DRAFT BOARD CHARTER

13 August 2026

Version 3.0

1. PURPOSE OF THE BOARD

1.1. Punakaiki Fund Limited ("PFL") is an externally managed investment vehicle for investing and holding investments in companies according to an agreed Statement of Investment Philosophies and Objectives ("SIPO").

1.2. The Board of Punakaiki Fund ("Board") is responsible for the governance of Punakaiki Fund on behalf of its shareholders.

1.3. The Board does not manage or operate portfolio companies. Those responsibilities are delegated to the external Manager under the Management Agreement.

1.4. The Board's primary role is to govern the Fund's investment vehicle and oversee the performance and conduct of the Manager.

2. GOVERNANCE

2.1. PFL operates as an externally managed investment vehicle. The governance structure is straightforward:

a) The Board governs the Fund on behalf of the shareholders

b) The Manager manages the portfolio and administration.

2.2. The external manager, 2040 Ventures Limited ("Manager"), is contracted under the Management Agreement to raise funds, make and manage investments and perform administration activities. The Board appoints the Manager through the Management Agreement and oversess the Manager's performance against the investment mandate.

2.3. The Charter governs the Board's conduct. The Management Agreement governs the Manager's obligations. Where there is any conflict this Charter and the Management Agreement, the Management Agreement prevails.

2.4. As part of the Management Agreement certain key Core Policies require Board and Manager agreement to change, including:

a) Statement of Investment Philosophy and Objectives (“SIPO”);

b) Socially Responsible Investment Policy;

c) Capital Allocation Policy (“CAP”);

d) Delegated Authority Policy;

e) Administration Policy;

f) Investment Valuation Policy; and

g) Treasury Stock policy.

3. CORE BOARD RESPONSIBILITIES

3.1. The Board is responsible for the governance and control of the activities of Punakaiki Fund. The corporate governance structures and practices must encourage the creation of value for Punakaiki Fund shareholders while ensuring the highest standards of ethical conduct and providing control systems appropriate to the risks involved.

3.2. The Board operates in accordance with all applicable laws and regulations, and the constitution of Punakaiki Fund (“Constitution”). Against that background, the Board has adopted the following corporate governance objectives, functions and responsibilities for Punakaiki Fund:

a) **Valuation**

3.2.a.1. To review, amend and approve the periodic valuations of Punakaiki Fund’s investments;

3.2.a.2. To ensure that the reported Net Asset Values are of high integrity, measured using a consistent approach and are appropriately tested;

b) **Disclosure and Financial Reporting**

3.2.b.1. To review Punakaiki Fund’s audit requirements and provide oversight of the financial audit;

3.2.b.2. To approve and monitor Punakaiki Fund’s financial statements and other formal reporting to Shareholders and other stakeholders;

3.2.b.3. To safeguard the integrity in its financial reporting, including making timely and balanced disclosures;

3.2.b.4. To understand shareholder and stakeholder communication requirements, issues and rights, ensure reporting is fit for purpose and promotes high levels of confidence, and ensure an appropriate level of transparency and confidentiality.

c) **Manager Oversight**

3.2.c.1. To monitor compliance by the Manager with its obligations under the Management Agreement;

3.2.c.2. To approve, and review performance against Punakaiki Fund's operating budget;

3.2.c.3. To provide formal approval of any out-of-mandate investments, divestments of Punakaiki Fund investments or investments where conflict management is required;

3.2.c.4. To negotiate and agree with the Manager any changes to, or deviation from, Core Policies that require both Board and Manager approval

3.2.c.5. To take actions as appropriate where there are major breaches of the Management Agreement

d) **Capital Management**

3.2.d.1. To decide on the steps necessary to protect Punakaiki Fund's financial position and its ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken;

3.2.d.2. To determine appropriate capital management strategies to enhance long-term shareholder returns including agreeing CAP settings and capital raising programmes with the Manager;

3.2.d.3. To consider and, if appropriate, make distributions under the CAP and Treasury Policy settings or, with Manager agreement, outside of these settings;

e) **Ethics and Risk Management**

3.2.e.1. To ensure that Punakaiki Fund adheres to high standards of ethics, corporate behaviour and responsible decision-making;

3.2.e.2. To ensure that adequate mechanisms are in place to facilitate the disclosure and investigation of serious wrongdoing in or by parties related to Punakaiki Fund;

3.2.e.3. To recognise and manage risk; and ensure that Punakaiki Fund has appropriate risk management/ regulatory compliance policies in place and to monitor the integrity of those policies.

