

Kotak Mahindra Asset Management (Singapore) Pte. Ltd.

Stewardship Policy

Introduction:

Kotak Mahindra Asset Management (Singapore) Pte. Ltd. ('KMAMS' / 'the Firm') is engaged in Fund Management business. As part of this activity, the investment management team of the Firm is expected to monitor and engage with investee companies on matters including performance (operational, financial, etc.), strategy, corporate governance (including board structure, remuneration etc.), material environmental, social and governance (ESG) opportunities or risks, capital structure etc. and any other issue that may be important from the perspective of protecting interest of investors.

This policy is referred to as Stewardship Policy to include responsibilities to be undertaken by the Firm and the processes that the Firm intends to follow in order to safeguard the interest of investors.

This policy is effective from immediate effect and should be read in conjunction with other relevant existing policy documents such as Compliance manual, corporate governance framework and ESG Policy as applicable to the Firm.

Stewardship Responsibility:

Investor stewardship in the context of business conducted by the Firm where the Firm, as investment manager, acts in fiduciary capacity, may be explained as responsibility of the Firm and its employees to protect and safeguard the investments made by the investors in the Funds managed by the Firm and to act in a responsible manner towards its business of investment management.

From the perspective of responsible investments, it may also be mentioned that any person or entity entrusted with management of funds has the responsibility to protect and enhance the assets of its investors. The responsibility thus is not limited to just a few employees but extends to all employees as well as directors of the Firm.

Stewardship Principles:

Stewardship principles for responsible investors are intended to enhance a positive investment environment by encouraging companies to pursue the spirit of good governance and stewardship, with the ultimate objective of helping companies secure their performance over the long term.

We take into consideration the seven Principles that will provide useful guidance to the Firm towards fostering good stewardship in discharging our responsibilities and creating sustainable long-term value for all stakeholders. These principles as well as Firm's responsibilities and

arrangements in place to meet these responsibilities are explained in detail from the perspective of business carried out by the Firm.

- **Principle 1: Take a stand on stewardship:**

KMAMS shall establish and articulate its policies on stewardship responsibilities.

KMAMS has articulated its policies towards responsible investments. The Firm has ESG policy in place which is also available on Firm's website. Firm's policy on responsible investments apply to its investment approach which is also monitored periodically.

In addition, the Firm is also a signatory to UN-PRI and as a signatory, the Firm is also committed to the principles of responsible investments.

- **Principle 2: Know your investment:**

KMAMS shall communicate regularly and effectively with its investee companies.

The Firm along with its appointed advisors, is committed to have regular and effective communication with investee companies.

The Firm being an asset manager believes that the objective of such communications is primarily to ensure mutual understanding and achievement of objectives between the Firm and investee companies in order to meet the aims of long-term value creation, capital efficiency, and sustainable growth.

KMAMS has regular meetings and calls with investee companies to know more about these companies in order to make informed investment decisions. As part of these discussions, in addition to matters such as risks, financials, performance etc., the Firm also takes into consideration the corporate governance structure, effectiveness of the board / committees and social and environmental considerations of these companies.

Firm also has a policy for managing disclosures of material information which is part of Firms policies and procedures.

- **Principle 3: Stay active and informed:**

KMAMS shall actively monitor its investee companies.

As part of regular interaction with investee companies, the Firm is able to exercise necessary monitoring on these companies to identify issues, if any, which may result in any potential loss to its investments in capacity of a shareholder.

In case of any concern about any of the investee companies, particularly in relation to non-disclosure, deviation from corporate governance policy, the Firm shall consider these concerns and shall take appropriate actions. Such actions may involve seeking clarifications from investee companies about the concerns observed and also having necessary discussions in the Firm's investment committee meeting, if required.

Fund Managers shall be responsible to carry out such monitoring exercise and report concern, if any.

- **Principle 4: Uphold transparency in managing conflicts of interest:**

KMAMS shall make known its approach to managing conflicts of interest.

KMAMS has in place written conflict of interest policy. KMAMS regularly identifies potential conflicting areas in its business and adopts necessary conflict management measures.

As a policy, the Firm ensures that if conflict of interest arises between the Firm and its clients, the Firm shall take all reasonable steps to ensure that clients' and/or beneficiaries' interests are prioritised over its own interest.

Relevant conflicts are disclosed in the fund documents and the conflict of interest policy of the Firm may also be provided to investors upon request.

- **Principle 5: Vote responsibly:**

KMAMS shall establish clear policies on voting and exercise its voting rights in a responsible fashion.

The Firm has implemented necessary proxy voting policy and procedures. These Policies and Procedures are designed to ensure that proxies are voted in an appropriate manner and should complement Firm's investment policies and procedures regarding its general responsibility to monitor the performance and/or corporate events of companies that are issuers of securities held in the funds managed by the Firm.

KMAMS has also constituted a Voting Committee which is responsible for establishing voting guidelines and ensuring that these guidelines and procedures are followed.

Necessary voting records are maintained by the Firm.

- **Principle 6: Set a good example:**

KMAMS shall document and provide relevant updates on their stewardship activities.

The ESG policy of the Firm is available on Firm's website.

Additionally, KMAMS shall also be providing its 'Stewardship Policy' to clients upon request. Firm shall maintain a record of ways in which it has carried out its stewardship responsibilities and this record could be shared with clients upon request.

- **Principle 7: Work together:**

Responsible investors are willing to engage responsibly with one another where appropriate.

The Firm is committed to engage with other industry bodies and relevant groups as required for the purposes of ensuring responsible investments. The Firm agrees that at times, collective

engagement may be the most appropriate means of ensuring that investee companies are aware of concerns.

The Firm shall engage and attend relevant industry events to keep itself updated on the stewardship principles and may also consider extending its support to 'Singapore Stewardship Principles' through Investment Management Association of Singapore (IMAS) in an official manner.

The Stewardship Policy shall be reviewed periodically to ensure that the policy remains updated.