

## **Group Secretariat**

# **Group Investment Committee Terms of Reference**

*Issued:*

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RSA Insurance Group plc  
One Plantation Place, 9<sup>th</sup> Floor  
30 Fenchurch Street  
London EC3M 3BD

**GROUP INVESTMENT COMMITTEE – TERMS OF REFERENCE**

**1. Definitions**

<b>Board</b>	The board of directors of the Company
<b>Committee</b>	The Group Investment Committee of the Company
<b>Company</b>	RSA Insurance Group plc
<b>Group</b>	The RSA Insurance Group plc group of companies

**2. Principal Function**

The Committee is authorised by the Board to manage all aspects of investment policy and strategy for the Group and provide oversight of the operation of the Group's investment portfolios within established strategy and risks frameworks.

**3. Membership and attendance**

- 3.1 The Committee shall be appointed by the Board and shall comprise the Chairman of the Board, the Group Chief Executive, the Chief Financial Officer and the other Non-Executive Directors of the Company.
- 3.2 The Board shall appoint the Committee Chairman, who shall be an independent Non-Executive Director, and determine the period for which they shall hold office.
- 3.3 In the absence of the Committee Chairman, the remaining members present shall elect one of the independent Non-Executive Directors to chair the meeting.
- 3.4 Only members of the Committee have the right to attend Committee meetings. The Committee may invite any directors, other executives of the Group, employees or external professional advisers to attend meetings as and when appropriate. The Committee shall usually invite the Group Investments Director to attend meetings.

**4. Secretary**

The Group Company Secretary or his duly appointed nominee shall act as Secretary of the Committee.

**5. Quorum**

- 5.1 The quorum necessary for the transaction of business shall be three members, including either of the Committee Chairman or the Group Chief Executive and the Chief Financial Officer.
- 5.2 A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise any or all of the authorities, powers and discretions vested in or exercisable by the Committee.

5.3 The Committee may meet for the despatch of business, adjourn and otherwise regulate meetings as they think fit.

## **6. Frequency of meetings**

Meetings will be held at least twice a year.

## **7. Notice of meetings**

7.1 Meetings of the Committee shall be summoned by the Secretary to the Committee at the request of any of its members.

7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the Committee and any other person invited to attend no fewer than two working days prior to the date of the meeting. The Committee Chairman shall have the sole discretion to reduce the above notice period to whatever the Committee Chairman considers appropriate in the circumstances.

## **8. Minutes of meetings**

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

8.2 The members of the Committee shall, at the beginning of each meeting declare the existence of any conflicts of interest arising and the Secretary shall minute them accordingly.

8.3 Draft minutes of Committee meetings shall be circulated promptly to the Committee Chairman and once agreed, to all members of the Committee. Once approved, minutes shall be sent to all members of the Board.

## **9. Responsibilities**

9.1 The responsibilities of the Committee shall be to:

- (A) review and approve, at least annually, the investment strategy framework of the Group's major investment portfolio exposures;
- (B) examine current global investment portfolio dispositions and ensure these remain consistent with the Group's current strategy and risk framework;
- (C) review, challenge and approve (as appropriate) specific major investment strategy proposals;
- (D) review the operational framework of the global investment portfolios of the Group, including the use of both internal and external fund management resources;
- (E) review the performance generated by the investment assets of the Group, both in absolute terms and relative to benchmark targets; and

- (F) examine and challenge the current investment market outlook of the Group's fund managers and its implications for fund strategies;
- (G) approve any changes to the terms of reference for the Group Asset Management Committee; and
- (H) consider (and if appropriate approve) requests by the Group Asset Management Committee for proposed changes in investment strategy that would lead the disposition of the Group's investment portfolios to be outside the limits established by the Board Risk Committee.

## **10. Reporting Responsibilities**

- 10.1 The Committee shall provide such information for inclusion in the Company's Annual Report and Accounts as shall be required.
- 10.2 The Committee Chairman shall report formally to the Board on its proceedings after each meeting.
- 10.3 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where it believes action or improvement is needed.
- 10.4 The Committee shall have access to sufficient resources in order to carry out its duties, including access to the Group's Secretariat and other Group functions for assistance as required.

## **11. Authority**

The Committee is authorised by the Board to:

- 11.1 seek any information it requires from any employee of the Group in order to perform its duties;
- 11.2 obtain, at the Company's expense, independent legal or other professional advice on any matters within its terms of reference; and
- 11.3 secure the attendance of appropriate individuals with relevant experience and expertise at meetings of the Committee if it considers such attendance reasonably necessary.

**Approved by the Board on 29 March 2011**