



STEWARDSHIP CODE AND VOTING POLICY

PREAMBLE AND SCOPE

SEBI, through circular CIR/CFD/CMDI/168/2019 dated December 24, 2019 (“**Circular**”), brought forth a stewardship code that mandates its adoption and implementation by all categories of alternative investment funds (AIFs) in the context of their investments in listed equity.

It constitutes a principles-driven framework designed to aid institutional investors in carrying out their duties to safeguard and improve the interests of their clients and beneficiaries. This framework provides overarching principles and recommendations for overseeing and interacting with investee companies on a range of issues, encompassing performance, strategy, corporate governance, significant environmental, social, and governance (ESG) opportunities and risks, capital structure, and the exercise of voting rights in investee companies' shareholder resolutions.

As an investment manager for Alternative Investment Funds (“**Funds**”), Oman India Joint Investment Fund-Management Company Private Limited (“**Company**”) acknowledges its role in stewardship and conducts regular assessments of the AIFs' activities. In light of this, the Company now intends to establish and implement a 'Stewardship Policy'. This Policy has been formulated in accordance with the principles outlined in the Circular concerning investments in listed equities.

The objective of this Policy is to create a framework outlining how the Company plans to meet its stewardship obligations concerning investments in listed equities.

EFFECTIVE DATE

This Policy will be effective from the date it receives approval from the Board of the Company and may be amended from time to time.

1. Fulfilment of Stewardship Responsibilities

Stewardship responsibilities encompass tasks such as overseeing and engaging with investee companies concerning aspects like performance (both operational and financial), strategy, corporate governance (including board structure and remuneration), significant environmental, social, and governance (ESG) opportunities or risks, capital structure, and more.

2. Identification and Management of Conflicts of Interest

This principle is aimed at recognizing and addressing conflicts of interest to ensure the protection and enhancement of investors' interests in the Fund.

3. Monitoring of Investee Companies:

Investment team of the Company (“**Investment Team**”) will monitor the investee companies in which it invests by reviewing public disclosures and look for relevant opportunities to meet with the management, other executive staff, and/or non-executive directors of these investee companies. The Investment Team may also reconsider the threshold level that triggers heightened monitoring, which currently stands at an investment equal to or exceeding 10% of voting rights in an investee company.



4. Intervention in Investee Companies:

If need be, and wherever feasible, Investment Team may intervene in response to actions, omissions, or concerns related to investee companies on a case-by-case basis, with the aim of safeguarding the value of investments and the interests of Fund unitholders.

5. Voting and Disclosure of Voting Activity:

Voting will be carried out by exercising independent judgment in the best interests of the Fund and its unitholders. The responsibility for casting votes lies with the Investment Team.

6. Periodic Reporting and Disclosure of Stewardship Activities:

The Company will periodically report on the implementation of each principle outlined in the Circular and the responsibilities fulfilled in connection with this Policy.

7. Training for the Investment Team:

The Company will conduct internal training sessions and discussions for the Investment Team regarding this Policy, at a minimum on an annual basis.

Policy:

1. Stewardship responsibilities

Stewardship responsibilities encompass the monitoring and active engagement with investee companies, covering areas such as operational and financial performance, strategy, corporate governance (including elements like board structure and remuneration), significant environmental, social, and governance (ESG) opportunities or risks, and capital structure. These activities are integral to the investment selection process and ongoing engagement, monitoring, and communication with investee companies. The Company will implement the following steps in this regard:

- a) The Investment Team will engage with the companies to the extent feasible and allowed under regulations, in which the Funds invest, addressing matters such as operational and financial performance, strategic considerations, ESG opportunities or risks, capital structure, corporate culture, and corporate governance. This includes aspects like board structure, compensation for key executives, appointment of auditors, and more.
- b) The Investment Team may periodically conduct meetings with the management of these actively invested companies and those under consideration, as deemed appropriate.

2. Identifying and Managing Conflicts of Interest:

This principle focuses on the recognition and resolution of conflicts of interest to ensure that all necessary measures are taken to safeguard and improve the interests of the Fund's unitholders. When engaging with listed investee companies, situations may arise where there is a potential conflict of interest between the shareholders of the investee company, shareholders of the Company and the interests of the Fund's unitholders. The Company has the Conflict of Interest Policy to manage such situations.



3. Monitoring the investee companies:

Investment Team will follow the performance of the investee companies in which the Funds managed by the Company have investments. This involves analysing public disclosures and actively seeking opportunities to meet with the management, as well as other executive and non-executive directors of these investee companies. The Investment Team may occasionally hold meetings with the management of these investee companies.

As part of the monitoring process, the Company aims to fulfil its stewardship responsibilities by:

- a) Exercising voting rights as a shareholder of the investee company.
- b) Evaluating the operational and financial performance of the investee company, the effectiveness of its leadership, succession planning, the quality of its board and management, corporate governance reporting, related party transactions, and other relevant parameters.
- c) When appropriate, attending and voting at the general meetings of the investee companies.

The Investment Team may reassess the threshold level that triggers heightened monitoring under this principle. As per the current Policy, this threshold is met when the Fund holds voting rights equal to or exceeding 10% of the shares of an investee company (“**Threshold Level**”). The Threshold Level may be adjusted by the Investment Team or the Fund's Investment Committee, as needed.

