

## STEWARDSHIP POLICY

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### 1. BACKGROUND & OBJECTIVE

1.1. This stewardship has been established by Matterhorn Investment Advisors LLP in order to ensure adherence with the guidelines issued by Securities and Exchange Board of India (“SEBI”) vide its circular ref **CIR/CFD/CMD1/168/2019 dated December 24, 2019** (“Circular”).

1.2. Matterhorn Investment Advisors LLP is currently the Investment Manager to the following Alternative Investment Funds (each a “Fund”): **Matterhorn India Opportunity Fund**.

1.3. The purpose of the Stewardship Code is to enhance the quality of communication between the Fund and its investee companies to help improve long-term returns to shareholders and the proper exercise of governance responsibilities.

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### 2. RATIONALE & SCOPE

2.1. The Circular has mandated all Alternative Investment Funds to frame a stewardship policy in relation to their investment in listed securities to protect the interest of investors in securities, and to promote and regulate the securities market.

2.2. This Policy shall include responsibilities to be undertaken by Matterhorn Investment Advisors LLP and the processes that it intends to follow in order to safeguard the interest of the investors of the Funds managed by it.

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### 3. APPLICABILITY

3.1. This Policy applies to Matterhorn Investment Advisors LLP and the Funds managed by Matterhorn Investment Advisors LLP towards their investment in listed portfolio companies (“Investee Companies”).

3.2. This Policy shall be effective from **30th September 2024**.

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### 4. APPROVED BY

4.1. The Policy is approved by the management of Matterhorn Investment Advisors LLP.

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## 5. REVIEW HISTORY

5.1. This Policy is to be reviewed and updated annually.

5.2. It may be amended from time to time at the discretion of Matterhorn Investment Advisors LLP.

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## 6. THE POLICY

### 6.1. Primary Stewardship Responsibilities

- Matterhorn Investment Advisors LLP, whenever deem fit, shall monitor and engage in 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 structure, etc.
  - Matterhorn Investment Advisors LLP shall vote and engage with Investee Companies in a manner consistent with the best interests of their shareholders/investors.
  - Matterhorn Investment Advisors LLP shall maintain transparency in reporting its voting decisions and other forms of engagement with Investee Companies.
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### 6.2. Discharge of Stewardship Responsibilities

To adopt the principles under the Circular, the following measures shall be followed:

1. Matterhorn Investment Advisors LLP shall vote as per the voting guidelines formulated herein and any modifications/amendments thereto to deal with the exercise of its voting rights in Investee Companies.
2. Matterhorn Investment Advisors LLP shall appropriately monitor and engage on an issue which may potentially affect an Investee Company's ability to deliver long-term sustainable performance and value for investments.
3. Matterhorn Investment Advisors LLP shall endeavor to work collectively with other institutional investors and support collaborative engagements organized by representative bodies and others for investments.

4. Matterhorn Investment Advisors LLP shall disclose its compliance with the Policy and the principles therein to its employees. The personnel involved in implementation of this Policy should be adequately trained and instructed with regards to implementation of this Policy.
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### **6.3. Voting Policy**

- The voting policy is adopted to govern Matterhorn Investment Advisors LLP's power and fiduciary responsibility to its investors in matters concerning its Investee Companies, in the capacity of a shareholder.
- This Policy attempts to promote accountability of its Investee Companies, aligning their interests with those of shareholders by adopting best corporate governance practices.
- The decision to vote for/against/abstinence from voting shall be made through either the nominee director of the Fund or through any other mode as may be suggested by the management of Investee Companies; either through self or representation; either by physical presence at the meeting, through a decision communicated in writing, through proxy, or through audio-visual or other electronic mode.
- The voting decision shall be arrived at on a case-to-case basis by considering all available information, including (but not limited to) the content and nature of the notice, interpretation and application of the proposed items, and the impact of exercising or not exercising the vote. The team considers information from many sources, including a company's management and Designated Partner(s), shareholder groups, and various research and data resources.
- Matterhorn Investment Advisors LLP may abstain from voting if insufficient information is available on the topic or in conflict of interest situations.
- In instances where there might exist a conflict of interest, Matterhorn Investment Advisors LLP shall exercise voting responsibilities with due care and shall ensure that voting decisions are taken independently and in the best interest of investors.
- Matterhorn Investment Advisors LLP may use services of proxy advisor(s) to support its proxy voting decisions. The scope of such a service provider shall be limited to only assisting Matterhorn Investment Advisors LLP with research and non-binding recommendations pertaining to the proposed resolutions of the portfolio entities. Matterhorn Investment Advisors LLP shall have the final authority to decide the manner of exercise of votes.

