



**IMO**  
FINANCIAL SERVICES

## **Terms of Reference Investment Sub-Committee**

IMO Financial Services

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## **1. Purpose and role**

The Investment Sub-Committee (the "Sub-Committee") is established to assist the Board of Directors (the "Board") of Fitzserv Consultants Ltd t/s IMO Financial Services (the "Company") in fulfilling its responsibilities regarding the formulation, approval and implementation of the Company's investment strategy and relationships with its investment managers.

The Sub-Committee shall have oversight responsibility for the design and evaluation of the investment strategies, policies, and programmes relating to the shareholder funds only.

## **2. Composition**

The number of members of the Sub-Committee shall be sufficient to handle the nature, scale and complexity of the business conducted by it.

Members of the Sub-Committee shall be selected and appointed by the Board and shall comprise of at least two members of the board.

Each member shall serve the Board for such term or terms as the Board shall determine. The Sub-Committee shall be comprised of at least two Independent Non-Executive Directors, one of which will serve "as Chair".

The Chairperson of the Board shall not be a member of the Sub-Committee. The attendance by the Chairperson of the Board at Sub-Committee meetings shall be by invitation and shall be managed to ensure the independence of the Sub-Committee and the maintenance of appropriate relationships with other parties.

Sub-Committee membership shall be reviewed by the Board on an annual basis.

## **3. Sub-Committee Meetings**

### **3.1. Frequency**

The Sub-Committee shall aim to meet at least twice yearly with additional meetings at the discretion of the Chairperson of the Sub-Committee. The Sub-Committee will meet at such times as shall be determined by its Chairperson, or upon the request of any two of its members or if an important issue arises.

The Sub-Committee may meet by telephone and may take action by the unanimous written consent of all its members.

### 3.2. Quorum

Two members of the Sub-Committee, will constitute a quorum. One of the Independent Non-Executive Directors must always be present for the quorum to be constituted. A majority of the members present at any meeting at which a quorum is present may act on behalf of the Sub-Committee.

### 3.3 Notice and agenda

Notice of each meeting confirming the venue, time and date together with the agenda of each meeting will be prepared by the General Manager of IMO FS of the Sub-Committee, once appointed, and will whenever reasonably practicable, be circulated to each member at least three working days prior to the meeting date.

### 3.4 Minutes

The General Manager of IMO FS shall minute the proceedings and resolutions of all Sub-Committee meetings, including the names of those present and in attendance. Minutes of Sub-Committee meetings shall be circulated within one month to all members of the Sub-Committee.

Minutes shall be approved at the next meeting of the Sub-Committee.

### 3.5 Attendance at Meetings

Sub-Committee members shall attend Sub-Committee meetings regularly. Where a member is unable to provide sufficient time to attend over the medium to long term, the Board shall remove such member from the Sub-Committee and replace him or her with a member with appropriate availability, experience and expertise.

Directors that are members of the Sub-Committee should attend each Sub-Committee meeting in person wherever possible.

The Sub-Committee Chairperson is responsible for ensuring that the required time commitment is adhered to. In an event where the time commitment is not adhered to, the Sub-Committee Chairperson will notify the Board of this so that the Board can take steps to replace the relevant director.

### 3.6 Voting rights

Each member of the Sub-Committee is entitled to one vote. Where there is a tie, the Sub-Committee chairperson shall have the casting vote. Invitees of the Sub-Committee are not entitled to a vote.

#### **4. Investment Portfolio Performance – for shareholders**

The Sub-Committee shall manage the shareholder's investment portfolio including:

- adhering to the investment strategy brief.
- developing and constantly reviewing investment strategy recommendations for the Board in light of current economic and market conditions and any material changes in same.
- monitoring adherence to and the performance of the agreed investment strategies ensuring that investment returns fall within acceptable limits.
- reviewing the performance of the investment managers, if any, and shall investigate any matters coming to its attention in the performance by the investment managers of their duties to the Company having regard to the impact of external market factors.
- reporting periodically to the Board in respect of current investment holdings and their performance.

#### **5. Delegation of authority**

The Sub-Committee is authorised by the Board to investigate any activity within its terms of reference. For the avoidance of doubt and notwithstanding the foregoing, the Sub-Committee shall not have the power to bind the Company to any arrangements or enter into any agreements whatsoever with any third parties which power shall be retained exclusively by the Board.

#### **6. Access to professional advisers**

The Sub-Committee shall have access to professional advice and shall have the authority to appoint external advisers whether legal or otherwise, as it determines to be reasonably necessary to enable it to discharge the Sub-Committee's responsibilities. However any professional advice requires the Board's approval.

#### **7. Accountability**

The Sub-Committee shall be accountable to the Board and shall advise the Board on a regular basis on the discharge of its obligations pursuant to the Terms of Reference.

The chairperson shall ensure that the Board is fully informed on the Sub-Committee's activities, and that all relevant issues are brought to the attention of the Board.

#### **8. Review**

The Board will review the Sub-Committee's terms of reference at least annually.