

**UNIVERSITIES SUPERANNUATION SCHEME LIMITED (THE “TRUSTEE COMPANY”)
SCHEME POLICY COMMITTEE (THE “COMMITTEE”) TERMS OF REFERENCE**

1 Establishment and Purpose

The committee is established by a resolution of the trustee company (board) under the authority contained in Article 50 of the Articles of Association to:

- 1.1 Provide advice to the board on issues of strategy and policy.
- 1.2 Keep the scheme rules under review.
- 1.3 Oversee the scheme rule amendment process and provide advice to the board on proposed rule amendments which from time to time it is asked to consider.

2 Authority

The committee is authorised by the trustee board to obtain outside legal or independent professional advice, at the trustee company’s expense, and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

3 Membership

- 3.1 The committee chairman and members are appointed by the board having received advice from the governance and nominations committee.
- 3.2 The most appropriate individual with the requisite skills for the job will be appointed chairman.
- 3.3 The committee will be composed of at least four members, including at least one independent director, one UUK nominated director and one UCU nominated director.
- 3.4 Three committee members will constitute a quorum.
- 3.5 The rules function of the committee will comprise a UUK nominee, a UCU nominee and the chief policy and external affairs officer who will act as chairman.

4 Attendance and attendees

Committee meetings will normally be attended by the group chief executive officer, the chief policy and external affairs officer, group general counsel, chief funding strategy officer, chief service delivery officer and the company secretary, who will attend to record the minutes. Other staff will be invited to attend as determined by the GCEO with the agreement of the chairman.

5 Meetings

The committee will meet quarterly, and by exception as required. The agenda will include provision for the rules function of the committee to convene as and when business requires.

6 Support

The company secretariat will be responsible for ensuring that all relevant secretarial services to the committee are provided to the required standard.

7 Accountability and reporting

Minutes of meetings will be issued to all committee members and attendees and made available to board members; the committee is accountable to the board and will provide it with:

- 7.1 A report following each committee meeting.
- 7.2 An annual report, summarising activities for the year, for inclusion in the trustee company’s annual report.

8 **Responsibilities**

Responsibilities are delegated to the committee by the board in line with its purpose. The scope and authority of each responsibility is determined by the board and defined below:

8.1 **The committee has the following responsibilities and, subject to point 8.2, has full delegated authority for these matters.**

- (a) As directed by the board, giving consideration to significant non-investment strategic and policy changes and/or development, and providing an analysis and, if appropriate, recommendations to the board.
- (b) Advising the executive on the frameworks necessary to interpret and administer new or changed policies.
- (c) Encouraging the simplification of USS scheme rules, scrutinising proposed significant additions, deletions or amendments, and approving final drafts thereof as delegated by the board.

8.2 **The following decisions are reserved for the board:**

- (a) Approval of new or significantly amended strategy and/or policy; and
- (b) Approval of significant additions, deletions or amendments to scheme rules.

8.3 **Any decisions taken under the delegated authority detailed in point 8.1 must be:**

- (a) In line with relevant regulatory and statutory requirements; and
- (b) Contained within the appropriate budget.

Where the above conditions are not satisfied, the committee should discharge its responsibilities by making a recommendation to the board.