Extract from the National Trust’s Governance Handbook

Fifth edition, December 2016

Investment Committee

**3.8 Role**

3.8.1 The Investment Committee is appointed by the Board of Trustees to assist the Board in its monitoring of the Trust’s investments.

3.8.2 Main responsibilities and tasks:

* recommend to the Board of Trustees an appropriate investment strategy and asset allocation model for the Trust’s investment portfolios
* monitor the performance of the Trust’s external investment managers against the agreed benchmarks
* recommend to the Board of Trustees changes to the fund managers and oversee the selection process for new fund managers
* recommend to the Board of Trustees, at quinquennial intervals, a General Pool income distribution rate based on the Committee’s model for long-term sustainable investment returns
* under delegated authority from the Board of Trustees, approve the General Pool distribution rate between these five-yearly updates
* set the annual income distribution rate for the Cash, Short and Endowment Pools
* delegate authority to Treasury staff to alter in-year distribution rates for the Cash and Short Pools in response to money market conditions
* take account, in its decisions and recommendations, of the Trust’s socially responsible investment policy
* decide on the list of counterparties and on the counterparty limits and credit ratings for the Trust’s management of the Cash Pool
* make available to the Board of Trustees the minutes of meetings and an annual report covering all of the Committee’s activities