

# Sustainability report 2023





# Editorial



**Paul de Leusse,**  
CEO

**O**ur responsibility is to work for the future. Far from obvious, this statement is in fact a strong position, in a sector where profitability is often viewed in the short term. At Sienna IM, we are convinced that the financial sector bears a special responsibility in the transformation that the economy must undergo to move towards a more sustainable and fairer model. Because our financing and investment choices help shape the face of our economy over the long term, we need to reflect on our decisions so that they contribute to shaping a desirable future.

To achieve this, we strive to set Sienna IM and its investments on a strong sustainability trajectory. We have defined ambitious environmental, social and governance standards that we apply both to Sienna IM, via a CSR policy, and to the analysis and monitoring of the companies in our portfolios. We pay particular attention to climate change, biodiversity, and diversity, equity and inclusion (DE&I) issues.



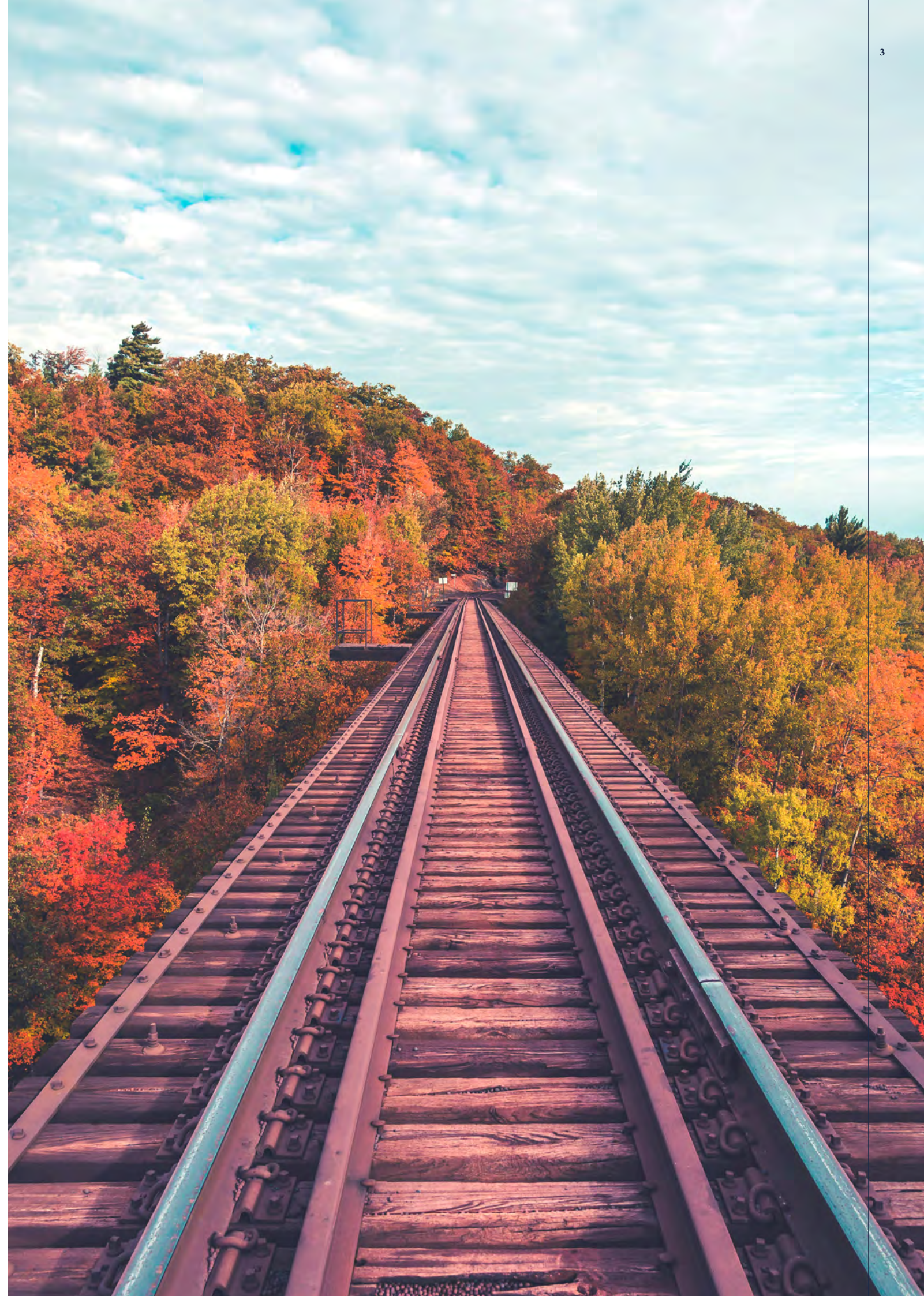
**Alix Faure,**  
Chief Sustainability Officer

