

## RESPONSIBILITIES OF THE CHAIR AND SENIOR INDEPENDENT DIRECTOR OF THE BOARD

### RESPONSIBILITIES OF THE CHAIR OF THE BOARD

1. The Chair leads the Board and is responsible for its overall effectiveness in directing the Company.

The Chair should:

- 1.1. run the Board and set its agenda;
- 1.2. demonstrate objective judgement throughout their tenure;
- 1.2. promote a culture of openness and debate;
- 1.3. facilitate constructive board relations and the effective contribution of all non-executive Directors;
- 1.4. ensure that Directors receive accurate, timely and clear information;
- 1.5 propose the membership of Board Committees and their Chairs;
- 1.5. in addition to formal general meetings, seek regular engagement with major shareholders in order to understand their views on governance and performance against the Company's investment objective and investment policy;
- 1.6 maintain the working relationship with the Investment Manager to facilitate effective Board meetings and prompt escalation of matters to the Board when and if required;
- 1.6. ensure that the Board as a whole has a clear understanding of the views of shareholders;
- 1.7. represent the Company to its stakeholders and consider ways of reaching out to increase the visibility of non-executive Directors; and
- 1.8. act on the results of the annual evaluation of the performance of the Board, its Committees and individual Directors by recognising the strengths and addressing any weaknesses of the Board.

2. The Chair should not chair Board meetings when the Board is dealing with the appointment of their successor.

3. The Chair should be independent on appointment when assessed against the circumstances set out in Provision 13 of the AIC Code of Corporate Governance.

4. The Chair may be a member of the Audit and Risk Committee if they were independent on appointment but cannot be the chair of the Committee.

5. The Chair may be a member of the Remuneration Committee if they were independent on appointment but cannot be the chair of the Committee.

6. The Chair may be a member the Nomination Committee and may also be the chair of the Committee. The Chair of the Board shall not chair the Committee when it is dealing with the matter of succession to the Chair of the Board.

## RESPONSIBILITIES OF THE SENIOR INDEPENDENT DIRECTOR

Provision 14 of the AIC Code of Corporate Governance states that the Board should appoint one of the independent Non-Executive directors to be the senior independent director.

1. The Senior Independent Director should:

- 1.1. act as a sounding board for the Chair of the Board, providing the Chair with support in the delivery of their objectives;
- 1.2. lead the evaluation of the Chair on behalf of the other Directors as part of the annual evaluation process;
- 1.3. serve as an intermediary for the other Directors, in particular when the Board or Company is undergoing a period of stress. The Senior Independent Director is expected to work with the Chair and other Directors, and/ or shareholders, to resolve significant issues in order to maintain Board and Company stability. Examples of such issues might include situations where:
  - 1.3.1 there is a dispute between the Chair and Investment Manager;
  - 1.3.2 shareholders or non-executive Directors have expressed concerns that are not being addressed by the Chair or the Investment Manager;
  - 1.3.3 the strategy is not supported by the entire Board;
  - 1.3.4 the relationship between the Chair and the Investment Manager is particularly close;
  - 1.3.5 decisions are being made without the approval of the full Board; and/or
  - 1.3.6 succession planning is being ignored.
- 1.4. serve as an intermediary for shareholders. When called upon, the Senior Independent Director should seek to meet a sufficient range of major shareholders in order to develop a balanced understanding of their views.
- 1.5. be available to shareholders if they have concerns, that contact through the normal channels of Chair, other Directors or the Investment Manager has failed to resolve or for which such contact is inappropriate.

The above listed responsibilities are in addition to any Directors' statutory or regulatory duties, as well as other provisions of the AIC Code in relation to the role of the Non-Executive Directors.

**Approved and adopted by the Board on: 22 May 2020**