding the Trustee’s general strategic approach to (i) corporate affairs and (ii) member and employer engagement specifically in the context of a valuation).</p> <p>30. Keeping under review the effective management of the following risks, within the Scheme’s existing benefit structure:</p>

	<p>a. Scheme Strategy and Stakeholder: the risk that institutions, members or their representative bodies no longer view USS as their preferred service provider for retirement benefits; and</p> <p>b. Service Delivery: the risk that transaction errors may occur in the processing of data due to faults in the process caused by inadequate design; poor operating procedures; errors in the input of data upon which the process operates by customer, third party or employee.</p> <p>31. Reviewing and challenging the assurance maps relating to the Pensions Business.</p> <p>32. Keeping under review and challenging the assurance from the pensions executive with respect to its implementation and operation of risk management and risk monitoring, including in relation to the protection of Members' and Institutions' data and personal information.</p> <p>33. Reviewing and challenging the findings and recommendations of the GCEO's annual review of member demographics (pursuant to regulatory guidance).</p> <p>34. Monitoring and assessing compliance of policies / frameworks (as set out in paragraph 8 above) with legal and regulatory requirements and best practice for USS, based on assurance provided by the GCEO and CPO.</p> <p>35. Monitoring and assessing the adequacy of the Pensions Business performance and delivery of services (including member benefits/experience/offering and employer service levels) to institutions and members, including DC Services and Flexibilities.</p> <p>36. Monitoring and overseeing the delivery of services by any material third party supplier including (but not limited to), administration, advisory and operational services.</p> <p>37. Reviewing the exercise of discretions and/or material decisions taken by the Group Executive Team or Pensions Executive, as required.</p> <p><u>Employer Participation</u></p> <p>38. Monitoring and assessing any material issues arising from the GCEO's implementation of the employer participation framework and policies, and/or the Delegations Framework and monitoring of employer's compliance with it. The Committee will as part of this review and challenge the GCEO's analysis of the employer covenant in the context of day to day employer participation issues (not valuations).</p> <p><u>DC Services and Flexibilities</u></p> <p>39. Reviewing and challenging annually the Scheme's Value for Members Assessment in so far as it relates to the Pensions Segment.</p> <p>40. At least once every year, reviewing and assessing member behaviour and the ongoing suitability of:</p> <ul style="list-style-type: none"> a. The range of DC Investment Options to be offered to members (and providing an annual report to the IC); b. The DC Services and Flexibilities; c. The range of investment options under MPAVCs; and d. The Member Journey.
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	<p><u>Scheme Rules</u></p> <p>41. Receiving and assessing recommendations from the Rules Working Group (an executive led forum) (the “Rules Group”) of any proposed amendments to the Scheme Rules.</p> <p><u>Governance</u></p> <p>42. Reviewing at least once every two years the Committee’s own effectiveness.</p> <p>43. At least annually, reviewing the Committee’s constitution and TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the TB for approval.</p>
TOR last approved	11 May 2023

Definitions

The following definitions are used in these terms of reference:

Phrase	Meaning
“Pensions Business”	Comprises (i) Pension Executive, (ii) Pension Operations, (iii) Group Transformation, (iv) Pension Engagement and Development and (v) Pension Strategy
“Pensions Segment”	The financial reporting segment comprising Pensions Business, together with (i) Funding Strategy, (ii) Pensions element of group projects, (iii) Payroll and (iv) Pensions Allocation of Group costs
“DC Services and Flexibilities”	The range of services and flexibilities made available to members (including but not limited to the DC Benefit Options, the provision of member guidance and advice services and the signposting of third party providers of annuity and drawdown).
“DC Benefit Options”	Shall have the meaning given to it in the Scheme Rules. In effect it is the benefit options made available to members of the Scheme under Rule 22 of the Scheme Rules.
“DC Investment Options”	The investment options made available to members in the USS Investment Builder.
“Member Journey”	The set of agreed pathways that members travel in their relationship with the Scheme through which they access member facing options, services and flexibilities.

TERMS OF REFERENCE

INVESTMENT COMMITTEE (“IC” or the “Committee”)

Chair	<ul style="list-style-type: none"> • An independent¹¹ non-executive director, with investment experience. • Appointment approved by the Trustee Board, on recommendation from the GNC.
Members	<p>The membership of the Investment Committee is determined by the Scheme Rules (Rule 66). This requires that:</p> <ul style="list-style-type: none"> • No fewer than four, no more than ten persons. • At least two members will be directors on the Trustee Board (“ordinary committee member”). • No more than five members may be co-opted by the Trustee Board because of specialist skills/qualifications/experience in investment management and provision of investment advice (“special committee member”). • A member of the Trustee Board with the requisite skills may be appointed as a special committee member.
Standard Attendees	<ul style="list-style-type: none"> • GCEO • USSIM CEO • USSIM COO • GGC • Head of Investment Strategy and Advice • Head of Investment Product Management • CRO • Head of Fixed Income and Treasury, as required • Head of Strategic Equities, as required • Head of Private Markets Group, as required • Representative from Governance and Company Secretariat team • Independent Advisers as required <p><i>(or an appointed delegate of each)</i></p>
Additional Attendees	<ul style="list-style-type: none"> • Other USSL and USSIM staff as agreed with the Chair.
Quorum	<p>The quorum of the Investment Committee is determined by the Scheme Rules (Rule 66). This requires:</p> <ul style="list-style-type: none"> • Two ordinary committee members and two special committee members.
Meeting Frequency	<p>At least once in every quarter (as required under the Scheme Rules (Rule 66.4.1) or otherwise as required in order to effectively discharge its responsibilities, plus an away day.</p>
Secretary	<p>A member of the Governance and Company Secretariat team.</p>
This Committee receives authority from	<ul style="list-style-type: none"> • Rule 66 of the Scheme Rules • The Committee operates under delegated authority from the Trustee Board

¹¹ A director is considered independent if he/she is not appointed by either UUK or UCU i.e. as per the definition of an independent director under the USSL Articles of Association.

<p>Purpose of this Committee</p>	<ul style="list-style-type: none"> • To oversee the investment of the Scheme’s assets and the performance of the Trustee’s investment manager and advisers in executing and advising upon the Trustee’s investment strategy. • To advise the Trustee Board on DB and DC investment matters and, where delegated, approve on behalf of the Trustee Board strategic matters relating to the investment of the DB assets of the Scheme, on the development of the Scheme’s strategy, having regard to regulatory requirements and having taken appropriate advice. <p>Note: <i>The Committee is authorised by the Trustee Board to obtain external legal or independent professional advice and secure the attendance of external parties with relevant experience and expertise if necessary (subject to Trustee Board approval of the USS Group budget).</i></p>
<p>Reporting and Escalation</p>	<ul style="list-style-type: none"> • The Committee will report to the Trustee Board after each Committee meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit; (iii) items recommended for approval by the Trustee Board; and (iv) any other material issues that the Committee wishes to escalate to the Trustee Board. • Minutes of meetings will be issued to all Committee members and regular attendees and will be made available, on request, to members of the Trustee Board. • All activities listed below are undertaken under the delegated authority from the Trustee Board and must be: (i) in accordance with the USS Group business plan; (ii) in line with relevant regulatory and statutory requirements; and (iii) included in the appropriate budget. Where these conditions are not satisfied, the Committee must escalate to the Trustee Board.
<p>Notice of meetings</p>	<ul style="list-style-type: none"> • Meetings of the Committee shall be called by the secretary of the Committee, at the request of the Committee chair or any of its members. • Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Committee members and to other attendees as appropriate.
<p>Scope of this Committee’s Responsibilities:</p>	
<p>The Committee is responsible for Approving:</p>	<p>DB INVESTMENT STRATEGY</p> <ol style="list-style-type: none"> 1. The DB Market Comparators (to be reviewed at least annually), on receipt of analysis and guidance from the CRO. 2. The Liability Benchmark, with analysis and guidance from the CRO. 3. The counterfactuals and supporting analysis to be undertaken by PAIR for the purposes of assessing USSIM’s investment achievements in the DB Investment Balanced Scorecard.

	<ol style="list-style-type: none"> 4. The Allocation Limits (regarding tradeable assets, diversification and external managers to which the Implemented Portfolio must adhere), with advice from the USSIM CEO (as appropriate). 5. The active management inputs for use within the DB investment balanced scorecard. 6. The Scheme’s securities lending programme framework. 7. The rating of USSIM’s investment achievements using the DB Investment Balanced Scorecard. <p>OTHER</p> <ol style="list-style-type: none"> 8. The investment report for inclusion in the USS annual report and accounts. 9. Any immaterial changes to the Committee’s TOR. 10. Participation in securities litigation proceedings (where a referral is made under the Securities Litigation Policy). 11. Settlement of a securities litigation case (where a referral is made under the Securities Litigation Policy). 12. The Securities Litigation Policy. 13. The USSIM Escalation Policy (included in the corporate governance framework policy). 14. The appointment of and strategic objectives for external investment advisers. 15. The Stewardship Code Report on an annual basis.
<p>The Committee is responsible for Recommending for Approval:</p>	<p>DB INVESTMENT STRATEGY</p> <ol style="list-style-type: none"> 1. To the Trustee Board, the Valuation Investment Strategy (as defined in the IMAA) and any amendments to achieve the return objectives and risk tolerances required by the actuarial valuation (to be formally reviewed at least triennially, and reaffirmed intra-valuation on an annual basis), on receipt of advice from the USSIM CEO and analysis from the Scheme Actuary. 2. To the Trustee Board, the DB Investment Objectives (as defined in the IMAA) as set out in the USSIM DB Investment Balanced Scorecard. 3. To the Trustee Board, the DB Required Return (as defined in the IMAA) relative to liabilities (to be reviewed at least triennially), on receipt of analysis from the Scheme Actuary. 4. To the Trustee Board, the DB Expected Returns of the Valuation Investment Strategy (to be reviewed at least triennially), on receipt of analysis from USSIM, the secondary investment advisor and the Scheme Actuary. 5. To the Trustee Board, the series of DB Investment KRIs which include thresholds, limits and management actions for the DB Implemented Portfolio, as informed by the Trustee Board DB Investment Risk Appetite Statements and with advice from the USSIM CEO (as appropriate). <p>DC</p> <ol style="list-style-type: none"> 6. To the Trustee Board, the DC Long-Term Return Targets and Risk Limits for the Core Notional Funds and any changes to the DC Default Strategy and DC Ethical Strategy glidepaths. 7. To the Trustee Board, in respect of the DC Default Strategy and DC Ethical Strategy:

	<ul style="list-style-type: none"> ○ The DC Long-Term Return Targets (with advice from the USSIM CEO, as required); ○ The DC Risk Tolerances and Risk Limits (with advice from the USSIM CEO, as required); and ○ The DC Default Strategy and DC Ethical Strategy glidepaths. <p>8. To the Trustee Board, in respect of the DC Self Select Funds:</p> <ul style="list-style-type: none"> ○ The DC Investment Solutions for the DC Self Select Range; ○ The DC Self Select Range outperformance targets and benchmarks (where applicable); and ○ The Risk Tolerances and Risk Limits of the DC Self Select Funds (where applicable). <p>9. To the Trustee Board, the engagement of USSIM to commence direct management of DC assets (if applicable).</p> <p>10. To the Trustee Board, the investment management cost envelope for the DC default strategy.</p> <p>11. To the Trustee Board, the method for setting investment return assumptions to be used for the purposes of Statutory Money Purchase Illustrations</p> <p>12. To the Trustee Board, any changes to the terms and limits proposed by USSIM (not already covered by Recommendation items 5,6,7,8 and 9) for confirmation in any DC Instruction letter under the IMAA.</p> <p>13. To the Trustee Board, the DC Default Statement of Investment Principles</p> <p>14. To the Trustee Board, the overall investment policy, DC Investment Objectives and beliefs for the DC Section.</p> <p>OTHER</p> <p>15. To the Trustee Board, the investment policy of the Scheme, investment beliefs and the SIP, on receipt of analysis from USSIM Board.</p> <p>16. To the Trustee Board, the SIP implementation statement and the TCFD Report.</p> <p>17. To the Trustee Board, the USS Responsible Investment Policies including; 1. USS Stewardship and Voting Policy and associated Universities Superannuation Scheme Voting Guidance; 2. USS Ethical Guidelines (for DC); and 3. Responsible Investment Statement (to be replaced with a new USS Responsible Investment Policy in 2023) and any other associated policies or documents as required and the approach to Environmental, Social, Governance ('ESG') and climate risk related matters as they relate to USSL and the Scheme.</p> <p>18. To the Trustee Board, the USS climate related strategy, including climate related scenario analysis, metrics and targets when required.</p> <p>19. To the Trustee Board, the short, medium and long-term time horizons that are relevant to the Scheme's climate related strategy when required.</p> <p>20. To the Trustee Board, the investment related assumptions to be considered for use in actuarial valuations and any other investment related aspects of the actuarial valuation or funding monitoring framework as requested by the Trustee Board.</p> <p>21. To the Trustee Board, amendments to the IMAA (as required).</p>
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	<ol style="list-style-type: none"> 22. To the Trustee Board, the appointment or removal/replacement of any investment manager (including USSIM) (other than an investment manager that is managed by USSIM). 23. To the Trustee Board, the appointment or removal/replacement of professional custodians (with advice from USSIM Board, as appropriate). 24. To the Trustee Board, the investment-related risk appetite statements (including counterparty risk and liquidity risk taken on Scheme assets and climate related risks) and as required by the Trustee Board any other aspects of the Risk Governance Policy. 25. To the Trustee Board the overall USS investment cost as reasonable. 26. To the Trustee Board, the apportionment rate of investment management costs, on receipt of analysis from the GCEO. 27. To the Trustee Board, any material changes to the Committee's TOR.
<p>The Committee is responsible for Overseeing:</p>	<ol style="list-style-type: none"> 1. Monitoring and overseeing the delivery of Services provided by USSIM under the IMAA (and in line with the SIP), through receipt of assurance by USSIM and the USSIM CEO, including (but not limited to), USSIM's asset management services, including advisory and operational services. 2. USSIM and any fundamental changes to the way in which USSIM manages the Scheme's assets. 3. Monitoring and overseeing the delivery of services of any investment manager with its applicable investment management agreement (other than USSIM or an investment manager that is managed by USSIM). 4. Monitoring and overseeing USSIM's delivery of the DB Investment Objectives as outlined by the DB Investment KRIs and the USSIM DB Investment Balanced Scorecard. 5. Keeping under regular review USSIM's compliance with the Investment Restrictions (as per the IMAA and associated DB and DC Instruction letters). 6. Reviewing and assessing USSIM's performance in achieving the investment-related strategic objectives in the USS Investment Business Plan. 7. Monitoring the adherence with the SIP and DC default SIP. 8. Reviewing and assessing any investment issues raised by USSIM CEO. 9. Receiving assurance from USSIM on its compliance with the IMAA: 10. Reviewing and assessing USSIM's performance in implementing the USS Responsible Investing Policy and approach to ESG factors / climate change risks in investment decision making through its shareholder engagement/voting/responsible investment activities and in implementing the USS climate related strategy. 11. Receipt and reviewing the adequacy of: <ol style="list-style-type: none"> a. USSIM's adoption of appropriate policies as required under the IMAA; b. USSIM's advice on the selection, appointment and management of the Scheme's custodians; c. USSIM's advice on shareholder engagement/responsible investment services;