Our business is to finance the economy directly, with a medium-to long-term vision, thanks to a wide range of expertise and a pan-European presence. We also treat the companies we finance as partners, and seek to support them in their sustainability strategies.

Working for the future also means making a commitment to our communities: the companies in our portfolios, of course, but also the rest of our stakeholders, such as our employees, customers, shareholders, and the local communities in the areas in which we invest.

Transformation takes time, because it means challenging the status quo, convincing and proving, both internally and externally. But it's also extremely stimulating work when you know why you're doing it, when your conviction is shared by all your teams, and when you can see the results coming. We do this work for all our stakeholders, and we want to share it with them in all transparency and humility.

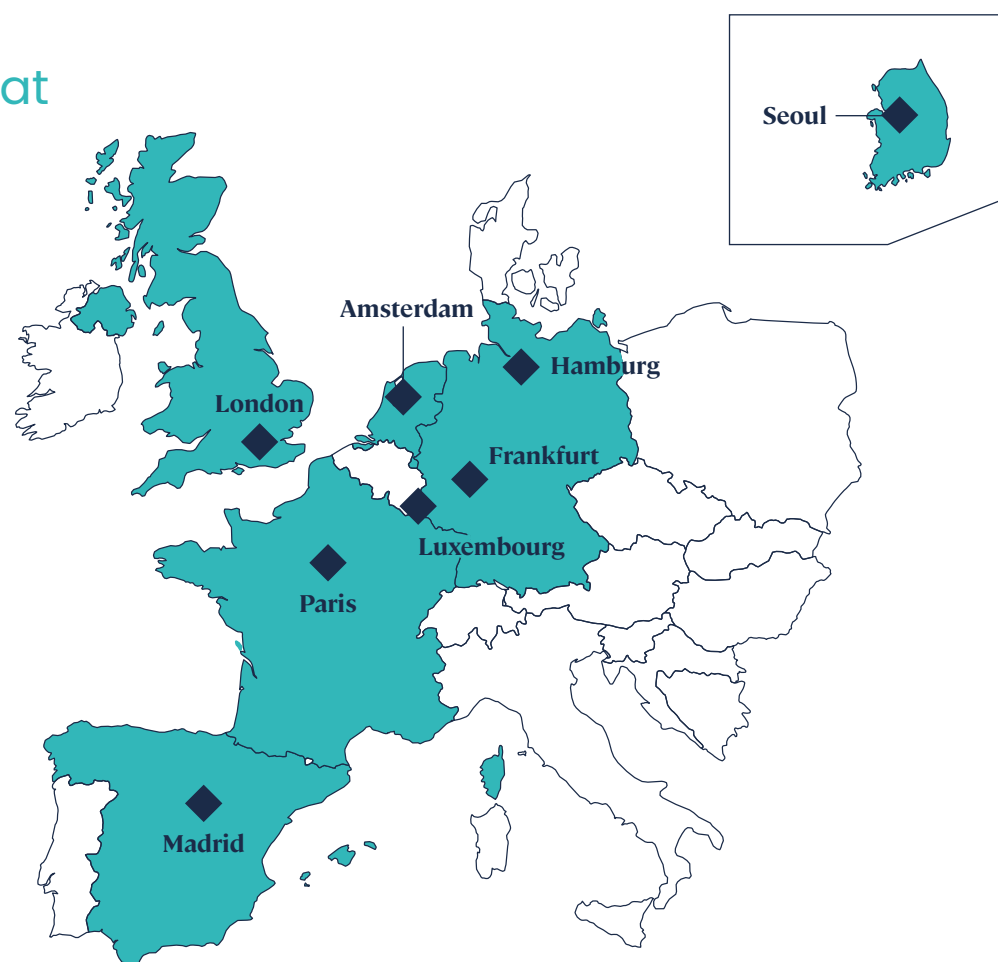
Far removed from regulatory and reporting obligations, Sienna IM is publishing this voluntary report for the first time in 2024, which we intend to establish as an annual progress report on our sustainability strategy. ❖





