

Stewardship and Proxy Voting Policy

1. Introduction

ValueQuest Investment Advisors Private Limited (the “Company” or “VQ” or “Investment Manager”) is a Company incorporated under the Companies Act, 2013. The Company acts as the Investment Manager for Alternative Investment Funds established and registered under the provisions of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, read with amendments thereto and circulars issued thereunder from time to time (“SEBI AIF Regulations”).

The GIFT City Branch of the Company (“IFSC Branch”), operating from the International Financial Services Centre (“IFSC”) at GIFT City, Gandhinagar, Gujarat, is registered with the International Financial Services Centres Authority (“IFSCA”) as a Fund Management Entity (Registration No. IFSCA/FME/II/2024-25/133)and acts as the Investment Manager of Alternative Investment Funds registered and launched under the provisions of the IFSCA (Fund Management) Regulations, 2022, read with amendments thereto and circulars issued thereunder from time to time (“IFSCA FME Regulations”). Regulations.]

The Investment Manager is responsible for managing the affairs of the Funds and formulates policies and procedures in accordance with the Fund documents and applicable regulations for effective implementation and management of the Funds’ investments and operations.

Institutional investors across the world are expected to shoulder greater responsibility towards their clients/ beneficiaries, commonly referred to as ‘Stewardship Responsibilities’. In this regard, SEBI vide Circular¹ dated 24 December 2019 (the “SEBI Stewardship Circular”) prescribed a “Stewardship Code” which is required to be mandatorily followed by all Mutual Funds and all categories of AIFs, in relation to their investment in listed equities. IFSCA has also published a framework on stewardship applicable to Fund Management Entities vide Circular No. IFSCA-AIF/132/2024-Capital Markets dated 23 October 2025 (the “IFSCA Stewardship Circular”). The SEBI Stewardship Circular and the IFSCA Stewardship Circular are collectively referred to herein as the “Applicable Stewardship Codes”.

Stewardship responsibilities include monitoring and actively engaging with investee companies on various matters including performance (operational, financial, etc.), strategy, corporate governance (including board structure, remuneration, etc.), material environmental, social, and governance (ESG) opportunities or risks, capital

¹ “Stewardship Code for all Mutual Funds and all categories of AIFs, in relation to their investment in listed equities” (https://www.sebi.gov.in/legal/circulars/dec-2019/stewardship-code-for-all-mutual-funds-and-all-categories-of-aifs-in-relation-to-their-investment-in-listed-equities_45451.html)

structure, etc. Such engagement may be through detailed discussions with management, interaction with investee company boards, voting in board or shareholders meetings, etc.

SEBI and IFSCA has mandated all Managers to formulate a comprehensive policy on the discharge of its stewardship responsibilities, and as part of that, additionally formulate a Voting Rights Policy in order to exercise the voting rights of the Fund in accordance with the best interests of the Investors of the Funds. Both these policies are required to be publicly disclosed, reviewed and updated on a periodic basis. Hence, this Policy has been adopted to comply with the prescribed requirements. The responsibility of the Investment Manager towards the AIF includes, inter alia, the discharge of the stewardship responsibilities, as laid out in this Policy. Further, this Policy will apply to the Investment Manager, the Fund and the Investors of the Fund.

2. Definitions

Unless the context otherwise requires, the following terms shall have the meanings ascribed to them below. Terms defined in the SEBI AIF Regulations or the IFSCA FME Regulations, as the case may be, and not otherwise defined herein shall have the meanings given to them in the respective regulations.

“Applicable Regulations” means, in relation to the SEBI AIFs, the SEBI AIF Regulations and all circulars, guidelines and directions issued by SEBI thereunder; and in relation to the IFSCA AIFs, the IFSCA FME Regulations and all circulars, guidelines and directions issued by IFSCA thereunder.

“Applicable Stewardship Codes” means collectively the SEBI Stewardship Circular and the IFSCA Stewardship Circular, and each individually as the context may require.

