

Grant Thornton UK LLP

Investment Committee (the 'Committee')

Terms of Reference

Membership

The PGB shall determine the membership of the Committee and shall consist of three Elected Members and/or Independent non-executive members of the PGB, and the CEO (or their nominated alternate).

The quorum for meetings of the Committee shall be two thirds of voting members.

The Chair of the Committee shall be appointed by the PGB. In the absence of the Chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the relevant meeting.

The Secretary to the PGB (or their nominee) shall act as Secretary of the Committee.

Only members of the Committee have the right to attend meetings. However, other individuals, such as other members of the SLT, may be invited to attend all or part of any meeting as and when appropriate.

Meetings and attendance

Meetings will be held on a monthly basis to consider new investments and the monitoring of existing investments.

Meetings may also be convened at the request of any member of the Committee or by the CEO (or their alternate). Notice of meetings shall be given to all committee members, and papers circulated in advance.

The Committee should have access to sufficient resources and be provided with information of sufficient depth and quality in advance of, during, and in between meetings to enable it to carry out its duties.

Outside of the formal meeting programme, the Chair of the Committee and, to the extent considered necessary or appropriate, other members of the Committee, will engage with key individuals in relation matters with the Committee's remit.

Role and responsibilities

The Investment Committee (the "Committee") operates as a sub-committee in accordance with the Membership Agreement ("MA") to consider matters detailed in Schedule 8 where there is a rebuttable presumption that the following, which are not exhaustive, are material departures from the plan and priorities and require Partnership Governance Board ("PGB") approval:

- an item or a series of connected items of capital or investment expenditure of £2,500,000 or more;
- asset disposals by £2,500,000 or more;
- the opening or closure of an office, commencement or disposal of a service line, or business combination or disposal, which would change respectively the planned gross revenue by 10% or more, or the planned LLP profit per unit by 10% or more;
- the entering into property leases where the aggregate commitment up to the first available date pursuant to an option in favour of the LLP is £2,500,000 or more.

As such, the Committee shall:

- consider and agree with the Strategic Leadership Team (“SLT”) what constitutes ‘capital’ or ‘investment expenditure’ in the context of the governance objectives of the MA.
- consider any proposed investments, disposals and property matters as required by the MA in regard to, but not limited to, risk issues (ethical, reputational, financial), liquidity and capital allocation, inter-generational considerations, alignment with strategy, macroeconomic considerations, governance and accountability, integration risk and financial performance measures.

When considering individual investment proposals, the Committee shall have regard to any due diligence that has been undertaken.

The Committee is further authorised to seek any information it requires from any employee or partner in order to perform its duties and, to call any partner or employee of the firm to be questioned at a meeting of the Committee as and when required.

The Committee will determine the nature of any ongoing monitoring of investments, disposals and property matters and if required, have a clear means of measuring short term and long-term performance with clearly defined benchmarks. The form and frequency this monitoring is to take shall be agreed by the Committee in conjunction with the CEO, or their alternate.

Reporting

- The Chair of the Committee shall report to the PGB on the Committee’s proceedings on all matters within its duties and responsibilities. Matters that require formal approval under the terms of the MA will be referred to the full PGB for determination. The Chair of the Committee shall also give periodic updates on the activities of the Committee to the partners.
- Minutes of each meeting shall be kept by the PGB Secretary and made available to the PGB.
- The Committee should consider its own effectiveness on annual basis (including review of its constitution and these Terms of Reference) and recommend any changes it considers necessary to the wider PGB for approval.

Last amended 6 October 2022