

## The Investment Committee – Terms of Reference

The Investment Committee oversees all matters concerning the investment of funds on behalf of the CGIUKI Board (the Board), such as recommending the investment strategy and having oversight of its implementation including setting investment return requirements and the monitoring of investment performance.

### 1. Membership

- 1.1 The Committee shall have a minimum of four members including two members of the Board and the Chair of the Audit & Risk Committee. At least one member of the Committee will have recent and recent and relevant investment experience.
- 1.2 Members of the Committee might include Fellows, Associate, Affiliated members of the Institute and non-members. However, the proportion of board members must always be two thirds of the membership.
- 1.3 Members of the Committee shall be appointed by the board, on the recommendation of the Nomination Committee in consultation with the Chair of the Investment Committee.
- 1.4 Appointments to the committee shall be for a period of up to three years, which may be extended, subject to approval of the board, for up to an additional three-year period.
- 1.5 Only members of the Committee have the right to attend Committee meetings. However, The Chief Executive and the Finance Director shall be invited to attend all the meetings of the Committee.
- 1.6 The investment adviser and investment manager may be invited to attend all or part of any meeting as and when appropriate.
- 1.7 The CGIUKI President shall be invited to attend meetings as a guest.
- 1.8 The Chair of the Committee shall be appointed by the Board for a period of three years which may be extended, subject to board approval, for up to an additional three-year period.

### 2. Secretary

- 2.1. The Head of Secretariat or her/his deputy shall be secretary to 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.

### 3. Quorum

- 3.1. The quorum of the Committee at any meeting shall be two members, both of whom should be Board members.
- 3.2. If the Chair of the Committee is not present then those present will decide which of their number is to take the chair to the conclusion of that meeting only
- 3.3. A duly convened meeting of the committee at which the quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee

#### **4. Meetings**

- 4.1. The Committee shall meet at least twice a year
- 4.2. Meetings can be held by electronic means.
- 4.3. Decisions can be made by the Committee by written resolution

#### **5. Notice of Meetings**

- 5.1. Meetings of the Committee shall be called by the secretary of the committee at the request of the Committee Chair or at the request of the CGIUKI President.
- 5.2. Unless otherwise agreed, notice, agenda and papers shall be forwarded no later than five working days before the meeting

#### **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 in attendance
- 6.2. The Chair and Committee members shall disclose the existence of any conflicts of interest, at the beginning of each meeting, and the secretary shall minute them accordingly.
- 6.3. Minutes of the committee meetings shall be circulated within five working days to the Chair of the Committee and within 10 working days to all members of the Committee

#### **7. Duties**

The Committee shall:

- 7.1. Invite tenders and make recommendation for the engagement of investment advisers and investment managers to the board for their approval.
- 7.2. With the assistance of the investment adviser, select and make a recommendation to the Board for the engagement of investment managers.
- 7.3. Consider and propose an investment strategy for approval by the Board. The investment strategy will include consideration of the expected and required return and projected cash requirements therefrom, volatility, investment risk, risk appetite and tolerance, asset allocation and selection and ESG (environmental, social & governance) factors.
- 7.4. Implement the agreed investment strategy.
- 7.5. Recommend changes to the investment strategy as and when necessary for approval by the Board
- 7.6. Consider the impact upon the required return and cash requirements therefrom of requests to disinvest for the purpose of applying the sums disinvested in alternative investments such as, but not limited to, investment in property, in the development of products and services and in acquiring a business.
- 7.7. Approve investment transactions with the investment manager within the agreed asset classes and allocations prescribed by the investment strategy.
- 7.8. Set investment return targets and evaluate investment performance against the investment strategy, targets and benchmarks.
- 7.9. Approve the investment management agreements.
- 7.10. Consider and agree the fees of the investment adviser and manager.

#### **8. Reporting responsibilities**

The Chair of the Committee or their alternate shall:

- 8.1. Report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 8.2. Make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

## **9. Other matters**

- 9.1. The Committee shall have access to sufficient resources in order to carry out its duties, including access to staff as reasonably required.
- 9.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.
- 9.3. Give due consideration to laws and regulations as appropriate
- 9.4. Resources shall include an agreed provision to facilitate regularly, a review of its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval

## **10. Authority**

11.1 The Committee acts under delegated authority from the Board and is authorised to:

- 11.1.1 Seek any information it reasonably requires from any member of the Executive Team in order to perform its duties.
- 11.1.2 Obtain, at the Group's expense, outside legal or other professional advice on any matter within its terms of reference subject to the available provision. Any expenditure required to be agreed with the Chief Executive and the CGIUKI President