



## Objective

The objective of the Committee is to review investment strategies and policies to ensure that assets are well managed within appropriate risk boundaries and portfolios meet the performance objectives of the company or Members (as the context requires).

The investment funds of Medical Assurance Society New Zealand Limited, Medical Insurance Society Limited, Medical Life Assurance Society Limited, the Medical Assurance Society KiwiSaver Plan ("KS"), and the Medical Assurance Society Retirement Savings Plan ("RSP") will all be subjected to the deliberations of the Committee.

## Structure and Composition

The Committee must have a minimum of three members.

The Committee is a specialist committee that may comprise directors, employees or third persons, with delegated authority from the Boards/Trustees. The Committee is not a sub-committee of the Boards/Trustees.

Generally, the Chief Executive Officer will be required to attend meetings. Other MAS staff can be invited to attend Committee meetings as the Committee considers appropriate.

The Boards/Trustees shall appoint and remove the Chair and members of the Committee.

The Group's fund managers will generally attend meetings. Other external parties may be required to attend some meetings.

## Authority

The Boards/Trustees authorise the Committee, within the scope of its authority as documented in the Treasury Policy (Investment Funds) to:

- allocate funds to new investments.
- approve investment strategies and transactions outside the Treasury Policy (Investment Funds) but in accordance with Asset Allocation Ranges (Treasury Policy Appendix I).
- liaise directly with MAS staff to obtain any information required within the Objectives and Functions of the Committee. obtain external legal or other professional advice at the expense of the relevant Company or Plan.

## Functions of the Committee

In meeting the objective of the Committee the functions of the Committee will include:

- review fund manager performance to ensure it meets requirements set out in the Statements of Investment Policy and Objectives ("SIPOs")
- recommend appropriate Fund Managers to the Boards/Trustees
- provide guidance relative to asset class benchmarks and ranges
- reviewing the Treasury Policy (Investment Funds) and SIPOs on an at least annual basis and recommend to Boards/Trustees
- ensuring that the investment funds are invested in a manner to ensure continuing compliance with relevant policies and legislation and
- monitoring the actions of MAS staff and fund managers, to ensure all decisions remain in the best interest of the Group Companies and the RSP and KS investors.

## Role of Boards/Trustees

The role of the MAS Group boards and trustees in respect of the Committee is to:

- Appoint the Committee members.
- Delegate Authority to the Committee.
- Approve Treasury Policy and SIPOs.
- Appoint Fund Managers.
- Appoint Auditors.
- Approve any investments recommended by the Committee but not supported by the Fund Managers.

## Meetings

The Committee shall meet four times per year, and as it thinks is necessary. The proceedings of all meetings shall be minuted.

A quorum will be achieved when at least 50% of Committee members are present.

## Accountability and Reporting

The Committee shall:

- be accountable to the Boards/Trustees
- regularly update the Boards/Trustees about Committee activities and make appropriate recommendations and
- provide copies of minutes of all meetings of the Committee to each member of the Board at the next scheduled meeting of the Board.

## Ownership and Review

Approver: All relevant MAS entities.

Reviewer: Investment Committee

Review: Annually (last reviewed October 2018)