

# **Wealth Company Asset Management Holdings Private Limited**

## **Voting Policy**

**Version No. 1**

**Adopted by the Board on:  
March 1, 2025**

Wealth Company Asset Management Holdings Private Limited (WCAMHPL) has a fiduciary duty to act in the best interests of the unit holders of The Wealth Company Mutual Fund (“the Fund”). This includes exercising voting rights regarding the securities in which the Fund has invested (“Investee Company”) at general meetings of the Investee Company or through postal ballots, all in the best interests of the unit holders. In accordance with Securities and Exchange Board of India Circulars no. SEBI/IMD/CIRNo18/198647/2010 dated March 15, 2010, CIR/IMD/DF/05/2014 dated March 24, 2014, SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016, CIR/CFD/CMD1/168/2019 dated December 24, 2019, and SEBI/HO/IMD/DF4/CIR/P/2021/29 dated March 05, 2021, WCAMHPL has outlined this Voting Policy to ensure that the votes cast by Mutual Funds adhere to the specified guidelines.

All its schemes, including passive investment options like Index Funds and Exchange Traded Funds, offered by The Wealth Company Mutual Fund, are mandated to cast votes on the following matters:

- a) As per Para no.4(iii) of SEBI Circular SEBI/IMD/CIR No 18/ 198647 /2010, dated March 15, 2010, the matters that may be covered include:
  - i. Corporate governance matters, such as changes in the state of incorporation, mergers, and other corporate restructuring, as well as anti-takeover provisions.
  - ii. Changes to the capital structure, including issuances of capital and preferred stock.
  - iii. Stock option plans and other management compensation issues.
  - iv. Social and corporate responsibility issues.
  - v. Appointments and removals of directors.
  - vi. Any other issue that may affect the interests of shareholders in general and unitholders in particular.
- b) Related party transactions of the investee companies (excluding their own group companies). For this purpose, “Related Party Transactions” shall be defined in the same manner as assigned to them in clause (zc) of Sub-Regulation (1) of Regulation (2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

*[“related party transaction” 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: Provided that this definition shall not be applicable for the units issued by mutual funds which are listed on a recognized stock exchange(s)]*

### **Applicability**

The policy applies to the exercise of voting rights and proxy votes by the schemes of The Wealth Company Mutual Fund, as well as the AGMs, EGM meetings, and meetings of creditors and preference shareholders of the investee company.

## **Governance Measures and Voting Principles**

These following principles describes AMC's expectations of public companies in which investments are made. They act as a guiding framework by which AMC executes the ownership responsibilities. These governance measures and voting principles shall be applied to all the companies including the group /associate companies of the AMC and to the companies that have subscribed to the units of the schemes.

- i. **Act in the long-term interests of shareholders:** The overriding objective of companies should be the creation of long term shareholder value. Corporate governance practices should focus board attention on this objective and there needs to be clear strategy in place in order to achieve this. As part of achieving this objective companies need to establish good environmental and social performance as this helps protect long term returns.
- ii. **Align incentive structures with long-term interests of shareholders:** Corporate incentive structures need to be aligned with longer-term shareholder interests. Whilst compensation programs should not restrict the company's ability to attract and retain talented executives, they should not exceed what is required and they should not contain backdated components.
- iii. **Ensure strong independent presence within board structure:** The board should include a strong presence of independent non-executive directors such that no individual or small group of individuals can dominate Board decisions. Companies should establish key committees of the board which include the audit, compensation and nomination/governance committees. The proper working of these committees should be safeguarded by an adequate representation of genuinely independent directors.
- iv. **Disclose accurate, adequate, and timely information:** Companies should disclose financial and operating results, ownership issues, and performance on key environmental, social, and governance (ESG) issues in an open and honest way. Annual audits of the financial statements carried out on behalf of shareholders should be required for all corporations. The audit must be carried out by independent external auditors.
- v. **Treat shareholders equitable and protect minority rights:** Companies should ensure that the rights of all investors are protected. Shareholders should have equal access to information. Capital and voting structures are fundamental. The company ownership structure should feature one vote for each share. Shareholders should have the right to participate in key corporate governance decisions, including the right to nominate, appoint and remove directors individually, the right to appoint the external auditor and the right to approve major decisions which have material impact upon shareholder interests.
- vi. **Facilitate the execution of shareholders rights:** Shareholders should have the right to vote on key decisions concerning fundamental corporate changes, such as amendments to the

articles of association, the authorisation of issuance or repurchase of shares, extraordinary transactions, key corporate governance decisions, remuneration schemes, and protection mechanisms against hostile takeovers. Shareholders should have the opportunity to place items on the agenda of shareholder meetings, propose resolutions, and call a shareholder meeting in accordance with local rules and regulations. Companies need to provide shareholders with reasonable notice of all matters on which they can exercise their voting rights.

