

NBP FUND MANAGEMENT LIMITED

Annual Report on Stewardship Policy

S.No	Description	Status/ Explanation
1.	Principle 1 – Stewardship Policy	The Stewardship Policy is in the draft stage and will be presented to the Board of Directors for their review and consideration in the meeting scheduled for August/ September 2023.
2.	Principle 2 – Voting Policy and it's Disclosure	NBP Funds has Board approved Policy on Proxy Voting in compliance with NBFC Regulations, 2008 which is being ensured meticulously with due care and diligence with proper disclosures in the manner defined in the Regulations and Policy.
3.	Principle 3 – Monitoring Investee Companies	<p>The policy for monitoring investee companies as a part of Stewardship Policy is in the draft stage and will be presented to the Board of Directors for their review and consideration in the meeting scheduled for August/ September 2023.</p> <p>Meanwhile, NBP Funds on behalf of the Funds under management regularly monitors financial and non-financial factors of the investee companies. Monitoring of Financial information includes assessment of Income Statement, Balance Sheet and Cash flow statements. In terms of non-financial information, NBP Funds assesses the governance by analyzing the quality of corporate governance through board composition, business risk management strategy, audit quality and corporate announcements.</p>
4.	Principle 4 – Policy on Engagement with the Investee Companies	<p>The policy on Engagement with the Investee Companies as a part of Stewardship Policy is in the draft stage and will be presented to the Board of Directors for their review and consideration in the meeting scheduled for August/ September 2023.</p> <p>NBP Funds regularly engages with investee company by attending Analyst Call conducted by an investee company on a quarterly or annual basis. Through these sessions, outlook on the company, business risk, financial and</p>

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		<p>business projections are discussed with the company.</p> <p>Moreover, NBP Funds also regularly interacts with senior management of the investee companies to get better understanding of business and financial outlook.</p>
5.	Principle 5 – Managing Conflict of Interest	<p>The policy for Managing Conflict of Interest as a part of Stewardship Policy is in the draft stage and will be presented to the Board of Directors for their review and consideration in the meeting scheduled for August/ September 2023.</p> <p>Whereas, NBP Funds has already created a Chinese wall to manage potential ‘conflict of interest’ scenarios. For example, (i) Board approved personal securities trading policy covering access/ designated employees/ persons, pre & post approvals, timely disclosures etc. (ii) avoid conflict of interest wherever possible and disclose the same.</p>
6.	Principle 6 – Incorporating Sustainability Considerations	<p>The policy for Incorporating Sustainability Considerations as a part of Stewardship Policy is in the draft stage and will be presented to the Board of Directors for their review and consideration in the meeting scheduled for August/ September 2023.</p>