# Profile of Sienna IM

**Sienna IM:**  
identity card at  
31/12/2023



REAL ESTATE ♦ PRIVATE DEBT ♦ LISTED ASSETS ♦ PRIVATE EQUITY ♦ VENTURE CAPITAL

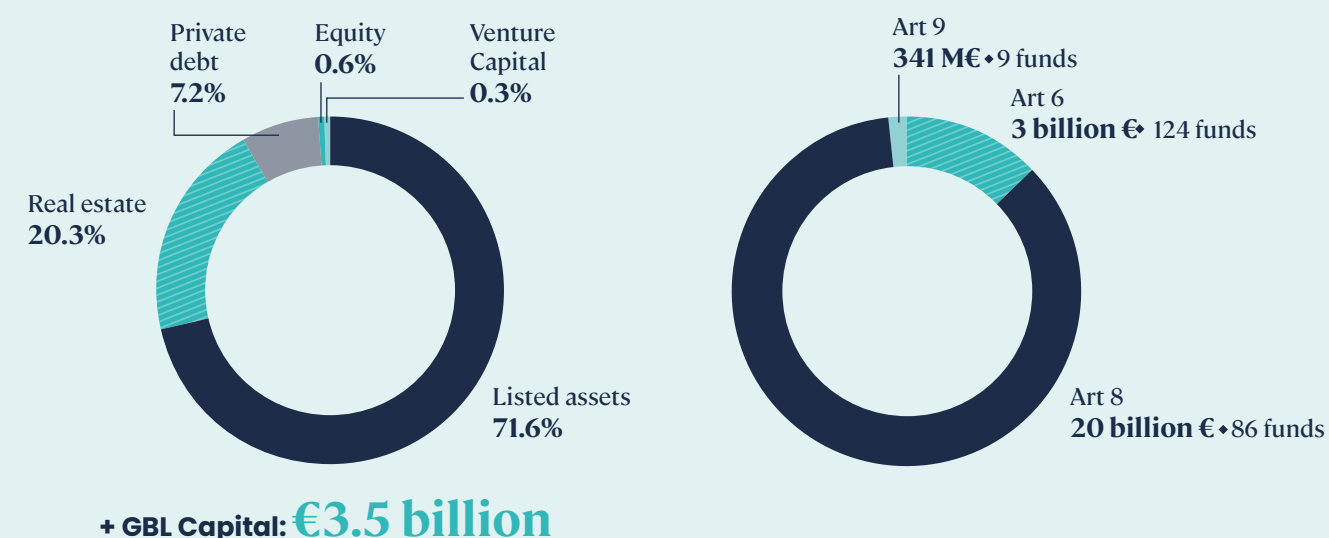
More than  
**€34.1 billion**

Nearly  
**300**  
Employees

Carbon footprint  
**3205 t CO<sub>2</sub>e**  
Scope 1, 2, 3  
(excluding financed emissions)\*

\*Source: Carbometrix for a market-based carbon footprint for scope 1, 2 and 3 (excluding cat.15 financed emissions).