	<ul style="list-style-type: none"> d. USSIM’s asset management services, including advisory and operational services; e. USSIM’s advice and assistance to ensure satisfaction of any investment related legal and regulatory reporting requirements; f. Assurance from USSIM that the Scheme’s assets are held in the name of the Scheme or a nominee or a professional custodian; g. Assurance from USSIM with respect to its implementation and operation of risk management and risk monitoring including adoption of and compliance with appropriate policies including the USS UK voting and engagement policy.
<p>The Committee is responsible for Performing:</p>	<ol style="list-style-type: none"> 1. In each scheme year, a review of the most recent climate change scenario analysis undertaken and determine whether it is appropriate to undertake new scenario analysis. New climate change scenario analysis to be undertaken at least every three years. 2. Review of the reporting provided by USSIM as required under the IMAA. 3. Review of reporting provided by any investment manager (other than USSIM or an investment manager that is managed by USSIM). 4. An annual review of the IMAA (and recommend changes as per the above). 5. Instructions or directions to investment managers as required by the IMAA and any relevant regulations. 6. Review of reporting received from the pensions committee on member requirements for DC investment products. 7. An annual review of the reporting received from USSIM on: (i) USSIM’s construction and implementation of the Implemented Portfolios for the DC Default Strategy and the DC Ethical Strategy and the DC Investment Solutions within the DC Self-Select Range; (ii) selection, appointment and oversight of external managers and funds; and (iii) compliance with relevant DC investment restrictions and risk tolerances. 8. At least annually, reviewing the Committee’s constitution and TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the TB for approval. 9. An annual review of the services provided by the independent investment adviser(s) against the strategic objectives set, and review of the advisory service provided by USSIM. 10. A biennial review of the Committee’s own effectiveness.
<p>TOR last approved</p>	<p>14 March 2023</p>

TERMS OF REFERENCE

GROUP AUDIT AND RISK COMMITTEE (“Group A&RC” or the “Committee”)

Chair	<ul style="list-style-type: none"> • A director of USSL, with the requisite skills and experience (other than the Chair of the TB). • Should not be a member of the PC. • Appointed by the TB, on recommendation from the GNC. In the absence of the Committee Chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.
Members	<p>Not fewer than four nor more than six members:</p> <ul style="list-style-type: none"> • At least two members must be independent directors of USSL¹² and/or USSIM, of which at least one must be an independent director of USSL. • Up to one member can be a Universities UK (“UUK”) director. • Up to one member can be a University College Union (“UCU”) director. • At least one member should have recent and relevant financial experience and a current qualification from one of the professional accountancy bodies. • The Chair of the TB should not be a member. • As required from time to time to supplement the composition of the Committee, a subject matter expert independent of both USSL and USSIM may be appointed.
Standard Attendees	<p>The Committee may request the attendance of the following individuals, as required:</p> <ul style="list-style-type: none"> • GCEO • CFO • GGC • CRO • CPO • USSIM COO • Head of Internal Audit • Head of USSL Compliance • External Audit Engagement Partner <p><i>(or an appointed delegate of each)</i></p>
Additional Attendees	Other attendees as agreed by the Chair.
Quorum	<ul style="list-style-type: none"> • Three members, including a minimum of one independent director of USSL or USSIM. • Must include a member with recent and relevant financial experience.

¹² A director is considered independent if he/she is not appointed by either UUK or UCU i.e. as per the definition of an independent director under the USSL Articles of Association.

Meeting Frequency	<ul style="list-style-type: none"> • A minimum of four meetings per annum at appropriate intervals in the financial reporting and audit cycle and otherwise as required. • The Group A&RC will meet in camera with each of the external auditor and the Head of Internal Audit, without the executive present, at least once per annum. • Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of the Group A&RC members, or at the request of the External Audit Engagement Partner or the Head of Internal Audit.
Secretary	A member of the Governance and Company Secretariat team.
This Committee receives authority from:	The Group A&RC operates under delegated authority from the TB.
Purpose of this Committee	<ul style="list-style-type: none"> • Overseeing the adequacy and effectiveness of the internal control and risk management framework of USS Group based on assurance provided by the external auditor, the USSIM Board and each of the three lines of defence, having regard to the TB risk appetite. • Oversight of the integrity of the financial reporting process and the production of the USSL and Scheme annual report and accounts. • Oversight of the integrity of the financial reporting process and the production of the USSIM annual report and accounts, through assurance provided by the USSIM Board. • Overseeing the co-ordination and effectiveness of the internal and external audit functions. <p>Note:</p> <p>(i) <i>The Committee is authorised by the TB to obtain external legal or other independent professional advice and secure the attendance of external parties with relevant experience and expertise if necessary (subject to TB approval of the USS Group budget).</i></p> <p>(ii) <i>The Committee is authorised to seek any information it requires from any Group member of staff in order to perform its duties and to call any member of staff to be questioned at a meeting of the committee as and when required.</i></p>
Reporting and Escalation	<ul style="list-style-type: none"> • The Group A&RC will report to the TB after each Group A&RC meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit, and; (iii) items recommended for approval by the TB. • Where the Committee is not satisfied with any aspect of proposed financial reporting by the Scheme, USSL or USSIM, it shall report its views to the TB. • The Group A&RC will report to the TB on the adequacy of management responses to internal audit findings and any investigatory reports it is asked to commission or oversee.

	<ul style="list-style-type: none"> • Draft minutes of Committee meetings will be circulated to all Group A&RC members and, as appropriate, standard attendees. Once approved, minutes will be circulated to all other members of the TB and the USSL Company Secretary unless, exceptionally, in the opinion of the Group A&RC Chair it would be inappropriate to do so. • All activities listed below are undertaken under the delegated authority from the TB and must be: (i) in accordance with the USS Group business plan; (ii) in line with relevant regulatory and statutory requirements, and; (iii) included in the appropriate budget. Where these conditions are not satisfied, the AC must escalate to the TB. • The Group A&RC delegates various responsibilities to the FVC as detailed in the FVC TOR – the AC will receive a report after each FVC meeting, which will cover: (i) key matters discussed, and; (ii) decisions taken within its remit.
Scope of this Committee’s responsibilities:	
<p>The Committee is responsible for Approving:</p>	<ol style="list-style-type: none"> 1. The appointment or removal of the Head of Internal Audit and the internal audit co-source provider. 2. The USS Group internal audit charter annually, on recommendation from the GCEO and USSIM ARCC. 3. The USS Group annual internal audit plan to ensure it is aligned to the key risks of the business, on recommendation from USSIM ARCC (in respect of the audits relevant to USSIM) and the GCEO. 4. Corrective action in relation to the performance and effectiveness of the internal audit function, where necessary. 5. Significant amendments to the USS Group's internal controls or risk management framework (including those pertaining to USSIM). 6. The external audit engagement letter (including the terms of appointment and audit fees) for the Scheme and USSL. 7. The annual external audit plan for USSL and the Scheme, on recommendation from the GCEO and external auditor. 8. Corrective action in relation to the performance and effectiveness of the external auditor. 9. The USSL compliance monitoring plan to ensure it is aligned to the key risks of the business. 10. The appointment of the external auditor for non-audit services for which pre-approval by the Group A&RC is required (as defined in the Non-Audit Services provided by the External Auditor Policy). 11. Amendments to accounting policy for USSL, the Scheme and USSIM, on recommendation from the GCEO and external auditor. 12. The Group A&RC report for inclusion in the Scheme annual report and accounts. 13. The FVC TOR (including the roles that form the standard membership of the FVC). 14. Any immaterial changes to the Group A&RC’s TOR. 15. The following USS Group polices and ensuring they are consistent with the USS Group’s values and support its long-term sustainable success: <ul style="list-style-type: none"> (i) Non-Audit Services provided by the External Auditor Policy (including the Appointment, Remuneration and Rotation of External

	<p>Auditors Statement of Policy included therein); (ii) Taxation Policy; (iii) Anti-bribery and Corruption Policy; (iv) Anti-Fraud Policy; (v) Anti-Money Laundering, Counter-Terrorism Financing and Financial Sanctions Policy; (vi) Personal Account Dealing Policy; (vii) Gifts and Hospitality Policy; and (viii) the USS Code of Conduct (biennial).</p> <p>16. The USSL compliance manual.</p>
<p>The Committee is responsible for Recommending for Approval:</p>	<ol style="list-style-type: none"> 1. To the TB, the appointment, re-appointment and removal of the external auditor for USSL, the Scheme and USSIM. 2. To the TB, the external audit management representation letter for USSL and the Scheme. 3. To the TB, the continued use of the going concern basis of accounting in the preparation of the USSL and Scheme annual report and accounts. 4. To the TB, the USSL and Scheme annual report and accounts for signing and publication. 5. To the TB, the Risk Governance Policy. 6. To the TB, any amendment to the Risk Appetite Statements other than investment-related risks and pension related risks for which PC and IC have oversight of and as required by the Board or any other aspects of the Risk Governance Policy. 7. To the TB, the Whistleblowing Policy being satisfied that the arrangements described therein allow proportionate and independent investigation of concerns of possible wrongdoing in financial reporting or other matters, and appropriate follow up action. 8. To the TB, the Conflicts of Interest Policy. 9. To the TB, any material amendments to the Committee's TOR.
<p>The Committee is responsible for Oversight by:</p>	<ol style="list-style-type: none"> 1. Reviewing and challenging the adequacy and effectiveness of the internal control and risk management framework of USS Group, based on assurance provided by the external auditor, the USSIM Board and each of the three lines of defence, as follows: (i) first line: the relevant members of the Group Executive Committee; (ii) second line: the GGC and CRO, and (iii) third line: internal audit. 2. Review of the processes to identify, monitor, manage and report on the risks faced by the USS Group through the Executive's risk register, to ensure that risks are being managed in accordance with risk appetite/risk tolerances and that all material risks, including new and emerging risk types, relating to all the activities, systems and processes of the USS Group have been identified and are being monitored, other than those risks overseen by IC, PC or TB. 3. Reviewing and receiving regular reports on events (errors, breaches, near-misses and operational losses), including those that may lead to material losses or gains, and management's response to them (other than those that are escalated directly to, and overseen by, the Trustee Board). 4. Reviewing and challenging USSL's internal controls and risk management framework. 5. Keeping under review the compliance of internal processes and controls with regulatory and statutory requirements. 6. Monitoring and assessing the performance and effectiveness of the: (i) risk function; (ii) internal audit function; and (iii) compliance function.

	<ol style="list-style-type: none"> 7. Monitoring and assessing the performance of the internal audit function and the effectiveness of arrangements (including the internal co-source provider) including ensuring that the Head of Internal Audit has direct access to the Chair of the TB and to the Committee Chair, providing independence from the executive and accountability to the Committee. 8. Monitoring and assessing the performance and effectiveness of the compliance function. 9. Reviewing and challenging the appropriateness of management's response to internal audit findings and recommendations for the USS Group; and the appropriateness and completion of resolutions within agreed timescales. 10. Monitoring and assessing the implementation of the USSL compliance monitoring plan and completion of actions arising. 11. Keeping under review the relationship with the external auditor and performance and effectiveness of the external auditor. 12. Monitoring and assessing the adequacy of the completion of management's responses to the external auditor's findings (as documented in the management representation letter) for USSL and the Scheme within agreed timescales. 13. Monitoring and assessing the implementation of the external audit annual plan for USSL and the Scheme. 14. Keeping under review the independence and objectivity of the external auditor. 15. Monitoring and overseeing the purchase of non-audit services (in accordance with the Non-Audit Services provided by the External Auditor Policy). 16. Monitoring and overseeing the production of the annual report and accounts for USSL and the Scheme and provide advice (where requested by the TB) on whether the annual report and accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess USSL and the Scheme's position and performance, business model and strategy. 17. Assessing the accounting treatment of the USS Group's Long Term Incentive Plans and the resulting liability to be recorded in the annual report and accounts for USSL and the Scheme. 18. Monitoring the integrity of the annual report and accounts for USSL and the Scheme (including the receipt of assurance across the integrity of the reported data in the TCFD report including how the key messages in the report describe the) and review and report to the TB on significant financial reporting issues and judgements which those accounts contain having regard to matters communicated to it by the external auditor. In particular, the committee shall review and challenge where necessary: (i) the application of significant accounting policies and any changes to them; (ii) the methods used to account for significant or unusual transactions where different approaches are possible; (iii) whether appropriate accounting policies have been adopted and appropriate estimates and judgements made, taking into account the external auditor's views on the annual report and accounts; (iv) the clarity and completeness of disclosures in the financial statements and the context in which statements are made;
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	<p>and (v) all material information presented within the annual report and accounts relating to audit and risk management.</p> <ol style="list-style-type: none"> 19. Keeping under review compliance of USS Group A&RC accounting policies with legal and regulatory requirements and best practice for USS Group, based on assurance provided by the GCEO and USSIM Board. 20. Keeping under review compliance of the following USS Group policies (a) by staff and (b) with legal and regulatory requirements and best practice for USS Group: (i) Non-Audit Services provided by the External Auditor Policy (including the Appointment, Remuneration and Rotation of External Auditors Statement of Policy included therein); (ii) Taxation Policy; (iii) Whistleblowing Policy; (iv) Anti-bribery and Corruption Policy; (v) Anti-Fraud Policy (vi) Anti-Money Laundering, Counter-Terrorism Financing and Financial Sanctions Policy; (vii) Personal Account Dealing Policy; (viii) Gifts and Hospitality Policy; and (ix) the USS Code of Conduct and in each case receive reports of non-compliance. 21. Monitoring and overseeing the management of conflicts of interest across the business, in accordance with regulation and regulatory guidance and the Conflicts of Interest Policy. 22. Reviewing and assessing the responsibilities of the FVC (as fully detailed in the FVC TOR). 23. Monitoring compliance with all relevant regulatory notification and filings under the Regulator's code of practice/regulation, and the implementation of an appropriate monitoring framework to support such compliance (This responsibility is distinct from those events monitored by the Scheme Strategists and notifiable to the Regulator further to USSL's authorisation as a Master Trust). 24. Reviewing and challenging the annual report from the MLRO for USSIM and corresponding report on financial crime controls at USSL. 25. Reviewing the master trust Audit Assurance Framework (AAF) report and Supervisory Return prior to consideration of the AAF by the TB. 26. Keeping under review the implementation of the USS Group Risk Governance Policy by the Group CEO.
<p>The Committee is responsible for Performing:</p>	<ol style="list-style-type: none"> 1. The selection process for the appointment of external auditors, in conjunction with the GCEO. 2. A competitive external audit tendering process undertaken at least every seven years by a panel made up of Group A&RC members (supported by the GCEO). 3. If the external auditor resigns, investigating the issues leading to this and decide whether any action is required. 4. The selection process for the appointment of the internal audit co-source provider, in conjunction with the GCEO and Head of Internal Audit. 5. An annual review of: (i) the effectiveness of the external audit process, including an assessment of the quality of the audit, the handling of key judgements by the auditor, and the auditor's response to questions from the Committee and (ii) the independence and objectivity of the external auditor taking into consideration relevant law, regulation and the Financial Reporting Council's Ethical Standard