3.3. Each Director will (when acting as a Director of Punakaiki Fund) conduct himself or herself in accordance with his or her legal duties and other obligations, including the duty to act in good faith and in what the Director believes to be the best interests of Punakaiki Fund.

a) **Board Conduct**

3.3.a.1. The Board is appointed by Punakaiki Fund's shareholders and oversees and holds accountable the Manager on behalf of shareholders.

3.3.a.2. The conduct of Directors will be consistent with their duties and responsibilities to Punakaiki Fund and, indirectly, to Shareholders. The Board will be disciplined in carrying out its role, and Directors will always act within procedures put in place by the Board on its activities.

3.3.a.3. Directors will use their best endeavours to attend Board meetings and to prepare thoroughly. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities, and to bring the benefit of their knowledge, skills and abilities to the Board table. Directors unable to attend a meeting will advise the Chair as early as possible.

3.3.a.4. The Board has sole authority over its agenda and exercises this through the Chair, who in conjunction with the Manager, establishes the agenda for each meeting. Any Director may, through the Chair, require the addition of an item to the agenda.

4. BOARD COMPOSITION AND INDEPENDENCE

4.1. Composition

The Constitution provides that the Board must comprise between one and seven Directors. In addition, the Board has agreed that when the Board comprises of more than one Director, the majority of the directors (including the Chair) must meet the independence requirements as set out below.

4.2. Chair

The Board will appoint a Chair from among the Directors. The appointment of the Chair will be confirmed annually, and will be independent of the Manager.

The Chair is responsible for:

a) representing the Board to Shareholders;

b) ensuring the integrity and effectiveness of the governance process of the Board;

c) maintaining regular dialogue with the Manager and will consult with the remainder of the Board promptly over any matter that gives cause for significant concern;

d) acting as facilitator at meetings of the Board; and

e) ensuring that Board discussions result in logical and understandable outcomes.

4.3. Independence

The core principle is that a majority of Directors, including the Chair, must be independent of the Manager. In determining independence, the Board will consider whether a Director has any direct or indirect interest or relationship that could reasonably influence, in a material way, the Director's decisions in relation to Punakaiki Fund.

In particular, a Director will not be considered independent if they:

a) are employed in an executive capacity by, or are a principal of, the Manager;

b) derive 10% or more of their annual revenue from Punakaiki Fund, the Manager or any portfolio investment; or

c) have had any of the above relationships in the past three years.

The Board will disclose which Directors are independent in the Punakaiki Fund annual report.

4.4. Nomination and Rotation

a) Potential directors are recommended by the Board with reference to a skills matrix, taking into account independence, qualifications, skills and experience (in respect of investing, governance and funds management, and more generally in relation to industry, sector, financial or commercial experience relevant to Punakaiki Fund's business and strategy) of candidates, and their ability to bring a diversity of views to Board discussions. The Board will first review the skills and competency needs of Punakaiki Fund and those of existing Board members.

b) All Directors appointed by way of casual vacancy are required by the Punakaiki Fund Constitution to retire or be elected by the shareholders at the first annual meeting after their appointment. At least one third of all Directors, or, if their number is not a multiple of three, then the number nearest to one third, shall retire from office at the annual meeting each year, but shall be eligible for re-election at that meeting. In each year the Directors who retire are those who have been longest in office since their last election. There is no maximum term for which a person can remain a Director.

4.5. Disclosure of Interests

a) Each Director is required to disclose all actual or potential conflicts of interest. Where it is determined that a conflict of interest exists, the relevant director will refrain from participating in any discussion in relation to the relevant matter or transaction and must abstain from voting on any issues relating to the matter or transaction in which they are interested.

b) All disclosures of interest (including the nature and extent of any interest) are recorded in the Interests Register of the Company, by the Corporate Manager.

4.6. *Trading in Punakaiki Fund Shares*

a) All independent Directors are encouraged to hold Punakaiki Fund shares.

b) Directors may only trade Punakaiki Fund shares during designated liquidity windows on the Catalist platform, with prior consent of the Chair (or, for the Chair, the balance of the Board). Directors are prohibited from investing new funds into Punakaiki Fund unless the opportunity is offered to all shareholders on the same terms.

c) All independent Directors are bound by the **PFL Share Trading Policy.**

5. GOVERNANCE PROCESS

5.1. Board Meetings

a) The Board normally meets around five times a year for general business in accordance with an agreed annual Board plan. The Board also meets up to 11 times per annum to consider portfolio companies valuations.

b) The independent directors may meet without the Manager or any executive directors present, as the independent directors consider necessary.

c) The procedure for Board meetings is set out in Punakaiki Fund's Constitution.

d) The Board may call ad hoc meetings to deal with urgent matters.

