

Title:	Investment Committee - Terms of Reference (including Operational Rules and Code of Conduct)
Date:	April 2025
Last reviewed:	June 2023
Date of next review:	June 2025
Classification:	Public

1. Purpose of Committee

- 1.1 To oversee the performance and management of the investments of the Foundation and to make recommendations to the Board of Trustees as appropriate, including advising on the investment policy, within the overall context of the Foundation’s charitable objects, charity law and the priorities of the Board.

2. Terms of Reference

- 2.1 To recommend to the Board an investment strategy appropriate to meeting the Foundation’s charitable aims.
- 2.2 To review the Foundation’s investment policy as often as is required, at least once a year.
- 2.3 To recommend investment return benchmarks, risk and return targets, long-term asset allocations and impact considerations.
- 2.4 To make recommendations on the appointment and termination of investment managers, advisors and custodians (or to take such decisions where the transaction value falls within the delegation limits set by the Board, currently £10M assets under management) and deal with administrative aspects of these relationships.
- 2.5 To monitor the performance of the Foundation’s portfolio and its investment managers.
- 2.6 To review the financial, compliance and external elements of the Foundation’s risk register.
- 2.7 To review the Foundation’s rolling financial distribution plans in support of its approved strategic plan and make a recommendation to the Board annually.

3. Membership

- 3.1 The Investment Committee shall consist of at least four members, comprising of Trustees, executive team and independent advisors.
- 3.2 Appointments shall be for three years. Members may offer themselves for re-election at the end of their term of office, to a maximum of two consecutive terms of office.
- 3.3 After a Member has served two consecutive terms in office, they shall be eligible for re-election only after a year has elapsed since they retired as a Member of the Committee.
- 3.4 At least two members of the Committee shall be Trustees, with at least one to have specialist knowledge of investments. Up to five additional members with relevant expertise may be appointed as external advisers.
- 3.5 The Foundation’s Chief Executive and Chief Investment Officer shall be members of the Committee *ex officio*.

- 3.6 Members are expected to attend a minimum of 75% of meetings for the calendar year. Where absence from meetings is unavoidable, members should ensure that apologies are sent with adequate notice, providing written comments on items as required.

4. Chair of the Committee

- 4.1 The members of the Committee shall elect a Chair from one of the Trustee members for a period of three years.
- 4.2 The Chair may offer themselves for re-election at the end of their term of office, to a maximum of two consecutive terms of office.
- 4.3 The term of office of a member of the Committee who is elected Chair may be extended to three years from the date of election as Chair.

5. Proceedings of the Committee

- 5.1 The Committee shall meet at least four times per year.
- 5.2 There shall be a quorum when three members (one Trustee member, one external adviser and one member of the executive team) are present at any meeting.
- 5.3 Meetings of the Committee may be held either in person or by suitable electronic means agreed by the members in which all participants may communicate with all the other participants.
- 5.4 If the appointed Chair is unavailable or unwilling to attend a meeting, then the Committee shall appoint an alternative from amongst their number to preside.

6. Conflict of Interests

- 6.1 Members of the Investment Committee shall declare any conflict of interest which might arise at the start of the meeting and shall then withdraw and take no part in the relevant discussion and/or any decision relating to it.
- 6.2 It is acknowledged that Committee members may know investment fund managers being reviewed or considered by IC, either in a personal or professional capacity. This should be raised as an interest, as appropriate, either at or before the relevant meeting at which the matters will arise.
- 6.3 A direct interest applies where a Committee member has a relationship with an investment fund manager; an indirect interest applies where, for example, a Committee member's employer has a relationship with an investment fund manager, albeit the Committee member does not in their daily business.
- 6.4 Where an interest is declared, dependent on whether it is a direct or indirect interest, the Member may be:
- Excluded from participation in both the discussion and decision-making process;
 - Allowed to comment during discussions, but be excluded from any vote/decision being made;
 - Allowed to participate in discussions and the decision-making process.
- 6.5 In cases where a Member is uncertain whether a conflict of interest exists or not, they should report this to the Chief Executive, who will in turn discuss the matter with the Chair of the IC, and a decision will be taken based on the provisions set out above.
- 6.6 If a Member is concerned about a possible conflict of interest involving another Member of the IC, they should raise the matter with either the Chief Executive or the Chair of the IC, who will deal with the matter in line with the points above.