	<p>and other professional requirements and the group’s relationship with the auditor as a whole, including any threats to the auditor’s independence and the safeguards applied to mitigate those threats including the provision of non-audit services; and (iii) the appropriateness of the external audit firm's engagement partner (audit firm's engagement partner to change every seven years).</p> <ol style="list-style-type: none"> 6. Provision of advice to the Remco (through its Chair) on remuneration policy (as required) and on risk as part of RemCom’s consideration of annual compensation proposals. 7. An annual review of the Committee’s TOR to ensure it is operating at maximum effectiveness. 8. A review at least once every two years of the Committee’s own effectiveness.
TOR last approved	31 January 2024

TERMS OF REFERENCE

GOVERNANCE AND NOMINATIONS COMMITTEE (“GNC” or the “Committee”)

Chair	<ul style="list-style-type: none"> • An independent¹³ non-executive director, with the requisite skills and experience. • The chair of the Trustee Board (“TB”) shall not chair the GNC when it is dealing with the matter of succession of the chair of the TB. • Appointment approved by the TB, on recommendation from the GNC.
Members	<p>A minimum of four members, including:</p> <ul style="list-style-type: none"> • Chair of the TB • Universities UK (“UUK”) Director • University College Union (“UCU”) Director • Group Chief Executive Officer (“GCEO”)
Standard Attendees	<ul style="list-style-type: none"> • USSIM board chair • Head of Governance • Representative from the Governance and Company Secretariat team <i>(or an appointed delegate of each)</i>
Additional Attendees	Other attendees as agreed by the Chair.
Quorum	Three members, including the Chair of the Committee or such other independent director as they may nominate as an alternate.
Meeting Frequency	A minimum of four meetings per annum or otherwise as required in order to effectively discharge its responsibilities.
Secretary	A member of the Governance and Company Secretariat team.
This Committee receives authority from	The Committee operates under delegated authority from the TB.
Purpose of this Committee	<ul style="list-style-type: none"> • Ongoing oversight of the effectiveness of the operation of USS Group’s governance framework having regard to corporate governance best practice, as applicable. • Oversight of the composition of the TB and USSIM board (including the fitness, propriety and competence of TB directors). • Oversight and participation in the recruitment process for, including reviewing and making recommendations to the TB in respect of, TB and USSIM board directors, committee members, GCEO and USSIM CEO. • Oversight of group executive team and senior management succession planning, performed by the GCEO. • Oversight of the regular effectiveness reviews of the TB and USSIM board and their respective standing committees. • Approving the template induction plan and ongoing training programmes for TB and USSIM board directors and committee members, and overseeing their implementation.

¹³ A director is considered independent if he/she is not appointed by either UUK or UCU i.e. as per the definition of an independent director under the USSL Articles of Association.

² Apart from the GCEO, all Members of the committee are serving non-executive directors of USSL.

	Note: <i>The Committee is authorised by the TB to obtain external legal or independent professional advice, and secure the attendance of external parties with relevant experience and expertise if necessary (subject to TB approval of the USS Group budget).</i>
Reporting and Escalation	<ul style="list-style-type: none"> • The Committee will report to the TB after each Committee meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit, and; (iii) items recommended for approval by the TB. • Minutes of meetings will be issued to all Committee members and regular attendees and will be made available, on request, to members of the TB (redacted where considered appropriate by the Chair). • All activities listed below are undertaken under delegated authority from the TB and must be: (i) in accordance with the USS Group business plans; (ii) in line with relevant regulatory and statutory requirements; and (iii) included in the appropriate budget. Where these conditions are not satisfied, the Committee must escalate to the TB.
Scope of this Committee's responsibilities:	
This Committee is responsible for Approving:	<ol style="list-style-type: none"> 1. The role profile(s) for the following USSL and USSIM positions: <ol style="list-style-type: none"> a. TB directors; b. TB chair and USSIM board chair; c. The deputy chair and senior director of the TB; d. Committee members and chairs of the standing committees of the TB and USSIM board; e. GCEO; and f. USSIM CEO. 2. Any succession plan in respect of the TB or the USSIM board. 3. The TB skills matrix. 4. The TB competency matrix. 5. The training programme for TB and USSIM board directors and members of their respective standing committee members. 6. The TB and USSIM board director and standing committee member template induction programme(s) and any material changes to them. 7. The annual report from the Committee for inclusion in the Scheme annual report and accounts. 8. Immaterial changes to the Committee's TOR.
This Committee is responsible for Recommending for Approval:	<ol style="list-style-type: none"> 1. To the TB, any changes to the structure, size and composition of the USSL and USSIM boards. 2. To the TB, the appointment, reappointment, extension or removal as applicable of the following: <ol style="list-style-type: none"> a. All TB directors (including UUK and UCU directors); b. TB chair; c. TB committee members (including the appointment or removal of special committee members) in consultation with the chairman of these committees, and in the case of any committee chair, in consultation with the TB Chair; and d. Suitable candidates for the deputy chair and senior director of the TB. 3. To the TB, the appointment or removal of the GCEO and USSIM CEO. 4. To the TB, the appointment, reappointment, extension or removal of the USSIM board chair and directors.

	<ol style="list-style-type: none"> 5. To the TB, the appointment or removal of one or more persons to act as Company Secretary of USSL and USSIM. 6. To the TB, the veto of the proposed appointment or reappointment of a UUK Director or UCU Director to the TB on the grounds that the candidate does not meet the criteria in the role profile and/or the required standards of fitness and propriety. 7. To the TB, the extension of tenure of any TB director or USSIM board director beyond the maximum term (nine years) specified in the Corporate Governance Framework Policy. 8. To the TB, the director appointment, removal, evaluation and training policy (the “Composite Policy”). 9. To the TB, a change in any IC member’s ‘ordinary’ or ‘special’ designation. 10. To the TB, amendments to the Corporate Governance Framework Policy. 11. To the TB, any material amendments to the GNC TOR. 12. To the TB, the Board Code of Conduct.
<p>This Committee is responsible for Oversight by:</p>	<ol style="list-style-type: none"> 1. Monitoring and overseeing the recruitment process for appointment (or reappointment as applicable) of all directors and special committee members to the TB and periodic assessment of the succession planning process and achievement of the desired outcomes. 2. Monitoring the adequacy of director, group and USSIM executive team and senior management succession planning, which includes the development of a diverse pipeline for succession, as performed by GCEO. 3. Monitoring and overseeing the recruitment process for appointment of the USSIM board chair, which is performed by the GCEO, TB chair and chair of IC. 4. Monitoring and overseeing the recruitment process for appointment (or re-appointment as applicable) of independent directors to the USSIM board, which is performed by the GCEO and USSIM Chair, in conjunction with the GNC. 5. Monitoring and overseeing the recruitment process for appointment of the USSIM CEO, which is performed by the GCEO and USSIM board. 6. Keeping under regular review compliance by the business with the Corporate Governance Framework Policy. 7. Keeping under regular review compliance with the TB Board Code of Conduct. 8. Reviewing and assessing the annual effectiveness reviews of TB and USSIM board and monitoring completion of all actions arising from the annual effectiveness reviews within agreed deadlines, including any recommendations in relation to the composition of the TB. 9. Reviewing the adequacy of the biennial effectiveness reviews of each of the TB and USSIM board’s standing committees, and monitoring completion of all actions arising from those biennial effectiveness reviews within agreed deadlines. 10. Monitoring completion of annual appraisals of individual TB and USSIM board directors (to include the continued fitness, propriety and competence of TB directors).

	<ol style="list-style-type: none"> 11. Monitoring and assessing the adequacy of the implementation of the training programme for all TB and USSIM board directors and standing committee members. 12. Monitoring the completion of induction programmes by all new TB or USSIM board directors and or special committee members. 13. Reviewing of the status of USSL in relation to the criteria for exemption from the requirement under s242 of the Pensions Act 2004 for one third of TB directors to be member nominated. Any breaches/issues should be reported to the TB. 14. Keeping under review compliance of USSL with the Occupational Pension Schemes (Scheme Administration) Regulations 1996. Any breaches/issues should be reported to the TB. 15. Keeping under review the framework around the establishment, operation, monitoring winding up/disposal and appointment of directors to USSL's special purpose vehicles (SPVs). 16. Monitoring and assessing the adequacy of the implementation of initiatives to promote diversity on the TB and USSIM board. Diversity includes but is not limited to gender, social and ethnic background, cognitive and personal strengths. 17. Review on an annual basis the Group Executive competency matrix.
<p>This Committee is responsible for Performing:</p>	<ol style="list-style-type: none"> 1. In respect of all proposed director recruitment to the TB, a review and assessment of whether there are any particular risks applicable to that recruitment process and implementation of any necessary mitigations. 2. An assessment of the fitness and propriety of proposed appointees or re-appointees to the TB, in accordance with the Composite Policy. 3. Participation in the process to appoint (or re-appoint as applicable) UUK Directors and UCU Directors to the TB, including nominating a committee member to sit on the interview panel. 4. The recruitment process for the appointment (or reappointment) of the TB Chair and independent directors in accordance with the Composite Policy (and recommend to the TB as per the above). 5. The recruitment process for appointment of the USSIM board independent directors, (including the senior independent director), in conjunction with the GCEO and USSIM board Chair (and recommend to the TB as per the above). 6. The recruitment process for the GCEO. 7. In relation to the Corporate Governance Framework Policy: <ol style="list-style-type: none"> a. Reviewing on a regular basis; b. Drafting any proposed changes; and c. Monitoring compliance by the business. 8. Reviewing (at least annually) of each of: <ol style="list-style-type: none"> a. The TB skills matrix; and b. The Composite Policy. 9. Regularly reviewing of the structure and composition of the Board and its committees (including the review (at least annually) of the TB competency matrix) and make recommendations to the TB with regards to any changes in accordance with the Composite Policy. 10. At least annually, reviewing, and following the resignation, removal or appointment of any director or special committee member, of any succession plan in respect of the TB or the USSIM board.

	<ol style="list-style-type: none"> 11. At least annually, reviewing of whether the TB and USSIM non-executive directors are spending enough time to fulfil their duties and their respective conflicts of interest. 12. Regularly reviewing the TB Board Code of Conduct and reporting any material breaches/issues to the TB. 13. Monitoring and if necessary, reporting to the TB any material breaches/issues in respect of the Corporate Governance Framework Policy, USSL's status in relation to the exemption from the requirements of s242 of the Pensions Act 2004, and/or in respect of the Occupational Pension Schemes (Scheme Administration) Regulations 1996. 14. Reviewing at least once every two years, a review of the Committee's own effectiveness. 15. At least annually, reviewing the Committee's constitution and TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the TB for approval.
TOR last approved	17 January 2024

TERMS OF REFERENCE (“TORs”)

REMUNERATION COMMITTEE (“Remco” or the “Committee”)

Chair	<ul style="list-style-type: none"> • Appointment approved by the Trustee Board, on recommendation from the Governance and Nominations Committee (“GNC”). • A non-executive director (other than the Trustee Board Chair), with the requisite skills and experience and who has previously served on a remuneration committee for at least 12 months.
Members	<ul style="list-style-type: none"> • Not fewer than three or more than seven members¹⁴.
Standard Attendees	<p>The Committee generally requests the attendance of:</p> <ul style="list-style-type: none"> • Group Chief Executive Officer (“GCEO”) • USSIM Chief Executive Officer (“USSIM CEO”) • Chief HR Officer • Head of Governance • External advisers who advise the Committee • Group Chief Finance Officer • Chair of the USSIM Board <p><i>(or an appointed delegate of each)</i></p> <p>The Group Chief Risk Officer will also have standing invitation to attend and will attend at least one meeting per year to report directly to the Remco on risk matters relevant to remuneration decisions.</p> <p>The Committee uses the independence of the external advisers, and where relevant, other standard attendees, to provide input into its decision making around different aspects of remuneration across the USS Group and to help in managing any conflicts of interest that arise. Also, no director or senior manager is involved in any decisions as to their own individual remuneration outcome.</p>
Additional Attendees	Other attendees as agreed by the GCEO and the Chair of the Remco.
Quorum	Three committee members.
Meeting Frequency	A minimum of four times per annum and otherwise as required in order to effectively discharge its responsibilities.
Secretary	<p>A representative from the Governance and Company Secretariat team.</p> <p>The company secretary or their nominee shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.</p>

¹⁴ All Members of the committee are serving non-executive directors of USSL.

This Committee receives authority from:	The Remco operates under delegated authority from the Trustee Board.
Purpose of this Committee	<p>Ensuring that remuneration arrangements for USS and USSIM:</p> <ul style="list-style-type: none"> • Support the USS Group Business Plan, long-term strategic objectives and USS's purpose, values and culture; • Enable the appropriate motivation, retention and recruitment of quality staff; • Establish a clear link between reward and performance; • Comply with relevant legal and regulatory requirements, and are consistent with industry standards and market best practice; • Are in the best interests of the Scheme's members and promote long-term sustainable success; and • Are consistent with and promote sound and effective risk management and do not encourage risk-taking that exceeds the risk appetite of the organisation <p>Note: <i>The Committee is authorised by the Trustee Board to obtain, at USS's expense, external legal or independent professional advice, and secure the attendance of external parties with relevant experience and expertise if necessary (subject to Trustee Board approval of the USS Group budget). The Committee also receives ongoing training and may request additional training as required.</i></p>
Reporting and Escalation	<ul style="list-style-type: none"> • The Committee Chair will report to the Trustee Board after each Committee meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit, and; (iii) items recommended for approval by the Trustee Board. • Minutes of meetings will be issued to all Committee members and regular attendees and will be made available, on request, to members of the Trustee Board. • All activities listed below are undertaken under the delegated authority from the Trustee Board and must be: (i) in accordance with the USS Group business plan; (ii) in line with relevant regulatory and statutory requirements, and; (iii) consistent with the appropriate budget. Where these conditions are not satisfied, the Committee must escalate to the Trustee Board.
Notice of meetings	<ul style="list-style-type: none"> • Meetings of the Committee shall be called by the secretary of the Committee, at the request of the Committee chair or any of its members. • Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers

	shall be sent to Committee members and to other attendees as appropriate.
Scope of this Committee's responsibilities:	
<p>This Committee is responsible for Approving:</p>	<p><u>POLICY, STRATEGY AND STRUCTURE</u></p> <ol style="list-style-type: none"> 1. The USS remuneration policy, and any amendments to it, utilising work performed by the GCEO, USSIM Board, and on advice from external advisors and other inputs as the Committee shall consider appropriate, ensuring that it is aligned to the USS Group Business Plan, long-term strategic goals and USS's purpose, values and culture, and having regard to the relevant USS and USSIM risk appetites. In determining such policy, the Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of the remuneration policy shall be to support USS's strategy and promote long-term sustainable success, cost-effectiveness and effective risk management (including integration of ESG factors into risk processes). When determining remuneration policy and practices for the executive directors, consideration is given to the UK Corporate Governance Code requirements. 2. Any material deviations from the remuneration policy for existing or proposed staff that are not covered by the discretionary pool, on recommendation from the GCEO or USSIM Board. 3. The design of, and targets for, any performance related remuneration for USS Group employees and the total annual payments made under such schemes, based on work performed by the GCEO. 4. The design of, and targets for, any performance related remuneration for USSIM employees and the total annual payments made under such schemes, on recommendation from the USSIM Board. 5. The design of all long-term incentive plans for the USS Group, on recommendation from GCEO. 6. The design of all long-term incentive plans for USSIM, on recommendation from USSIM Board. 7. The allocation and vesting of any long-term incentive plans for the USS Group, on recommendation from the GCEO. 8. The allocation and vesting of any long-term incentive plans for the USSIM, on recommendation from the USSIM CEO. 9. Significant changes to the terms and conditions of employment for USS employees, on recommendation from the GCEO. 10. The Remuneration Approval Matrix, on recommendation from the GCEO or USSIM Board. 11. The identification of Material Risk Taker ('MRT') roles within the USSL Group at least annually. <p><u>COST/BUDGET AND ALLOCATION</u></p> <ol style="list-style-type: none"> 12. The aggregate annual salary increases, bonus amounts, long-term performance incentive awards and discretionary pot for USS employees, in accordance with the remuneration policy and within the range of total