“Beneficiaries” means the investors in the SEBI AIFs and/or the IFSCA AIFs, as the context may require, who are the ultimate beneficiaries of the stewardship and proxy voting activities undertaken pursuant to this Policy.

“CCO” means the Chief Compliance Officer of the Company.

“CO” means the Compliance Officer of the IFSC Branch of the Company.

“Fund” or “Funds” means, individually or collectively as the context may require, the SEBI AIFs and/or the IFSCA AIFs managed by the Investment Manager.

“IFSCA AIFs” means Alternative Investment Funds launched and registered under the IFSCA FME Regulations and managed by the IFSC Branch of the Company from the GIFT City IFSC.

“IFSCA FME Regulations” means the IFSCA (Fund Management) Regulations, 2025 (or the applicable successor regulations), read with amendments thereto and circulars issued thereunder from time to time.

“Investee Company” means any company or entity in which a Fund holds equity or equity-linked securities (whether listed or unlisted), including foreign investee entities held by the IFSCA AIFs.

“Investment Manager” means ValueQuest Investment Advisors Private Limited, acting through its head office for SEBI AIFs and through its IFSC Branch for IFSCA AIFs, as the context may require.

“Policy” means this Stewardship and Proxy Voting Policy, as amended from time to time.

“SEBI AIFs” means Alternative Investment Funds registered with SEBI under the SEBI AIF Regulations and managed by the Company.

“SEBI AIF Regulations” means the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, read with amendments thereto and circulars issued thereunder from time to time.

3. Discharge of Stewardship responsibilities

Principle Number o1

Every institutional investor should formulate a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review and update it periodically.

Fund’s Policy on implementation of the above Principle:

As part of the stewardship responsibilities, the Investment Manager shall undertake following activities:

- a. The Investment Manager shall ensure that a comprehensive Policy on discharge of Stewardship responsibilities is in place at all times. The Investment Manager shall review this Policy on a periodic basis and publicly disclose on the Investment Manager’s website -<https://www.valuequest.in>.
- b. The Investment Manager shall monitor and actively engage with investee companies on various financial, operational and other matters like performance, corporate governance (including board structure), strategy, risk identification and management, material environment, social and governance (ESG), etc. This would entail tracking relevant news and updates like financial results and corporate disclosures, regular interactions with the investee managements,

relevant voting at shareholder meetings, representation to the board of directors if required, etc. Further, these activities shall not be outsourced.

- c. The Investment Manager shall provide a copy of this Policy document to the employees on their joining and on subsequent updates of the document. The Investment Manager shall organise periodic trainings for the relevant personnel at the time of their onboarding.

Principle Number o2

Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

Fund's Policy on implementation of the above Principle:

As part of the stewardship responsibilities, the Investment Manager shall undertake following activities:

- a) The Investment Manager shall put in place a comprehensive Policy for identifying, monitoring and managing conflicts of interest at all times. The policy shall be reviewed and updated periodically by the Investment Manager and publicly disclosed along with rest of the Stewardship Policy. The policy shall briefly address the following:
- Identifying possible situations where conflict of interest may arise;
 - Procedures to be put in place to mitigate the conflicts of interest; and
 - Periodical review and update of such policy and public disclosure
- b) The Investment Manager shall always act in the best long-term interest of the beneficiaries of the Fund. While addressing any potential conflicts, the Investment Manager shall put the interests of the beneficiaries above its own interests.
- c) *For identification of potential conflicts of interests:*
- The Investment Manager shall formulate a questionnaire in order to check for potential conflict of interests.
 - Such disclosures shall be given by the Investment Manager and its employees on introduction of this Policy and also at the time of joining of new employees. Further, these disclosures shall be refreshed annually, or whenever there is a material update to the information.
 - Misrepresentation of the facts or failure to disclose relevant conflict shall be severely dealt with, including termination of said employee.