## Assets under management

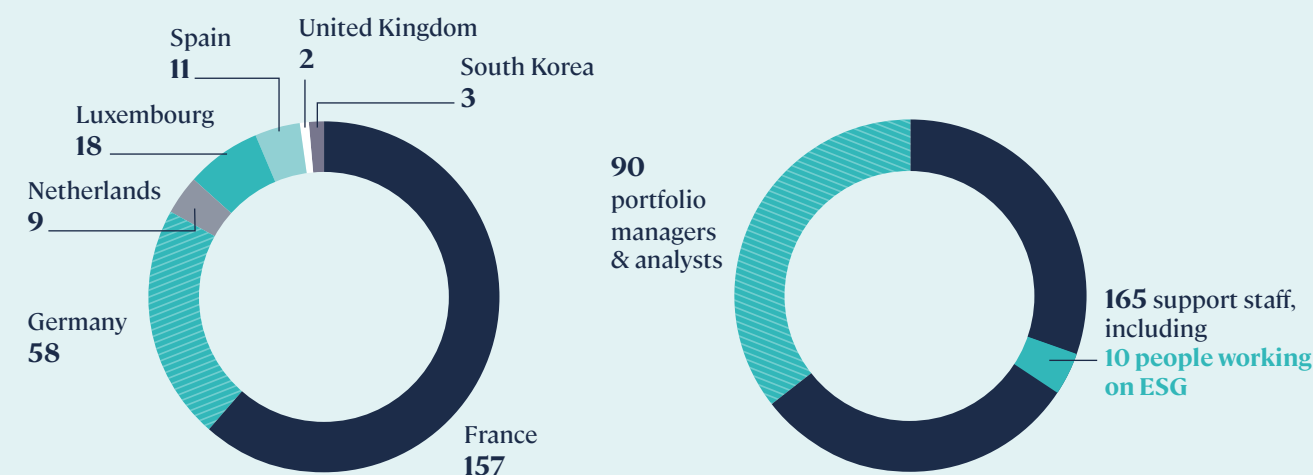


## Key figures

**86%**  
of our assets are covered by  
an ESG analysis  
(+ 15% compared with 2022)

**€17 billion**  
of assets under management  
hold at least one label  
(+47% compared with 2022)

## Our staff



## Key figures

**100%**  
of employees trained  
in ESG issues

**40%**  
female workforce

1. For funds subject to the European Commission's Sustainable Finance Disclosure Regulation (SFDR). This scope excludes, in particular, the real estate business and 2023 funds that are not legally eligible.



# Sienna IM, a committed player in the sustainable finance ecosystem

	Themes	Expertise	Date
Initiatives	Sustainable Finance		
	PRI	Sienna IM	2015
	UN Global Compact	Private debt	2022
	Association Française de Gestion (AFG)	Sienna IM, Listed assets, Private debt	
	Institut de la Finance Durable – coordination of the impact working group	Sienna IM	
	Forum pour l'Investissement Responsable (FIR)	Listed assets	
	Observatoire de l'Immobilier Durable (OID)	Private debt	
	Institut des professions financières	Private debt	2004
	Mouvement Impact France	Venture Capital	2022
	France Invest Sustainability Club	Sienna IM, Private debt	
Frameworks	SASB	Real assets	2023
	European Transparency Code	Listed assets	
Collaborative engagement	France Invest & FIR – Signataire de la déclaration sur l'Impact	Private debt	2020
Initiatives	Climate		
	CDP	Sienna IM	2023
	International Climate Initiative	Private debt	2021
	Taskforce on Climate-related Financial Disclosure (TCFD)	Sienna IM	
Collaborative engagement	“Say on Climate” campaign coordinated by FIR	Listed assets	2023
Initiatives	Biodiversity		
	FAIRR	Sienna IM	2023
	Finance for Biodiversity Pledge	Private debt	2023
Frameworks	Taskforce for nature-related Financial Disclosure (TNFD)	Private debt	
Initiatives	Social impact / Diversity		
	Club 30 France	Listed assets	2023
	FAIR	Listed assets	
Collaborative engagement	France Invest – Signatory of the diversity declaration	Sienna IM, Private debt	

## Highlights 2023:

### Building a multi-business ESG strategy:

- Setting up a central ESG framework
- Creation of cross-functional thematic working groups within the ESG Correspondents Committee (climate, data providers, etc.) to foster innovation and best practices.
- Achieve synergies on ESG issues by pooling human and financial efforts (data suppliers, voluntary reporting).

