



Proxy Voting and Engagement Policy

For all the strategies managed by DSP
Asset Managers covering EU domiciled
funds

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PROXY VOTING POLICY

I. INTRODUCTION

The Stewardship Committee (**the Committee**) of DSP Asset Managers Pvt. Ltd. (**DSPAM**), *interalia* addresses proxy voting and engagement issues on behalf of all the strategies managed by DSPAM. The Committee comprises of the President, Chief Operating Officer, Head of Equities, Head of Passive Investments, Head of Legal & Compliance and Head - Risk & Quantitative Analysis. In keeping with its fiduciary responsibilities, the Committee reviews all proposals put up for voting even though they may be considered to be routine matters and exercises the votes in the best interest of its unitholders. Each proposal is considered based on the relevant facts and circumstances in accordance with this policy. From time to time, the Committee can avail/engage professional Proxy Voting advisory firms to obtain research and voting recommendations on resolutions proposed by investee companies. The Committee shall not be bound by the recommendations and shall act at its discretion keeping unit holders interest paramount. The Committee may deviate from the general policies and procedures when it determines the particular facts and circumstances warrant such deviation to protect the interest of the unit holders. This Policy takes into account the relevant regulatory guidelines issued by Securities and Exchange Board of India (SEBI) from time to time.

The vote shall be casted at Fund level in all cases. However, in case Fund Manager/(s) of any specific scheme has strong view against the views of Fund Manager/(s) of the other schemes, then the voting shall be done at scheme level and the detailed rationale supporting their voting decisions shall be recorded.

Mechanism for Voting

Since the introduction of voting through electronic means, DSPAM casts its votes on the voting platforms offered by Central Depository Services Limited (CDSL), National Securities Depository Limited (NDSL), KFin Technologies Private Limited (KFin), Link Intime India Private Limited (Link Intime) and Broadridge Financial Solutions and other service providers. In cases where e-voting is not possible or not mandated, DSPAM endeavours to exercise its vote at such meetings through a proxy appointed in accordance with Companies Act, 2013. Further, even after a vote has been cast through the electronic means or otherwise, the fund managers may attend the general meetings of the investee companies, to pose questions to the management of the Investee Company pertaining to various matters including those set out below.

Engagement with Investee Companies

DSPAM seeks to engagement with the companies held within the portfolios in line with the requirements and criteria of each investment strategy as well as the proxy voting policy here below.

An engagement may take place by telephone, e-mail conversations or in-person visits or meetings and is generally focused on matters that may potentially be detrimental to the value of the investment or not in the best interest of investors.

DSPAM believe that engaging with investee companies allows the identification of longer-term issues which may positively affect companies' value and contribute to the success of the investment over time. DSPAM focuses primarily on the governance practices of

companies, as well as placing a focus on longer-term sustainability trends that may have a material impact on company performance, whether financial or non-financial, its strategy and capital structure as well as the broader ESG topics. DSPAM does not collaborate with other investors. However, DSPAM may be willing to participate in collective engagements where it believes it is in its clients' best interests.

II. PROXY VOTING POLICY

A. Corporate Governance matters (including changes in the state of incorporation, merger and other corporate restructuring and anti takeover provisions) Mergers and acquisitions will be subject to careful review by the research analyst to determine whether they would be beneficial to shareholders. DSPAM will analyze various economic and strategic factors in making the final decision on a merger or acquisition resolution. Corporate restructuring proposals are also subject to a thorough examination on a case-by-case basis.

B. Capital Structure

These proposals relate to various requests, principally from management, for approval of amendments that would alter the capital structure of the Company, such as an increase in authorized shares. As a general matter, DSPAM will support requests that it believes enhance the rights of common shareholders and oppose requests that appear to the unreasonably dilutive.

C. Compensation and Benefits

We generally support proposals for employee equity compensation plans and other employee ownership plans provided our research does not indicate that approval of the plan would be against shareholder interest. These proposals concern those issues submitted to shareholders related to management compensation and employee benefits. As a general matter, we favor disclosure of a Company's compensation and benefit policies and oppose excessive compensation, but believe that compensation matters are normally best determined by a corporation's Board of Directors, rather than shareholders. Proposals to "micro-manage" a Company's compensation practices or to set arbitrary restrictions on compensation or benefits should therefore generally not be supported.

D. Social, Environmental and Corporate Social Responsibilities

DSPAM seeks to make proxy-voting decisions in order to protect and promote the long-term economic value of the securities held in the scheme's accounts. We intend to support economically advantageous corporate practices while leaving direct oversight of the Company management and strategy to the Board of Directors. We seek to avoid micromanagement of Companies, as we believe that the Company's Board of Directors is best positioned to represent shareholders and oversee management on shareholders behalf. We have a [responsible investment policy](#) based on which we integrate material ESG criteria in equity investments. Materiality of individual ESG criteria generally differ by company, sector, and region, and consequently DSPAM does not adopt a "one size fits all" approach to proxy voting. Through the establishment of the ESG framework, independent research and the use of third party proxy voting advisers, DSPAM systematically incorporate ESG considerations into their research and into the on-going dialogue with company management, which in turn influences voting during proxy voting season if the votes address specific environmental or social themes. Issues of corporate social and environmental responsibility are, therefore, evaluated on a case -by -case basis within the framework.

