Nippon Active Value Fund PLC

Schedule of matters reserved for the Board

Introduction

The board of directors ("**Board**") of Nippon Active Value Fund plc ("**Company**") consists of non-executive directors. The Company has contractually delegated the provision of key services to third parties. However, the Board also has overall responsibility for the Company's activities, including reviewing its investment activity, performance, business conduct and policy and, unless required to be performed by the AIFM as a matter of law, certain matters have been reserved for consideration by the Board, including those matters listed in this schedule.

The Board will meet at least four times a year and will hold other meetings as and when necessary to deal with relevant matters.

The quorum for Board meetings shall be two (2) directors as prescribed by the Articles of Association ("**Articles**"). Decisions may be taken at a duly convened meeting or by written resolution as permitted by the Articles.

1 Strategy and Management

1.1 Responsibility for overall management of the Company, including the review of the performance of the Company in light of the Company's strategy, objectives and budgets and ensuring that any necessary corrective action is taken;

1.2 Approval of the Company's long-term objectives and any decisions of a strategic nature;

1.3 Consider share price performance against the Company's net asset value;

1.4 Monitor associated matters such as gearing, asset allocation, attribution analysis, marketing/investor relations, peer group information and environmental, social and governance issues;

1.5 Approval of the Company's risk management policies including insurance, hedging and borrowing limits;

1.6 Assess the basis on which the Company generates and preserves value over the long term;

1.7 Consideration of any change in investment objective, policy and restrictions, including those which may need to be submitted to Shareholders for approval;

1.8 Assess and monitor its own culture, including its policies, practices and behaviour to ensure it is aligned with the Company's purpose, values and strategy;

1.9 Consider any cash management, banking arrangement, or debt facility as deemed appropriate;

1.10 Consider any delegated authority to the investment manager in particular with regard to any circumstances in which the investment manager should refer to the board for approval before undertaking transactions;

1.11 Agree a policy with the investment manager regarding voting and corporate governance issues in respect of the Company's holdings, taking into account the recommendations of the UK Stewardship Code;

1.12 Appoint or remove the investment manager and/or designated investment manager;

1.13 Agree a procedure for the investment manager to report back to the Board; and

1.14 Approval of any decision relating to the continued existence of the Company, including resolutions to propose the winding-up of the Company to its Shareholders.

2 Share Capital

2.1 Consider changes to the Company's share capital or structure, including reduction of capital, share issues and share buybacks (including the use of treasury shares) and seek authority from shareholders as appropriate;

2.2 Consider changes to the Company's listing status and changes relating to the Company's status as an investment trust; and

2.3 Determine any discount and premium management strategies.

3 Financial Reporting

Following the recommendation of the audit committee:

3.1 Approve the half-yearly financial reports and results announcements;

3.2 Approve the annual report and accounts and any contents therein;

3.3 Approve any interim dividends, any recommendations to shareholders in respect of final dividends and the Company's dividend policy;

3.4 Approve the accounting policies and practices (including any significant changes thereto) to be applied and adopted in the preparation of the Company's financial statements and to receive any proposed qualification to the accounts; and

3.5 Approve the recommendations of the audit committee, including the remuneration of the Company's Auditors and recommendations for the appointment, re-appointment or removal of the Company's Auditors to be put to shareholder approval.

4 Internal Controls

In conjunction with the audit committee:

4.1 Ensure a sound system of internal controls and risk management, including a robust assessment of the Company's emerging and principal risks;

4.2 Approve any actual or potential conflicts of interest;

4.3 Review reports on internal controls from the AIFM, Investment Adviser and Administrator;

4.4 Ensure an annual assessment of the controls of the above service providers is conducted;

4.5 Ensure a statement on internal controls and risk management is made in Annual Report; and

4.6 Review procedures for the detection of fraud, tax evasion and the prevention of

bribery and to ensure procedures are in place with each of the service providers.

