

# Sienna Capital Management S.A.

## Voting Rights Policy

### History

Version	Effective Date	Description	Reviewed by	Approval Date
V1	29/04/2021	Voting Rights Policy		

### Appendices

Reference	Description

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## 1. Glossary

Term	Description
<b>Sienna / the Company</b>	Sienna Capital Management S.A.
<b>AIF</b>	Alternative Investment Fund as defined under Article 1(39) of the Law of 12 July 2013 on AIFMs
<b>AIFM</b>	Alternative Investment Fund Manager
<b>AIFM Law</b>	Law of 12 July 2013 on Alternative Investment Fund Managers
<b>Board</b>	Board of Directors of the Company
<b>CSSF</b>	<i>Commission de Surveillance du Secteur Financier</i> , the Luxembourg supervisory authority
<b>Funds</b>	AIFs for which the Company acts as AIFM
<b>Investment Holding Company</b>	A company or a partnership wholly or partly owned by any AIF managed by the Company and established or acquired for the purpose of carrying out in accordance with the investment policy of the AIF, investment, underwriting, bridging and / or syndication transactions
<b>Policy</b>	The present Voting Rights Policy, as amended from time to time
<b>Senior Management</b>	The persons responsible for the management of the Company, authorised by the CSSF, also known as “authorised management” or “conducting officer”

## 2. Applicable regulations

<b>Law</b>	AIFM Law
<b>Regulations</b>	Commission Delegated Regulation no 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision

## 3. Purpose of the Policy

In order to safeguard the best interests of the Funds and of their investors, the Company considers the exercise of voting rights in the Investment Holding Companies as crucial. The Company has there developed adequate and effective strategies for

- Monitoring relevant corporate actions;
- Ensuring that the exercise of voting rights is in accordance with the investment objectives and policies of the relevant Funds;
- Preventing or managing any conflicts of interest arising from the exercise of voting rights.

## 4. On-going monitoring over Investment Holding Companies

The Company shall on an on-going basis monitor the activities of the Investment Holding Companies. Prior to each annual general meeting, it shall receive the financial statements and any documents and information to be in a position to give a constructive opinion, to comment on proposals and to make decisions.

## 5. Organisation of voting rights exercise

### 5.1 General principles

In general, the Company expects that the participation to annual general meetings and extraordinary general meetings of the Investment Holding Companies and the exercise of the voting rights thereof are assessed to be in the direction of long-term maximisation of the value of the Funds, while ensuring an acceptable risk level.

The exercise of voting rights is conditional to specific voting principles that are considered reasonable and effective from an investment management perspective and therefore the final decision about the actual participation to a corporate event and the way to exercise the voting rights is determined by the Conducting Officer responsible for the portfolio management function. In particular, the appropriateness of the exercise of voting rights is determined by taking into consideration the following main factors:

- The size of the position in the portfolio;
- Whether a minority or a controlling position is held;
- The country in which the issuer has its registered office;
- The availabilities of the shares;
- Obstacles arising from the decision to exercise the vote and the length of the blocking period, if any;
- The strategy behind the decision to invest in that particular company;
- The administrative costs or any other related costs.

Regardless the list of factors above, the Company considers important to participate to corporate events when specific items are in the agenda of the general meetings of Investment Holding Companies, such as:

- Protection of shareholders rights;
- Appointment of the directors;
- Efficiency and objectivity of the internal control system, if applicable;
- Analysis of the financial statements of the Investment Holding Companies and approval of the annual accounts;
- Remuneration policy and incentive systems;
- Change of constitutional documentation;
- Appointment/designation of external auditors;
- Corporate social responsibility matters.

## **5.2 Exercise of the voting rights attached to instruments held in the Company's portfolio**

Upon assessment by the Company of the opportunity to vote based on the structure, the management and the results forecast of the Investment Holding Company, the voting right may be exercised as follows:

- Participation of the Company in the general meetings through the designated person;
- Representation by a member of the Company or by a third person duly entitled by virtue of a proxy;
- Vote by correspondence.

The Conducting Officer responsible for the portfolio management function is in charge of exercising the voting rights and producing reports to the Management Committee and the Board.

When the Company decides to confer the voting rights to a third party, these shall be ruled by a dedicated power of attorney detailing the agreed strategy/instructions to exercise the voting rights. The Conducting Officer responsible for the portfolio management function is then in charge of ensuring that the voting rights have been used according to the agreed strategy/instructions.

In case of delegation to an external portfolio manager, the Company ensures the appropriate exercise of voting rights by the delegate, through appropriate contractual clauses and ongoing monitoring.

## **6. Voting strategy**

### **6.1 General principles**

The Company shall exercise its voting rights in accordance with the investment objectives and policies of the Funds and to the exclusive benefit of the investors.

While voting, the Company shall always promote the following points:

- The effective corporate governance plan:
- The fair treatment of shareholders:
- The transparency and integrity of financial statements:
- The responsibility, competence and performance of the Board;
- The independence of the external auditor.

## **6.2 Long-term maximisation of the value of the Funds**

The Conducting Officer responsible for the portfolio management function will exercise the right to vote taking into account all available information and to ensure the long-term benefit of the Funds and their shareholders.

## **6.3 Annual financial statements**

Only where the annual financial statements are not compliant with standard accounting rules or where there is doubt that they may not be in compliance with standard accounting rules, the Conducting Officer responsible for the portfolio management function will vote against the acceptance of such annual financial statements. It includes situations where the Conducting Officer responsible for the portfolio management function estimates that the annual financial statements do not reflect the fair view of the Investment Holding Company.

## **6.4 Governing body**

In exercising its voting rights, in particular with respect to the appointment of the members of the board or other governing category of governing body of the Investment Holdings Companies, and in accordance with local laws, the Conducting Officer responsible for the portfolio management function shall keep in mind the necessity for the Investment Holding Companies to have an efficient governing body.

In particular, a change of the governing body will be voted for in case of:

- A considerable decline of performance;
- Significant doubts about the competences of the governing bodies;
- Severe misconduct of one or more members of the governing body;
- Loss of confidence in the governing body members.

## **7. Prevention and management of conflicts of interests while exercising voting rights**

Voting rights are exercised in the exclusive interest of the Funds and their investors. The Company shall prevent or manage any conflicts of interest arising from the exercise of voting rights.

The Company shall do its best in order to avoid any situation of conflict of interest.

Where the Company is confronted with conflicts of interests, the Conducting Officer responsible for the portfolio management function warns the Conducting Officer in charge of risk and compliance that certain resolution(s) are in conflict with this Policy. Both Conducting Officers review together the issue and propose a recommendation.

According to this scenario, the Board shall take the final resolution with respect to the voting decision.

Conflicts of interests which would arise due to the exercise of voting rights, will be added to the Company's conflicts of interest register.

## 8. Disclosure

A copy of this Policy is available to the investors of the Funds upon request and free of charge.

A summary description of the strategies for the exercise of voting rights is made available to investors on the Company's website.

The Company keeps record of voting events, votes cast of the Company, as well as any identification of conflict of interests.

## 9. Review of the Policy

The Policy will be reviewed at least once a year by the Conducting Officers in committee under the supervision of the Board. In fact, the Conducting Officers conduct a central and independent review of the implementation of the Policy in order to assess if it:

- Is operating as intended; and
- Is compliant with national, international regulations principles and standards applicable to the sector within which the company operates.

Where no update is required, the Policy will be applied consistently over time. Where update is required, formal approval by the Board is necessary.