*For further information on identification of potential conflicts of interest, please refer to the **Conflict-of-Interest Policy**.*

- d) *For mitigation of conflicts of interest:* In case any potential conflict of interest is identified, the following procedures shall be implemented to mitigate such conflict of interest:
- The situation shall be reviewed by the Investment Manager, after the conflicted person has recused themselves, to ensure that the interests of the beneficiaries of the Fund are placed above its own interests.
 - Resulting decisions may include blanket ban on certain types of investments, not investing in certain companies, or unwinding existing investments of the conflicted person or the Fund.
- e) The Investment Manager will be transparent and make disclosures with respect to conflicts of interest situation that the Investment Manager determines may have arisen (or which seem likely to arise) between the Interested Parties and the Fund (or any of its Investee Entities).
- f) The Interested Parties shall exercise a standard of good faith in their dealings with the Fund and any of its Investee Entities.
- g) The Investment Manager shall provide a copy of the Policy document to the employees on their joining, and on subsequent updates of the document. The Investment Manager shall organise periodic trainings for the relevant personnel at the time of their onboarding.

Principle Number o3

Institutional investors should monitor their investee companies.

Fund's Policy on implementation of the above Principle:

- a) The Investment Manager shall monitor the investee companies of the Fund considering all aspects including the following:
- Performance of the companies;
 - Corporate governance;
 - Strategy;
 - Risks, etc.
- b) The Investment Manager shall identify the following for monitoring of the investee companies:
- Different levels of monitoring for different investee companies;
 - Areas of monitoring;
 - Mechanism for monitoring;
 - Situations where the fund would not like to be involved with the investee companies; and

- Situations which may trigger communication of insider information of the investee companies.
- c) The areas of monitoring of the investee companies shall include the following:
 - The aspects of investee company strategy and performance such as operational, financial, capital allocation decisions like capacity expansions or mergers and acquisitions, etc.;
 - Industry-level monitoring and possible impact on the Investee Companies;
 - Quality of Company Management, Board of Directors, leadership, etc;
 - Corporate Governance including remuneration, structure of the Board, related party transactions, etc.;
 - Risks, including Environmental, Social and Governance (ESG) risks;
 - Shareholder rights, their grievances, etc.;
- d) The Investment Manager shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 while dealing with the investee companies at a group level.

Principle Number 04

Institutional investors should have a clear policy on intervention in their investee companies. Institutional investors should also have a clear policy for collaboration with other institutional investors where required, to preserve the interests of the ultimate investors, which should be disclosed.

Fund's Policy on implementation of the above Principle:

- a) The Investment Manager shall identify the circumstances for active intervention in the investee companies and the manner of such intervention.
- b) The circumstances for intervention may, inter alia, include poor financial performance of the company, corporate governance related practices, remuneration, strategy, ESG risks, leadership issues, litigation etc.
- c) The Investment Manager shall consider intervention in the affairs of the investee companies even when a passive investment policy is followed or if the volume of investment is low, if the circumstances so demand.
- d) The mechanisms for intervention may include meetings/discussions with the management for constructive resolution of the issue and in case of escalation thereof, meetings with the boards, collaboration with other investors, voting against decisions, etc.
- e) The Investment Manager shall identify and disclose various levels of intervention and circumstances in which escalation is required which may include interaction

with the companies through institutional investor associations (such as IVCA, AIMA or other relevant bodies, as applicable).

- f) The Investment Manager shall undertake regular assessment of the outcomes of such intervention.

The Investment Manager will follow the following escalation matrix:

- ***Communication*** – The Investment Manager will communicate with the investee company’s management teams to resolve any concerns and steps required to be undertaken to mitigate any potential concerns.
- ***Engagement*** – In case of failure on part of the investee company to undertake constructive resolution steps, the Investment Manager will engage with such investee companies on a timely basis.
- ***Collaboration*** – If deemed necessary, the Investment Manager will consider collaborating with other institutional investors, professional associations, or any other entities to make a collective engagement or joint representation with the investee company.
- ***Escalation*** – In case of failure on part of the investee company to adhere to the concerns raised, the Investment Manager will escalate the same to the Board of Directors of the respective investee company through a formal written communication elaborating on the concerns in question. The Investment Manager may also discuss the issues at the General Body meeting of the investee company. The Investment Manager may vote against the decision at appropriate forum.