- 6.7 All discussions at IC meetings relating to the Trust's investments and current, past or potential investment fund managers are strictly confidential.
- 6.8 All meeting papers and related correspondence are strictly confidential and should not be discussed with, or shown to, persons outside the forum of the Committee.

7. Reporting to the Board of Trustees and delegation of authority

- 7.1 A report of Investment Committee meetings shall be included on the agenda for Trustees meetings for information.
- 7.2 The Committee, having taken suitable advice, may make decisions regarding the movement of funds up to its delegated authority of £10m for any one transaction. Any such action taken should be reported to the Board at its next meeting. All other recommendations relating to investments shall be referred to the Board of Trustees for approval.
- 7.3 The Board shall review the suitability of and confirm the Committee's delegated authority annually.

8. Decision-making

- 8.1 Any proposed changes to investment management arrangements shall be brought before the Investment Committee for recommendation or and shall be subject to a vote.
- 8.2 Voting shall be decided by a majority of votes cast by members.
- 8.3 In the event of equal voting, the matter will be referred to the Board of Trustees for decision.
- 8.4 Where a decision or recommendation is deemed urgent and cannot wait until the next timetabled meeting of the Committee, the Chair may call for an extraordinary meeting, to be held by suitable electronic means or if this cannot be facilitated, via electronic circulation of the proposal and underlying information and voting by email.
- 8.5 Where the decision or recommendation involved a transaction of higher value than the Committee's delegated authority, it shall recommend the action required to the Chair of Trustees. The Chair of Trustees will be responsible for securing approval by the Board of Trustees to the recommended action and communicating the decision to the Investment Committee in a timely fashion.

9. Administration of meetings

- 9.1 Administration of IC meetings shall be the responsibility of the staff team, in liaison with the Chair of the IC.
- 9.2 Agenda papers shall be circulated to members at least one week prior to the meeting.
- 9.3 Draft minutes shall be circulated to members, with formal approval of those minutes provided at the next meeting.
- 9.4 All papers and minutes from the meeting (either circulated or tabled) will be retained in a legally acceptable form and in accordance with the Foundation's document retention policy.
- 9.5 Briefing documents, policy documents and papers relating to Committee meetings are routinely made available securely electronically. Committee members should ensure that they retain the information for no longer than is necessary for carrying out the task and ensure that copies are destroyed securely.
- 9.6 On resignation or completion of their terms of office, Members should ensure that all Foundation-related documents and email correspondence are deleted from their personal devices or returned to Foundation staff for secure destruction

10. Code of Conduct

- 10.1 Members of the Committee are expected to conduct themselves in accordance with the following behaviours:
- 10.2 Act within the Articles of Association of the Vivensa Foundation and the law and abide by the policies and procedures of the organisation.
- 10.3 Have a good understanding of, and be sympathetic with, the aims and charitable objects of the Foundation and act in accordance with these at all times.
- 10.4 Act and make decisions in the best interests of the charity, and its present and future beneficiaries.
- 10.5 Do their best to avoid conflicts of interest, and where they do find themselves conflicted, declare that fact and not take part in any relevant decision-making, in accordance with the conflict-of-interest guidance.
- 10.6 Accept that decision-making and governance issues should be as transparent as possible, except when confidentiality is required. Where information is of a confidential nature it must remain so outside the confines of the Committee meeting.
- 10.7 Where assistance and advice are required to enable the most appropriate decision to be made, seek that assistance/advice from an appropriate source (eg. a suitably qualified professional adviser, or the Charity Commission) and consider it carefully.
- 10.8 Play an active role in Committee meetings, having spent an appropriate amount of time reading and digesting papers in preparation for the meeting.
- 10.9 Engage actively in respectful discussion, debate and voting in meetings, contributing positively, listening carefully, challenging sensitively and avoiding conflict.
- 10.10 Accept the principle of collective responsibility, whereby members are jointly and severally liable for their decisions and do not act unilaterally on behalf of the charity unless specifically authorised to do so.
- 10.11 Accept the principle of majority decisions and support decisions that are made on that basis.
- 10.12 Work considerately and respectfully with other Committee members, Foundation staff and external contacts, respecting diversity, different roles and boundaries