

Investment Advisory Committee

Terms of Reference

1. Role

1.1 The role of the Investment Advisory Committee (**Committee**) is to provide strategic advice, oversight and assurance to the Finance Committee in relation to the University's long-term investment portfolio (LTIP) and Short Term Investment Portfolio Plus (STIP+), including:

- 1.1.1 investment strategy, policy and asset allocation;
- 1.1.2 Performance;
- 1.1.3 risk;
- 1.1.4 liquidity;
- 1.1.5 investment managers and investment advisor(s);
- 1.1.6 market and economic outlook;
- 1.1.7 responsible investment matters; and
- 1.1.8 any other investment-related matters referred by the Finance Committee of Council (Finance Committee) from time to time.

As a portion of the LTIP comprises assets of the Monash University Foundation (MUF), the Committee also provides relevant advice and reporting to the Board of the MUF trustee (Monash University Foundation Pty Ltd) in relation to those assets.

2. Authority

- 2.1 The Committee is an advisory subcommittee of the Finance Committee.
- 2.2 The Committee has no delegated authority.

3. Membership

- 3.1 The Finance Committee will appoint and remove the members of the Committee and will review the composition of the Committee periodically.
- 3.2 Unless the Finance Committee determines otherwise, the Committee will comprise at least five members:

- 3.2.1 At least one member who is a Government or Council appointed member of Council who is a member of the Finance Committee; and
- 3.2.2 At least four members external to the University with relevant expertise.
- 3.3 The Chair of the Committee will be appointed by the Finance Committee and must have appropriate business, finance and investment experience. The Chair need not be a member of Council. If the Chair is unable to attend (for any reason) at the appointed time for the commencement of a meeting, members in attendance may select another member, to preside as Chair for the meeting.
- 3.4 The University Secretary (or delegate) will be the Secretary of the Committee.
- 3.5 Unless otherwise determined by the Finance Committee, members may serve for a maximum period of nine years, comprising three terms of up to three-years.

4. Responsibilities

4.1 Investment strategy, policy and asset allocation

- 4.1.1 Monitor and review Monash's investment strategy, strategic asset allocation (SAA) and asset class ranges for the LTIP and provide advice and recommendations to the Finance Committee on any proposed changes at least annually.
- 4.1.2 Review and provide advice to the Finance Committee on proposed updates to the Investment Policy, as required.

4.2 Investment performance

- 4.2.1 Monitor the performance of the LTIP against the approved investment strategy, including consideration of quarterly market updates and advice from the Investment Advisor(s).
- 4.2.2 Review and recommend rebalancing transactions within the approved SAA for approval by the Chief Financial Officer, or by the Finance Committee where the transaction exceeds 10% of the market value of the LTIP.
- 4.2.3 Review the performance, composition and outlook of each asset class at least annually.

4.3 Investment risk

- 4.3.1 Monitor material investment risks, including liquidity, market, counterparty credit, and climate-related risks.
- 4.3.2 Advise and make recommendations to the Finance Committee in relation to diversification and positioning of the LTIP having regard to the investment risks.

4.4 Investment Managers and Investment Advisor(s)

- 4.4.1 Review the performance, capability and mandates of Investment Managers and meet with each Investment Manager at least annually.
- 4.4.2 Advise and make recommendations to the Finance Committee on the appointment and, if necessary, termination of Investment Managers.
- 4.4.3 Consider and advise the Chief Financial Officer periodically on the role, appointment, and performance of the Investment Advisor(s).

4.5 Responsible investment / ESG matters

- 4.5.1 Consider environmental, social, and governance (ESG) and responsible investment factors in the Investment Policy, investment strategy and portfolio, including assessment of:
 - 4.5.1.1. the ESG credentials of Investment Managers during selection, annual performance reviews, and compliance monitoring; and
 - 4.5.1.2. regular ESG and sustainability reporting provided by the Investment Advisor(s).

4.6 Liquidity

- 4.6.1 Consider the University's liquidity requirements when advising on risk and return objectives, the investment strategy and SAA.

4.7 Reporting and advice

- 4.7.1 Consider regular reporting from the Investment Advisor(s) on investment performance, portfolio and asset allocation, investment risk, market conditions, Investment Managers and other material investment matters.
- 4.7.2 Report to the Finance Committee following each meeting on the outcome of matters considered by the Committee.
- 4.7.3 Provide relevant advice and reporting to the Board of the MUF trustee in relation to MUF assets invested as part of the LTIP.

5. Meetings

- 5.1 The Committee will meet sufficiently regularly to perform its role effectively. Meetings may be convened with approval of the Chair or, where the Chair has a conflict of interest, any three other members.
- 5.2 Meetings may be held face to face or using any technology which enables members to participate in a discussion. Members located at another physical location are deemed to be present at the meeting, if they are connected by such technology.

- 5.3 Unless otherwise determined by the Finance Committee, the quorum for a Committee meeting is at least half of the members. Meetings of the Committee shall not proceed if a quorum is not present within half an hour after the appointed commencement time of the meeting.
- 5.4 A member of staff, professional advisor or other person may be invited to attend meetings as an attendee or observer at the discretion of the Chair. The Chair may determine that a person is to be a standing attendee. Non-members will not participate in the deliberations of the Committee unless invited by the Chair.

6. Conflict of Interest

- 6.1 Members of the Committee must comply with the conflict of interest requirements set out in the Council Charter. For that purpose, references in the Council Charter to the Council are taken to include the Committee and references to a Council member are taken to include a member of the Committee, with any other necessary modifications.

7. Performance Evaluation

- 7.1 The Committee will conduct an annual assessment of its activities under these Terms of Reference, and report any conclusions and recommendations to the Finance Committee.

8. Review of Terms of Reference

- 8.1 The Finance Committee shall review the Terms of Reference periodically, in consultation with the Chair, and approve any changes.

Effective date: 29/09/2026