### Launch of funds:

- Launch of 2 semi-liquid hybrid funds combining listed and private assets. The first is focused on the search for social impact, while the second is an innovative long cash fund of funds combining the liquidity of listed bonds and the yield potential of private debt.
- Launch of the “Sienna Sustainable Infra Debt III” fund by the Private Debt team, to continue supporting the energy transition through high-yield debt strategies

### Introducing new transparency features:

- Implementation of the reporting requirements of the European SFDR regulation and article 29 of the French Energy and Climate Law (LEC 29) for French regulated asset management companies and the funds concerned.
- Response to PRI questionnaire & [posting of results](#)

### Contributing to advances in sustainable finance:

- Sienna IM proposed and published [a response](#) to the consultation on the overhaul of the French SRI Label
- Sienna IM responded to the European Commission’s consultation on the SFDR regulation





# 2023: a decisive year in building Sienna IM's sustainability strategy

Sienna IM experienced a decisive growth phase in 2022 with the acquisition of several companies and the integration of new teams. We entered 2023 with renewed ambition and a clear roadmap.

Among the objectives we set ourselves for the year, building a sustainability strategy was a priority. Indeed, this strategy is in line with Sienna IM's ambition to challenge the status quo and offer innovative solutions to today's major social and environmental challenges. Thus, the start of 2023 was marked by the recruitment of a Group-level Chief Sustainability Officer, responsible for implementing a sustainability strategy and coordinating its application in each of the expertises.

Sienna IM's strength lies in the plurality of our areas of expertise, and in our ability to create links between them in order to enhance them, in strict compliance with the regulatory constraints we face. Given that sustainable finance practices are still very heterogeneous across asset classes and companies, this strength is a powerful asset in building a sustainability strategy that meets the challenges and expectations of our

customers. It's also a real challenge! So in 2023, we broke down silos, shared best practices and convictions, and built a common vision of our role as a sustainable investor. This was made possible by the creation of a committee of ESG correspondents, led by the Group Chief Sustainability Officer, and by the launch of hybrid funds.

Sienna IM's sustainability strategy is based on 2 pillars:

## A sustainable investment policy that focuses on several key areas:

- The definition and systematic implementation of **sectoral and normative exclusions**. These exclusions, which concern the entire perimeter, enable us to apply the best international standards, particularly in terms of social and human rights, but also to exclude sectors that are incompatible with the environmental transition. Details of these exclusions are set out in [Sienna IM's Exclusion Policy](#).
- **ESG criteria are taken into account throughout the investment process.** From the analysis of issuers to the investment decision and the sale of a stake, each stage is based on a 360° vision, integrating both financial and ESG data.

• Implementing a **stewardship strategy**. Sienna IM aims to act as an engaged investor, committed to the companies in our portfolios, helping them to take greater account of environmental and social issues. To this end, we maintain a regular dialogue with all these companies and strive to exercise our voting rights in asset classes where we have them.

• Supporting advances in sustainable finance through **active advocacy**. Within the financial industry and with its stakeholders, Sienna IM promotes a responsible, long-term investment approach. In particular, we seek to contribute to constructive advances in the sustainable finance framework, by participating in industry consultations and discussions.

## A systemic approach, which seeks to address 3 subjects together:

- Climate
- Biodiversity
- Diversity, equity & inclusion

This approach applies to both our investments and our own operations.



## 2023 review: our main achievements

### Implementation of a formalised ESG framework

- Setting up a dedicated governance structure
- Establishment of investment policies :
  - Responsible investor policy
  - Exclusion policy
  - Biodiversity policy
- Establishment of policies governing Sienna IM's business practices:
  - Responsible purchasing policy
  - Travel policy

### Widespread integration of ESG criteria into investment processes

- Private assets: setting up a shared analysis framework

### Preparing to commit to SBTi<sup>2</sup>

Preparing for the commitment to SBTi throughout the year, including training all employees on climate and on the implications of an SBTi commitment. This work led to validation of the approach by the Sienna IM Board of Directors in December 2023 and official commitment to SBTi with «committed» status in January 2024.

