

## IDFC Asset Management Company Limited

### Report on Stewardship activities for Financial Year 2020-21

With the objective to improve corporate governance of Investee Companies and to protect interest of the investors in such companies, SEBI vide its circular no. CIR/CFD/CMDI/168/2019 dated December 24, 2019 (“SEBI circular”) has issued Stewardship Code for all Alternative Investment Funds in India (Stewardship Code).

The Stewardship Code comprising of six principles broadly requires to have a comprehensive policy for discharging stewardship responsibilities, managing conflict of interest, monitoring of Investee Companies, intervention with Investee Companies & collaboration with other institutional investors, exercise of voting rights and the disclosures relating thereto.

The details of the manner in which IDFC Asset Management Company Limited (“the Company”) has discharged each principles of Stewardship Code for Alternative Investment Fund during FY 2020-21 are as follows:

Sr. No.	Particulars of Principles of Stewardship Code	Status	Comment
1	Institutional investors should formulate a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review and update it periodically.	Complied with	In accordance with the Stewardship Code, the Company has formulated a Stewardship Policy and approved by the Board of Directors on February 6, 2020. Further the policy was reviewed and ratified by the board on October 30, 2020. The policy has been disclosed on the Company's website.
2	Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.	Complied with	The Board of Directors on February 6, 2020 have approved Policy on Management of Conflict of Interest and has been disclosed on the Company's website. The policy specifies various control measures and prescribed procedures to be followed by the Company for identifying and managing conflict of interest. During the FY 2020-21, no significant instance of conflict of interest was identified. The dealings with the investee companies which are associates or group companies of the AMC have been carried out at arms-length basis and are in compliance with the applicable laws and regulations.
3	Institutional investors should monitor their investee companies.	Complied with	As a part of Stewardship activity, the Company engages with the investee companies through its research process from publicly available information that leads to an investment in an investee company. Wherever possible, the Company also engages with the investee companies through meetings with management and participation in investor meetings and general meetings held by the investee company. Further on monthly basis, the Investment Management Committee (IMC) of the AMC has reviewed monitoring and engagement activities carried out by the Investment team.

Sr. No.	Particulars of Principles of Stewardship Code	Status	Comment
			<p><u>Summary of engagement with Investee Companies from July 1, 2020 till March 31, 2021 are as follows:</u></p> <p>i) <u>No. of Conference Calls attended: 82</u>  ii) <u>No. of meetings held with management of the Investee Companies: 34</u>  iii) <u>Total No. of Votes cases (Proxy Voting - Shareholder Resolution): 18</u></p>
4	<p>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 interest of the ultimate investors, which should be disclosed.</p>	Complied with	<p>The Board approved Stewardship policy covers when and how to intervene, if any, with the investee companies and collaboration with other institutional investors. On monthly basis, the IMC reviews the intervention, if any, in the investee companies. Further, there were no instances of collaboration with other institutional investors during the period.</p>
5	<p>Institutional investors should have a clear policy on voting and disclosure of voting activity.</p>	Complied with	<p>The Company has formulated the Proxy Voting policy approved by the Board and has been disclosed on the Company's website. This Policy lays down the rules related to voting on the issues related to the investee companies.</p>
6	<p>Institutional investors should report periodically on their stewardship activities.</p>	Complied with	<p>The Company has reported its stewardship activities as per the guidelines issued by SEBI and as per the Board approved Stewardship and Voting Policy.</p>