Principle Number o5

Institutional Investors should have a clear policy on voting and disclosure of voting activity.

Fund’s Policy on implementation of the above Principle:

- a) The Investment Manager shall always vote in the best long-term interests of the Fund’s beneficiaries and to improve governance of the investee companies after in depth analysis rather than blindly supporting the management decisions.
- b) The Investment Manager shall identify the following:
- details of mechanisms of voting,
 - circumstances in which voting should be for/against/abstain, disclosure of voting, etc.;
- c) The voting policy, voting decisions (including rationale for decision), use of proxy voting/voting advisory services, etc. shall be publicly disclosed by the Investment Manager. The Investment Manager shall disclose voting activity to its investors on

a half-yearly basis. By virtue of the Voting Policy, the Investment Manager shall undertake the following:

➤ ***Assessment of Proposals and Decision Making:***

- Investment Manager will generally vote with the management of the Investee Companies on routine matters. However, when the Investment Manager believes that the long-term interest of an Investee Company's shareholders, and hence of the Fund's beneficiaries, will be negatively impacted by any proposal, then the Investment Manager may vote against such proposal.
- The Investment Manager shall review the different proposals put before the shareholders and arrive at a final decision of how to vote, keeping in mind the long-term interests of the Fund's beneficiaries.

➤ ***Voting Mechanism:***

- The voting decision shall be communicated via online (e-voting), in person, or through representatives (including the Fund's Custodians) appointed to attend and vote at the Investee Company's meeting.
- In case there is a critical shareholder proposal which merits a high level of importance, the Investment Manager may attend the meeting in person, thus helping to engender further discussion and debate.

➤ ***Oversight Committee for Escalation Mechanism:***

In case of grievances arising from voting and related activities / related escalations, if any, such grievances / escalations shall be handled by the Investment Committee or Board as applicable to a particular Fund

➤ ***Disclosure of Voting Details (periodicity of disclosure, actual voting details, voting rationale, manner of disclosure):***

The Investment Manager shall share a report of its voting activities to the beneficiaries of the Fund at least on a half-yearly basis. Voting records shall be available on request at all times.

➤ ***Use of Proxy Voting or Other Voting Advisory Services:***

The Investment Manager does not expect to use voting advisory services, but in case it does, it shall appropriately disclose the scope and extent of such services. Further, the Investment Manager does not contemplate to constitute an Advisory Committee.

Principle Number o6

Institutional investors shall report periodically on their stewardship activities.

Fund's Policy on implementation of the above Principle:

- a) The Stewardship Policy shall be disclosed publicly on the Investment Manager's website <https://valuequest.in/>. Further, the Stewardship Policy will be reviewed and updated periodically by the Investment Manager.
- b) Furthermore, a report of the stewardship activities shall be prepared and shared with the Fund's beneficiaries at least on an annual basis, or at such higher frequency as may be required under the SEBI AIF Regulations or the IFSCA FME Regulations, as applicable.

Proxy Voting Under Stewardship Responsibilities:

Policy Objective

ValueQuest Investment Advisors Private Limited ("ValueQuest" or the "Firm") has adopted this Proxy Voting Policy to ensure that all proxy voting decisions, where undertaken, are executed in a manner that is **fair, transparent, and in the best interests of its Clients and Investors**, consistent with its fiduciary duties and applicable regulatory requirements.

Scope and Applicability

This Policy applies to:

- All proxy voting activities undertaken by ValueQuest on behalf of:
 - Clients under discretionary/advisory mandates; and
 - Alternative Investment Funds comprising: (i) domestic AIFs ("SEBI AIFs") registered under the SEBI AIF Regulations and managed by the Company; and (ii) AIFs launched and registered under the IFSCA FME Regulations ("IFSCA AIFs") and managed by the IFSC Branch, in each case particularly in relation to listed equity investments.

