

Terms of Reference: Investment Committee

Role

Responsible to the Board for determining the strategy for and oversight of the management of the Society's investment based assets.

Membership

At least two non-executive directors (NEDs) appointed by the Board, of whom one shall be appointed Chairman;

The Chief Executive;

The Director of Finance and Information Services.

The Committee Secretary will be a member of the Finance Department.

Other Society officers and the Society's actuarial advisers may be invited to attend as required by the Committee. The Society's investment managers will be invited to attend for reviews of investment performance.

Conduct of Business

The quorum will be two members including one NED.

The Committee will meet as often as required but at least twice a year. The Chairman will submit an annual report to the December meeting of the Board and at other times as appropriate.

The agenda, papers and minutes of meetings will be circulated by the Secretary subject to the approval of the Chairman.

Responsibilities

- To assist the Board in establishing the overall strategy for the Society's investment based assets (the Investment and Rebate funds).
- To appoint by competitive tender external investment managers to undertake the detailed management of the funds, the appointment to be reconfirmed on an annual basis and the option of retendering to be considered every three years
- To approve and review benchmarks for the investment funds and to monitor the performance of the investment managers against the agreed benchmarks, including the management of risk.

- To approve the composition of and switches in asset allocation in the investment funds.
- To advise the Board, in consultation with the Society's actuarial advisers, on the annual rebate to be paid to members on the former Funded schemes.

Delegated Authority

The Investment Committee is a subordinate committee of the Board with the authority, powers and responsibilities set out in the Society's Rules and in these Terms of Reference.

End Jan 2010