GROW BEYOND EXCELLENCE

MASTERGROWTH 369 ASSET MANAGERS PRIVATE LIMITED

STEWARDSHIP CODE

(including Voting Policy)

Version 1 dated 01/04/2025

Approved by Board of Directors on 01/04/2025

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INTRODUCTION

This document on Stewardship Code sets out the framework and guidelines on discharge of the stewardship responsibilities of Mastergrowth 369 Asset Managers Private Limited as an Investment Manager to Mastergrowth 369 Focused Equity Fund, a SEBI registered Category III Alternative Investment Fund.

The Code enumerates the processes that the Investment Manager intends to follow in order to safeguard the interests of the investors of the fund while managing the investments in listed equities under the scheme of AIF. The purpose of the Code is to enhance the quality of engagement between institutional investors and the investee companies as a step towards improved Corporate Governance Practices with a view to enhance long term returns to investors and the governance responsibilities. Stewardship includes voting as well as monitoring and engaging with investee companies on matters such as strategy, performance, risk, capital structure and corporate governance and avoidance of conflict of interest.

STEWARDSHIP PRINCIPLES AND POLICIES

The following principles outline our approach to stewardship, including our voting policy and management of conflicts of interest –

Principle 1 – Formulate a comprehensive policy to discharge stewardship responsibilities

The Investment Manager is committed to effective stewardship and integrates it into investment decisions. The key responsibilities include:

- Considering corporate governance practices of investee companies, when undertaking buy and sell decisions;
- Engaging with investee companies to enhance investor value;
- Voting and engaging with investee companies in the best interest of investors;
- Maintaining accountability within the framework of professional confidentiality and regulatory requirements; and
- Ensuring transparency in reporting voting decisions and engagement activities.

Discharging Stewardship Responsibilities:

The Investment Manager shall discharge its stewardship responsibilities through:

- voting on shareholders' resolutions, with a view to enhance value creation for the investors and the investee companies;
- advocating for responsible corporate governance practices, as a driver of value creation; and
- Engaging with investee companies when intervention is deemed necessary.

Principle 2 – For managing conflicts of interest

The term "conflict of interest" refers to instances where personal or financial considerations may compromise or have the potential to compromise the judgment of professional activities. The Investment Manager shall abide by high level principles on avoidance of conflicts of interest while managing investments of the Fund. The detailed process of identifying and managing conflict of interest is as follows:

Identifying Conflicts of Interest

Potential conflicts may arise in the following situations, including but not limited to:

- The investee company is a client of the Investment Manager's other business activities.
- The investee company is directly or indirectly linked to another investee company of the Fund.
- The investee company holds an interest in or distributes products for the Investment Manager.
- The Investment Manager supplies goods or services to the investee company.
- A nominee of the Investment Manager serves as a director or key managerial person of the investee company.
- A partner or key managerial person of the Investment Manager has a personal interest in the investee company.
- Higher asset accumulation in the AIF Fund increases the Investment Manager's earnings.

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Managing Conflicts of Interest

To ensure fair and transparent decision-making, the Investment Manager follows these principles:

- Adopting a fair investment policy and making appropriate disclosures to investors.
- Ensuring all transactions comply with regulations and occur at arm's length.
- Disclosing potential conflicts to management before executing transactions.
- Prioritizing fund holders' interests in voting decisions.
- Documenting the resolution process for material conflicts of interest.

Principle 3 – For monitoring Investee companies

The Investment Manager is committed to actively monitoring investee companies to safeguard investor interests and enhance long-term value creation.

- The Investment team will be responsible for the monitoring of the investee companies' performance. The investment team may consider the investee companies' leadership effectiveness, succession planning, corporate governance, reporting and other parameters they consider important while making investment decisions.
- The Investment team may engage with investee companies as part of the research process that leads to an investment in an investee company, which might include meetings with management.
- Once an investment is made, the Investment team shall continue to monitor each investee company. As a part of this process, the fund manager/ analysts shall, where feasible, attend meetings/Conference calls conducted by the management of the investee company. Fund Manager/ analysts may also use publicly available information, sell side research and industry information etc.
- The Investment Manager ensures strict compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, while interacting with investee companies.

