

ALPHA ALTERNATIVES

Stewardship Policy
April 2025

Stewardship Policy for Alternative Investment Funds

1. Policy Statement

As an institutional investor, Alpha Alternatives Fund Advisors LLP is committed to responsible stewardship of its investments, with the aim of enhancing long-term value, promoting good governance, and protecting the interests of unitholders. This policy, reviewed and disclosed annually, details our commitments under the SEBI Stewardship Code.

2. PRINCIPLES OF STEWARDSHIP

Principle 1: Stewardship Policy Formulation, Disclosure, Review

- A comprehensive stewardship policy covering monitoring, engagement, voting, conflict management, and reporting shall be formulated, disclosed on the website, and regularly reviewed.
- A policy training program will be maintained for relevant staff.

Principle 2: Conflict of Interest Management

- A clear policy on identifying, managing, and disclosing conflicts of interest shall be maintained and updated.
- Mechanisms shall include blanket bans, a conflict committee, segregation of voting and sales teams, recusal protocols, and records of all conflict management decisions.
- The interest of the fund's clients/beneficiaries will always take precedence.

Principle 3: Monitoring of Investee Companies

- All investee companies will be monitored for financial, strategic, governance, and ESG performance.
- **Enhanced Review:** Where the AIF's combined holding exceeds 2% of the paid-up share capital of a listed investee company, the following additional measures will be adopted:
 - More frequent and detailed reviews of operational and financial performance, governance practices, industry trends, and board effectiveness.
 - Direct engagement with management and board as warranted.
 - Special attention to company strategy, board processes, composition, and related party transactions.
 - Increased scrutiny of material events, risks (including ESG), shareholder issues, and regulatory compliances.
- For companies with less than 2% holding, standard monitoring suffices unless events (such as fraud or governance issues) trigger enhanced engagement.

Principle 4: Policy on Intervention and Collaboration

- The fund will identify when intervention is needed (e.g. poor performance, governance breaches, ESG or strategic concerns).
- Escalation mechanisms: Initiation of dialogue with management, formal written communication, escalation to board, collaboration with other institutional investors if required.
- Circumstances may include poor financial results, board/leadership concerns, remuneration, major litigations, or ESG risks.
- Active intervention may occur even with minor holdings if circumstances warrant.

Principle 5: Policy on Voting and Disclosure

- A detailed voting policy will be in place, covering mechanisms (remote/e-voting, proxy, physical), assessment and rationale for each resolution, procedures for oversight and managing conflicts, and use of proxy advisors.
- All voting decisions, rationale (for/against/abstain), and use of proxies shall be disclosed quarterly on the website, with rationale and any conflicts.
- Voting oversights, use of advisory services, and final decisions will be recorded.

Principle 6: Reporting and Disclosure

- Periodic reports on stewardship activities (monitoring outcomes, interventions, voting records, conflict management, collaboration initiatives) shall be disclosed annually (or at higher frequency as appropriate).
- Voting disclosures, conflict updates, and policy reviews shall be provided according to prescribed periodicity and made available to clients and beneficiaries.

3. Implementation & Oversight

- The Investment Committee oversees policy implementation, with day-to-day stewardship responsibilities delegated to experienced team members.
- Enhanced monitoring of investee companies over 2% is reviewed quarterly.
- Conflicts are referred to the Stewardship or Compliance Committee.
- All stewardship activities are documented and reviewed annually.

4. Training & Review

- The Fund maintains ongoing training on stewardship principles for investment and compliance teams.
- Policy and procedures are reviewed annually or in response to regulatory changes