

Stewardship Policy

Nine ALPS Corporate Advisors LLP – The Investment Managers and Sponsors of Nine ALPS Opportunity Fund, a Closed-Ended Scheme of Nine ALPS Trust (SEBI Reg. No. IN/AIF2/24-25/1595) registered as a Category-II AIF

1. Preamble and Scope of Policy on Stewardship Responsibilities

This Policy is framed to discharge Stewardship responsibilities in accordance with the guidelines set out by Securities and Exchange Board of India (SEBI) vide its circular ref. CIR/CFD/CMD1/168/2019 dated December 24, 2019. Nine ALPS Corporate Advisors LLP (Nine ALPS) as an investment manager to funds set under Alternative Investment Trust domain in India. As a part of this activity, the investment management team of Nine ALPS is expected to monitor and engage with the investee company on 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. and any other issues such that the interest of the investors is protected.

This policy will be referred to as Stewardship Policy to include responsibilities to be undertaken by Nine ALPS and the processes that the company intends to follow in order to safeguard the interest of the investors.

This policy would be reviewed and updated as and when appropriate or as and when there are regulatory changes.

2. Stewardship Principles:

In an endeavour to safeguard the interest of the investors, Nine ALPS shall work towards fulfilling the objectives of the below listed principles:

Principle 1: Institutional Investors should formulate a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review and update it periodically.

a. Primary Stewardship Responsibilities:

The primary Stewardship responsibilities of Nine ALPS shall be:

i. Monitoring and actively engaging with investee companies for threshold of large investments (where fund holds more than 2% of the net assets) 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, etc¹.

ii. To have detailed discussion with management and interaction with the Boards of investee company.

To vote and engage with investee companies in a manner consistent with the best interests of its shareholders/investors.

- iii. To influence the development of corporate governance standards and corporate responsibility.
- iv. Be accountable to shareholders/investors within the parameters of professional confidentiality and regulatory regime.
- v. To maintain transparency in reporting its voting decisions and other forms of engagement with investee companies.

b. Discharge of Stewardship responsibilities:

Nine ALPS shall fulfil its stewardship responsibilities by way of below activities:

- i. Nine ALPS shall continue to follow the Voting Policy formulated and any modifications / amendments thereto to deal with the exercise of the Company's voting rights in investee companies.
- ii. Nine ALPS shall appropriately monitor and engage on any issue which may potentially affect an investee company's ability to deliver long term sustainable performance and value for threshold of large investments.
- iii. Nine ALPS shall endeavour to work collectively with other institutional investors and support collaborative engagements organized by representative bodies and others for threshold of large investments.
- iv. The Fund Managers / relevant team members shall ensure to attend appropriate training events and courses to ensure implementation and compliance to the principles as enumerated in the policy.
- v. Nine ALPS shall disclose compliance to the Policy and the Principles therein at such places and at such periodicity as defined by SEBI from time to time.

c. Oversight of the Stewardship activities:

- i. The Investment Committee of Nine ALPS (as and when formed) shall ensure that there is an effective oversight of its stewardship activities. The Investment Committee (as and when formed) shall be responsible for the overall implementation and execution of this Policy. The threshold of investment in the investee company beyond which Nine ALPS shall perform its stewardship activities shall be prescribed by the Investment Committee (as and when formed). The investee companies referred to in this policy shall mean investee companies in which funds of alternative investment fund has made equity investments.

d. Disclosure of Stewardship Code:

- i. The Stewardship policy and amendment thereto, shall be disclosed on the website of Nine ALPS.

Principle 2: Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

Nine ALPS has adopted a distinct policy for prevention and management of potential conflicts of interest. The Company shall abide by the principles of conflicts of interest set out therein.

a. Conflicts may arise when the Institution has:

- Business relationships with the investee company (e.g., as a client).
- Affiliates on the board of an investee.
- Dual mandates (e.g., debt and equity investor).

b. The Institution shall:

- Maintain a conflict of interest register.
- Escalate material conflicts to the compliance officer.
- Disclose material conflicts to clients/investors as appropriate.
- Prioritize client interests in case of conflict.

c. Policy for persons to recuse from decision making in case of the person having any actual/potential conflict of interest in the transaction

d. There should be a Clear segregation of voting function and client relations/ sales functions

Principle 3: Institutional investors should monitor their investee companies

A. Monitoring of Investee Company

Nine ALPS shall regularly monitor all investee companies.