- vii. **Ensure good environmental and social performance:** AMC believes that good social and environmental performance protects shareholders longer term interests. Companies should therefore demonstrate that appropriate management structures are in place and provide full disclosure of their environmental and social practices and performance to investors.

### **Voting Policy**

While voting at the Annual General Meeting (AGM) or Extraordinary General Meeting (EGM) of the investee company of the schemes, WCAMHPL generally adheres to the following guidelines. However, if the relevant facts and circumstances necessitate it, WCAMHPL may deviate from these guidelines to safeguard the interests of our unit holders.

- a) The listed companies are obligated to adhere to the Code of Corporate Governance prescribed by the Stock Exchanges under the listing agreement. Therefore, considering the observance of the code of Corporate Governance and prudent management practices by the Investee companies, WCAMHPL generally approves Ordinary business-like items such as the Profit and Loss account and Balance sheet, Declaration of dividend, re-appointment of directors, and appointment and remuneration of Auditor, unless these actions adversely impact the interests of our unit holders.
- b) Voting at the Extraordinary General Meetings or in respect of items requiring special resolution will be made after considering the percentage of equity holdings in the Investee Company, the materiality and impact of the investment, any potential conflicts of interest, and the protection of shareholders' interests.

### **Decision Making**

The decision regarding the voting on the resolutions of the Investee companies, such as whether the WCAMHPL will vote for, against, or abstain from voting, will be made by the designated Fund Manager of the scheme. The Fund Manager must document the reasons or rationales behind their decision.

The vote will be cast at The Wealth Company Mutual Fund level. However, if the Fund Manager(s) of a specific scheme have strong objections to the views of the Fund Manager(s) of other schemes, the voting at the scheme level will be permitted, provided that detailed rationales for the decision are recorded.

## **Voting Procedure**

The Fund Manager's decision to vote for shareholders' resolutions at all general meetings or through a postal ballot of the investee company will be executed by WCAMHPL using the e-voting facility provided by NSDL/CDSL/KFin Tech/any other entity.

However, if the e-voting facility is not offered by any investee company or WCAMHPL is unable to cast its vote through e-voting, any of the following personnel or representatives of WCAMHPL will be delegated the responsibility of exercising physical voting rights:

1. Chief Executive Officer
2. Fund Manager – Equity
3. Compliance Officer
4. Head – Operations

Additionally, the Chief Executive Officer and/or the Compliance Officer of the Company are authorized to empower, in writing, any senior manager or executive of the Company to act as an authorized representative. This representative will be permitted to attend the meeting, complete the attendance slip, and sign it on behalf of the schemes of The Wealth Company Mutual Fund. They will also present and exercise the voting rights at the meeting.

## **Abstain from voting**

The WCAMHPL may abstain from voting, considering the nature and importance of the items on the agenda. This decision is made only if it is not materially affecting investors' interests or any other reasons, and if the WCAMHPL has no economic interest in the day's voting.

## **Conflict of interest**

If WCAMHPL identifies a potential conflict of interest when voting on an entity with which it has a relationship, it will exercise utmost discretion and act in the best interests of unit holders. In the event that the Internal Investment Committee deems WCAMHPL highly conflicted in relation to a resolution, it may opt not to cast a vote.

## **Reporting**

Fund managers and decision-makers must submit a quarterly declaration to the Trustees stating that their votes were not influenced by any factor other than the best interests of unit holders. Additionally, the Trustees must confirm this in their half-yearly trustee report to SEBI.

## **Review and Control**

WCAMHPL will conduct regular audits of the Proxy Voting Policy and the associated procedure for executing proxy voting. Any revisions mandated by the Regulator will be implemented and strictly adhered to.

## **Disclosures**

The Voting Rights Policy is available on the Fund's website, which is [www.wealthcompanyamc.com](http://www.wealthcompanyamc.com). The necessary reports and certifications, as outlined in SEBI's Circular SEBI/HO/IMD/DF2/CIR/P/2016/68, dated August 10, 2016, will also be made accessible on the Fund's website and/or in the Fund's Annual Report.

AMC shall be mandated to publish the votes cast on their website (in a machine-readable spreadsheet format) every quarter, within 10 working days of the quarter's end, as per the format outlined in circular SEBI/HO/IMD/DF4/ CIR/P/2021/024, dated March 4, 2022.

### **Policy Review**

The Policy should be periodically reviewed (once a year) by the Equity Investment and Compliance department. Post review and update of the Policy, formal approval from the Board of Directors of the AMC should be obtained.