

# 360 Capital Board Charter



Policy No: FM 009

## 1) Introduction

This Board Charter applies to the Boards of 360 Capital Group Limited (360 Capital) and its Responsible Entity (RE) 360 Capital FM Limited (AFSL 221 474) (each a “Board”) and to officers specifically referred to by position title within this Charter.

This Charter sets out the role, composition, responsibilities and operations of the Board. The conduct of the Board is also governed by the relevant Constitutions and compliance plans.

## 2) Role of the Board

The primary purpose of the Board is to ensure that 360 Capital and its RE act at all times in the best interest of security holders. The RE Board is also responsible for the overall management of the managed investment schemes (Funds) under its control, including determination of their strategic direction with the aim of increasing unitholder wealth through the performance of the Funds.

Key Functions of the Board:

- The Board has overall responsibility for corporate governance, including setting the strategic direction for 360 Capital and its Funds, establishing goals for management and monitoring the achievement of these goals.
- Managing Director selection, monitoring, evaluation and remuneration;
- Monitoring the activities of 360 Capital and its RE, and those executives and senior staff involved in its day to day management;
- Adopting annual operating budgets and monitoring progress against budgets as well as overseeing the financial positions;
- Reviewing investment objectives for 360 Capital and its Funds;
- Ensuring the Funds and 360 Capital’s financial and other reporting mechanisms result in adequate, accurate and timely information being provided to the Board;
- Review and oversee systems of risk management and internal control, and compliance, ensuring that appropriate policies and compliance systems are in place, and that 360 Capital, its RE and its officers and employees act legally, ethically and responsibly;
- Overseeing the processes for making timely and balanced disclosure of all material information concerning 360 Capital or its Funds, that a reasonable person would expect to have a material effect on the price or value of its securities or units;
- Evaluating the performance of the Board, including subsidiary boards, committees and individual directors;