	<p>compensation outcomes approved by the Trustee Board as part of the USS Group Business Plan and Budget.</p> <p>13. The aggregate annual salary increases, bonus amounts, long-term performance incentive awards and discretionary pot for USSIM employees, based on recommendation of the USSIM Board, and in accordance with the remuneration policy and within the range of total compensation outcomes approved by the Trustee Board as part of the USS Group Business Plan and Budget.</p> <p>14. The level and structure of remuneration for senior management (the Group Executive Team and USSIM ExCo members) and the other top 10 paid employees of the USS Group, on recommendation from the GCEO and USSIM Board, including the designated MRT roles and heads of control functions.</p> <p><u>EXCEPTIONALS</u></p> <p>15. Any salary increases or awards for the GCEO that are not in accordance with the remuneration policy, in conjunction with the Trustee Board Chair.</p> <p>16. Any salary increases or awards for the USSIM CEO that are not in accordance with the remuneration policy, in conjunction with the USSIM Chair and GCEO.</p> <p>17. Any bonus or severance payment over 100% of salary for USS Group staff, on recommendation from GCEO.</p> <p>18. Any bonus or severance payment over 100% of salary for USSIM that is not covered by the discretionary pool, on recommendation from the USSIM Board.</p> <p>19. Any severance payment or package and contractual terms for the GCEO, in conjunction with the Trustee Board Chair.</p> <p>20. Any severance payment or package and contractual terms for the USSIM CEO, on recommendation from the USSIM Board and advice from the GCEO.</p> <p><u>GOVERNANCE</u></p> <p>21. Exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of engagement for remuneration consultants who advise the Committee.</p> <p>22. The Committee report for inclusion in the USS annual report and accounts and a report of the USS Group's remuneration policy and practices in the company's annual report.</p> <p>23. Any immaterial changes to the Committee's TORs.</p> <p><u>RISK</u></p> <p>24. The findings of the remuneration risk adjustment meetings risk review and proposed adjustments (of the bonus pool together with malus and clawback), particularly of those determined (voluntarily) as MRTs, on recommendation from the GCEO and USSIM Board, and taking into account any advice from the Group Audit and Risk Committee (as reported by its Chair).</p>
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<p>This Committee is responsible for Recommending for Approval:</p>	<p><u>POLICY, STRATEGY AND STRUCTURE</u></p> <p>25. To the Trustee Board, any amendments to the remuneration policy that are not in accordance with the USS Group Business Plan or strategy.</p> <p>26. To the Trustee Board, the USS Group strategy for recruitment, retention and motivation of its employees, on advice from the GCEO and USSIM Board.</p> <p><u>COST/BUDGET AND ALLOCATION</u></p> <p>27. To the Trustee Board, any increase to the total compensation pot that exceeds the range of total compensation outcomes approved by the Trustee Board as part of the USS Group Business Plan and Budget.</p> <p>28. To the Trustee Board and JNC, any changes to the fee structure for members of the JNC and Advisory Committee, following a review, at such time as determined appropriate.</p> <p>29. To the Trustee Board, the fee structure of the Trustee Board Chair (bearing in mind the director fee structure agreed with the JNC).</p> <p><u>GOVERNANCE</u></p> <p>30. To the Trustee Board, any material amendments to the Committee’s TORs.</p>
<p>This Committee is responsible for Oversight by:</p>	<p><u>POLICY, STRUCTURE AND STRATEGY</u></p> <p>31. Monitoring and assessing compliance with the remuneration policy for the Group, based on assurance provided by the GCEO and USSIM Board, including relevant workforce remuneration and related policies and the alignment of incentives and rewards with culture.</p> <p>32. Reviewing and assessing that the remuneration policy and strategy (for USS and USSIM) is in accordance with industry conditions and market best practice.</p> <p>33. Reviewing and assessing that the remuneration policy and strategy (for USS and USSIM) is in accordance with the USS Group risk appetite and aligned with the scheme’s long-term strategic objectives.</p> <p>34. Monitoring and assessing the effectiveness and implementation of the USS Group strategy for recruitment, retention and motivation of its employees, based on assurance provided by the GCEO and USSIM Board.</p> <p>35. Keeping under review at least annually the appropriateness and relevance of the Remuneration Policy.</p> <p>36. Oversight of the implementation of the remuneration policies and practices at least annually.</p> <p><u>COST/BUDGET AND ALLOCATION</u></p> <p>37. Receiving and assessing the advice and information provided to the USSIM board to determine the compensation budget which the Committee recommends to the Trustee Board for approval as part of the Group Business Plan and Budget, and the basis and range of other assumptions which determine the outcome.</p> <p>38. Reviewing and challenging the assessment of the mid-year review by the USSIM Board of the estimated variable compensation pot for USSIM.</p>

	<p>39. Reviewing and challenging the assessment of the mid-year review of USSL staff and potential USSL compensation for year end.</p> <p>40. Considering whether the GCEO's distribution of the USS compensation pot (as approved by the Remco) is appropriate.</p> <p>41. Review and challenge the assessment of the basis of any variance to the USSIM variable compensation pot from the ex-ante estimate included in the USS Group Business Plan and budget.</p> <p>42. Monitoring the process applied by USSIM to distribute the total compensation pot and how that correlates to performance assessment of relevant staff.</p> <p>43. Reviewing the findings of the market data used by USSIM to determine compensation rewards.</p> <p><u>LEGAL/REGULATORY</u></p> <p>44. Monitoring the ongoing compliance with legal and regulatory requirements relating to remuneration.</p> <p>45. Assessing annually that the principles of the FCA Remuneration Codes are applied for all staff that would be determined as MRTs under the Code (acknowledging that the Code does not apply for USS or USSIM but represents best practice).</p> <p>Benchmarking and Remuneration Consultants</p> <p>46. Reviewing the findings of a periodic review of reliable and up to date remuneration benchmarking of USS Group, relative to its peer companies of comparable size and complexity, in conjunction with the USSIM Board.</p> <p>47. Engaging with external advisers to obtain independent legal or professional advice (in conjunction with the USSIM Chair, as appropriate).</p> <p>48. Reviewing the findings of a retrospective review of any bonus-buyout payments for USS Group staff (including USSIM), as agreed by the Committee Chair in consultation with the GCEO or USSIM CEO, as appropriate.</p> <p>49. Commissioning and reviewing the findings of any reports, surveys or investigations (in consultation with the GCEO or USSIM CEO, as appropriate) that it deems necessary to fulfil its obligations (either within the USS Group Business Plan, or pre-approved by the Trustee Board).</p> <p>50. Reviewing the findings of the executive's review of gender pay, equal pay (and other diversity characteristics), and any actions arising from the review.</p> <p>51. Reviewing the findings of the USS Group's diversity and inclusion objectives and how the remuneration framework supports these.</p> <p>52. Reviewing and challenging the executive's approach to how remuneration incentivises staff to manage ESG risks and opportunities.</p> <p><u>FEES</u></p> <p>53. Annually assessing whether a review should be undertaken of Trustee Board directors' fees, USSIM Board non-executive directors' fees and/or fees for the members of the JNC, Advisory Committee and any other committees of the Trustee Board.</p>
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	<p>54. Overseeing completion of the review of Trustee Board directors' fees at such time as determined by an annual.</p> <p>55. Overseeing completion of the review of USSIM Board non-executive directors' fees at such time as determined by an annual assessment.</p> <p>56. Reviewing the fee structure for members of the JNC, the Advisory Committee and any committees of the Trustee Board, at such time as determined by an annual assessment, and recommending any changes to the Trustee Board and JNC (as noted above).</p> <p><u>GOVERNANCE</u></p> <p>57. Reviewing at least once every two years, a review of the Committee's own effectiveness.</p> <p>58. At least annually, reviewing the Committee's constitution and TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the TB for approval.</p> <p><u>RISK</u></p> <p>59. Reviewing any advice from the Group Audit & Risk Committee (through its Chair) on risk and remuneration policy and how risk is factored into remuneration proposals through the Executive's remuneration risk adjustment meetings.</p> <p>60. Reviewing any advice from the remuneration risk adjustment meetings on any issues that need to be taken account of in the year end processes.</p>
<p>Terms of reference last approved</p>	<p>7 February 2024</p>

TERMS OF REFERENCE

USS Investment Management Limited (“USSIM”) BOARD

Chair	<ul style="list-style-type: none"> • A non-executive director, with the requisite skills and experience. • Appointed by the Universities Superannuation Scheme Limited (“USSL”) Trustee Board
Directors	<ul style="list-style-type: none"> • Appointed by the USSL Trustee Board, and in accordance with the USSIM Articles. • A balance of USSIM executive directors, USSL Group non-executive directors and independent non-executive directors, with suitable skills and experience for a director of an FCA regulated company (including the appropriate Senior Managers Certification Regime authorisation and maintenance thereof). • In carrying out all duties of the USSIM Board, the directors will act in accordance with all relevant and applicable law and regulation. In particular, they will take account of the directors’ duties contained in the Companies Act 2006.
Standard Attendees	<ul style="list-style-type: none"> • Group General Counsel (“GGC”) or Chief Legal Officer (“CLO”) • Chief Risk Officer (“CRO”) • Group Chief Financial Officer (“CFO”) • USSIM Chief Operating Officer (“COO”) • Representative from Governance and Company Secretariat team <i>(or an appointed delegate of each)</i>
Additional Attendees	<ul style="list-style-type: none"> • Other attendees as agreed by the Chair and USSIM Chief Executive Officer (“CEO”)
Quorum	<ul style="list-style-type: none"> • Three directors (one of whom must be an independent non-executive director) or • Two directors in certain circumstances as may be approved by the USSIM Board under the USSIM Articles.
Meeting Frequency	A minimum of four times per annum.
Secretary	A representative from the Governance and Company Secretariat team.
This Board receives authority from	<ul style="list-style-type: none"> • USSIM Articles • The USSIM Board operates under delegated authority from the Trustee Board.
Purpose of the Board	<ul style="list-style-type: none"> • Overall leadership, long-term strategy and oversight of USSIM (including oversight of day-to-day management and values and culture). • Delivery of Services as agreed with the Trustee. • Monitoring and oversight of: (i) USSIM’s FCA regulated activities; (ii) all ancillary services necessary (including shared services) for the delivery of the investment activities, and; (iii) delivery of the USSIM business plan and USS investment business plan. • Ensuring competent and prudent management, sound planning, proper procedures for the maintenance of adequate systems of internal control, and for compliance with statutory and regulatory obligations, and USS Group policies. <p><i>Pursuant to the power contained in Article 9 and excepting those matters set out below, day to day management of the company in accordance with</i></p>

	<p><i>the approved business plan and budget has been vested by the USSIM Board in the USSIM CEO, who allocates specific responsibilities to the senior members of their team. Where it is unclear whether a matter falls within those set out below, the USSIM CEO will discuss with the Chair whether such matter should be brought to the attention of the USSIM Board.</i></p> <p>Note: <i>The USSIM Board is authorised by the USSL Trustee Board to obtain external legal or independent professional advice, and secure the attendance of external parties with relevant experience and expertise if necessary (subject to USSL Trustee Board approval of the USS Group budget).</i></p>
<p>Reporting and Escalation</p>	<ul style="list-style-type: none"> • Minutes of meetings will be issued to all directors and regular attendees and will be made available, on request, to members of the USSL Trustee Board. • All activities listed below are undertaken under the delegated authority from the Trustee Board and must be: (i) in accordance with the USS Group business plan; (ii) in line with the relevant regulatory and statutory requirements; and (iii) included in the appropriate budget. Where these conditions are not met, the USSIM Board must escalate to the USSL Trustee Board. • The USSIM Board delegates certain audit, risk and compliance matters to the USSIM audit, risk and compliance committee (“ARCC”), as detailed in the USSIM ARCC’s ToR. The USSIM ARCC provides assurance to the USSIM Board. The USSIM Board will, in turn and by delegation to the USSIM ARCC Chair, provide assurance to the Group audit and risk committee (“Group A&RC”) and Group risk committee on certain activities, as required under their respective ToR. • The USSIM Board delegates certain remuneration matters to the USSIM remuneration committee (“USSIM RemCo”), as detailed in the USSIM RemCo’s ToR. The USSIM RemCo provides reporting to the USSIM Board. The USSIM Board will, in turn and by delegation to the USSIM Chair and /or USSIM CEO, provide reporting to the USSL remuneration committee (“USSL RemCo”) on certain activities, as required under its respective ToR. • All committees and subsidiary boards that act on the direct delegated authority from the USSIM Board will provide a report following each meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit, and (iii) items recommended for approval by the USSIM Board.
<p>Notice of meetings</p>	<ul style="list-style-type: none"> • Meetings of the Board shall be called by the secretary of the Board at the request of the Chair or any of the Board members. • Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Board and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Board members and to other attendees as appropriate.
<p>Scope of this Board’s responsibilities:</p>	