- This Policy shall not supersede or impede upon the inherent powers as enshrined in the Fund documents, SEBI (Alternative Investment Funds) Regulations, 2012 and other applicable laws.
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#### **6.4. Monitoring**

- Matterhorn Investment Advisors LLP shall continuously monitor the functioning of Investee Companies. The Investee Companies will provide annual reports for such compliance.
  - The level of scrutiny and monitoring will partly depend on the percentage of stake in the Investee Companies and the quality of their governance framework.
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#### **6.5. Monitoring and Supervising**

- The investment team of Matterhorn Investment Advisors LLP (“Investment Team”) shall supervise and monitor Investee Companies in respect of important aspects which may include, but not be limited to:
    1. Company strategy and performance (operational, financial, etc.)
    2. Industry-level monitoring and possible impact on the Investee Companies
    3. Quality of company management and leadership, etc.
    4. Corporate governance including remuneration, structure of the board (including board diversity, independent directors, etc.), related party transactions, etc.
    5. Risks, including Environmental, Social and Governance (ESG) risks
    6. Shareholder rights, their grievances, etc.
  - Matterhorn Investment Advisors LLP shall comply with the provisions under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and shall also include in the grey list, all stocks in which investment is made / to be made.
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#### **6.6. Intervention and Collaboration**

- Matterhorn Investment Advisors LLP may intervene if, in its opinion, any act/omission of the Investee Company is considered material on a case-to-case basis, including but not limited to insufficient disclosure, inequitable treatment of shareholders, non-compliance

with regulations, performance parameters, governance issues, related party transactions, corporate plans/strategy, remuneration, ESG risks, leadership issues, litigation, or any other related matters.

- In certain cases, the Investment Team may deem it necessary to escalate the engagement on a particular issue. Matterhorn Investment Advisors LLP may consider intervening in matters if the issue involved may adversely impact the overall corporate governance or the investment made by the Fund.

**Mechanism for intervention** may include:

1. Communicating and engaging with the Investee Companies' management about any concerns, including steps to be taken to mitigate such concerns.
2. Exercising voting rights.
3. Endeavoring to engage with other funds while undertaking any voting and considering collaboration with other institutional investors, professional associations, regulators, and any other entities where it is necessary.
4. If there is no progress despite the initial steps, Matterhorn Investment Advisors LLP may escalate the matter to the Designated Partner(s). On the Designated Partner(s) guidance, Matterhorn Investment Advisors LLP shall formally engage with the board of the Investee Company or at its general meeting to elaborate on the concerns.

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## **6.7. Conflict of Interest and Disclosure Policy**

- Situations where conflict of interest may arise, inter alia, include circumstances where Matterhorn Investment Advisors LLP and the Investee Company may be part of the same group, Matterhorn Investment Advisors LLP's management and investment-related activities (including management of other funds in future).
- Matterhorn Investment Advisors LLP shall take reasonable care that, in relation to each identified conflict, it acts independently to avoid material risk to investor interests, acting in the best interests of the investors in the Fund.
- Matterhorn Investment Advisors LLP shall ensure clear segregation of voting function and client relations.
- Matterhorn Investment Advisors LLP shall make efforts to see that any transaction involving a potential conflict of interest will be effected on terms that are not less favourable to the investors in the Fund than if the potential conflict had not existed, and

will place significant emphasis on its strong compliance culture, as well as on the efficient operation of systems and controls, to manage issues such as conflicts of interest.

- Matterhorn Investment Advisors LLP shall ensure that all personal interests, relationships, or arrangements, including those of its affiliated companies/entities do not work against the investors' interest.
- Matterhorn Investment Advisors LLP will take appropriate measures intended to ensure that it will not unfairly profit from any transaction between its affiliates/group companies/entities and the Fund, and all such transactions shall strictly be done on an arm's length basis.
- Matterhorn Investment Advisors LLP shall use reasonable efforts to apportion or allocate business opportunities amongst persons or entities to or with which they have fiduciary duties and other relationships on a basis that is as fair and equitable as possible to each of such persons or entities, including the Fund.
- The interested parties and their management personnel will devote so much of their time to the Fund as is, in their judgment, reasonably required.
- In specific scenarios, as determined by Matterhorn Investment Advisors LLP, certain investments may be explicitly prohibited by Matterhorn Investment Advisors LLP.

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## 6.8. Compliance Officer

- **Mr. Vikas Jain**, acting as Matterhorn Investment Advisors LLP's Compliance Officer, shall ensure that there is an effective oversight of the Company's stewardship activities.
  - The Compliance Officer shall be responsible for the overall implementation and execution of this Policy.
  - The Compliance Officer is also entrusted with the power to engage or use the services of any external service provider to support the Investment Team in discharging its stewardship responsibilities.
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Version History			
Document Owner: Mr. Vikas Jain			
Version		Name of the Policy	Date of Approval
1.0		Stewardship Policy	30 <sup>th</sup> September 2024



Signed by

Mr. Vikas Jain

Compliance Officer