	<ul style="list-style-type: none"> <li>• Determining that satisfactory arrangements are in place for auditing 360 Capital, its RE and its Funds financial affairs</li> </ul>
<p><b>3) Composition</b></p>	<ul style="list-style-type: none"> <li>• The Board should comprise a sufficient number of directors, (not less than three and no more than ten), to ensure the balance of skills, knowledge and experience required. If at any time the number of directors falls below the minimum, the Board will endeavour to return the number to the minimum in a reasonable period of time;</li> <li>• The Board should have a majority of non-executive directors and not less than half of the directors are external, (as defined in section 601JA of the Act);</li> <li>• The directors shall appoint as chairman of the Board, being one of the non-executive, independent directors;</li> <li>• The role of the chairman and chief executive officer (the Managing Director), should not be exercised by the same individual;</li> <li>• Persons nominated as non-executive directors shall be expected to:             <ul style="list-style-type: none"> <li>○ have an appropriate range of skills, qualifications, experience and expertise of benefit to the Board as a whole;</li> <li>○ have a proper understanding of, and competence to deal with, current and emerging issues of the business; and</li> <li>○ effectively review and challenge the performance of management and exercise independent judgement.</li> </ul> </li> </ul>
<p><b>4) Director Independence</b></p>	<ul style="list-style-type: none"> <li>• Directors are expected to bring an independent view to the Board’s deliberations and the majority of non-executive directors are required to be “independent”.</li> <li>• Under the regulations applicable to managed investment schemes, that “independence” is determined according to the definition of “external directors” in section 601JA of the Corporations Act (“the Act”) whereby a director is deemed an external director if they:             <ul style="list-style-type: none"> <li>○ are not, and have not been in the previous two years, an employee of the RE or a related body corporate; and</li> <li>○ are not, and have not been in the previous two years, a senior manager of a related body corporate; and</li> <li>○ are not, and have not been in the previous two years, substantially involved in business dealings, or in a professional capacity, with the RE or a related body corporate; and</li> <li>○ are not a member of a partnership that is, or has been in the previous two years, substantially involved in business dealings, or in a professional capacity, with the RE or a related body corporate; and</li> <li>○ do not have a material interest in the RE or a related body corporate; and</li> <li>○ are not a relative of a person who has a material interest in the RE or a related body corporate.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>The Board regularly assesses those relationships that may affect independence.</li> </ul>
<b>5) Role of Chairman</b>	<p>The Chairman has a major role as the head of the Board in providing leadership and strategic direction to the Board, more particularly:</p> <ul style="list-style-type: none"> <li>leading and facilitating the Board and its deliberations, exercising independent judgement; and</li> <li>oversight of the processes and procedures in place to evaluate performance of the Board, its Committees and individual directors.</li> </ul>
<b>6) Delegation</b>	<ul style="list-style-type: none"> <li>The Board has delegated responsibility for the day to day management of 360 Capital and the Funds to the Managing Director. A number of delegations are subject to Board approved policies or are described in detail in Fund compliance plans.</li> <li>The Managing Director delegates a number of the functions, activities and duties required to be performed by the RE to managers and external service providers. As a general rule, these delegations are described in the Fund compliance plan.</li> </ul>
<b>7) Code of Conduct</b>	<ul style="list-style-type: none"> <li>The Board has adopted a Code of Conduct that sets out the minimum acceptable standards of behaviour. Directors are required to act with honesty, decency and integrity at all times.</li> <li>Securities dealings by directors are subject to the restrictions set out in the Personal Dealing — Share Trading Policy.</li> </ul>
<b>8) Conflict of Interest</b>	<ul style="list-style-type: none"> <li>The Board has adopted a Conflict of Interests Policy which sets out the detailed procedures for disclosing directors’ “material personal interests” in matters before the Board and directors’ perceived or real conflicts of interest between their duties as directors of 360 Capital or the RE and duties owed to another entity.</li> <li>Fund compliance plans also contain conflicts of interest management measures to ensure adequate arrangements for the management of conflicts of interest.</li> </ul>
<b>9) Meetings</b>	<ul style="list-style-type: none"> <li>The Board should hold a minimum of six meetings each year, with additional meetings held as required.</li> <li>Along with matters of strategic importance, the agenda for regular meetings of the directors comprises “standard” business items designed to assist in the process of ensuring that the RE is complying with Fund compliance plans, their Constitutions and the Act.</li> <li>Business papers are circulated to directors in advance so as to give directors adequate time to review papers. Board papers can be circulated in electronic or hardcopy form. With consent from the Chairman papers may be tabled at the meeting.</li> <li>The Managing Director generally attends all Board meetings and other senior management members may be invited as required.</li> </ul>

	<ul style="list-style-type: none"> <li>Minutes of meetings and resolutions are required to be circulated to directors for approval and entered into the minute books.</li> </ul>
<b>10) Committees</b>	<ul style="list-style-type: none"> <li>Whilst at all times the Board retains full responsibility for guiding and monitoring 360 Capital and its RE, the Board may from time to time establish committees to assist it in carrying out its responsibilities, and shall adopt charters setting out matters relevant to the composition, responsibilities and administration of such committees, and other matters that the Board may consider appropriate.</li> <li>The Board has established an Audit and Risk Committee as well as a Nomination and Remuneration Committee. Due to the fact that not less than half of the directors are external, a Compliance Committee is not required to be established.</li> </ul>
<b>11) Company Secretary</b>	<ul style="list-style-type: none"> <li>The appointment and removal of the company secretary is a matter for decision by the Board.</li> <li>All directors have access to the company secretary.</li> <li>The company secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board, including governance matters.</li> </ul>
<b>12) Independent Professional Advice</b>	<p>Subject to prior approval of the Chairman, directors may obtain independent professional advice at the expense of 360 Capital or the RE on matters arising in the course of their Board duties.</p>
<b>13) Review</b>	<p>Fund compliance plans are reviewed annually and any corresponding amendments are made to the Charter where appropriate. Notwithstanding that, the Charter is reviewed separately by the Board at least once every two years. A copy of the current Charter will be posted on the 360 Capital website.</p>
<b>14) Related Documents</b>	<ul style="list-style-type: none"> <li>Directors' Conflict of Interest</li> <li>Managing Conflicts of Interest</li> <li>Related Party Transactions</li> <li>Code of Conduct</li> <li>Personal Dealing/ Share Trading Policy</li> <li>ASX Corporate Governance Principles and Recommendations</li> </ul>