Fisher Funds Management Limited

Liquidity Risk Management Policy

July 2025

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1. Introduction

This is the Liquidity Risk Management Policy for Fisher Funds Management Limited, its related companies and other related entities (Fisher Funds).

As a licensed Manager of Managed Investment Schemes (MIS), Fisher Funds has a fiduciary duty to operate prudent liquidity management practices to protect investors and to ensure equitable treatment of all investors.

Fisher Funds is responsible for designing, implementing, operating and monitoring an effective liquidity risk management framework (the Framework).

To meet this obligation, Fisher Funds has developed the Framework which is embedded into business culture and operational practices to ensure preparedness and responsiveness in times of heightened market uncertainty, volatility and liquidity stress.

2. Commitment

The Board is committed to:

- the development and maintenance of a framework of organisational systems and processes aimed at protecting existing, exiting and new investors from inequitable treatment arising from liquidity risks and constraints within funds; and
- ensuring good client outcomes for all investors in both normal and stressed liquidity environments.

3. Definition

The liquidity risk of a fund refers to the risk that a fund may not have sufficient cash or liquid assets that can quickly be converted into cash to meet that fund's redemption requests within the communicated timeframes.

Liquidity reflects the ability to transact quickly without exerting a material effect on prices or receiving a materially depressed price given prevailing market conditions.

4. Guiding Principles

The Framework is based on the following guiding principles which, when collectively applied, deliver a robust framework for the prudential management of a fund's liquidity risk.

The principles are to:

a) Promote equitable treatment of all investors
b) Demonstrate appropriate governance oversight and management review
c) Have product terms that are aligned with the fund's investment strategy
d) Ensure regular monitoring and reporting of fund liquidity profiles
e) Disclose relevant liquidity information to help investors make informed decisions
f) Capture the liquidity risks associated with all positions including leverage and derivatives
g) Have access to liquidity management tools designed to protect investors
h) Conduct regular stress testing to help identify the emergence of any liquidity risks
i) Have systems in place that allow the production of accurate and reliable risk data in all environments
j) Have a liquidity contingency plan that identifies the approach that will be undertaken to address potential liquidity shortfalls; and
k) Be consistent with guidance and/or expectations of the Supervisor and the FMA.

5. Responsibility

a. Board

The Board is responsible for approving the Policy.

b. Investment Strategy Committee (ISC)

The ISC has oversight of the operational effectiveness of the Policy and the Framework, including the monitoring of liquidity risk management metrics and stress testing outcomes.

c. Investment Policy Committee

The IPC is responsible for investment policy and delivering the expected investment outcomes of each fund within its determined risk parameters.

This scope includes ensuring that funds are being managed within risk and liquidity parameters that are acceptable to the IPC and consistent with the Framework.

6. Review of policy

The Policy will be reviewed bi-ennially or more frequently if required. The Policy is subject to change at any time.