

# INVESTMENT COMMITTEE CHARTER



## Objectives

The objectives of the Investment Committee (“the Committee”) are to:

- review investment strategies and policies and make investment management decisions within the authority delegated to it by MAS Group entities.
- consider investment business regulation and compliance matters relating to MFM and provide recommendations to the Board of MFM as required.

## Structure and Composition

The Committee must have a minimum of three members, all of whom must be directors of Medical Assurance Society New Zealand Limited, with at least one a Practitioner Trustee of the Medical Assurance Society Members’ Trust.

The Committee is a specialist committee that may comprise directors, management, external advisers, and other third parties, with delegated authority from the Boards. The Committee is not a sub-committee of the Boards.

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 shall appoint and remove the Chair and members of the Committee.

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

Any Board member who is not a Committee Member has a standing invite to attend the Committee’s meetings as an observer.

## Authority

The investment funds of the MAS KiwiSaver Scheme (“KS”) and the MAS Retirement Savings Scheme (“RSS”) (together the “Schemes”), Medical Assurance Society New Zealand Limited, Medical Insurance Society Limited, Medical Life Assurance Society Limited, Medical Funds Management Limited, the MAS Wholesale Investment Funds and the MAS Foundation will all be subjected to the deliberations of the Committee.

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

- allocate funds to new investments.
- approve investment strategies and transactions outside the Investment Funds Treasury Policy but in accordance with the Statement of Investment Policy and Objectives (SIPO) of the respective investment funds.
- 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 Scheme.

## Functions of the Committee

In meeting the Objectives, the Functions of the Committee will include:

- reviewing Investment Beliefs.
- reviewing investment manager performance in accordance with criteria outlined in the SIPOs.
- reviewing liquidity policy of the investment funds.
- recommending the hiring or dismissal of investment managers to the Boards.
- reviewing the control environment of third parties, through reporting on Controls Reports.
- monitoring climate change risk for investment management.
- reviewing responsible investing policies.
- reviewing the performance of the appointed Supervisor for the Schemes and Trustee for the Wholesale Funds in discharging their duties.
- reviewing the Investment Funds Treasury Policy and SIPOs, including benchmark asset allocations and ranges, on an at least annual basis and recommending to the Boards.
- ensuring high standards of conduct and culture including setting the tone for managing conduct risk and good customer outcomes.
- reviewing the product offering and suitability, including fees, for products offered to members, taking into account any regulatory guidelines.
- ensuring that the investment funds are invested in a manner to ensure continuing compliance with relevant policies and legislation.
- Ensuring that a suitable conflict of interest policy exists to ensure that all parties act in the best interest of the members of the Schemes, Wholesale Funds or MAS/MLA/MIS/MFM/MAS Foundation as appropriate.
- reviewing reports regarding the ongoing compliance with MFM's obligations as manager of the externally supervised funds.

## Role of Boards

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

- appoint and remove the Chair and the Committee members.
- approve Treasury Policy and SIPOs.
- Appoint and remove investment managers.
- appoint and remove the Supervisor for the Schemes and Trustee for the Wholesale Funds.
- appoint and remove Auditors.
- approve any investments recommended by the Committee but not supported by the Fund Managers.
- Approve any other reports or documents required to be completed by managers of externally supervised funds.

## Meetings

The Committee shall meet as often as required to undertake its role effectively, but not less than four times per year. 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.
- regularly update the Boards about Committee activities and make appropriate recommendations.
- provide copies of minutes of all meetings of the Committee to each member of the Board at the same time as they are released to the Committee.

## Ownership and Review

Approver: All relevant MAS entities (approved September 2022)

Reviewer: Investment Committee

Review: Biennially (last reviewed July 2022)