<p>The Board is responsible for Approving:</p>	<p>STRATEGY, BUSINESS PLANNING AND OPERATIONS</p> <ol style="list-style-type: none"> 1. The USSIM strategic objectives, having regard for the USS Group Business Plan. 2. The policies and plans to support USSIM values and culture, having regard for the USS Group values and culture. 3. Any matters relating to USSIM’s capital structure, shares and distributions, in accordance with the USSIM Articles. 4. The Services Agreement and the scope of services to be provided in the Services Agreement (on recommendation from the USSIM CEO). 5. Material outsourcing arrangements and any material amendments to such arrangements (on recommendation of the USSIM CEO). 6. The assurance and reporting of performance as against the USSIM Business Plan and USSIM Budget, to be provided by the USSIM CEO to the Group CEO and Trustee Board in respect of USSIM. 7. The assurance and reporting of performance as against the USS Investment Business Plan and Investment Budget, to be provided to both the Trustee Board and investment committee (“IC”). 8. Any material communications to the FCA (and notifications to USS of any investigation by the FCA or any other competent regulatory or legal authority in accordance with clause 18.3 of the IMAA). <p>INVESTMENT</p> <ol style="list-style-type: none"> 9. The IMAA and any material changes to the IMAA (and accompanying instruction letters), on the recommendation of the USSIM CEO. 10. The reporting to be provided to the IC and/or Trustee Board as required under the IMAA, on recommendation from the USSIM CEO. 11. The reporting on transaction costs to be provided to the IC on recommendation from the USSIM CEO. 12. Any investment completed via public markets which would take the Fund's holding to more than 20% of the market capitalisation of any company or which would increase the Fund's holding beyond pre-approved levels, where that was already more than 20%. 13. The Implemented Portfolio Benchmarks in the event of a disagreement over an appropriate benchmark and outperformance target between USSIM CEO and CRO, recommended by USSIM CEO and CRO. 14. Any significant new investment related service agreements. 15. Investments and dispositions above the size thresholds documented in the USSIM Signing mandate (including providing guidance to PMG in the early stages of investigations into such a transaction). 16. Any investment that, in the opinion of the USSIM CEO could materially increase the reputational risk for USSIM, the Scheme or any member of the USS Group regardless of size (including providing guidance to PMG in the early stages of investigations into such a transaction). 17. Any public-to-private deal irrespective of size. 18. The provision of investment advice by the USSIM CEO to the IC where proposed changes may impact materially on USSIM’s role, organisation and resourcing. 19. The advice to be provided by USSIM CEO to the IC or Trustee Board (as required) in respect of proposed changes to the DC Section that may impact materially on USSIM’s role, organisation and resourcing.
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	<p>20. The USSIM Escalation Policy.</p> <p>21. The advice to be provided by the USSIM CEO to the IC in respect of the Securities Litigation Policy.</p> <p>22. The USSIM Exclusions Policy.</p> <p>GOVERNANCE AND APPOINTMENTS</p> <p>23. The appointment or removal of an alternate USSIM Board director.</p> <p>24. The Director Selection and Appointment Framework for USS Special Purpose Vehicles framework annually including the Pre-approved Directorship Candidates List.</p> <p>25. Immaterial changes to the USSIM Board ToR.</p> <p>26. The ToR of the Transaction Sub-Committee.</p> <p>27. Material changes to the ToR of the USSIM ARCC and USSIM RemCo and any other committees which the board may form from time to time.</p> <p>28. Any matters relating to the power of directors and decision making by directors as required under and subject to the USSIM Articles, applicable laws and regulations.</p> <p>29. The delegation of any of its powers to any person or any committee or sub-committee consisting of one or more directors, and such other persons, as the USSIM Board thinks fit.</p> <p>30. The removal of any delegation in whole or in part, or to alter its terms or conditions.</p> <p>31. Any necessary authorisations or terminations of a USSIM Board meeting matter for the purposes of section 175 Companies Act 2006 (<i>Duty to avoid conflicts of interest</i>).</p> <p>32. Any signing mandate, authorised signatories, power of attorney or authorities to bind USSIM, including the use of the common seal of USSIM and who shall sign any instrument to which the seal is affixed, (including as required for USSIM acting as agent of USS subject to Trustee Board approval of the USS Group signing mandate).</p> <p>33. Contracts above the thresholds set out in the USSIM signing mandates, as amended from time to time by the USSIM Board.</p> <p>AUDIT, RISK AND COMPLIANCE</p> <p>34. USSIM Annual Board Report in connection with the Consumer Duty (in line with FCA requirements).</p> <p>Upon recommendation from the USSIM ARCC:</p> <p>35. The external audit engagement letter for USSIM (including terms of appointment and fee).</p> <p>36. The external audit management representation letter for USSIM for signing.</p> <p>37. The USSIM annual report and accounts.</p> <p>38. USSIM's risk appetite statements, KRIs and risk governance policy.</p> <p>REMUNERATION</p> <p>Upon recommendation from the USSIM RemCo:</p> <p>39. The distribution of the USSIM total compensation pot.</p> <p>40. Any material amendments to the terms and conditions of employment for USSIM employees.</p>
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	<p>41. Any discretionary bonus award for existing staff beyond the incentive plan's ranges for qualitative or quantitative bonus scores, as long as it is within the overall compensation pot approved by the USSL RemCo.</p> <p>42. The findings of the Remuneration Risk Adjustment Committee (RRAC) risk review and proposed adjustments (of the bonus pool together with malus and clawback), particularly of those determined (voluntarily) as Code Staff.</p> <p>43. The identification of Material Risk Taker ("MRT") roles within USSIM at least annually.</p> <p>44. The Remuneration Approval Matrix for USSIM related approvals.</p>
<p>The Board is responsible for Recommending for Approval:</p>	<p>STRATEGY, BUSINESS PLANNING AND OPERATIONS</p> <p>To the Trustee Board:</p> <ol style="list-style-type: none"> 1. The USSIM Budget and Business Plan and the USS Investment Segment Budget and Business Plan (as part of overall Group Budget and Group Business Plan). 2. Any decision to extend the company's activities or cease to operate any or any material part thereof, that is not in accordance with the USS Group Business Plan. 3. Any material deviations to the USSIM Business Plan and USSIM Budget. 4. Material changes to the USSIM Board TOR. <p>To the IC:</p> <ol style="list-style-type: none"> 5. Changes to services under the IMAA. <p>REMUNERATION</p> <p>To the Trustee Board:</p> <ol style="list-style-type: none"> 6. An estimated amount for USSIM total compensation (as part of the USSIM Business Plan and Budget), and a range of outcomes provided, based on stated assumptions, and having regard for the mandate which the Trustee Board has given it and the services it has been asked to provide, including the resources needed to meet these challenges. <p>To the USSL RemCo:</p> <ol style="list-style-type: none"> 7. The USSIM remuneration policy, and any amendments to it, on advice from the USSIM CEO and external advisors, ensuring that it is consistent with the USSIM risk appetite, relevant regulatory requirements and USS Group Business Plan and long-term strategic goals and USS's purpose, values and culture, and having regard to the relevant USSIM risk appetites. In determining such policy, the Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of the remuneration policy shall be to support USS's strategy and promote long-term sustainable success, cost-effectiveness and effective risk management (including integration of ESG factors into risk processes). When determining the USSIM remuneration policy and practices for the executive directors, consideration is given to the UK Corporate Governance Code requirements. 8. Any material deviations from the remuneration policy for existing or proposed USSIM employees that are not covered by the discretionary pool, on advice from the USSIM CEO.

	<p>9. The design of, and targets for, any performance related remuneration for USSIM employees and the total annual payments made under such arrangements on advice from USSIM CEO and external advisors (as appropriate), and in accordance with the remuneration policy and within the range of total compensation outcomes approved by the Trustee Board as part of the USS Group Business Plan and Budget.</p> <p>10. The design of all long-term incentive plans for USSIM employees, on advice from the USSIM CEO and external advisors (as appropriate).</p> <p>11. The aggregate annual salary increases, bonus amounts, long-term performance incentive awards and discretionary pot for USSIM employees, based on work performed by the USSIM CEO, USSL's assessment of USSIM's achievement of its Investment Objectives and in accordance with the remuneration policy and USSIM risk appetite, and subject to Trustee Board approval of the USS Group budget.</p> <p>12. The total remuneration payable, and structure of package, for each of the top 20 paid employees of USSIM, based on work performed from the USSIM CEO and having regard to pay and employment conditions across the company especially when determining annual salary increases, including the designated MRT roles.</p> <p><i>[Note: the Heads of Control functions are USSL staff and their remuneration is decided upon by the USSL RemCo, with relevant input from the USSIM RemCo.]</i></p> <p>13. Any salary increases or awards for the USSIM CEO that are not in accordance with the remuneration policy, on advice from the Group CEO.</p> <p>14. Any bonus or severance payment over 100% of salary for USSIM employees that is not covered by the pool allocated for the USSIM CEO's discretion, on recommendation by the USSIM CEO.</p> <p>15. Any severance payment or package and contractual terms for the USSIM CEO, on advice from the Group CEO.</p>
<p>The Board is responsible for Overseeing:</p>	<p>STRATEGY, BUSINESS PLANNING AND OPERATIONS</p> <ol style="list-style-type: none"> 1. Management information from the executive, to oversee the day-to-day running of USSIM and implementation of the USSIM Business Plan, USS Investment Segment Business Plan and Budget. 2. The USSIM CEO's strategy, planning, business development (including multi-year business plans) and performance in delivering these plans. 3. Group CEO's performance and delivery of services in accordance with the Services Agreement. 4. The organisational structure put in place by the USSIM CEO (in accordance with the USSIM Business Plan), and implementation of it. 5. The USSIM CEO's implementation of USSIM's objectives, values and culture. 6. Indemnification arrangements of directors of USSIM, as required. <p>INVESTMENT</p> <ol style="list-style-type: none"> 7. The executive's delivery of Services under and compliance with the IMAA by USSIM. 8. USSIM's compliance with the Responsible Investment Strategy and advice on shareholder engagement and its responsible investment services.

	<p>9. USSIM's implementation of the USS climate related strategy.</p> <p>10. The executive's implementation of the investment strategy (DB/DC) and reporting/advice provided by the USSIM CEO to the IC.</p> <p>11. The implementation of the framework for establishment, operation and winding up/disposal of Investment Organisational Structures.</p> <p>12. The operation of the mandate benchmarking process, with requisite internal arrangements for diligence and challenge.</p> <p>13. The construction, implementation and management of the DB Implemented Portfolio.</p> <p>14. Delivery of the Scheme's securities lending programme, in accordance with the framework approved by the IC.</p> <p>15. The advice from the USSIM CEO to be given to the IC regarding the appointment or removal/replacement of professional custodians.</p> <p>16. The reporting to be provided in respect of counterparty failure as requested by the IC or Trustee Board, prepared by the USSIM CEO.</p> <p>17. Services with and reporting on Separate Account Managers.</p> <p>18. Reports and activities of the Transaction Sub-Committee.</p> <p>19. Implementation of the external manager selection process implemented by the USSIM CEO.</p> <p>20. The establishment and operation of the benchmarking process set out in the IMAA, as amended from time to time, with requisite internal arrangements for diligence and challenge.</p> <p>21. The construction, implementation and management of the DC Implemented Portfolios in respect of the DC Default Strategy and DC Ethical Strategy and provision of the DC Self Select Range.</p> <p>APPOINTMENTS</p> <p>22. The recruitment process undertaken by the USSIM CEO to appoint their executive team.</p> <p>23. USSIM executive team and senior management development and succession planning.</p> <p>REMUNERATION</p> <p>24. Compliance with the USS Group remuneration policy as it relates to USSIM, based on assurance provided by the USSIM CEO.</p> <p>25. The effectiveness and implementation of the USS Group strategy for recruitment, retention and motivation of USSIM employees.</p> <p>26. Reports and activities of the USSIM RemCo.</p> <p>AUDIT, RISK AND COMPLIANCE</p> <p>27. The activities delegated to the USSIM ARCC, through reporting received from the USSIM ARCC Chair.</p> <p>28. Compliance with all USSIM related policies, based on assurance provided by the USSIM ARCC. The USSIM Board will then provide assurance to the Group A&RC, via delegation to the USSIM ARCC Chair.</p> <p>29. Compliance with the FCA rules and other applicable laws and regulations, based on assurance provided by the USSIM ARCC (including for example FCA 'suitability', 'best execution' and 'Consumer Duty' obligations). The USSIM Board will then provide assurance to the Group A&RC, via delegation to the USSIM ARCC Chair.</p>
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<p>The Board is responsible for Performing:</p>	<p>REMUNERATION</p> <ol style="list-style-type: none"> 1. Review and challenge of the executive’s assessment of start-of-year and mid-year review of the estimated variable compensation pot for USSIM and reporting to USSL RemCo on the outcomes from those reviews. 2. Review of the advice to the USSL RemCo on the USSIM strategy for recruitment, retention and motivation of its employees. 3. Review of the assurance to the USSL RemCo on compliance with the USS Group remuneration policy as it relates to USSIM. 4. Review of the assurance to the USSL RemCo on the effectiveness and implementation of the USS Group strategy for recruitment, retention and motivation of USSIM employees. 5. Review of the findings of a periodic review of remuneration benchmarking of USS Group, relative to its peer companies. 6. Engagement with external advisers to obtain independent legal or professional advice (in conjunction with the USSL RemCo, as appropriate). 7. A retrospective review of any bonus-buyout payments for USSIM staff, as agreed by the USSIM Board Chair in consultation with the USSL RemCo Chair. <p>OTHER</p> <ol style="list-style-type: none"> 8. Review of the annual report from the Money Laundering Reporting Officer. 9. Any changes to the USS Group Corporate Structure that impact USSIM (excluding any SPVs or entities formed or acquired as investments of the Scheme), following approval by the Trustee Board. 10. Participation in the recruitment process for appointment of the USSIM Chair, in conjunction with the Group CEO and GNC (and approved by the Trustee Board). 11. Participation in the recruitment process for appointment of USSIM CEO’s executive, in conjunction with USSIM CEO. 12. The recruitment process for appointment of the USSIM CEO, in conjunction with the Group CEO (overseen by the GNC and approved by the Trustee Board). 13. Reporting to the IC on USSIM CEO’s performance and delivery of the DB Investment Objectives and DC performance targets. 14. Review of the USSIM CEO’s implementation of the USSIM’s strategic aims, objectives, values and culture (and ensuring that any corrective action is taken). 15. An annual review of the USSIM Board’s own effectiveness (including individual directors). At least annually, reviewing the Board’s constitution and TOR to ensure it is operating at maximum effectiveness.
<p>TOR last approved</p>	<p>22 March 2023</p>

TERMS OF REFERENCE

USS Investment Management Ltd (“USSIM”) AUDIT, RISK AND COMPLIANCE COMMITTEE (“USSIM ARCC” or the “Committee”)

Chair	<ul style="list-style-type: none"> • An independent non-executive director, with the requisite skills and experience. • Appointed by the USSIM Board.
Members	<ul style="list-style-type: none"> • Two non-executive directors (in addition to the Chair) of the USSIM Board. • Appointed by the USSIM Board. <p><i>The other non-executive directors of the USSIM Board are authorised to act as alternates for the members of the Committee where a Committee member is unable to attend a Committee meeting. In such circumstances, the alternate non-executive director:</i></p> <ul style="list-style-type: none"> • <i>Shall be deemed to be a member of the USSIM ARCC in all respects;</i> • <i>Shall be responsible for their own acts and omissions;</i> • <i>Shall not be deemed to be an agent of or for the Committee member.</i>
Standard Attendees	<p>The Committee may request the attendance of the following individuals, as required:</p> <ul style="list-style-type: none"> • USSIM CEO • USSIM COO • Group Chief Finance Officer (CFO) • Chief Risk Officer (CRO) • Head of Internal Audit • Group General Counsel • Head of USSIM Compliance • Representative from Governance and Company Secretariat team <p><i>(or an appointed delegate of each)</i></p> <p><i>The Chair of the Group Audit and Risk Committee and other USSIM directors have a standing invitation to attend any USSIM ARCC meeting.</i></p>
Additional Attendees	<ul style="list-style-type: none"> • Other attendees as agreed by USSIM CEO and Chair of USSIM ARCC. • A representative/s of the external auditors will be invited to attend where relevant business is to be discussed (and at least once per annum).
Quorum	<ul style="list-style-type: none"> • Two members (at least one of whom must be the USSIM ARCC Chair, or an appointed delegate)
Meeting Frequency	<ul style="list-style-type: none"> • A minimum of four times per annum at appropriate intervals in the financial reporting and audit cycle and otherwise as required. • The USSIM ARCC will meet in camera with each of the external auditor, the Head of Internal Audit, Head of USSIM Compliance and

