

Investment Committee

Constitution and Terms of Reference

1. Membership

- 1.1 Members of the Committee shall be appointed by the Board on the recommendation of the Nomination and Governance Committee in consultation with the Chairman, and shall be at least three Non-Executive Directors, all of whom are determined by the Board to be independent.
- 1.2 Only members of the Committee, any other Board Director, and the Secretary shall have the right to attend Committee meetings. Other individuals may be invited to attend all or part of any meeting as and when appropriate. The Chief Executive and the Chief Executive of Standard Life Investments Limited will normally attend, along with other members of staff of the Group, as deemed appropriate. The Committee may co-opt any Non-Executive Director satisfying the requirements for membership to join the Committee for a specific meeting or for any longer period. The Secretary shall inform the Board when any such co-option has taken place.
- 1.3 The Board shall appoint the Chairman who shall be a Non-Executive Director, determined by the Board to be independent. In the absence of the Chairman, the remaining members of the Committee present shall appoint one of their number to chair the meeting.

2. Secretary

- 2.1 The Group Company Secretary and General Counsel or his nominee shall act as the Secretary.

3. Quorum

- 3.1 The quorum necessary for the transaction of business shall be two members.

4. Frequency of Meetings

- 4.1 The Committee shall meet at least three times a year and otherwise as required.

5. Notice of Meetings

- 5.1 Meetings of the Committee shall be arranged by the Secretary at the request of any of its members.
- 5.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be sent to each member of the Committee and to any other person required

to attend. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

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

6.2 Minutes of Committee meetings shall be circulated as soon as practicable to all members of the Committee and to all members of the Board.

7. Annual General Meeting

7.1 The Chairman shall attend the Annual General Meeting of the Company prepared to answer any questions on the Committee's activities.

8. Role and Duties

The role of the Committee is to provide oversight of:

- the high-level asset allocation strategy (including benchmarks) within the Heritage With Profits Fund (HWPF) and Insured Funds; and
- the investment activities and stewardship role of the Group as an investor and a fund manager, including specific corporate governance and stewardship matters regarding investments managed by the Group which may arise from time to time and may bring reputational risk to the Group.

8.1 Asset allocation strategy

8.2.1 The Committee shall keep under review:

8.1.1.1 the high-level asset allocation strategy (including benchmarks) within:

- the HWPF, and
- Insured funds;

having regard to the House View of Standard Life Investments from time to time.

8.2 Investment activities and stewardship role of the Group as an investor

8.2.1 The Committee shall keep under review:

8.2.1.1 the domestic and global economic and, where appropriate, political conditions and outlook;

8.2.1.2 trends and major issues in relevant investment markets;

8.2.1.3 the House View of Standard Life Investments;

and consider their implications for the Group.

8.2.2 The Committee shall keep under review the policies and guidelines concerning the role of Group Companies as active institutional shareholders in relation to stewardship and corporate governance;

8.2.3 The Committee shall keep under review specific corporate governance and stewardship matters regarding investments managed by the Group which may arise from time to time and may bring reputational risk to the Group;

8.4 Other Matters

8.4.1 The Committee shall consider and advise on any other matter relating to investments or investment business referred to the Committee by the Board;

and shall raise with or make recommendations to the Board or any Group Company board on any significant matters arising from such reviews.

9. Reporting Responsibilities

9.1 The Chairman shall report formally to the Board on all matters which fall within the Committee's remit.

9.2 The Committee shall compile a report to members of the Company on its activities, which will be included in the Company's Annual Report & Accounts.

10. Other Matters

The Committee shall:

10.1 be provided by the Company with sufficient resources in order to carry out its duties;

10.2 be provided by the Company with appropriate and timely training;

10.3 at least once a year, review its own performance, constitution and terms of reference to ensure it operates effectively and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised by the Board:

11.1 to seek any information it requires from any employee or director of the Group in order to perform its duties;

11.2 to obtain, at the Group's expense, external legal or other professional advice on any matter falling within its terms of reference; and

11.3 to call on any employee to attend a meeting of the Committee as and when required.

Definitions

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| “Board” | The Board of Directors of the Company |
| “Chairman” | The Chairman of the Committee |
| “Committee” | The Investment Committee of the Company |
| “Company” | Standard Life plc |
| “Group Company Secretary and General Counsel” | The Group Company Secretary and General Counsel of the Company |
| “Chief Executive” | The Chief Executive of the Company |
| “Group” | The Company and its subsidiaries |
| “Group Company” | Any company within the Group |
| “HWPF” | The Heritage With Profits Fund of Standard Life Assurance Limited |
| “Insured Funds” | Unit linked funds invested in through life assurance products |
| “Non-Executive Director” | A Non-Executive Director of the Company |
| “Secretary” | The Secretary of the Committee |