



Gníomhaireacht Bainistíochta an Chisteáin Náisiúnta
National Treasury Management Agency

Investment Committee Terms of Reference

26th November 2019

TABLE OF CONTENTS

| | |
|--|---|
| TABLE OF CONTENTS..... | 2 |
| 1. BACKGROUND | 3 |
| 2. INTERPRETATION..... | 3 |
| 3. PURPOSE | 3 |
| 4. MEMBERSHIP | 3 |
| 5. SECRETARY | 4 |
| 6. QUORUM..... | 4 |
| 7. FREQUENCY OF MEETINGS | 4 |
| 8. CONVENING AND MINUTING OF MEETINGS..... | 4 |
| 9. DECISION MAKING | 4 |
| 10. DUTIES | 5 |
| 11. REPORTING RESPONSIBILITIES..... | 5 |
| 12. OTHER MATTERS | 5 |

1. BACKGROUND

- 1.1 This document sets out the terms of reference for the Investment Committee established under section 5A of the National Treasury Management Agency Act, 1990 (inserted by section 10 of the National Treasury Management Agency (Amendment) Act, 2014).

2. INTERPRETATION

- 2.1 **Act** means the National Treasury Management Agency (Amendment) Act 2014.
- 2.2 **Agency** means the National Treasury Management Agency.
- 2.3 **Committee** means the Investment Committee of the Agency established pursuant to section 5A of the National Treasury Management Agency Act, 1990 (inserted by section 10 of the National Treasury Management Agency (Amendment) Act, 2014).
- 2.4 **Electronic meeting** means a meeting by the use of any means of communication by which all the participants can hear and be heard at the same time.
- 2.5 **Fund** means the Ireland Strategic Investment Fund.
- 2.6 **Investment strategy** means the investment strategy referred to in Section 40(1) of the Act.
- 2.7 **Minister** means the Minister for Finance.

3. PURPOSE

- 3.1 The Committee will assist the Agency in the control and management of the Fund by:
 - 3.1.1 making decisions about the acquisition and disposal of assets of the Fund in accordance with the provisions of Part 6 of the Act and the investment strategy prepared under it, within the parameters set out by the Agency in these terms of reference;
 - 3.1.2 advising the Agency on the investment strategy; and
 - 3.1.3 overseeing the implementation of the investment strategy.

4. MEMBERSHIP

- 4.1 The Committee shall comprise five members appointed by the Agency. Two members will be members of the Agency (other than the *ex officio* members of the Agency: the Chief Executive and the Secretary Generals of the Departments of Finance and Public Expenditure and Reform). Three members will be persons who are not members of the Agency but who have acquired substantial relevant expertise and experience and who are appointed with the consent of the Minister. No member of staff of the Agency may be appointed as a member of the Committee.
- 4.2 Only members of the Committee have the right to attend its meetings. The Secretary and the Director, ISIF will normally attend meetings, at the Committee's discretion. Other non-members (e.g. the Chief Risk Officer and heads of ISIF investment functions) may be invited to attend all or part of any meeting as and when appropriate and necessary.
- 4.3 A Committee member who is also a member of the Agency shall be appointed for a term of three years or for such other term as may be agreed by the Agency but not exceeding three years, and in neither case beyond the term of the member's appointment to the Agency, or until he or she resigns or until the Agency decides otherwise. Membership shall be extendable

for two further periods of up to three years each, not exceeding the term of the member's appointment to the Agency.

- 4.4 A Committee member who is not a member of the Agency shall be appointed for a term of three years or for such other term as may be agreed by the Agency but not exceeding three years or until he or she resigns or until the Agency decides otherwise. Membership shall be extendable for two additional periods of up to three years each.
- 4.5 The Agency shall appoint the Committee Chairperson from among the members of the Agency appointed to the Committee. In the absence of the Chairperson, the other Committee member who is a member of the Agency shall chair the meeting.

5. SECRETARY

- 5.1 There will be a Secretary to the Committee who will be a member of the staff of the Agency nominated for that purpose by the Chief Executive, with the agreement of the Agency. The Secretary will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to issues. In the absence of the Committee Secretary, the Secretary's nominee shall act as Secretary to the Committee.

6. QUORUM

- 6.1 The quorum necessary for the transaction of business shall be three members, of whom at least one shall be a member of the Agency, or, if there is a vacancy in the membership of the Committee, two members, of whom at least one shall be a member of the Agency, while the vacancy exists.

7. FREQUENCY OF MEETINGS

- 7.1 The Committee will meet at least 4 times a year and at such other times as the Chairperson considers necessary or appropriate. Meetings may be held electronically.

8. CONVENING AND MINUTING OF MEETINGS

- 8.1 Meetings of the Committee shall be convened by the Secretary at the request of the Chairperson.
- 8.2 The Secretary shall minute proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

9. DECISION MAKING

- 9.1 Each member of the Committee present at a meeting has a vote and any question on which a vote is required in order to establish the Committee's view on the matter shall be determined by a majority of the votes of the members present and voting on the question. In the case of an equal division of votes, the Chairperson or member presiding over the meeting has an additional casting vote.

10. DUTIES

The Committee shall carry out the duties below on behalf of the Agency

10.1 Investment

The Committee shall

- 10.1.1 make decisions on the investment of Fund assets (including disposal of investments) in accordance with Section 39(1) of the Act where such investment is within the terms of the investment strategy agreed by the Agency, subject to no individual investment being greater than €150 million;
- 10.1.2 make recommendations to the Agency on the investment of Fund assets (including disposal of investments) in accordance with Section 39(1) of the Act where such investment is within the terms of the investment strategy agreed by the Agency, where the amount concerned is greater than €150 million, and where the Committee is supportive of the proposed investment;
- 10.1.3 refer any proposed investments that are not consistent with the investment strategy to the Agency, where the Committee is supportive of the proposed investment.

10.2 Strategy

The Committee shall

- 10.2.1 make recommendations to the Agency on the investment strategy for the Fund, in accordance with the provisions of Part 6 of the Act;
- 10.2.2 make recommendations to the Agency on appropriate measurement and reporting of:
 - 10.2.2.1 the investment performance of the Fund, and
 - 10.2.2.2 its contribution to economic activity and employment in the State including, where feasible, on a regional basis;
- 10.2.3 monitor the implementation of the investment strategy.

10.3 General

The Committee shall

- 10.3.1 make recommendations to the Agency on any functions that, in the opinion of the Committee, should be delegated to the Chief Executive for the purposes of the more effective management of the Fund.

11. REPORTING RESPONSIBILITIES

- 11.1 The Committee Chairperson shall report regularly to the Agency on its proceedings and on all matters within its duties and responsibilities.
- 11.2 The Committee shall make whatever recommendations to the Agency it deems appropriate on any area within its remit.

12. OTHER MATTERS

The Committee shall

- 12.1 have access to sufficient resources in order to carry out its duties, including access to the Agency secretariat for assistance as required;
- 12.2 be provided with appropriate and timely training;

- 12.3 work and liaise as necessary with all other Agency committees; and
- 12.4 conduct periodic reviews of its own performance and, at least annually, review its terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Agency.