This Policy should be read in conjunction with:

- The Firm's Stewardship Policy and
- Applicable SEBI regulations, including the Stewardship Code for AIFs (SEBI Stewardship Circular dated 24 December 2019); and
- Applicable IFSCA regulations, including the IFSCA Stewardship Circular and the IFSCA (Fund Management) Regulations, 2025 (for IFSCA AIFs).

Authority to Vote Proxies

ValueQuest shall exercise proxy voting rights only where:

- It has been expressly authorized under client agreements, fund documents, or applicable regulations; or
- Proxy voting is mandated under applicable laws or regulatory requirements.

In all other cases, proxy voting responsibility shall remain with the Client or Investor.

Guiding Principles for Voting

Where ValueQuest exercises proxy voting authority, it shall:

- Act in a fiduciary capacity, with due care, diligence, and loyalty;
- Vote in a manner that maximizes long-term economic value for Clients/Investors;
- Consider:
 - Investment strategy and time horizon
 - Financial and governance implications
 - Contractual obligations and rights
 - Any other relevant facts and circumstances

ValueQuest may:

- Vote for, against, or abstain from a proposal; or
- Engage an independent third party for voting recommendations or execution, where appropriate.

Voting Process

Receipt and Review of Proxies

- All proxy materials received shall be promptly forwarded to the Chief Compliance Officer (“CCO”)/Compliance Officer (“CO”), as applicable.
- The CCO/CO shall:
 - Review the proposal;
 - Identify potential conflicts of interest;
 - Coordinate the voting process.

Decision-Making

- For private fund-related proposals, senior management shall designate an authorized employee to vote.
- For other proposals, voting shall be conducted in accordance with this Policy and internal governance processes.

Conflicts of Interest

Employees must disclose any actual or potential conflicts, including:

- Personal holdings or transactions in relevant securities;
- Outside business activities;
- Relationships with directors, officers, or issuers;

- Any other circumstances that may impair objectivity.

Disclosures shall be made in accordance with:

- Conflicts of Interest / Outside Business Activity

Assessment

The CCO/CO shall evaluate whether a conflict is material.

The CCO/CO may:

- Review internal records; and/or
- Circulate a Proxy Conflict Questionnaire to employees.

Failure to disclose conflicts shall be treated as a serious breach of policy.

Resolution

Where a material conflict is identified, ValueQuest shall adopt one or more of the following measures:

- Abstain from voting;
- Delegate voting to an independent third party;
- Seek direction from:
 - The Client; or
 - A representative of investors (in case of pooled vehicles);
- Fully disclose the conflict and rationale prior to decision-making.

Recordkeeping

The Firm shall maintain complete and accurate records of all proxy voting activities, including:

- Name of the company;
- Date of receipt of proxy;
- Date of review and decision;
- Details of the vote cast (or abstention);
- Rationale for the voting decision;
- Documentation of any conflicts identified and their resolution.

Records shall be maintained in accordance with applicable regulatory requirements.

Disclosure and Transparency

ValueQuest shall provide proxy voting records to Clients/Investors upon request.

Policies relating to proxy voting and stewardship shall be:

- Publicly disclosed;
- Reviewed periodically; and
- Updated as required under applicable regulations.

Review:

The policy shall be subject to periodic review and public disclosure.

4. Governing Law and Jurisdiction

This Policy is subject to the following governing law and jurisdiction provisions:

- (a) SEBI AIFs:** This Policy, insofar as it applies to the SEBI AIFs and to the activities of the Company as an Investment Manager to SEBI-registered AIFs, shall be governed by and construed in accordance with the laws of India.
- (b) IFSCA AIFs:** This Policy, insofar as it applies to the IFSCA AIFs and to the activities of the IFSC Branch as an IFSCA-registered Fund Management Entity, shall be subject to and governed by the IFSCA FME Regulations and other applicable laws and regulations of the IFSC. Regulatory oversight in relation to the IFSCA AIFs shall vest with IFSCA, and any regulatory disputes shall be referred to IFSCA in accordance with its prescribed framework.
- (c) General:** To the extent any provision of this Policy conflicts with the Applicable Regulations of a Fund, the Applicable Regulations shall prevail.