5 Contracts

5.1 All material contracts entered into or terminated by the Company, including in particular, any contracts relating to the borrowings of the Company, such as facility agreements, guarantees or any grant of security of any kind.

6 Communication

6.1 Approve all resolutions and corresponding documentation to be put forward to shareholders at general meetings;

6.2 Approve all circulars, prospectuses and listing particulars;

6.3 Approve procedures for release of inside information;

6.4 Approve press releases concerning matters decided by the board;

6.5 Engage with shareholders to gain a clear understanding of shareholder views;

6.6 Ensure that marketing, promotion and investor relations are conducted professionally, efficiently and cost effectively;

6.7 Ensure that shareholders are provided with sufficient information for them to understand the risk : reward balance to which they are exposed by holding shares in the Company;

6.8 Regularly monitor the Company's shareholder profile and put in place a system for canvassing shareholder views and for communicating the board's views to shareholders;

6.9 Engage with key service providers in order to gain a clear understanding of their views or concerns and to gain a close working relationship; and

6.10 Consider marketing and PR strategies.

7 Board

In conjunction with the Company's various committees, to:

7.1 Determine changes to structure, size or composition of the Board;

7.2 Review succession planning and tenure policy of the Board and Chairman;

7.3 Approve the selection of Chairman of the Board and of Board committees;

7.4 Determine appointments to the board and to consider the engagement of an external search consultant or the use of open advertisement in seeking the appointment of new board members;

7.5 Approve the appointment of senior independent director (if one appointed);

7.6 Approve the appointment or removal of company secretary;

7.7 Approve the appointment or removal of auditor;

7.8 Determine the remuneration of the directors;

7.9 Determine insurance cover requirements for the Board;

7.10 Evaluate the Board's performance and act on its findings;

7.11 Determine the division of responsibilities between the Board, Chairman, SID and committees;

7.12 Consider the independence of each director and ensure directors have adequate time to fulfil their duties and that these are aligned to shareholder expectations;

7.13 Consider the election or re-election of each board member and provide specific reasons why their contribution is, and continues to be, important to the Company's long-term sustainable success; and

7.14 Identify and manage directors' conflicts of interest and ensure that the influence of third parties does not compromise or override independent judgement.

8 Board committees

8.1 Approve terms of reference for each committee;

8.2 Receive reports from each committee; and

8.3 Delegate certain authority to a committee or individual in accordance with the Articles.

9 Service providers

9.1 Appointment, overall supervision and removal of key service providers and any material amendments to the agreements or contractual arrangements with any key delegates or service providers;

9.2 Review of the performance of the AIFM, Administrator and the Investment Adviser; and

9.3 Review of the performance of key service providers annually.

10 Corporate governance

10.1 Review of the Company's corporate governance processes and arrangements; including its suite of policies, and review compliance;

10.2 Consider the performance of the Company's directors;

10.3 Consider the directors' independence, and authorise (if appropriate) direct or indirect interests of directors that conflict, or possibly may conflict, with the interests of the Company;

10.4 Ensure full disclosure of information about the board and its committees, such as that required by the AIC Code of Corporate Governance, Companies Act 2006, the UK Listing Rules and other relevant regulation and legislation, in Regulatory Information Service announcements, the annual and half-yearly financial reports and shareholder circulars; and

10.5 Consider s172 of the Companies Act 2006 in Board discussions and decision-making, which includes:

(a) The likely consequences of any decision in the long term;
(b) The need to foster the Company's business relationships with suppliers, shareholders and others;

(c) The impact of the Company's operations on the community and the environment;

(d) The desirability of the Company maintaining a reputation for high standards of business conduct; and

(e) The need to act fairly as between members of the Company.

11 Other

11.1 Approval of the commencement of any litigation or arbitration;

11.2 Approval of any amendments to this schedule of reserved matters;

11.3 Any other matters, which the Board deems to be appropriate for its reservation; and

11.4 Review at least annually this schedule of matters reserved for the Board.

Approved by the Board

5 November 2026