## Question: As an investor, what are you most sensitive to when selecting a sustainable manager?



*“As a responsible and committed investor, MAIF is particularly sensitive to the quality and sincerity of the strategy. We expect fund managers to offer products that contribute to the fight against climate change, or to finance a more socially responsible society. We also expect them to demonstrate transparency and a commitment to progress, in order to present concrete results. Finally, as part of our fiduciary responsibility, we look for funds that reconcile financial performance with the integration of sustainability issues.”*

**Karine Leymarie,**  
Head of Investment and Sustainable Finance at MAIF



*“When selecting an asset manager to manage Orange's employee savings and retirement plans, in addition to solid experience in sustainable asset management and the ability to absorb substantial assets, two selection criteria far outweigh the others: 1) an impact investment strategy with a resolute focus on additionality, and 2) of course, the ability to demonstrate that our investment strategy generates returns. competitive.”*

**Thierry Perrouault,**  
Head of Shareholder Relations at Orange



*“Malakoff Humanis has defined four priority themes for its investments: climate, biodiversity, parity and disability. When selecting managers, we pay close attention to the efforts made in these areas to achieve our objectives, and to their ability to combine the search for impact with the search for performance. For example, we want to develop ESG scorecards with the asset managers we select, to track the materiality of sustainability performance, in the same way as their financial performance.”*

**Aurélie Baudhuin,**  
CIO at Malakoff Humanis

2. Science Based Targets initiative: Sienna is committed to developing intermediate targets compatible with a Net Zero scenario by 2040.

# A shared ESG vision, reflected in a central framework inspired by the best practices of business lines



## Key figure:

**1** single SaaS platform for all areas of expertise, facilitating the collection, aggregation and analysis of ESG data

In 2023, Sienna IM was able to build and deploy a group-wide ESG framework, applicable to all business lines. This framework is inspired by the best practices of each team, in a spirit of cross-fertilization. The ESG framework is reflected in the establishment of a governance structure for ESG issues and the definition of policies governing both investments and Sienna IM's practices as a company.

To define this framework, but also to ensure its proper implementation, we rely on a committee of ESG correspondents, which meets every month. This committee enables us to share information on ESG issues and best practices, and to compare each team's vision in a highly operational and pragmatic way. In this way, the committee ensures that information flows smoothly, that all the Group's ESG expertise is mobilized to support each business line, and that a collective vision of ESG issues is consolidated.

A concrete example of the deployment of the ESG framework is its application to the real estate business lines, divided into 3 expertise. We set up a dedicated working group bringing together the various business lines concerned (brokerage, debt funds, equity funds and ESG), which met between April and June to adapt Sienna IM's responsible investor policy to real estate. Thanks to this work, the end of the year saw the creation of an operational version of the ESG analysis grid adapted to the real estate business.

In 2023, we also paid particular attention to the robustness of our ESG analyses, for both listed and unlisted companies. In particular, we carried out an audit of our ESG data requirements, given the ever-expanding range of data providers. This led us to interview several players in order to assess the relevance of their proposals. At the end of this process, we decided to enrich our panel of suppliers as follows:

→ As far as listed companies are concerned, we have decided to enter into a contract with CDP and Iceberg Data Lab, and to include the GOGEL (Global Oil & Gas Exit List) and GCEL (Global Coal Exit List) in our analyses.

→ For the collection of data from private companies, we opted for a single service provider and selected Tennaxia.

Finally, to centralize and share information, we decided to equip ourselves with an ESG SaaS shared by all Sienna IM business lines. Following a call for tenders, we chose the tool proposed by fintech Weefin, «ESG Connect», which will be deployed from 2024.



**François Perrin,**  
Head of ESG at GBL

*“GBL is very pleased to see the direction Sienna IM is taking in terms of integrating sustainability issues into its business model and we hope this first sustainability report contributes to the appreciation of Sienna IM's commitment to ESG and responsible investing.”*

## Going further in 2024:

We consider ESG data management to be a central element of sustainability strategies for financial players. Our ambition is to align ourselves with the best standards in order to best meet our clients' expectations and needs.

We will continue to upskill our front-office teams (analysts and fund managers) as well as our support functions such as compliance, risk management and middle office.

# All players in sustainability



## Key figure:

**100%** of employees trained in ESG

At Sienna IM, we are convinced that behaving as a responsible financial player means first and foremost setting an example. That's why we apply the same sustainability standards to ourselves as we do to the companies in which we invest. We therefore pay particular attention to our corporate social responsibility (CSR).

In 2023, we developed an ESG culture within the Group that involves all our employees, thanks to a number of factors:

- the establishment of a governance structure for ESG issues positioned at the highest level. Our Managing Director is responsible for the company's ESG strategy at both Executive Committee and Board level.