	<p>Chief Risk Officer without the executive present, at least once per annum.</p> <ul style="list-style-type: none"> • Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair or any of the Committee members, or at the request of the External Audit Engagement Partner or the Head of Internal Audit.
Secretary	A member of the Governance and Company Secretariat team.
This Committee receives authority from:	The USSIM ARCC operates under delegated authority from the USSIM Board. It will provide assurance to the USSIM Board. The USSIM Board will, in turn and by delegation to the USSIM ARCC Chair, provide assurance to the Group Audit and Risk Committee and Group Risk Committee on certain activities, as required under their respective terms of reference (“TOR”).
Purpose of this Committee	<p>A sub-committee of the USSIM board responsible for:</p> <ul style="list-style-type: none"> • Overseeing the adequacy and effectiveness of USSIM internal control and risk management frameworks based on assurance provided by the external auditor, and each of the three lines of defence. • Oversight of the integrity of the financial reporting process and the production of the USSIM financial statements. • Overseeing the co-ordination and effectiveness of the internal and external audit functions for USSIM. <p>Note:</p> <p>(i) <i>The Committee is authorised to obtain external legal or other independent professional advice and secure the attendance of external parties with relevant experience and expertise if necessary (subject to Trustee Board approval of the USS Group budget).</i></p> <p>(ii) <i>The Committee is authorised to seek any information it requires from any USSIM member of staff in order to perform its duties and to call any member of staff to be questioned at a meeting of the committee as and when required.</i></p>
Reporting and Escalation	<ul style="list-style-type: none"> • The USSIM ARCC will report to the USSIM Board after each USSIM ARCC meeting. The report will cover: (i) key matters discussed, and; (ii) decisions taken within its remit. The USSIM Board will delegate reporting to the Group Audit and Risk Committee and Group Risk Committee to the USSIM ARCC Chair, on behalf of the USSIM Board. • Where the Committee is not satisfied with any aspect of proposed financial reporting by USSIM, it shall report its views to the USSIM Board. • The USSIM ARCC will report to the USSIM Board on the adequacy of management responses to internal audit findings and any investigatory reports that USSIM ARCC is asked to commission or oversee. • Draft minutes of Committee meetings will be circulated to all USSIM ARCC members and, as appropriate, standard attendees. Once approved, minutes will be made available, on request, to

	<p>members of the USSIM Board, Group Audit and Risk Committee and Group Risk Committee.</p> <ul style="list-style-type: none"> All activities listed below are undertaken under the delegated authority from the USSIM Board and must be: (i) in accordance with the USS business plan; (ii) in line with relevant regulatory and statutory requirements, and; (iii) included in the appropriate budget. Where these conditions are not satisfied, the USSIM ARCC must escalate to the USSIM Board.
Notice of meetings	<ul style="list-style-type: none"> Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members. Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Committee members and to other attendees as appropriate.
Scope of this Committee's responsibilities:	
The Committee is responsible for Approving:	<p>AUDIT</p> <ol style="list-style-type: none"> The annual external audit plan for USSIM, on recommendation from the external auditor. <p>COMPLIANCE</p> <ol style="list-style-type: none"> The USSIM compliance monitoring plan to ensure it is aligned to the key risks of the business. Policies for the prevention and detection of financial crime including anti-money laundering, counter-terrorism and financial sanctions and bribery (or approval of the USSL policies for USSIM's purposes). <p>RISK</p> <ol style="list-style-type: none"> The following policies from a USSIM perspective (or those of USSL for USSIM's purposes), on recommendation from the USSIM CEO and ensuring they are consistent with USSIM's values and support its long-term sustainable success: (i) Permitted Assets and Derivatives Policy (and the advice provided by the USSIM CEO to the IC in respect of this policy); (ii) Treasury Risk Policy; (iii) USSIM Compliance Manual. <i>Note - The approval of all other policies is delegated to the executive.</i> The assurance from USSIM with respect to its implementation and operation of risk management and risk monitoring, including adoption of and compliance with appropriate policies, to be provided by the USSIM CEO to the Investment Committee. <p>OTHER</p> <ol style="list-style-type: none"> Amendments to its TOR that are not considered to be highly material.
The Committee is responsible for Recommending for Approval:	<p>EXTERNAL AUDIT</p> <ol style="list-style-type: none"> To the USSIM Board, the external audit engagement letter for USSIM, on recommendation from the USSIM CEO. To the USSIM Board, the external audit management representation letter for USSIM for signing.

	<p>9. To the USSIM Board, the USSIM annual financial statements, based on assurance provided by the external auditors and each of the three lines of defence, as follows: (i) first line: the USSIM CEO; (ii) second line: the Group General Counsel (“GGC”) and CRO, and: (iii) third line: internal audit.</p> <p>INTERNAL AUDIT</p> <p>10. To the Group Audit and Risk Committee (via the USSIM Board), the annual internal audit plan to ensure it is aligned to the key risks as it relates to USSIM, on recommendation from the USSIM CEO, to be approved as part of the Group internal audit plan.</p> <p>11. To the Group Audit and Risk Committee (via the USSIM Board), the internal audit charter as it relates to USSIM, on recommendation from the USSIM CEO, to be approved as part of Group internal audit charter.</p> <p>OTHER</p> <p>12. To the Group Audit and Risk Committee (via the USSM Board), any significant amendments to USSIM’s internal controls or risk management framework.</p> <p>13. To the USSM Board, USSIM’s Risk Appetite Statements, KRIs and Risk Governance Policy Framework based on advice and guidance from the CRO.</p> <p>14. To the USSIM Board, any material amendments to its TOR.</p>
<p>The Committee is responsible for oversight by:</p>	<p>EXTERNAL AUDIT</p> <p>15. Reviewing and challenging the completion of management’s responses to the external auditor’s findings (as documented in the management representation letter) for USSIM within agreed timescales.</p> <p>16. Monitoring and assessing the implementation of USSIM external audit plan.</p> <p>17. Monitoring and overseeing the purchase and provision of non-audit services for USSIM, in accordance with the Policy on Non-Audit Services by External Auditor, and as approved by the Group Audit and Risk Committee.</p> <p>18. Monitoring and overseeing the production of the annual financial statements for USSIM.</p> <p>INTERNAL AUDIT</p> <p>19. Monitoring and assessing the performance and effectiveness of internal audit function as it relates to USSIM.</p> <p>20. Reviewing and challenging the appropriateness of management responses to internal audit findings and recommendations, and the appropriateness and completion of resolutions within agreed timescales (for USSIM related business only).</p> <p>RISK</p> <p>21. Monitoring the process to identify, manage, monitor and report (relative to risk appetite/risk tolerances) the risks to which USSIM is or might be exposed.</p> <p>22. Keeping under review the effective management of all risks identified on the USSIM risk register (including accepting, transferring, avoiding or mitigating).</p>

	<p>23. Keeping under review the processes and controls in place to identify and manage new risk types and emerging risk areas.</p> <p>24. Keeping under review the processes and controls in place to identify and manage the key risks that USSIM may be exposed (i.e. 'top risks').</p> <p>25. Monitoring and assessing the executive's reporting of new risk types and emerging risk areas.</p> <p>26. Reporting on operational errors or circumstances that may lead to material losses or gains, and management's response to them.</p> <p>27. Keeping under review the implementation of those policies that the USSIM ARCC is responsible for approving.</p> <p>28. Keeping under review the implementation of the USS Group Risk Governance Policy by the USSIM CEO.</p> <p>29. Keeping under review the implementation of the Policy Governance Framework Document by the USSIM CEO and USSIM.</p> <p>30. Monitoring the completion of remedial actions identified to manage or mitigate risks identified on the USSIM risk register.</p> <p>31. Provision of assurance to the Group Audit and Risk Committee on the adequacy of internal control and risk management framework of USSIM provided by the external auditor and each of the three lines of defence, as follows: (i) first line: the USSIM CEO; (ii) second line: the GGC and CRO, and: (iii) third line: internal audit.</p> <p>32. Monitoring and assessing the performance and effectiveness of the risk function as it applies to USSIM.</p> <p>COMPLIANCE</p> <p>33. Keeping under review the implementation of the USSIM compliance monitoring plan and completion of actions arising.</p> <p>34. Keeping under review compliance with all USSIM related policies, and providing assurance to the USSIM Board on that. The USSIM Board will then provide assurance to the Group Audit and Risk Committee, via delegation to the USSIM ARCC Chair.</p> <p>35. Keeping under review compliance with the Financial Conduct Authority (FCA) rules and other applicable laws and regulations, and providing assurance to the USSIM Board (including FCA 'suitability', 'best execution' and 'Consumer Duty' obligations). The USSIM Board will then provide assurance to the Group Audit and Risk Committee, via delegation to the USSIM ARCC Chair.</p> <p>36. Monitoring and overseeing the management of conflicts of interest across the business, in accordance with clause 13 of the Investment Management Advisory Agreement ("IMAA") and the Conflicts of Interest Policy.</p> <p>37. Monitoring and assessing the performance and effectiveness of the compliance function as it applies to USSIM.</p>
<p>The Committee is responsible for Performing:</p>	<p>EXTERNAL AUDIT</p> <p>38. Participation in the selection process for the appointment of external auditors, in conjunction with USSIM CEO and Group Audit and Risk Committee.</p> <p>39. Participation in a competitive external audit tendering process undertaken at least every seven years, in conjunction with Group Audit and Risk Committee.</p>

	<p>40. An annual review of: (i) the effectiveness of the external audit process, including an assessment of the quality of the audit, the handling of key judgements by the auditor, and the auditor's response to questions from the Committee , (ii) the independence and objectivity of the external auditor taking into consideration relevant law, regulation and, the Financial Reporting Council's Ethical Standard and other professional requirements and USSIM's relationship with the auditor as a whole, including any threats to the auditor's independence and the safeguards applied to mitigate those threats including the provision of non-audit services; and (iii) the appropriateness of the external audit firm's engagement partner (audit firm's engagement partner to change every seven years).</p> <p>RISK</p> <p>41. Review of the Executive's process to identify, manage and report on the risks faced by USSIM through the Executive's risk register, to ensure that risks are being managed in accordance with the risk appetite and that all material risks relating to all the activities, systems and processes of USSIM have been identified.</p> <p>42. Provision of assurance to the USSIM Board on the adequacy of internal control and risk management framework of USSIM provided by the external auditor and each of the three lines of defence, as follows: (i) first line: the USSIM CEO; (ii) second line: the GGC and CRO, and: (iii) third line: internal audit. The USSIM Board will then provide assurance on the same to the Group Audit and Risk Committee.</p> <p>43. Review of the USSIM CEO's performance in relation to risk, audit and compliance.</p> <p>44. Identification of any material risk issues which should be reported to the Group Audit and Risk Committee and/or USSIM Board.</p> <p>45. Provision of advice to the USSIM Remuneration Committee (through its Chair) on remuneration policy (as required) and on risk as part of the USSIM RemCo's consideration of annual compensation proposals.</p> <p>OTHER</p> <p>46. A review at least once every two years of its own effectiveness.</p> <p>47. An annual review of its TOR to ensure it is operation at maximum effectiveness.</p>
TOR last approved	9 May 2023

TERMS OF REFERENCE

USSIM REMUNERATION COMMITTEE (“USSIM RemCo” or the “Committee”)

Chair	<ul style="list-style-type: none"> • A non-executive director, with the requisite skills and experience who should have served on a remuneration committee for at least 12 months.
Members	<ul style="list-style-type: none"> • All USSIM non-executive directors
Standard Attendees	<ul style="list-style-type: none"> • USSIM Chief Executive Officer • USSIM Chief Operating Officer • Chief HR Officer • The USSL Remuneration Committee chair • Group CFO • Chief Risk Officer • External advisers who advise the Committee • Representative from Governance and Company Secretariat team <p><i>(or an appointed delegate of each)</i></p> <p>The Committee uses the independence of the external advisers, and where relevant, other standard attendees, to provide input into its decision making around different aspects of remuneration across USSIM and to help in managing any conflicts of interest that arise. Also, no director or senior manager is involved in any decisions as to their own individual remuneration outcome.</p>
Additional Attendees	Other attendees as agreed by the USSIM CEO and Chair.
Quorum	Three committee members <i>(at least one of whom must be the Chair, or an appointed delegate)</i>
Meeting Frequency	A minimum of three times per annum in order to effectively discharge its responsibilities.
Secretary	<p>A representative from the Governance and Company Secretariat team.</p> <p>The company secretary or their nominee shall act as the secretary of the committee and will ensure that the committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues.</p>
This Committee receives authority from	The Committee operates under delegated authority from the USSIM board.
Purpose of this Committee	<p>A sub-committee of the USSIM board responsible for ensuring that remuneration arrangements for USSIM:</p> <ul style="list-style-type: none"> • Support the USSIM Business Plan, long-term strategic objectives and the USS Group’s purpose, values and culture; • Enable the appropriate motivation, retention and recruitment of quality staff; • Establish a clear link between reward and performance;

	<ul style="list-style-type: none"> • Comply with relevant legal and regulatory requirements and are consistent with industry standards and market best practice; • Are compliant with the USS Group remuneration policy as it relates to USSIM; and • Are consistent with and promote sound and effective risk management and do not encourage risk-taking that exceeds the risk tolerance of the organisation. <p>Note: <i>The Committee is authorised by the USSIM board to obtain external legal or independent professional advice and secure the attendance of external parties with relevant experience and expertise if necessary (subject to USSIM board approval of the USSIM budget). The Committee also receives ongoing training and may request additional training as required.</i></p>
Reporting and Escalation	<ul style="list-style-type: none"> • The Committee Chair will report to the USSIM board after each Committee meeting. The report will cover: (i) key matters discussed; (ii) decisions taken within its remit; and (iii) items recommended for approval by the board. • Minutes of meetings will be issued to all Committee members and regular attendees and will be made available, on request, to members of the USSIM board. • All activities listed below are undertaken under the delegated authority from the USSIM board and must be: (i) in accordance with the USS Group business plan; (ii) in line with relevant regulatory and statutory requirements; and (iii) included in the appropriate budget. Where these conditions are not satisfied, the Committee must escalate to the USSIM board.
Notice of meetings	<ul style="list-style-type: none"> • Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members. • Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Committee members and to other attendees as appropriate.
Scope of this Committee's responsibilities:	
This Committee is responsible for Approving:	9. Minor amendments to its terms of reference
This Committee is responsible for Recommending for Approval:	<p>To the USSIM board</p> <ol style="list-style-type: none"> 2. Any material amendments to its terms of reference. 3. An estimated amount for USSIM total compensation (as part of the USSIM Business Plan and Budget), and a range of outcomes provided, based on stated assumptions, and having regard for the mandate which the Trustee Board has given USSIM and the services it has been asked to provide, including the resources needed to meet these challenges. 4. The USSIM remuneration policy, and any amendments to it, on advice from the USSIM CEO and external advisors, ensuring that it is consistent

