



Voting Policy

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POLICY FOR EXERCISING VOTING RIGHTS IN RESPECT OF SHARES HELD BY SCHEME(S) OF 360 ONE MUTUAL FUND

1. Background & Objective of Policy:

360 ONE Asset Management Ltd (AMC) (formerly known as IIFL Asset Management Limited) as an Investment Manager to 360 ONE Mutual Fund (formerly known as IIFL Mutual Fund) manages investments of Schemes of 360 ONE Mutual Fund (Schemes) and invests in various securities as per the Investment Objectives of the respective Schemes. In the long term interest of the unit holder(s) and as per SEBI's directive requiring mutual funds to play an active role in ensuring better corporate governance of listed companies, AMC has set out this Policy for exercising voting in respect of shares held by Schemes ('Voting Policy').

360 ONE Asset Management Limited (AMC) also acts as an investment manager to scheme(s) launched under 360 ONE Venture Fund (Category I – Alternative Investment Fund), 360 ONE Private Equity Fund (Category II – Alternative Investment Fund) and 360 ONE Opportunities Fund (Category III – Alternative Investment Fund) (collectively known as '360 ONE AIF') and 360 ONE Real Estate Investment Trust (Real Estate Investment Trust). 360 ONEAMC is also registered as a Portfolio Manager with SEBI and as an Investment Adviser with SEC, US.

The Voting Policy contains the principles that form the basis for exercising the voting rights attached to shares in which Schemes have invested and the processes that would be followed by AMC towards exercising said voting rights.

2. Objective underlying voting exercise:

While deciding on exercising a vote, AMC's objective would be:

1. To support such proposals that tend to maximise shareholders' value and in turn value of unit holders;
2. To signal dissent to proposals that favour promoters / dominant shareholders at the expense of other (minority) shareholders;
3. To ensure that the decision to cast a vote is not influenced by conflict of interest;

3. Guidelines for exercising a vote:

Specific decision on a particular resolution i.e. to support, oppose or abstain from voting, shall be taken on a case-to- case basis considering potential impact of the vote on shareholder value and interests of the unitholders of the Schemes at large. AMC may also at its discretion choose to abstain from participating in any resolution and hold a neutral stance, should the concerning issue be of no major relevance for the shareholder value and/or unitholder interest. The general guidelines which the AMC would follow while evaluating voting decisions are as follows:

1. AMC shall support changes to the capital structure which appear to give better returns on capital employed and in the long term interest of the shareholders.
2. Votes on key decisions concerning fundamental corporate changes, extraordinary transactions, key corporate governance decisions, shall be decided on the case to case basis in the long term interest of the Unit holders.
3. AMC shall support proposals for employee stock option plans which appear to have been designed for creating employee ownership culture which in turn would enable better employee participation and value creation.
4. The AMC shall generally support the proposal for appoint of independent directors as proposed by Board of Directors of the Company and generally support proposals that strengthen the independence of the Board of Directors.
5. Other proposals submitted to shareholders related to selection of the auditors, amendments to the company's charter or by-laws and Issues, including those business issues specific to the issuer or those raised by shareholders of the issuer, would be addressed on a case-by-case basis with a focus on the potential impact of the vote on shareholder value.
6. The vote shall be cast at Mutual Fund Level. However, in case Fund Manager/(s) of any specific scheme(s) has different views, the voting at scheme(s) level shall be allowed on case to case basis subject to recording of detailed rationale for the same.
7. SEBI vide circular no. SEBI/HO/IMD/DF4/CIR/P/2021/29 dated March 05, 2021 made it mandatory for all Mutual Funds including their passive investment schemes like Index Funds, Exchange Traded Funds etc. to cast votes compulsorily in respect of the following resolutions:
 - a. Corporate governance matters, including changes in the state of incorporation. merger and other corporate restructuring, and anti-takeover provisions.
 - b. Changes to capital structure, including increases and decreases of capital and preferred stock issuances.
 - c. Stock option plans and other management compensation issues. d. Social and corporate responsibility issues.
 - e. Appointment and Removal of Directors.
 - f. Any other issue that may affect the interest of the shareholders in general and interest of the unit-holders in particular.
 - g. Related party transactions of the investee companies (excluding own group companies).