B. Manner of Monitoring:

Nine ALPS shall supervise and monitor investee companies in respect of important aspects which may include performance of the companies, quality of company management / board, corporate governance, strategy, risk, shareholder rights and their grievances, to the extent these are available from public sources.

Nine ALPS shall actively monitor the investee companies for the threshold of large investments.

Nine ALPS shall use publicly available information, sell side research and industry information and shall engage with the investee companies' investor analyst calls on a periodic basis.

Nine ALPS may review the investee companies' business strategy and performance, industry risk and opportunities, impact the investee companies make, risk, capital structure, leadership effectiveness, succession planning, remuneration, corporate governance including structure of the board (including

board diversity, independent directors etc.), related party transactions etc., risks including, cultural, social and environmental matters shareholders rights, their grievances etc. among other matters.

The Investment Committee (as and when formed) shall review the monitoring and engagement activities being carried out by the investment team on an annual basis.

C.Scope of Monitoring

The Institution shall monitor investee companies on:

- Corporate governance practices (board composition, independence, remuneration, etc.)
- Business strategy and financial performance
- Capital structure and capital allocation decisions
- Environmental, Social, and Governance (ESG) risks
- Shareholder rights and related-party transactions
- Regulatory and statutory compliance

D.Monitoring Methods:

- Regular review of public disclosures (annual reports, investor presentations, exchange filings)
- Engagement with management, if required
- Use of third-party research and proxy advisors
- Attending shareholder meetings and earnings calls

Principle 4: Institutional investors should have a clear policy on intervention in their investee companies. Institutional investors should have a clear policy for collaboration with other institutional investors, where required, to preserve the² interests of the ultimate investors, which should be disclosed.

Intervention Policy

Nine ALPS may intervene in case of large investments, 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 poor financial performance of the company, corporate governance related practices, remuneration, strategy, ESG risks, leadership issues, litigation etc.

Nine ALPS may consider intervening in matters below the thresholds, if in the reasonable opinion of the Key Investment Team as mentioned in Private Placement Memorandum of Alternative Investment Fund, the issue involved may adversely impact the overall corporate governance or the Company's investment.

The mechanism followed by Nine ALPS for intervention shall include:

1. **Communication & engagement:** Nine ALPS shall communicate and engage with the investee company's management about any concerns of the company including steps to be taken to mitigate such concerns. If the matter comes to voting, Nine ALPS shall exercise its voting rights.
 2. **Collaboration:** Nine ALPS shall consider collaboration with other institutional investors, professional associations, regulators, and any other entities where it deems necessary. The act of collaboration with other institutional investors shall not be deemed to be an act of collusion or persons acting in concert.
 3. **Escalation:** In case there is no progress despite the first two steps, Nine ALPS shall escalate the matter to the Investment Committee (as and when formed). If the Investment Committee (as and when formed) decides to escalate, Nine ALPS shall engage with the board of the investee company (through a formal written communication) and elaborate on the concerns. Nine ALPS may also consider discussing the issues at the general meeting of the investee company.
 4. **Reporting to the Regulators:** If there is no response or action taken by the investee company despite the above steps, Nine ALPS may approach the relevant authorities [or can consider recourse to other legal actions].or consider reduction or exit of investment .
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Principle 5: Institutional investors should have a clear policy on voting and disclosure of voting activity

Nine ALPS shall continue to follow the Voting Policy formulated and any modifications / amendments thereto while discharging this Principle. The disclosures in adherence to this principle shall be made as prescribed by SEBI from time to time.

The voting policy shall addressing the following points

- When to vote
- Proxy use and abstentions if required
- Voting on board appointments, remuneration, corporate actions, etc.
- Use independent research or proxy advisory services where needed.
- Exercise voting rights diligently and in the best interest of unit holders.

Disclosures:

- Publish quarterly summary of votes cast (for/against/abstain)
- Disclose rationale for significant votes (especially against management)
- Annual comprehensive report on voting and stewardship activities

Principle 6: Institutional investors should report periodically on their stewardship activities

Nine ALPS shall follow the reporting requirements in accordance with the guidelines set out by SEBI and as may be modified from time to time.

Nine ALPS shall publicly disclose a report on voting undertaken as per the requirement of the Voting Policy and other reports as may be prescribed by SEBI from time to time.

Nine ALPS shall disclose the report on implementation of every Principle as enumerated in the policy on its website on an annual basis. Also, the report on implementation of every Principle shall form part of annual intimation to the investors and publish quarterly summary of votes cast against/for on the website.

Nine ALPS shall publicly disclose the updated Policy as and when modified.
