



INVESTMENTS SUB-COMMITTEE

Purpose

Finance and Estates Committee holds responsibility delegated from Council for the strategic oversight, management and governance of all LSE investments including funds held for working capital, capital projects and investment, and endowments. Investments Sub-Committee is the body through which the Finance and Estates Committee fulfils these responsibilities.

Terms of reference

1. To supervise the management of the LSE's investment funds in accordance with the LSE's Investment Mandate and Policy, as approved by the Finance and Estates Committee from time to time
2. To approve, and review at least annually, the LSE's Investment Strategy, recommending any significant amendments to Finance and Estates Committee for approval
3. To approve the asset allocation and oversee the delivery of long-term return targets within the risk and liquidity boundaries approved by the Finance and Estates Committee
4. To monitor the performance of the School's investments against targets and benchmarks, and approve any tactical adjustments proposed by the LSE's Investment Advisers
5. To be responsible for the appointment and reappointment of LSE's Investment Advisers. To recommend to Finance & Estates Committee and Council for approval the risk appetite for management of the investments portfolio and the Sub-Committee oversight arrangements of the appointed Investment Advisers.
6. To monitor the performance of LSE's Investment Advisers annually and report the outcomes to Finance & Estates Committee.

7. To review the Investment Advisers appointment at intervals of not more than three years.
8. To monitor the performance of Fund Managers appointed to manage the LSE's investments in accordance with agreed performance targets and their compliance with LSE's policies on ESG and SRI
9. To assure the compliance of investment decisions and activity with LSE's Ethics Code and SRI Policy, conducting an annual review and reallocating any funds as appropriate, and to monitor opportunities for socially responsible investment consistent with agreed risk and return targets
10. To recommend the Annual Investment Review to Finance and Estates Committee
11. To tender advice as required to Council and to Finance and Estates Committee

Reporting

The Investments Sub-Committee reports to Finance and Estates Committee. It also reports to Council if required.

Committee membership composition

- Four External Members, one of who will be Chair
- Two Academic Board nominees (with relevant expertise)
- One STICERD nominee
- Chief Financial Officer
- One LSESU nominee

Meeting attendees

- External Advisors
- Investment Advisers
- Fund Managers
- Independent Investment Consultant
- Assistant Finance Director
- Committee secretary (from Governance Services)

(Other individuals may be invited to attend the meetings as business requires)

Quorum

At least half of the appointed membership (i.e. of those in post) with a minimum of two External members

Frequency of meetings

Investments Sub-Committee normally meets three/four times annually.

Approved by Council on 23 November 2021

Due for review Michaelmas Term 2022