



Faculty of Pharmaceutical Medicine

*Advancing the science and practice of pharmaceutical medicine
for the benefit of the public*

FPM Investment Policy

[version 3, 2019]

Strategy and aims

Investment aims

The FPM intends to invest the reserves policy fund in a manner that maximizes security whilst allowing reasonable growth.

Balance between capital growth and income generation

FPM seeks capital growth from its invested funds. It is envisaged that any income generated from the reserves policy fund will be re-invested back into the fund.

Consideration of risk

Investment Policy is to minimise risk and ensure security of the funds balanced by a reasonable opportunity for capital growth. The funds will be spread between cash and collective funds of stocks and bonds, with the proportional allocation to investment type and geographical region determined by expert independent advice.

Timing of returns

Investment decisions will be made with a minimum five-year horizon.

Ethical investment policy

The trustees will review the ethical policy of the fund management provider prior to purchase of any investment, to ensure that the proposed investments are in alignment with FPM's mission. It is not the intention of FPM to be overly prescriptive of what stocks can and cannot be included.

Process

Review of policy statement

The policy statement will be formally reviewed once a year by the Finance Committee and approved by the Board, or more frequently, should the need arise.

Exercising investment decisions

The monitoring of investments will be the responsibility of the Treasurer and Finance Committee. When making major changes to the investment arrangements the trustees will seek external independent advice.

Finance Committee Role

The Finance Committee will receive reports on the investment portfolio performance and consider them on behalf of the Board on a bi-annual basis.

Document	Version date	Owned by / Approved by	Summary of changes and rationale
Original Policy	27 Nov 2007	Finance Committee / Board	Not applicable (N/A)
Version 2	29 April 2010	Finance Committee / Board	<ul style="list-style-type: none"> • Timing of returns reworded to remove reference to strategic planning • Reference to Investment committee replaced with Trustees as the Investment committee is now defunct • Review of investment policy now by Board on annual basis • Reference to the roll of the Investment committee removed and inclusion of reference to seeking external expert advice
Version 3	16 May 2019	Finance Committee / Board	<ul style="list-style-type: none"> • Strategy/aim and process separated in to two sections to improve clarity • 1.3.1 Timing of returns changed from five-year horizon to a minimum five-year horizon to allow for investments over a longer period • 1.4 Special preferences renamed ethical investment policy • 2.1 Annual review of policy changed from Board to Finance Committee with Board approval of changes • 2.2 Removed 'day-to-day' monitoring of investment performance • 2.3 Role of committee added to confirm how performance is to be monitored