

SENIOR TRUST MANAGEMENT LIMITED

BOARD CHARTER

1 Introduction

Senior Trust Management Limited (Senior Trust) is a manager of managed investment schemes. It holds a market services licence (**licence**) to carry on that business under the Financial Markets Conduct Act 2013 (**FMC Act**).

The Board governs the business and affairs of Senior Trust. It does this in meetings and through delegation to the Senior Trust Executive Director (**ED**) and the Senior Trust Capital (STC) Executive Director.

The Senior Trust ED carries out the day-to-day leadership and management of Senior Trust through delegations from the Board. The Senior Trust ED and the STC Executive Director (by way of the management services agreement) are the principal representatives of Senior Trust's business operations and manages the relationships between Senior Trust and its customers.

2 Interpretation

2.1 In this Charter, unless the context indicates otherwise:

Chairman means the Chairman of the Board and is used in a gender-neutral sense; and

Committees mean any Committees appointed by the Board from time to time (and Committee means any one of those Committees).

3 The Role of the Board

3.1 The Board's role is to govern the business and purposes of Senior Trust. The Board manages, supervises and promotes the interests of the business with a view to adding long-term value to Senior Trust.

3.2 The Board must have regard to Senior Trust's values, customer and shareholder values and concerns. Subject to the duties it owes to its customers under the FMC Act and its licence, it must at all times act in the best interests of Senior Trust.

3.3 The Board is committed to leading Senior Trust through culture and values that focus on integrity and customer outcomes and aims to achieve an appropriate and 'right sized' approach to compliance with regulatory obligations including the FMC Act and the licence.

3.4 The Board has the following principal roles and responsibilities:

3.4.1 determining Senior Trust's strategic objectives, operating plans, financial targets and capital expenditure plans;

- 3.4.2 monitoring performance of management;
- 3.4.3 approving any departures from Senior Trust's objectives, operating plans , financial targets and capital expenditure plans;
- 3.4.4 overseeing compliance by Senior Trust with its obligations as a market services licensee under the FMC Act
- 3.4.5 Monitoring and reviewing the Compliance Assurance Program;
- 3.4.6 overseeing the solvency, financial resources and liquidity of Senior Trust;
- 3.4.7 monitoring Senior Trust's risk exposure;
- 3.4.8 monitoring the level of professional indemnity insurance cover in place for Senior Trust's business;
- 3.4.9 ensuring compliance with legal and regulatory requirements and Senior Trust's policies;
- 3.4.10 approving all borrowings by Senior Trust;
- 3.4.11 approving Senior Trust's Code of Ethics and other key policies;
- 3.4.12 approving Senior Trust's annual report, if applicable;
- 3.4.13 approving Senior Trust's solvency returns;
- 3.4.14 approving all major transactions entered into by Senior Trust in accordance with the requirements of the Companies Act 1993;
- 3.4.15 The Board will carry out an annual self-evaluation of its performance and record the results of the review in the minutes of the Board meeting when the evaluation is completed

4 Board composition

- 4.1 The Board will have an appropriate balance of executive and non-executive directors. It will include members with a range and balance of skills and attributes to contribute to leadership of Senior Trust.

5 Meetings of the Board

- 5.1 The Board will meet a minimum of 10 times each calendar year and will hold additional meetings as required.
- 5.2 Senior Trust's Constitution governs the procedures used at the Board meetings
- 5.3 Directors will use their best endeavours to prepare thoroughly and attend all Board meetings.
- 5.4 At each meeting the Board will consider:
 - 5.4.1 and, if necessary, update the Company's interests register;

- 5.4.2 reports from the ED and the STC Executive Director
- 5.4.3 a compliance update report that will include items on
 - the operation of the Compliance Assurance Program, risk management framework and internal control processes, including any developments in relation to key risks
 - any Compliance related issues including any Conflict of Interests and Complaints Register updates .and:
 - any significant interactions with the FMA
- 5.4.4 specific proposals for expenditure or acquisitions;
- 5.4.5 the latest reports or recommendations from Committees (if any);
- 5.4.6 In addition, the Board shall annually review and approve:
 - 5.4.7 Strategic plan and objectives, Senior Trust's goals, and strategies;
 - 5.4.8 Operating budgets;
 - 5.4.9 Financial statements (annual and half yearly);
 - 5.4.10 Half year and annual report;
 - 5.4.11 Report of Senior Trust's performance of its obligations as licensee
 - 5.4.12 Financial policies;
 - 5.4.13 Board governance policies and procedures;
 - 5.4.14 Compliance Assurance Program
 - 5.4.15 Role of Chairman;
 - 5.4.16 The performance of the Board including by reference to the principles and guidelines of corporate governance issued by the FMA from time to time;
 - 5.4.17 Fitness and propriety of the directors or relevant officers in accordance with the Fit and Proper Person Policy;
 - 5.4.18 Performance of and necessity for Committees; and
 - 5.4.19 Any other material, document or policy that may require review or approval.

6 Board Committees

- 6.1 Committees observe the same conduct and procedure rules as the Board unless the Board determines otherwise, and only make decisions to the extent authorised by the Board.

7 Conflicts of interest and related party transactions

- 7.1 Conflicts of interest and related party transactions will be managed in accordance with Senior Trust's Conflicts of Interest and Related Party Transactions Policy.

8 Board Delegations

- 8.1 The Board delegates to the ED and STC as service provider (in accordance with the management services agreement) all powers necessary to the extent permitted by law, for managing the day-to-day business affairs and operations of Senior Trust.
- 8.2 Senior Trust may sub-delegate all or any of those powers with the Board's prior written consent

Board Approval of Charter

Version 1 Approved 30/9/2015

Version 2 Approved 06/12/2016

Version 3 Approved 26/1/18