However, if an investment in listed equity falls below the Threshold Level, the Investment Team may, at its discretion, decide not to actively engage with the investee companies, based on the materiality.

Furthermore, the Investment Team will adhere to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, along with any subsequent amendments, and the Insider Trading Policy of the Company while seeking and receiving information from investee companies for monitoring purposes under this Policy. Handling insider information will be done with the utmost care and in accordance with the specified provisions in the Insider Trading Provisions.

4. Intervention in Investee Companies:

The Investment Team shall intervene in cases of actions, omissions, or concerns related to an investee company on a case-by-case basis, with the objective of safeguarding the investment value and the interests of the Fund's Unitholders.

The extent of intervention with the management of investee companies will vary, taking into account factors such as the investment size, the investee company's size, location, and business activities and most importantly, the rights available to the investor.

Instances warranting intervention may include, among other things, poor financial performance, corporate governance issues, remuneration concerns, strategy matters, ESG risks, leadership challenges, litigation, or other critical issues.

The Investment Team may step in when the investment in the investee company surpasses the Threshold Level or any other threshold as defined by the Investment Team or the Fund's investment committee, depending on the severity of the issue or if circumstances necessitate. However, the Investment Team may



also choose to intervene in companies where the investment is below the Threshold Level or in cases of passive investments, depending on the gravity of the issue or if circumstances demand.

The escalation process to be followed by the Investment Team is outlined as follows:

Communications: The Investment Team will communicate concerns about the investee company or any issues affecting the Fund as an investor, along with proposed steps to mitigate these concerns.

Meetings or Discussions: In cases of concerns regarding an investee company's approach or decisions, confidential meetings or discussions may take place to address the issue constructively, as part of the Investment Team's ongoing dialogue.

Escalation: If dissatisfied with the investee company's response, the Investment Team, after discussions with the Fund's investment committee, may escalate the matter to the investee company's board of directors.

The decision of the Investment Team to engage with investee companies will be influenced by various factors. High priority engagement will be given to companies in which the Fund holds a significant stake and intends to maintain a long-term holding, as well as those where there is a reasonable probability of constructive dialogue with the investee company's management team. The Investment Team will regularly assess the outcomes of such interventions, if any.

5. Collaboration with Fellow Institutional Investors:

The Company may opt to interact with an investee company by consulting with other institutional investors, particularly for issues that necessitate broader engagement with the said company.

In situations, where company attempts to engage with the management of an investee company are not yielding the desired level of discussion or success, or when the interests of unitholders are sufficiently at risk, the Company may collaborate with other institutional investors. In such instances, consultation with other investors or participation in formal or informal groups, as deemed appropriate, may be considered.

The decision to collaborate on matters specific to an investee company will be evaluated on a case-by-case basis and only when the Investment Team believes that joint actions with other investors would be an effective way to exert appropriate influence.

Moreover, engaging in collaboration with other institutional investors will not be construed as an act of collusion, a joint venture, or individuals acting in concert.

6. Voting and Disclosure of Voting Activity:

Exercising voting rights constitutes a fundamental aspect of stewardship activities and a broader responsible investment strategy. Voting must be conducted by independently exercising judgment in the best interest of the Fund and its unitholders.

The company will cast votes with the aim of enhancing the economic value of the portfolio and safeguarding the rights of unitholders, considering the factors outlined below.

Outlined below are our voting guidelines, which detail how voting rights will be exercised. These guidelines articulate our approach to key voting issues and engagement activities.

While not exhaustive or mandatory, they are complemented by various tailored voting frameworks reflecting our approach to specific matters:

**Corporate Governance Matters/Corporate Actions:**

Company may support resolutions related to changes in the state of incorporation, mergers, demergers, schemes of arrangement, corporate actions/restructuring (such as dividends, buybacks, splits, bonus issues, rights issues, etc.), and other corporate restructurings that serve the interests of the Fund and/or unitholders. However, company may vote against resolutions related to takeovers by an acquirer or other changes resulting in excessive dilution of existing shareholder value, which goes against the interests of unit holders.

Management Compensation:

Company aims to endorse compensation arrangements linked to long-term corporate performance and shareholder value. Such arrangements should incentivize management to acquire and retain equity in the investee company, aligning their interests with those of shareholders.

Social and Corporate Responsibility Matters:

The Company acknowledges and supports the need for reporting/filing to government, demands for greater disclosures, decisions related to corporate social responsibilities, employee welfare, environmental benefits, and benefits to the community and the general public.

General Matters:

Authorised competent authority of Company will exercise independent judgment on items such as the approval of accounts, distribution of dividends, election/removal of directors, key management personnel, auditors, and the approval of their recommended remuneration/compensation and any other relevant matter.

Decisions on specific resolutions—whether to support, oppose, or abstain from voting—will be made on a case-by-case basis, focusing on the potential impact of the vote on the investee company, shareholder value and the interests of the Fund's unitholders at large.

Training for the Investment Team:

Recognizing the importance and critical role of training or providing reasonable guidance to Investment Team members involved in implementing this Policy, the Company will conduct internal training sessions and/or discussions for the Investment Team regarding this Policy, at a minimum on an annual basis.

REVIEW

This Policy will be reviewed by the Board of the Company at least annually.