As the practice of shareholder proposals is not currently widespread in India, DSPAM does

not apply this policy in this scenario. Should shareholder proposals become market practice, DSPAM will review these guidelines.

E. Board of Directors

DSPAM generally supports the Board's nominees in the election of Directors and generally supports proposals that strengthen the independence of the Board of Directors. As a general matter, we believe that a Company's Board of Directors (rather than shareholders) is most likely to have access to important, nonpublic information regarding a Company's business and prospectus, and is therefore best-positioned to set corporate policy and oversee management. We therefore believe that the foundation of good corporate governance is the selection of responsible, qualified, independent corporate Directors who are likely to diligently represent the interest of the shareholders and oversee management of the corporation in the manner that will seek to maximize shareholder value over time. In individual cases, consideration may be given to a Director nominee's history of representing shareholder interests as a Director of the company issuing the proxy or other companies, or other factors to the extent deemed relevant by the Committee.

F. Other issues

i. Auditors

These proposals concern those issues submitted to shareholders related to the selection of the auditors. As a general matter, we believe that corporate auditors have a responsibility to represent the interest of shareholders and provide an independent view on the propriety of financial reporting decisions of corporate management. While we will generally agree to a corporation's choice of auditor, in individual cases, consideration may be given to an auditors' history of representing shareholder interests as auditor of the Company issuing the proxy or other Companies, to the extent deemed relevant by the Committee.

ii. Corporate Charter and By-Laws

These proposals relate to various requests for approval of amendments to a corporation's charter or by-laws. We generally vote against antitakeover proposals and proposals that would create additional barriers and costs to corporate transactions that are likely to deliver premiums to shareholders.

iii. Conflict of Interest and governance measures for investment in group companies of DSPAM (AMC) and investment in companies that have subscribed to the units of any scheme of the Fund:

Notwithstanding the above, for all remaining resolutions other than those mentioned above, it shall be compulsorily for DSPAM to cast their votes effective April 01, 2022.

DSPAM has a policy and framework in place to manage conflicts of interest. Conflicts in relation to our engagement and proxy voting activities are covered by our existing conflicts of interest policy.

DSPAM is an affiliate of a large, diverse financial services firm with many affiliates and makes its best efforts to avoid conflicts of interest. However, conflict of interest can arise in certain situations. Few examples of such situations are:

- Investee Company is a client of DSPAM or its affiliates;
- Investee Company is an entity participating to a material extent in the distribution;

- of products managed or advised by DSPAM;
- Investee Company has subscribed to the units of any of the schemes;
- A company that is selected for engagement or is related to one of our affiliates;
- DSPAM has voting rights in a company that is related to our affiliates;
- Clients have differences in engagement preferences.

None of the schemes of the Fund shall invest in DSP Group of companies. Further, DSPAM shall endeavor to resolve conflicts of interest in the interest of the unitholders where these arise in the context of proxy voting or engagement activities. Nonetheless, in above cases DSPAM may vote as per recommendation by proxy advisors and engage with investee companies taking into consideration the best interest of investors.

G. Related party transactions of the investee companies (excluding DSP group companies).

Related party transactions (RPTs) are transactions between a company and its related parties, and generally come in two forms: a) one-off transactions, typically asset purchases or disposals, and b), recurring transactions occurring during the ordinary course of business, usually in the form of the ongoing sale and purchase of goods and services.

According to the materiality and nature of the transaction shall be assessed on a case by case basis exercise of votes as the committee is convinced by the strategic rationale and the fairness of the transaction terms, and accordingly shall take the voting decisions.

“Related Party Transactions” shall have the same meaning as defined in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as amended from time to time.

Related party transactions with reference to the above means a transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

H. Internal Control Mechanism:

Internal controls and checks are in places at various key steps in the process of exercise of votes as considered relevant/material by DSPAM. The Committee periodically reviews the implementation of the policy and disclosure requirements.

III. PROXY ADVISORY

DSPAM may use its discretion to avail the services of Proxy Advisor(s) to arrive at a suitable decision for voting. The fund managers shall, subject to the Stewardship Policy, use their discretion whether to rely and/or act on the suggestions/recommendations given by such Proxy Advisor(s).

IV. REPORTS TO THE BOARD

DSPAM will report to the DSP Trustee Pvt. Ltd. on proxy votes it has made on behalf of the Fund at least annually.

IV. DISCLOSURES

This Policy and any applicable reports shall be put up on the Investment Manager website: www.dspim.com

The following periodical disclosures shall be made available on the aforesaid website:

- a) Voting exercised and abstained along with the rationale on the quarterly basis within 10 (ten) working days from the end quarter in the format prescribed by SEBI, as amended from time to time. Additionally, a summary of the voting exercised across all the investee companies and its break-up in terms of number of votes cast in favour, against or abstained from shall be updated.
 - b) Voting exercised and abstained along with the rationale on an annual basis in the format prescribed by SEBI, as amended from time to time.
 - c) Certification from Scrutinizer on the AMC's voting reports.
 - d) Fund Managers/Decision makers shall submit a declaration on quarterly basis to the Trustees that the votes cast by them have not been influenced by any factor other than the best interest of the unit holders.
 - e) Trustees in their Half Yearly Trustee Report shall confirm the same to SEBI;
 - f) How the engagement policy mentioned above has been implemented over the preceding year.
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Date of Revision	April 20, 2023
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