

INVESTMENT COMMITTEE

Approval Authority: Board of Governors

Reports To: Finance, Audit and Risk Management Committee

Established: May 11, 2018

Amendments: May 17, 2023; September 24, 2025

1.0 Purpose

The Northern Ontario School of Medicine University (NOSM U, the University) recognizes it has fiduciary duties as administrator of any monies that the University receives that are deemed investable, in accordance with the NOSM U Investment Policy, including but not limited to, surplus operating funds, endowment funds entrusted to it by donors, and donations in support of NOSM U Learners and NOSM U strategic or research initiatives.

Accordingly, the University has implemented a formal structure that will ensure transparent oversight for the investment of these funds. The structure is designed to oversee the investment of these funds and ensure that issues are addressed on a timely basis, with full information.

A committee has been established and empowered to monitor and oversee the administration of these funds. This document defines the structure, mandate and rules of operations of the Investment Committee.

2.0 Mandate

The mandate of the NOSM U Investment Committee (the “Committee”) is to monitor, evaluate and recommend changes relating to the investment portfolio.

3.0 Responsibilities

- 1) Oversee the management of NOSM U’s investment funds as may be directed from time to time by the Board or in accordance with the Investment Policy;
- 2) Develop appropriate investment policies and objectives;
- 3) Monitor investment performance against approved investment objectives;
- 4) Appoint suitable agents and counsel, to assist with this mandate, as required;
- 5) The above responsibilities include the following:
 - a) Review the financial needs arising from the policies related to the University’s investments and fund management and from the spending goals of the endowment and surplus operating funds as determined by the University, and if

deemed appropriate or necessary, recommend policy changes to the Finance Audit and Risk Management (FARM) Committee.

- b) Determine the risk tolerance and investment horizon for these funds and communicate these to the appropriate parties;
 - c) Establish reasonable and consistent investment objectives, policies and guidelines which will direct the investment of the Endowment and other funds;
 - d) Review and approve the selection of qualified Investment Managers;
 - e) Review and assess existing and new control procedures for safeguarding of the Endowment and other funds and for ensuring compliance to policies and regulatory requirements;
 - f) Implementing, executing and communicating to all appropriate parties all policies and decisions approved by the Committee;
 - g) Through the FARM Committee, report to the Board, on at least a semi-annual basis, the investment activity, performance and status, including compliance with the Investment Policy, with respect to endowments, trust accounts, and all other funds held for investments.
- 6) Convene a meeting no less frequently than semi-annually to formally review the performance of the Fund Managers and the overall investment administration.
 - 7) Meet no less frequently than semi-annually with the Fund Managers to review the investments and their performance.
 - 8) Recommend to the FARM Committee any changes required to the investment related policies and structure of the investment portfolio as appropriate, and once approved by the Board of Governors, implement the changes.

4.0 Structure

The following outlines the structure that applies in relation to the Investment Policy:

Board of Governors	<ul style="list-style-type: none"> ▪ Ultimate responsibility for the Investment Policy ▪ Adopts resolutions on all matters requiring Board approval.
FARM Committee	<ul style="list-style-type: none"> ▪ Makes recommendations to the Board regarding changes to investments, investment policy, communication strategy, governance and the Terms of Reference of the Investment Committee.
Senior Management	<ul style="list-style-type: none"> ▪ Makes recommendations to the Investment Committee on changes to the administration process and investment policy Communicates with the Fund Manager in relation to the investment of donations as requested by the donor.

Fund Managers	<ul style="list-style-type: none"> Administers the investments as per the Investment Policy; Invests funds and processes transactions as directed by NOSM U Senior Management and in accordance with the Investment Policy; and Prepares communication material and communicates with the Investment Committee
Consultant	<ul style="list-style-type: none"> Assists in planning changes to the Investment Policy, investments, administration, communication and governance functions; Informs Senior Management on industry best practices with respect to design, administration, investment, communication, and Assists in monitoring of the performance of fund manager.

5.0 Composition

The membership shall consist as follows:

- Chair, Finance Audit and Risk Management Committee (or designate)
- Vice-President, Administration and Chief Operating Officer (COO) (or designate)
- Associate Vice-President, Finance and Administration
- Director of Budget and Audit Services
- Director of Planning and Risk
- Director of Advancement
- At least one Governor and/or external individual appointed by the Board of Governors

The Board of Governors shall appoint members annually. Membership shall be a maximum of three years.

The Chair of the FARM Committee (or designate) will be the Chair of the Investment Committee.

6.0 Meetings

Meetings shall be conducted in accordance with applicable University policies. All committee meetings are closed.

- 1) There shall be at least two meetings in each calendar year or at the call of the Chair.
- 2) A quorum shall consist of a majority of the members of the Committee.
- 3) The Investment Committee shall keep minutes of its meetings, in which shall be recorded all actions taken by it.

7.0 Delegation of Responsibilities

- 1) The Investment Committee may delegate any of its responsibilities relating to the Investment Policy and its administration, if the members of the Committee do not possess the required expertise or the necessary time to properly discharge their responsibilities relating to the Policy or its administration to the Fund Managers.

- 2) The Investment Committee is responsible to monitor the actions of any party to which a responsibility or function has been delegated, to ensure that they are properly discharging their duty and that the responsibilities under the Policy are being properly carried out.

8.0 Fees and Expenses

Investment Committee members shall serve without compensation and shall be reimbursed for all reasonable expenses pursuant to the applicable policies.

9.0 Indemnification

The University will indemnify and save harmless each member of the Investment Committee, against all loss, liability and costs reasonably incurred by him/her in respect of any action or proceedings to which he/she is made a party by reason of being or having been a member of the Investment Committee unless as a result of willful wrongdoing or dishonesty of the member.

10.0 Liability Insurance

The NOSM U maintains general insurance covering anyone acting on behalf of the University.

11.0 Conflict of Interest

No member of the Investment Committee may exercise powers in their own interest or in the interest of a third person, nor place themselves in a situation of conflict between personal interest and the duties of this committee.

Every member of the Investment Committee shall, without delay, notify the Committee in writing of any interest in an enterprise that is susceptible of causing personal interest to conflict with the duties of this office, and of any rights, other than those arising from the Plan, the member may have in or may invoke against the Fund, specifying, where such is the case, the nature and value of such rights. Every interest or right so notified shall be recorded in the register kept by the Committee for such purpose.

The Committee may decide, by a majority vote, that a member, who has a conflict of interest, must refrain from participating in any decision relating to the investment of the fund of the Plan that relates to the conflict of interest.

12.0 Document Retention

Administration shall maintain in a central location the following documents:

- 1) The Terms of Reference of the Investment Committee;
- 2) All policies related to the University's investments;
- 3) Investment Performance Report and Executive Summary;
- 4) The meeting minutes and record of its decisions;

- 5) Topical status reports (legislative changes, benchmarking information, and market trends)

13.0 Reporting

The Chair (or designate) will report through the FARM Committee to the Board of Governors on the activities and recommendations of the Investment Committee.

14.0 Staff and Resource Support

The Vice-President, Administration and Chief Operating Officer shall provide staff and resource support to the Committee.

Review Period: Annually or as required

Next Review: 2026 September