Further, for all remaining resolutions which are not covered above, Mutual Funds shall also compulsorily be required to cast their votes with effect from April 01, 2022.

4. Decision Making Process:

The decision regarding the voting on the resolutions of the Investee companies, i.e. whether the AMC will vote for or against the resolution or refrain from voting shall be taken by the Fund Manager, in consultation with Chief Investment Officer (CIO).

The AMC may consult other Institutional Shareholders and may consider the inputs from external agencies to arrive at the decision, if so required.

The voting rights on behalf of the Scheme(s) will be exercised by the employee(s) of AMC or an externally authorised agency or employees of Custodian, as authorized by the:

- CEO or CIO
- Compliance Officer
- Research Analyst(s)
- Any member of Investment Team
- Product Head
- Head - Operations

The voting rights may also be exercised by an externally authorised agency or employees of Custodian, as authorized by the:

- CEO or CIO
- Compliance Officer
- Product Head
- Head – Operations

5. Conflict of Interest:

360 ONE AMC is part of a large and diversified financial services group with many affiliates and related companies. From time to time, 360 ONE AMC may face conflicts of interest in relation to our stewardship responsibilities. However, the approach adopted by the AMC will always be to keep the best interest of the investors ahead. As a rule, in all cases of conflicts of interest, the voting decision will be based on the best interest of the investors. 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.

There will be a clear segregation of the voting function and sales functions. Person authorised to vote on behalf of the Schemes who is interested or have any association with the Investee Company will not be allowed to participate in Proxy Voting related decision.

6. Disclosures:

The actual exercise of the proxy votes in the AGMs/EGMs of the investee companies shall be disclosed to the Unit Holders and on the Website of the AMC in respect of following matters:

- a. Corporate governance matters, including changes in the state of incorporation, merger and other corporate restructuring, and anti-takeover provisions;
- b. Changes to capital structure, including increases and decreases of capital and preferred stock issuances;
- c. Stock option plans and other management compensation issues;
- d. Social and corporate responsibility issues;
- e. Appointment and Removal of Directors; and
- f. Any other issue that may affect the interest of the shareholders in general and interest of the unit-holders in particular.

AMC shall disclose the following with respect to votes cast:

- a) Specific rationale supporting their voting decision (for, against or abstain) with respect to each vote proposal stated in above.
- b) A summary of the votes cast across all its investee company and its break-up in terms of total number of votes cast in favor, against or abstained from.
- c) Disclosure of votes cast on their website (in spreadsheet format) on a quarterly basis, within 10 working days from the end of the quarter.
- d) AMCs shall continue disclosing voting details in their annual report.

This Policy has been disclosed on the Home Page of the website of the AMC i.e. www.iiflmf.com and shall also be suitable set forth in the Annual Report of Schemes distributed to the Unit Holders.

The disclosures of voting rights exercised shall be made on the website of 360 ONE MF (www.iiflmf.com) as follows:

- Quarterly - the details of votes cast by the schemes of the Fund (in the format and due date as prescribed by SEBI from time to time).
- Annually - the details of votes cast by the schemes of the Fund (in the format and due date as prescribed by SEBI from time to time).

On an annual basis, 360 ONE AMC will obtain a certification from auditors on voting and the same will be placed before the Boards of AMC and Trustee. The auditor's certificate will form part of annual report of the Schemes and will also be uploaded on the website.

7. Review:

The policy shall be ideally review once in year. In case of any regulatory change between the two review cycles, the policy shall be deemed as amended in accordance with the changes regulations. In other words, in case of conflict between Regulations and this policy, the regulations shall prevail.