Principle 4 – For intervention in investee companies and collaboration with other institutional Investors

Mastergrowth369 Asset Managers Private Limited recognizes that appropriate and timely intervention in investee companies is essential to fulfill its fiduciary duty and stewardship responsibilities. The Investment Manager may engage with company management on a case-by-case basis when matters arise that could potentially affect long-term value creation for investors. Intervention decisions will be made by the Investment Team, considering factors such as regulatory compliance, corporate governance, financial performance, strategic plans, and other relevant disclosures.

The intervention process may include the following steps:

a) Engagement: Sending letters to individual investee companies, one-to-one meetings with the management team, engagement with specific teams as well as other means of constructive dialogue to resolve concerns, including steps to be taken to mitigate such concerns.

b) Escalation: If there is no progress despite the above step, we may engage with the Board of the investee company and escalate the concerns for further resolution. If concerns persist, we may take further action, including exiting the investment.

c) Legal Recourse: Legal action may be pursued, and the matter may be reported to relevant authorities if all other measures prove ineffective and if deemed necessary to protect investor interests.

Collaboration with other Institutional Investors

The Investment Manager may engage in collective engagement with other institutional investors, professional associations, regulators, advisors and any other entities where it deems necessary, particularly when it believes a collective engagement will lead to a higher quality and/or a better response from the investee company. It may initiate or support joint representations alongside other Asset Managers, Insurers, Mutual Funds, or similar entities to address specific concerns but will independently determine its stance on any collaborative engagement.

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Principle 5 – Voting Policy

The company has formulated a voting policy as attached in Annexure A and the same shall be followed / adhered to for voting in Investee Companies.

Principle 6 – Periodic reporting of Stewardship activities

The Investment Manager shall provide a report of the discharge of its Stewardship Responsibilities annually as a part of the public disclosures on its website and/or through email to its investors, for the benefit of its ultimate beneficiaries (investors).

We will monitor that the Policy is followed in true spirit. All investment team members will be updated about principles of the Code periodically.

Annexure A – Voting Policy

INTRODUCTION

As part of its fiduciary duty, the Company is committed to acting in the best interests of its investors while managing AIF funds. This includes responsibly exercising voting rights attached to securities held by the fund. This policy outlines the principles that guide all voting decisions, ensuring alignment with investor interests and good governance practices.
The Company will exercise voting rights with diligence, prudence, and expertise to safeguard and enhance the long-term value of the assets under its management.

GUIDELINES FOR VOTING

1. For ensuring better corporate governance of listed companies, the Company shall endeavor to vote on all resolutions that may affect the interest of the fund's investors, either by postal ballot or through attendance or e-voting.
2. The Company shall not give proxy to brokers for voting on its behalf.
3. The Company shall be represented by the designated portfolio manager or analyst tracking the stock or such personnel as may be authorized by the Board of Directors of the Company.
4. The decision regarding the voting on the resolution, i.e. whether to vote in favor, against, or abstain from the resolution proposed by the Company, will be taken by the portfolio manager/fund manager/authorized person.
5. The actual exercise of the proxy votes in the AGMs/EGMs of the investee companies will cover the following matters:
   - Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring, and anti-takeover provisions.
   - Changes to capital structure, including increases and decreases of capital and preferred stock issuances.
   - Stock option plans and other management compensation issues;
   - Social and corporate responsibility issues.
   - Appointment and removal of directors.
   - Related party transactions
   - Any other issue impacting shareholder interests.

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6. For routine matters like adoption of financial statements, appointment / re-appointment of directors, appointment of auditors, remuneration to directors / auditors may not be objected in the normal course unless it adversely affects the interests of the unit holders.
7. The Company may discuss any corporate governance issues that require support from other shareholders with them.

The Company shall always exercise voting rights in the best interest of unitholders. Appropriate controls and mechanisms are in place to manage any conflicts of interest that may arise. While the Company will generally adhere to the voting policy detailed above, it reserves the right to act differently when necessary to protect unitholder interests, considering relevant facts and circumstances.

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