	<p>with the USSIM risk appetite, relevant regulatory requirements and USS Group Business Plan and long-term strategic goals and USS's purpose, values and culture. In determining such policy, the Committee shall take into account all factors which it deems necessary including relevant legal and regulatory requirements. The objective of the remuneration policy shall be to support USS's strategy and promote long-term sustainable success, cost-effectiveness and effective risk management (including integration of ESG factors into risk processes). When determining the USSIM remuneration policy and practices for the executive directors, consideration is given to the UK Corporate Governance Code requirements.</p> <ol style="list-style-type: none"> 5. Any material deviations from the remuneration policy for existing or proposed USSIM employees that are not covered by the discretionary pool, on advice from the USSIM CEO. 6. The design of, and targets for, any performance related remuneration for USSIM employees and the total annual payments made under such arrangements on advice from USSIM CEO and external advisors (as appropriate), and in accordance with the remuneration policy and within the range of total compensation outcomes approved by the Trustee Board as part of the USS Group Business Plan and Budget. 7. The design of all long-term incentive plans for USSIM employees, on advice from the USSIM CEO and external advisors (as appropriate). 8. The aggregate annual salary increases, bonus amounts, long-term performance incentive awards and discretionary pot for USSIM employees, based on work performed by the USSIM CEO, USSL's assessment of USSIM's achievement of its Investment Objectives and in accordance with the remuneration policy and USSIM risk appetite, and subject to Trustee Board approval of the USS Group budget. 9. The distribution of the USSIM total compensation pot, based on the recommendation of the USSIM CEO and external advice. 10. Any material amendments to the terms and conditions of employment for USSIM employees, on recommendation from the USSIM CEO. 11. Any discretionary bonus award for existing staff beyond the incentive plan's ranges for qualitative or quantitative bonus scores, as long as it is within the overall compensation pot approved by the USSL RemCo. 12. The total remuneration payable, and structure of package, for each of the top 20 paid employees of USSIM, based on work performed by the USSIM CEO and having regard to pay and employment conditions across the company especially when determining annual salary increases, including the designated Material Risk Taker ('MRT') roles. <i>[Note: the Heads of Control functions are USSL staff and their remuneration is decided upon by the USSL RemCo, with relevant input from the USSIM RemCo.]</i> 13. Any salary increases or awards for the USSIM CEO that are not in accordance with the remuneration policy, on advice from the Group CEO. 14. Any bonus or severance payment over 100% of salary for USSIM employees that is not covered by the pool allocated for the USSIM CEO's discretion, on recommendation by the USSIM CEO. 15. Any severance payment or package and contractual terms for the USSIM CEO, on advice from the Group CEO.
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	<p>16. The Remuneration Approval Matrix for USSIM related approvals, on recommendation from the USSIM CEO.</p> <p>17. The findings of the remuneration risk adjustment meetings risk review and proposed adjustments (of the bonus pool together with malus and clawback), particularly of those determined (voluntarily) as Code Staff and taking into account any advice from the CRO and USSIM ARCC (as reported by the USSIM ARCC Chair).</p> <p>18. The identification of MRT roles within USSIM at least annually.</p>
<p>This Committee is responsible for Overseeing:</p>	<ol style="list-style-type: none"> 1. Compliance with the USS Group remuneration policy as it relates to USSIM, based on assurance provided by the USSIM CEO, including relevant workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy for executive director remuneration. 2. The effectiveness and implementation of the USS Group strategy for recruitment, retention and motivation of USSIM employees. 3. Compliance with legal and regulatory requirements relating to remuneration. 4. That the principles of the FCA Remuneration codes are applied for all staff that would be determined as 'Code Staff' under the Code (acknowledging that the Code does not apply for USSL or USSIM, but represents best practice). 5. The review by the executive of gender pay, equal pay (and other diversity characteristics) for USSIM, and any actions arising from the review. 6. How the executive's approach to remuneration incentivises USSIM staff to manage ESG risks and opportunities. 7. How the executive's approach to remuneration incentivises USSIM staff to operate in the best interests of the Scheme, its members and beneficiaries. 8. The implementation of the remuneration policies and practices within USSIM at least annually.
<p>This Committee is responsible for Performing:</p>	<ol style="list-style-type: none"> 16. Review and challenge of the executive's assessment of 'start-of-year' and 'mid-year' review of the estimated variable compensation pot for USSIM, and reporting to the USSIM board on the outcomes from those reviews. 17. Review of any advice from the USSIM ARCC (through its Chair) on risk and remuneration policy and how risk is factored into remuneration proposals through the Executive's Remuneration Risk Adjustment Committee. 18. Review of the advice to the USSIM board on the USSIM strategy for recruitment, retention and motivation of its employees. 19. Review of the assurance to the USSIM board on compliance with the USS Group remuneration policy as it relates to USSIM. 20. Review of the assurance to the USSIM board on the effectiveness and implementation of the USS Group strategy for recruitment, retention and motivation of USSIM employees. 21. Review of the findings of a periodic review of remuneration benchmarking of USS Group, relative to its peer companies.

	<p>22. Engagement with external advisers to obtain independent legal or professional advice and training as required (in conjunction with the USSL RemCo, as appropriate).</p> <p>23. A retrospective review of any bonus-buyout payments for USSIM staff, as agreed by the Committee Chair in consultation with the USSL RemCo Chair.</p> <p>24. A review of USSIM's diversity and inclusion objectives and how the remuneration framework supports these.</p> <p>25. A biennial review of the Committee's own effectiveness.</p> <p>26. At least annually, reviewing the Committee's constitution and TOR to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the USSIM board for approval.</p>
TOR last approved	4 March 2024

TERMS OF REFERENCE

USS Investment Management Limited (“USSIM”) TRANSACTION SUB-COMMITTEE (“TSC” or the “Committee”)

Chair	<ul style="list-style-type: none"> The “USSIM Director” (who is not a member of the Investment Committee and has expertise in private markets/equity) <p>If the Chair is unable to attend or exercise their powers and carry out their responsibilities under these terms of reference or is unable to attend a meeting, the USSIM Board Chair is authorised to act as acting chair of any meeting of the TSC</p>
Members	<ul style="list-style-type: none"> USSIM Board chair USSIM Chief Executive Officer (“USSIM CEO”) (also a USSIM director) Group Chief Executive Officer (“Group CEO”) (also a USSIM director)
Standard Attendees	<ul style="list-style-type: none"> Head of Private Markets Group (“PMG”) (<i>or an appointed delegate</i>) Group General Counsel (<i>or an appointed delegate</i>)
Additional Attendees	<ul style="list-style-type: none"> Other attendees as agreed by the Chair Any other USSIM staff as required for the Transaction in question
Quorum	<ul style="list-style-type: none"> The quorum for TSC meetings will be two (one of whom must be the Chair or the USSIM Board Chair)
	<ul style="list-style-type: none">
Secretary	A representative from the Governance and Company Secretariat team. The secretary shall be required to keep a written record of all TSC meetings for at least ten years from the date of the meeting.
This Committee receives authority from:	Under article 9.1 of USSIM’s articles of association, the TSC operates under delegated authority from the USSIM Board.
Purpose of the Committee	<p>A sub-committee of the USSIM Board responsible for:</p> <ul style="list-style-type: none"> providing guidance (at a reasonably early stage in negotiations with external parties, such that the TSC’s views can be taken into account) to the Head of Private Markets Group (PMG) on certain proposed Private Market Transactions (as indicated in the ‘Performing’ section of the ToR); and To Approve those Transactions within certain thresholds as delegated by the USSIM Board and documented in the USSIM Signing mandate <p>‘Transactions’ mean any investments in asset classes and above thresholds where the USSIM Board has stated that TSC/USSIM Board guidance or approval is required (as defined in the USSIM signing mandate).</p>
Escalation and Reporting	The TSC is accountable to the USSIM Board and will provide the USSIM Board with a written update (or minutes) on its activities (once any confidentiality concerns relating to the relevant Transaction under consideration have been alleviated to the satisfaction of the TSC).

	The TSC may also provide the USSIM Board with updates on its activities on an ad hoc basis on such terms and in such manner as the TSC sees fit.
Notice of meetings	<ul style="list-style-type: none"> • Meetings of the Committee shall be called by the secretary of the Committee at the request of the Committee Chair or any of its members. • Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be sent to each member of the Committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be sent to Committee members and to other attendees as appropriate.
Scope of this Committee's responsibilities:	
The Committee is responsible for Approving:	TRANSACTIONS <ol style="list-style-type: none"> 1. Approving Transactions of certain sizes depending on the asset class (as documented in the USSIM Signing Mandate, updated and approved by the USSIM Board from time to time).
The Committee is responsible for Performing:	GUIDANCE <ol style="list-style-type: none"> 1. To provide guidance (at a reasonably early stage in negotiations with external parties, such that the TSC's views can be taken into account) at the request of the Head of PMG or USSIM CEO from time to time in respect of certain proposed investments where any one or more of the following apply: <ol style="list-style-type: none"> 1.1 the Transaction is of such a size that TSC approval would be required (as documented in the USSIM Signing Mandate); 1.2 in the opinion of the Head of PMG or the USSIM CEO: <ol style="list-style-type: none"> (i) the Transaction could materially increase the reputational risk profile for USSIM, the scheme or any member of the USS group; (ii) there are considerations regarding a transaction (irrespective of size) which the Head of PMG or USSIM CEO believe warrant discussion by the TSC; or (iii) there are issues which merit a limited forum for further consideration of the Transaction, such as confidentiality concerns; and 1.3 the Transaction is a take-private deal. 2. To provide guidance to the USSIM CEO and Head of PMG on whether a transaction should be referred to the USSIM Board for approval, irrespective of size (for instance if the TSC believes that a transaction involves a level of reputational risk that USSIM Board approval should be sought to proceed with the transaction).
TOR last approved	22 March 2023

UNIVERSITIES SUPERANNUATION SCHEME LIMITED (“USSL” OR “TRUSTEE”) DIRECTOR JOB DESCRIPTION

Position: Director of USSL Board (“Board”) and member of USSL

Responsible to: Chair of the board

Universities Superannuation Scheme (“USS” or the “Scheme”) is the largest pension scheme in the UK, with total assets of around £75.5 billion (as at 31 March 2023, latest published accounts). The Scheme’s trustee is Universities Superannuation Scheme Limited (“USSL”), a corporate trustee, which provides scheme management and trusteeship. USS Investment Management Ltd (“USSIM”), a wholly owned subsidiary of USSL, is the principal investment manager and advisor to USSL.

The role of the Board (and therefore its directors) is to provide the overall leadership, strategy and oversight of USS and USSL’s subsidiaries that help run and invest its assets. This role includes monitoring and oversight of USSL’s operations, ensuring competent and prudent management, sound planning, proper procedures for the integrity of financial information and the maintenance of adequate systems of internal control, and for compliance with statutory and regulatory obligations.

Key responsibilities include overall oversight of the administration of the scheme to ensure that:

- (i) USS is adequately funded;
- (ii) the assets of the scheme are properly invested in line with the scheme’s investment principles and relevant law;
- (iii) benefits are paid when they fall due;
- (iv) the scheme is effectively administered in line with objectives and relevant legislation, regulation and regulatory guidance including that issued by the Pensions Regulator (TPR);
- (v) the scheme and its administration continue to meet the needs of the UK higher education sector; and
- (vi) there is appropriate oversight of USSL’s wholly owned FCA authorised subsidiary investment management company USSIM.

The Board is composed of ten to twelve directors comprising:

- Four directors appointed by Universities UK (“UUK”);
- Three directors appointed by University and College Union (“UCU”)²; and
- Between three and five independent directors appointed by USSL.

There is no distinction in terms of powers and duties between directors appointed by UCU and UUK and those appointed by USSL.

Duties and powers

As a director of a trustee company the principles of trusteeship impose certain fiduciary duties and responsibilities on the Board and each individual director. TPR’s trustee guidance provides a general overview of the duties and responsibilities. These are broadly summarised below:

- To act within the framework of the law and the regulatory requirements and in accordance with the Scheme Rules and other documents that govern the scheme;
- To act in the best interests of members and beneficiaries. A duty to balance fairly the interests of different groups, to act impartially between different classes of beneficiaries (not

² At least one of whom must be a pensioner member, as defined in the Scheme Rules.

necessarily to act equally) and to not act with any sense of “constituencies”. Once appointed, all directors share the same responsibilities to the entire membership;

- To pay benefits on time and correctly;
- To act prudently, honestly and conscientiously, with the utmost good faith;
- To take advice on technical matters and on any other matters with which the director is not fully familiar. Decisions should be taken only by persons with the right skills, information and resources needed to take them effectively;
- To derive no personal gain from the scheme (other than as a member or where payments have been authorised by the Board, such interest having been declared where known);
- To invest and ensure the safe custody of the scheme’s assets; and
- To ensure that proper records and accounts are kept and that information is communicated and disclosed as legally required.

Directors’ responsibilities

All directors of USSL are required to comply with the director responsibilities and duties set out in the Companies Act 2006 and any other relevant legislation. In order to carry out the principles outlined above, directors are expected:

- To adhere to the principles of trusteeship;
- To understand and be committed to the aims of the scheme;
- To devote sufficient time to undertake the role, including preparation for meetings, Board meetings and committee meetings of which they are a member;
- To review all documents required to be approved by the Board;
- To constructively challenge, debate intelligently and test recommendations from committees (where applicable), the Group Executive and USSIM and to challenge advisers to ensure sound decisions are made;
- To ensure they have sufficient knowledge and understanding to undertake the role (both at commencement of their term of office and at all relevant times), including undergoing training and improving knowledge and understanding (on an ongoing basis) in accordance with the Trustee Knowledge and Understanding requirements of the Pensions Act 2004, any other relevant legislation and specific requirements of the scheme;
- To reflect on Board performance and individual performance annually and carry out identified actions for improvement, including undertaking appropriate training and education to develop and refresh knowledge and skills;
- To disclose any conflicts of interest;
- Not to use, directly or indirectly, or disclose any confidential information relating to the USSL Group or the scheme for any purpose other than the proper fulfilment of their duties (in order to discharge this responsibility, it is essential for directors to separate this role from any other positions/commitments);
- To meet all legal and regulatory requirements in relation to fitness and propriety including (but not limited to) honesty, integrity, financial soundness, competence and conduct; and
- To submit to and satisfy the requirements of any appropriate criminal record, financial or other checks and provide any information or evidence reasonably required to establish a director’s fitness and propriety or to satisfy any other regulatory requirements.

In addition to fulfilling their duties as a director, each USSL director becomes a member of USSL (a company limited by guarantee) on appointment.

Technical and behavioural skills / competencies

The law requires that trustees and directors have knowledge and understanding in a number of specified areas. Although training is provided and the Trustee has the benefit of the skills of the Group Executive and the assistance of professional advisers, directors of the Board are required to

have the skills and competencies listed below at an appropriate level to enable them to discharge their functions as non-executive directors.

USS is the largest private pension fund in the UK by assets. Enabled by its relative scale, USS chooses to perform many pensions administration and investment management activities in-house. This reduces agency issues, and overall costs. The USS Group has therefore has significant responsibilities for the management and execution of complex operational and advisory functions at scale, and would in its own right be a sizable pensions administration or investment management business. The experience, expertise and capabilities required below should be seen as proportionate to the oversight and governance of an organisation of this nature. All directors are therefore required to have the general technical and behavioural competencies set out below.

