CenterBook Partners Introduces Framework for Responsible Buy-Side Alpha Capture

Paper presents research highlighting Alpha Capture programs as a cornerstone of LP access to scalable, sustainable alpha, and designs safeguards to prevent the dilution of manager IP.

Greenwich, Conn. – October 29, 2025 – Today, CenterBook Partners ("CenterBook"), a global leader in Buy-Side Alpha Capture ("AC"), released a position paper, *"More Long/Short Fundamental Equity Alpha for All: A Framework for Responsible Buy-Side Alpha Capture."*

Drawing on over a decade of proprietary data from more than 200 long/short fundamental equity ("ELS") managers, the paper addresses misconceptions around Buy-Side AC and presents a roadmap for responsible integration into institutional portfolios. CenterBook highlights how Buy-Side AC platforms can empower independent managers to remain autonomous while giving more allocators direct access to discernible idiosyncratic alpha.

CenterBook's research underscores how responsible AC - grounded in data integrity, collaboration, and systematic rigor - can revitalize long/short equity, create new pathways for manager independence, encourage new entrants, and set a new benchmark for alpha generation in institutional portfolios. Further, the paper outlines how AC platforms can implement market impact protections for both participating managers and their investors, drawing on deep execution analytics to trade prudently and monetize mid-to-long term fundamental equity.

Key Takeaways from the Paper Include:

- Sustainable standards: Requires alignment, transparency, fair use, and market impact reimbursement, with platforms responsible for adopting and implementing these practices.
- Mutual benefit: AC platforms aggregate diverse investment signals and enhance portfolio construction, risk management, and capital efficiency for allocators and provide capital-access, monetization and consultative services for managers.
- Alpha revival: Long/short fundamental equity remains one of the most compelling alpha opportunities for a larger constituency of institutional investors when coupled with responsible AC frameworks.

"When we launched CenterBook in 2021, our ambition was to redefine the principles and best practices that underpin responsible medium-to-long-term AC - transparency, alignment, and accountability," said David Stemerman, Co-Founder, Chief Executive, and Chief Investment Officer of CenterBook. "Being great at stock picking used to be enough. By combining human expertise with systematic portfolio construction and execution, we can empower great managers to stay independent, deliver superior results to investors, and advance the next frontier of the investment industry. Our framework, which drives our

fundamental model, is rooted in this new standard for how independent managers and institutional investors collaborate."

Jay Willoughby Chief Investment Officer at TIFF Investment Management, added: "Premier alpha capture should ensure defined use, true transparency and impact accountability, protecting all LPs."

CenterBook's platform systematically captures alpha from the insights of its independent, process-driven Contributor Funds and provides consultative support that enhances each participant's portfolio construction and risk management capabilities. By uniting human judgment with data-driven precision, the CenterBook platform delivers scalable, differentiated alpha while reinforcing transparency and disciplined risk management across all participants.

To explore the full findings and download the position paper, visit CenterBook's website.

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About CenterBook Partners: CenterBook Partners has built an innovative, Buy-Side Alpha Capture platform that systematically captures alpha from signals provided by its fundamental Contributor Funds. By combining human insight with systematic implementation, CenterBook's approach is designed to generate superior, scalable returns and advance the investment industry. Its responsible buy-side Alpha Capture platform transforms a multitude of independent investment ideas into a single source of long-term alpha opportunities. CenterBook currently manages $1.3 billion in assets.

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