

Bluefield Solar Income Fund Limited
(the “Company”)

Role Description – Chair of the Board of Directors

Leadership: The Chair should be independent¹

The Chair is responsible for the leadership of the board and ensuring its effectiveness in all aspects of its role. Independence stems from the ability to make those objective decisions that may be in conflict with the interests of the Investment Adviser. This in turn is a function of confidence, integrity and judgement.

The Chair is responsible for setting the board’s agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chair should also promote a culture of openness and debate by facilitating the effective contribution of all directors, and ensuring constructive relations prevail between all directors. At present, all directors are non-executive and are also considered to be independent. In the event that the board comprises both independent and non-independent directors, the Chair is responsible for ensuring that all views can be expressed and are taken into account.

The Chair should have no relationships that may create a conflict of interest between the Chair’s interests and those of shareholders.

The Chair’s role includes²:

- demonstrating ethical leadership;
- setting a board agenda which is primarily focused on strategy, performance, value creation and accountability, and ensuring that issues relevant to these areas are reserved for board decision and constructive debate;
- ensuring a timely flow of high-quality supporting information;
- making certain that the board determines the nature, and extent of, the significant risks the company is willing to embrace in the implementation of its strategy, and that there are no ‘closed areas’ which prevent directors from performing effective oversight;
- regularly considering succession planning and the composition of the board;
- making certain that the board has effective decision-making processes and applies sufficient challenge to major proposals;
- ensuring the board’s committees are properly structured with appropriate terms of reference;
- encouraging all board members to engage in board and committee meetings by drawing on their skills, experience, knowledge and, where appropriate, independence;
- fostering relationships founded on mutual respect and open communication – both in and outside the boardroom – between the independent and the non-independent directors, as appropriate;
- developing productive working relationships with all directors, providing support and advice while respecting executive responsibility;
- consulting the senior independent director on board matters in accordance with the UK Corporate Governance Code and the AIC Corporate Governance Code;

¹ UK Corporate Governance Code and The AIC Code of Corporate Governance

² Financial Reporting Council, Guidance on Board Effectiveness, March 2011

- taking the lead on issues of director development, including through induction programmes for new directors and regular reviews with all directors;
- acting on the results of board evaluations;
- being aware of, and responding to, his or her own development needs, including people and other skills, especially when taking on the role for the first time; and
- ensuring effective communication with shareholders and other stakeholders and, in particular, that all directors are made aware of the views of those who provide the company's capital.

The Chair of each board committee fulfils an important leadership role similar to that of the Chair of the board, particularly in creating the conditions for overall committee and individual director effectiveness.

The Chair role in detail³:

1. Meetings

- Chairing board and general meetings
- May also chair the nomination committee.
- Running the board and ensuring its effectiveness in all aspects of its role, including regularity and frequency of meetings.
- Setting the board agenda in conjunction with the Company Secretary, taking into account the issues and concerns of all board members. The agenda should be forward-looking, concentrating on strategic matters.
- Ensuring that there is an appropriate delegation of authority from the board to its committees.
- Ensuring that the directors receive accurate, timely and clear information, including on the company's current performance, to enable the board to take sound decisions, monitor effectively and provide advice to promote the success of the company.
- Managing the board to allow enough time for discussion of complex or contentious issues. The Chair should ensure that directors have sufficient time to consider critical issues and obtain answers to any questions or concerns they may have and are not faced with unrealistic deadlines for decision making.

2. Directors

- Facilitating the effective contribution of directors and encouraging active engagement by all members of the board.
- Ensuring constructive relations between the independent and non-independent directors, as appropriate.
- Holding meetings with the independent directors without the non-independent directors present, as appropriate.

3. Induction, development and performance evaluation

- Ensuring that new directors participate in a full, formal and tailored induction programme, facilitated by the Company Secretary.
- Ensuring that the development needs of the directors are identified and, with the Investment Adviser and Company Secretary, ensure that these needs are met. The directors should be able to continually update their skills and knowledge and familiarity with the company, so that they fulfil their role on the board and its committees.

³ Institute of Chartered Secretaries and Administrators, Guidance note The roles of the Chair, chief executive and senior independent director under the Combined Code, 2004

- Identifying the development needs of the board as a whole to enhance its overall effectiveness as a team.
- Ensuring the performance of the board, its committees and individual directors are evaluated at least once a year. The Chair should act on the results of each evaluation by recognising the strengths and addressing the weaknesses of the board. Where appropriate, through the nomination committee, new members should be proposed for appointment to the board or the resignation of others should be sought.

4. Relations with shareholders

- Ensuring effective communication with shareholders, in particular through oversight of and contribution to the Company's half year and annual report
- Maintaining sufficient contact with major shareholders to understand their issues and concerns, in particular discussing performance, governance, strategy and remuneration with them.
- Ensuring that the views of shareholders are communicated to the board as a whole so that all directors develop an understanding of their views.

5. AGM

- Ensuring that the chairs of board committees are available to answer questions at the AGM and that all directors are available to attend.

In addition, the Chair should:

- Ensure that they are fully informed about all issues on which the board will have to make a decision, through briefings with the Investment Adviser, the Company Secretary, legal counsel and other third-party service providers, as appropriate.
- Ensure clear structure for, and the effective running of, board committees.
- Ensure effective implementation of board decisions.

Last reviewed on: 29 November 2022