Technical competencies³

- **Strategic thinking:** Focus on strategic issues and a willingness to share responsibility for USS's strategic vision; impact of legislative requirements; link between strategy and daily running of the scheme.
- **Pension Technical:** Legal and regulatory framework; trust, pensions and tax law as applied to both defined benefit and defined contribution schemes.
- **Numeracy:** strong mathematical skills, ability to understand and analyse complex numerical information and to make the right conclusions and decisions.
- **Funding:** Principles for funding of the scheme and valuing of liabilities; the impact of the employers' financial position; impact of the scheme's investment policy.
- **Investment:** Legal and regulatory framework; investment principles, practices and options; the nature of risk and reward; asset classes and strategic asset allocation.
- **Administration:** Administration and audit requirements, application of the Scheme Rules, operational risks and risk management.

Behavioural competencies

- **Communication and influence:** Demonstrable good communication skills including the ability to transfer thoughts and express ideas; engage and influence others and gaining their support.
- **Planning and organising:** Establish courses of action to achieve objectives; determine priorities; allocate resources effectively.
- **Teamwork:** Cooperate and work with others toward solutions that accomplish objectives; engaging with the executive, where appropriate, outside of formal Board and committee meetings in relation to the director's areas of specific expertise (including by the provision of guidance, advice and support whilst recognising the delineation of executive and non-executive activities).
- **Decision-making:** Make rational and realistic decisions, using relevant knowledge and experience.
- **Leadership:** Create a shared vision and sense of direction; clarify means of achievement; generate enthusiasm, commitment and trust to the vision and purpose of the Trustee company; commitment to the Board code of conduct. At all times, role model the values of the Trustee company in interactions with other directors and members of the executive team.

TPR's Scope Guidance document and Code of Practice: 07: Trustee Knowledge and Understanding 15: Authorisation and supervision of master trusts and 13: Governance and administration of occupational trust-based schemes providing money purchase benefits should be consulted for more

³ An appropriate level of numerical skills is key to fulfilling the 'funding' and 'investment' technical competencies.

details on technical competencies.

Specific Skills and Experience

The following knowledge, skills and experience are essential for fulfillment of this role:

- [ADD DETAILS OF ESSENTIAL SKILLS KNOWLEDGE, SKILLS AND/OR EXPERIENCE]

It would be beneficial if the successful candidate also has knowledge, skills and experience as a practitioner at a senior level in a substantial organisation or as an adviser to such an organisation, in one or more of the following areas):

- [ADD DETAILS OF DESIRABLE KNOWLEDGE, SKILLS AND/OR EXPERIENCE]

Time Commitment and term of initial appointment

In addition to being members of the USSL Board, it is anticipated that directors will be available to join the board's sub-committees and will make themselves available to do so. They may also be asked to chair a committee.

Overall, we anticipate the director will devote at least 35 days to Board and committee work, and ad hoc work related to staff events, member/institution events, sub committees and the annual Board Strategic Offsite meeting. As with all Board roles, the time commitment could increase during periods of heightened activity and also during the initial induction period.

Directors are expected to attend all (or almost all) meetings. The USSL Board typically meets 8 times a year in person (and additional meetings are arranged where necessary). Directors are also required to attend the annual Institutions Meeting and the additional training and strategy sessions arranged for the Board throughout the year. The Board's sub-committees typically meet 4-8 times per year. In addition, directors are encouraged to participate in other events for stakeholders or staff e.g. London and Liverpool Open House events. Meetings are held at USSL's offices in London or Liverpool. Directors must ensure that they can make sufficient time available to discharge their responsibilities effectively.

USSL is committed to ensuring that its Board has all of the necessary knowledge and understanding to run the scheme. For this reason, prior to commencement of their appointment to the Board, USSL directors are required to complete the TPR toolkit (or evidence their completion of an equivalent programme). On appointment they will also be expected to complete an induction programme (leading to an enhanced time commitment during their initial few months on the Board). Thereafter, USSL directors are expected to take opportunities to develop and refresh their knowledge and skills throughout the course of their appointment, including familiarising themselves with the key challenges and areas of risk facing the UK higher education sector and changes in the pensions landscape.

The selected candidate will usually be appointed to the Board for an initial four year term of office (although the Board may, in some circumstances advertise the role for a shorter or longer term to help manage the continuity of directors across the board as a whole). At the end of an initial term of office there may be an opportunity for the successful candidate to apply for reappointment for a further term(s) of office up to a maximum of nine years of service in total.

UNIVERSITIES SUPERANNUATION SCHEME LIMITED (TRUSTEE COMPANY) TRUSTEE COMPANY BOARD (BOARD) CHAIR JOB DESCRIPTION

Position: Chair of the USSL Board (the “Board”)

Responsible to: The Board

Role: To act as leader and spokesperson for the board as well as ensuring that Board business is conducted effectively and board membership is appropriately balanced, skilled and competent.

Duties:

In addition to fulfilling the general director responsibilities, the chair is specifically responsible for:

Strategic leadership

- Strong, effective and inclusive leadership of the USSL Board
- Leading the creation of USSL’s strategy; creating a shared vision and sense of direction; inspiring the whole organisation to enthusiastically commit to fulfillment of that vision including the chairs of the board’s committees and executive management team.
- Leading USSL through all major strategic initiatives and projects, including valuations.
- Furthering an understanding of the role of the scheme in relation to the Higher Education sector and striving to maintain and enhance trust and confidence in the scheme.
- Setting clear expectations as to USSL’s culture, values and behaviour and the style and tone of board meetings / other discussions.
- Fostering a culture that reflects that USSL is an equal opportunity employer, celebrates diversity and is committed to creating an inclusive environment for all employees

Development of key relationships

- Develop productive relationships with USSL’s stakeholders (including UUK, UCU, the scheme’s institutions, relevant regulators and the joint negotiating committee (“JNC”)).
- Regular high-level engagement and liaison with key stakeholders and regulators (including the Pensions Regulator) and regular dialogue with both the chair of the JNC and the UUK and UCU representatives on the JNC.
- Work with USSL’s executive to promote its high-level engagement with Governmental departments and policy makers in relation to pension policy issues and other issues impacting USS and the sector.
- Develop a close working relationship with the chair of the USSIM Board and ensuring there is an effective working relationship between both boards.
- Foster excellent working relationships between all USSL Board members including meeting informally with directors and driving a collaborative board environment.
- Develop strong working relationships with all of the group’s executives, and the Group Chief Executive Officer (“GCEO”) in particular; providing an appropriate level of challenge, support and advice whilst respecting the executive responsibilities. Devoting time, particularly with the GCEO, to meet with the executives between board meetings to allow views to be shared and developed outside of formal meetings.

Board composition and director succession planning

- Have a clear vision of the optimal Board composition through working with the Governance and Nominations Committee (“GNC”) and appointing bodies.
- Ensure that the Board has appropriate succession and training and development plans in place so as to ensure that the skills, knowledge and composition of the USSL Board are fit for purpose and meet all regulatory requirements.
- Ensure that there is an effective and comprehensive induction programme for all newly appointed directors.
- Undertake regular (at least annual) reviews of the performance and skills of USSL’s other directors, and the chair of the USSIM Board; set appropriate developmental objectives for all directors, ensure all directors continually updates their skills, knowledge and understanding.

Executive oversight and succession planning

Line management of the GCEO, to include responsibility for recruitment, development, appraisal and remuneration, in particular:

- Regular engagement on scheme and company developments and issues, provision of sounding Board.
- Assist the CEO with recruitment and replacement of the executive team, as required
- Conduct annual and mid-year appraisals of the GCEO’s performance.
- Recommend the GCEO’s remuneration to the Board
- Engage in clear GCEO and executive team succession planning

Promoting Good Governance

Ensure that the Board operates in accordance with good governance standards including:

- Set strategically focused Board agendas and ensure that high quality and timely minutes are produced and circulated following each USSL Board meeting.
- Encourage all directors to contribute positively to Board discussions. Facilitate the Board making rational, realistic and effective decisions and ensure and that the trustees (as a whole) apply sufficient challenge to material proposals and considers the nature and extent of significant risks inherent in strategic initiatives.
- Ensure a timely flow of high quality and accurate information to the USSL Board and that meetings are of sufficient frequency and duration.
- Ensure that the USSL Board accesses appropriate advice from the executive (or external advisers) when appropriate, and work constructively with the Group General Counsel, the Head of Governance and other members of the Governance team.
- Ensure that the USSL Board complies with its terms of reference; and working with the committee chairs to ensure that the USSL sub-committees comply with their own terms of reference. Adhering to the terms of USSL’s Corporate Governance Framework Policy and ensure that the members of the Board adhere to the Board code of conduct and other relevant standards of fitness and probity, intervening where appropriate.
- Lead the annual effectiveness review of the USSL Board

Chair’s Statement

- Sign the annual chair’s statement in relation to the DC section of the scheme and, if introduced as a regulatory requirement, a chair’s statement in relation to the DB section.
- Provide input into the narrative of such chair statement(s)

Other requirements of the role

The expected time commitment of the role is at least 95 days per annum. This will include the following activities:

- Chairing Board meetings and Board pre-meetings;
 - Chairing meetings of the committee chairs and attending the subsequent chair's dinner (twice yearly);
 - Serving as a committee member on the governance and nominations committee;
 - Serving as a committee member of the investment committee (including attending a 2-day investment away-day annually);
 - Conducting the appraisal of the group chief executive officer (GCEO), USSL directors and the USSIM Board Chair;
 - Attending meetings with the GCEO at least monthly;
 - Representing USS at meetings with stakeholders, the regulator and other bodies as required;
 - Hosting the USS's Institutions' meeting; and
 - Participating in other events for stakeholders or staff e.g. London and Liverpool Open House events
-

UNIVERSITIES SUPERANNUATION SCHEME LIMITED (TRUSTEE COMPANY) USSL BOARD DEPUTY CHAIR AND SENIOR DIRECTOR

Position: Board Deputy Chair and Senior Director

Responsible to: the Board

Role: To act as a sounding Board for the chair; providing support in the delivery of their objectives and as an intermediary for other directors where necessary as the lead director. To also, in the absence of the chair, to act as leader and spokesperson for the Board and ensure that Board business is conducted effectively and Board membership is appropriately balanced, skilled and competent.

Key Responsibilities:

The responsibilities below are undertaken in addition to the duties and responsibilities as a director. The Deputy Chair and Senior Director will:

- 1 Convene and chair any meeting of the Board or part of a Board meeting at which matters concerning the chair are considered;
- 2 Deputise for the chair by the exercise of the powers, duties and rights of the chair in their absence. The full implication of this responsibility can be seen in the job description for board chair;
- 3 Act as chair of appropriate working groups or undertake other tasks as required by the chair;
- 4 Meet regularly with the Board chair, acting as a sounding board for ideas and/or concerns and presenting the directors' point of view;
- 5 Be available for discussion with any member of the Board;
- 6 Lead a meeting of the directors at least once a year, without the Chair present, to appraise the Chair's performance and on other occasions as are deemed appropriate. Ensure that the annual performance evaluation of the chair is effectively conducted and that the outcome, where appropriate, is acted upon;
- 7 Be available to directors if they have concerns which have not or cannot be resolved through contact with the chair, the group chief executive officer (GCEO) or the company secretary, or for which such contact is inappropriate; and
- 8 Although the Deputy Chair and Senior Director is expected to work with the chair and other directors to resolve significant issues, there is an additional responsibility to intervene in order to maintain Board and trustee company stability if the Board undergoes a period of stress such as:
 - (a) a dispute between the chair and GCEO;
 - (b) the strategy being followed by the chair and GCEO is not supported by the entire Board;

- (c) the relationship between the chair and GCEO is particularly close and decisions are being made without the approval of the full Board; or
- (d) succession planning is being ignored;

Person Specification

The following personal attributes, skills and experience are required by the Deputy Chair and Senior Director.

- Willingness and ability to commit time to the responsibilities of the Deputy Chair and Senior Director.
- Independence of judgement.
- Highly developed interpersonal communication skills including public speaking.
- Diplomatic skills including experience of conflict resolution.
- The ability to lead, inspire and motivate.
- Personal integrity including honesty and a commitment to confidentiality.
- Demonstrated commitment to continuous learning and self-development in areas of skills and expertise required by the Board.
- Highly developed knowledge and understanding of the structure and operation of the scheme and the trustee company

Time Commitment

The expected time commitment for being Deputy Chair and Senior Director is 5-10 days per annum, in addition to the directors' time commitment as a director and committee chair (as appropriate).

**UNIVERSITIES SUPERANNUATION SCHEME LIMITED
USSL BOARD (BOARD) COMMITTEE CHAIR JOB DESCRIPTION**

Position: Chair of a committee of the Board

Responsible to: The Board

Role: To act as leader and spokesperson for the committee as well as ensuring that committee business is conducted effectively and membership is appropriately balanced, skilled and competent.

Key Responsibilities:

The responsibilities below are undertaken in addition to the chair's duties and responsibilities as a director.

The committee chair will:

- 1 Prepare for, attend and chair committee meetings, ensuring that they are conducted in an atmosphere of respect, support and inclusion;
- 2 Ensure that the highest level of conduct, integrity, probity and confidentiality is observed;
- 3 Ensure that the responsibilities of the committee are effectively discharged and that the objectives set out by the Board are met;
- 4 Ensure that meetings are effectively administered and that the committee is receiving the appropriate support to discharge its responsibilities, including receiving high quality information in a timely manner;
- 5 Consider and approve, where appropriate, applications for the submission of late items;
- 6 Approve the agenda, ensuring that it is in line with the committee's terms of reference (ToR) and approve the draft minutes of the previous meeting, ensuring that they are an accurate record of the meeting and that decisions are properly recorded;
- 7 Ensure that meeting arrangements are conducive to the effective conduct of committee business, including venue, date and time, frequency of meetings and length of meetings;
- 8 Ensure that actions arising from committee meetings are recorded and monitor implementation;
- 9 Encourage all members to engage at meetings by drawing on their skills, experience, knowledge and, where appropriate independence;
- 10 Report to the Board on behalf of the committee making recommendations as appropriate, providing assurance that the committee has discharged its responsibilities in line with the committee ToR via reports following each committee meeting and including an annual report in the Report and Accounts;

- 11 Lead the recruitment of committee members in conjunction with the governance and nominations committee according to the guidelines set out in the governance policy;
 - 12 Lead the appraisal process for the committee including conducting review meetings with individual committee members and ensuring that any outcomes are acted upon;
 - 13 Ensure that the committee receives appropriate professional advice if required and sufficient information on all relevant matters to make properly informed decisions;
 - 14 Act on behalf of the committee between meetings and report any significant action at the next meeting of the committee; and
 - 15 Carry out tasks delegated by the Board.
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Person Specification

The following personal attributes, skills and experience are required by the chair:

- Willingness and ability to commit time to the responsibilities of chair
- Demonstrated commitment to the principles of governance and Board accountability
- Interest and experience in the work of committees
- Highly developed interpersonal communication skills
- Diplomatic skills including experience of conflict resolution
- The ability to lead, inspire and motivate
- Personal integrity including honesty and a commitment to confidentiality
- Demonstrated commitment to continuous learning and self-development in areas of skills and expertise required by the Board
- Highly developed knowledge and understanding of the structure and operation of the scheme and the trustee company
- Understanding and experience of administrative processes, in particular how they relate to internal governance

Time commitment

The expected time commitment for being a director of the Board and a committee chair is at least 40 days per annum.
