

Investment Committee - Terms of Reference

Status of document:	Approved
Version:	V2
Date of approval:	11 December 2024
Effective from:	11 December 2024
Owner:	Council
Author:	Head of Governance
Planned next review date:	December 2027

1. Purpose

- 1.1 Council has established an Investment Committee with the following delegated authority:
- a. To ensure that the Investment Policy, any associated guidelines and instructions to investment managers are consistent with the GOC's charitable purpose, governing document and Charity Commission guidance on investing charity funds;
 - b. To recommend to Council an Investment Policy, including risk appetite, fiduciary ethical, social and governance (ESG) considerations;
 - c. To recommend to Council the appointment and removal of investment managers;
 - d. To approve the fees and terms of engagement of investment managers;
 - e. To ensure that any investment of assets are in line with the Investment Policy;
 - f. To monitor:
 - the performance of the GOC's assets;
 - the performance of the investment managers, including their performance on returns using industry-recognised benchmarks (such as target benchmarks, comparator benchmarks and point of reference benchmarks);
 - the investment manager compliance with the GOC's risk appetite
 - the appropriateness and adequacy of the investment information presented to the Committee and Council; and
 - external risk factors, including climate change and economic shocks;
 - g. To maintain oversight of operational governance arrangements regarding investments;
 - h. To assure Council that long-term financial forecasts, reserves and anticipated draw-down needs are reflected in the instructions to the investment managers;
 - i. To keep the Investment Policy and any associated guidelines under review;
 - j. To ensure that all policies and work within the committee's remit take account of and promote the GOC values and commitment to equality, diversity and inclusion.

2. Membership, Chair, Secretary and Quorum

- 2.1 The Committee will have at least three members. This will include at least one lay Council member and one registrant Council member. At least one member of the Committee will sit on both the Investment Committee and Audit, Risk and Finance Committee (ARC). The quorum necessary for the transaction of business will be two members. In the instance of a tied vote, the Chair will have the casting vote.
- 2.2 Members will be appointed by the Council, in consultation with the Committee Chair. The maximum term for any appointment to the Committee will be eight years. A Chair may be elected by the members of the committee in advance of the meeting in the event the Chair has given their apologies.
- 2.3 The Chair of Council, the Chief Executive and members of the Senior Management Team (SMT) may attend and speak at meetings of the Committee. Others may be called upon to attend and speak at the invitation of the Chair.

3. Frequency and Notice of Meetings

- 3.1 The Committee will meet at least once during each financial year. Meetings will be held electronically (online via MS Teams or similar) unless otherwise notified. A notice of the meeting confirming the venue, time and date will be issued to all Committee members and participants electronically. This will be accompanied by the agenda and supporting papers. This will be issued no later than five working days before the date of the meeting, unless otherwise agreed by the Chair of the Committee.
- 3.2 Meetings of the Committee shall be called by the secretary of the Committee, who is normally a member of the Governance team, according to the annual calendar. Additional meetings can be organised at the request of the Committee Chair, Chair of Council, Chief Executive and Registrar or Director of Corporate Services. For a meeting to proceed, the secretary of the Committee must be present. If it is necessary for the secretary of the Committee to leave the meeting due to confidential matters, the Chief Executive and Registrar or their nominated representative will act as secretary of the Committee.
- 3.3 In the event of a significant financial event that impacts the overall value or return of investments, the Director of Corporate Services has the authority and duty to convene a meeting of the Committee. This meeting can take place without the required notice period.

4. Minutes of Meetings

- 4.1 A member of the Governance team will minute the discussion, decisions and actions of all meetings of the Committee, including recording the names of those in attendance.
- 4.2 Draft minutes of Committee meetings will be circulated to all members of the Committee once they have been agreed to by the Committee Chair. Draft minutes will be considered and approved by the Committee at its next meeting. In the event of a dispute, the Chair will have a casting vote.
- 4.3 The draft minutes of the Committee will be referred to the next strictly confidential Council meeting. The Chair may choose to submit a report from the Committee highlighting any issues for Council's discussion or consideration.

5. Accountability & Reporting Responsibilities

- 5.1 The Committee is accountable to Council.

6. Other

- 6.1 The Committee will review its effectiveness, including how it is performing against its terms of reference, on an annual basis and provide an annual report to Council to be considered at a public meeting.
- 6.2 The Committee will review its terms of reference every three years and recommend any changes it considers necessary to Council for approval.

7. Authority

- 7.1 The Committee is authorised by Council to seek such information as it may reasonably require from any employee or member of Council to fulfil its remit. Individual members of the Committee can request information via the Chair of the Committee and the Chair of Council. Such requests must outline the purpose for which the information is requested, and any information made available will be circulated to the Committee as a whole. The Chief Executive and Registrar, with the agreement of the Chair of Council, can refuse an information request where it is reasonably believed that disclosure is not in the interests of the GOC, its regulatory purpose or the pursuit of its charitable objectives.