

Investment Advisory Committee Terms of Reference

1. Authority and Establishment

Pursuant to the powers of the Vice-Chancellor and President under Section 8 (2) of The University of Adelaide Act 1971 (SA) the Vice-Chancellor & President established an Investment Advisory Committee (Committee) on 29 May 2018 to assist him in advising the University's Council (Council) on matters connected with the management and investment of the University's Endowment Fund (the Fund).

Following a review of non-statutory committees of Council, on 23 August 2021, Council approved amended Finance Committee Terms of Reference updated to include responsibility for oversight of the Committee, endorsement of the membership and appointment of the Chair of the Committee.

2. Purpose

The purpose of the Committee is to make recommendations to the Finance Committee to assist the Finance Committee in advising Council on investment-related activities of, and changes to, the Fund.

3. Access to Records

To allow it to fulfil the responsibilities described in section 6 below, the Committee may meet with appropriate personnel, obtain relevant records and discuss matters with investment managers, investment consultants and external parties as necessary.

4. Fiduciary responsibility

Each Committee member has a fiduciary responsibility to discharge their duties in good faith, in a manner they reasonably believe to be in the best interests of the University and with the care an ordinary prudent person in a like position would exercise in similar circumstances.

5. Conflict of interest

Where a Committee member or other person identifies a conflict of duty or conflict of interest with respect to a matter under consideration by the Committee, such conflict shall be disclosed to the Committee and the Finance Committee as soon as it becomes apparent.

A conflicted Committee member must remove him/herself from all communications in person or otherwise, and not participate in any discussion, assessment or recommendation with respect to the matter associated with the conflict.

6. Responsibilities

The Committee's responsibilities relate to the provision of advice regarding the overall investment management of the pool of funds. The Committee does not carry any responsibility in managing the trust obligations attached to any benefaction or donation associated with any sum within the Fund.

The responsibilities of the Committee are as follows:

6.1 Objectives and core investment approach

Review the Fund's objectives and investment approach and advise the Finance Committee of any changes to be recommended to Council.

6.2 Strategy and investment policy

Review on an annual basis the investment objectives and strategic asset allocation for the Fund and advise the Finance Committee of any changes to be recommended to Council.

6.3 Portfolio structure and investment manager

Advise the Finance Committee of any changes to be recommended to Council with respect to:

- 6.3.1 the Fund's portfolio structure and asset classes of investment or investment strategies to be pursued;
- 6.3.2 the appointment and termination of the Fund's investment managers;
- 6.3.3 any changes to the Fund's portfolio structure and investment managers.

6.4 Investment operations

Recommend to the Finance Committee the implementation of the asset re-balancing process for the Fund to be recommended to Council.

6.5 Monitoring and reporting

- 6.5.1 monitor the performance of the Fund against its investment objectives;
- 6.5.2 monitor and review the performance of the Fund's investment managers against the University's Environmental, Social and Governance investment principles;
- 6.5.3 monitor and review the investment performance of the Fund's investment managers.

7 Membership

The Committee Chair is appointed by the Finance Committee from among members of Council on the Finance Committee for a term of two years with eligibility for reappointment, subject to their continuing membership of Council and the Finance Committee.

The membership of the Committee shall be endorsed by the Finance Committee and shall comprise of up to eight members including the Chief Financial Officer and at least two independent investment industry experts.

8 Frequency of meetings

The Committee will meet at least twice a year, but will meet as and when required depending on the issues to be discussed.

9 Reporting to the Finance Committee

The Committee will provide a report to the Finance Committee on matters discussed at each Committee meeting and on any recommendations made by the Committee.

Amendment History:

Terms of Reference approved by Council 8/21, 6 December 2021

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