5.2. Board Materials and Presentations

a) The Chair of the Board generally discusses and agrees with the Manager the agenda for the forthcoming Board Meeting. Each Committee or Director can suggest agenda items.

b) To enable appropriate review of Board materials, Directors will generally receive materials four business days in advance of meetings (or in situations when there are less than four clear business days between the meeting and the preceding weekend, at the start of that weekend) for items to be acted upon, except in the case of valuation meeting (two clear business days in advance) and special meetings (for which the time period may be shorter due to the urgency of the matter to be considered). Templates and guidance are in place concerning the presentation and delivery of papers. Papers are taken as read and summarised at meetings so that discussion is appropriately focused on the issues requiring Board input and determination.

c) The Board encourages the Manager to bring employees and/or investee company representatives to Board meetings who can provide additional insight into the items being discussed because of their personal involvement in those matters.

d) All Directors have access to the Manager to discuss issues or obtain further information on specific areas, as they think appropriate.

5.3. Corporate Manager

a) The Corporate Manager is responsible for providing administrative support in respect of Board policy, procedure, recording of minutes, co-ordinating the timely dispatch of the Board agenda and board papers, supporting the provision of advice on any legal matters, assisting the Board with any shareholder communication and maintaining all official Board and Company records and statutory registers.

b) The Corporate Manager is appointed by the Board and:

is accountable to the Board, through the Chair, on all governance matters;

5.3.b.1. attends all Board meetings (but may be asked to leave at any time); and

5.3.b.2. may attend Board Committee meetings if invited to do so by the Committee’s respective Chair, (but may be asked to leave at any time).

c) Formal minutes will be taken by the Corporate Manager at each Board meeting and the meetings of each Board Committee. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements, the Board will decide the manner and timing of the publication of its decisions.

d) The Corporate Manager is accountable to the Board, through the Chair, on all governance matters. The appointment and removal of the Corporate Manager should be a matter of consultation with the Board as a whole.

5.4. Standing Board Committees

a) Punakaiki Fund has established the following committees:

5.4.a.1. Disclosure Committee: to review reports and material public disclosures; and

5.4.a.2. Due Diligence Committee: to review retail capital raising offer documents and provide oversight to retail offer processes.

b) The Board reserves the right to establish additional Board Committees as required. All other matters are dealt with a full Board level.

5.5. Relationships with shareholders

Punakaiki Fund is committed to fostering constructive relationships with shareholders that encourage them to engage with Punakaiki Fund, and to build a best-in-class investor relations function internally. In particular, Punakaiki Fund is committed to:

5.5.a.1. communicating effectively with shareholders, including through annual general meetings;

5.5.a.2. giving shareholders ready access to balanced and understandable information about Punakaiki Fund and its investments and investment approach;

5.5.a.3. making it easy for shareholders to participate in Punakaiki Fund's general meetings; and

5.5.a.4. maintaining an up-to-date website which provides shareholders with information about Punakaiki Fund, its business and affairs.

5.6. *Review and Evaluation of Board Performance*

a) The Board will, each year, critically evaluate its own performance and composition, and its own processes and procedures, including those of any Board Committees, to ensure that they are not unduly complex and are designed to assist the Board in effectively fulfilling its role.

b) Each year, the performance of individual Directors will be evaluated by a process which includes:

5.6.b.1. each Director will discuss with the Chair that Director's contribution to the proceedings of the Board and the performance of the Board and its Board Committees generally;

5.6.b.2. the Chair's own contribution will be discussed with the rest of the Board.

c) The Board reviews the remuneration of Directors based on criteria developed by the Board.

5.7. Review of Governance Documents

a) This Board Charter and other key governance documents will be reviewed periodically by the Board, with the frequency of those reviews to be determined by the Board, but in any event, no later than every three years.

5.8. Insurance

a) Punakaiki Fund has Director and Officer Liability (as a subset of Investment Manager's Insurance) insurance and Statutory Liability insurance. The costs of these insurances are met by the Company.

b) The existence of the insurance is disclosed in the Company's Interest Register.

5.9. *Accountability*

a) While this Board Charter and other key governance documents set out the key aspects of Punakaiki Fund's corporate governance, they are not themselves intended to independently give rise to legal rights or obligations on Directors or Punakaiki Fund people (i.e. the Manager and advisers).

6. CONFLICTS BETWEEN DOCUMENTS

a) Should any clause in this Board Charter conflict with any clause in Punakaiki Fund's Constitution or the Management Agreement, then Punakaiki Fund's Constitution or the Management Agreement (as the case may be) shall take precedence.

b) This Board Charter notes that the Management Agreement is a legally binding contract which cannot by contracted out of by the implementation of this Board Charter or any other governance policy by the Board of Punakaiki Fund, unless that policy has been explicitly agreed with the Manager in accordance with the Management Agreement.

Version	**Date Adopted**
V1.0	2 February 2016
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