- training 100% of employees in ESG issues, via a mandatory training course lasting at least 4 hours (and twice that for certain teams). This training provided them with the keys to understanding ESG regulations in general, and more specific issues such as climate and biodiversity. Teams who deal with ESG issues have attended the PRI's "Responsible Investing" training course. Finally, in July 2023, we organized a conference on our future commitment to SBTi in order to raise awareness among all our employees and involve them in the project. These training initiatives enable us to share a common language and unite our employees around a single objective: that of placing Sienna IM on a sustainable trajectory.



## Going further in 2024:

To ensure that every employee is fully involved in our sustainability strategy, we decided in collaboration with HR management at the end of 2023 to include at least one ESG objective in the objectives of all employees. These ESG objectives have been carefully thought through and are tailored to each team. Where appropriate, they will have an impact on employees' variable remuneration.



**Adrian Koeve,**  
Manager - Corporate Development & Portfolio Management  
- Sienna IM Real Estate Expertise

*“In 2023, Sienna IM demonstrated its willingness to place sustainability issues at the heart of its governance and strategy, but also as a priority in terms of team training. I'm proud to be part of a company that seeks both to improve and challenge itself on ESG issues, and to move the finance sector as a whole forward.”*



# Continuing to innovate by integrating biodiversity



## Highlight:

Collaboration with Iceberg Data Lab in July 2023

**A** strong element of our DNA at Sienna IM is to constantly challenge ourselves, to innovate, to improve our practices. This is particularly true when it comes to sustainability issues, as we know that players who wish to remain ambitious in their approach need to be highly adaptable.

In 2023, this desire to innovate led us to pay particular attention to a key environmental issue that must be addressed in tandem with climate issues: the preservation of biodiversity. To this end, we have developed and implemented a biodiversity policy covering all our asset classes and areas of expertise. It sets out not only our convictions, but also the means we will deploy, in the form of concrete actions.

The implementation of this ambition has driven us, throughout the year, to constantly innovate in order to find ways of integrating biodiversity into our ESG framework. From our partner Iceberg Data Lab, we acquired specific data on the impact of listed companies on biodiversity, which will enable us to better understand and manage the impact of our investments. In order to make our policy operational and take advantage of this new data, we have trained our investment teams to help them understand the issues and integrate this data. We have also developed a proprietary tool to identify sector-specific biodiversity issues. We are convinced that achieving our biodiversity objectives requires the commitment and participation of every member of our organization.

Our desire to take better account of biodiversity issues and contribute to progress in the finance sector led us to join an AFG working group dedicated to biodiversity. This forum gives us the opportunity to exchange views with our peers on our practices and challenges, and to reflect together on the best practices to be implemented. We are convinced that this collaboration will strengthen our practices and our ability to integrate biodiversity into our investment processes.

## Going further in 2024:

We are determined to make biodiversity an integral part of our ESG framework. We will further refine our approach by formalizing an integration strategy based on a diagnostic identification of the impacts and dependencies of our portfolios, with a particular focus on the most significant theme identified.

These efforts will enable us to contribute to the financing of a more sustainable and resource-efficient economy, in order to preserve the ecosystems on which our society and future generations depend.



**Alix Faure,**  
Chief Sustainability  
Officer at Sienna IM

*“Sienna IM is actively working on ways of better integrating biodiversity conservation issues, both in terms of integrating these issues into investment decision-making, or into the range of funds offered to our clients. Biodiversity is still a relatively immature subject, so we’re looking to improve our expertise in this area, so that we can put our skills to best use for our clients.”*





# Outlook 2024

Our sustainability strategy is constantly evolving, thanks in particular to our constant monitoring of progress in science, the economy and the financial sector. We are proud of the progress we have already made, and of our collective commitment to ESG issues. We are also aware of the progress we can still make, thanks to our involvement in the sector and our ongoing exchanges with our customers and the rest of our stakeholders. 2023 was the year we built our sustainability strategy. 2024 will be the year we consolidate it. So, in these first months of 2024, our priorities for the year are as follows:



## → Define and validate our SBTi strategy

Sienna IM made its commitment to SBTi in January 2024 and is now officially part of the initiative with a “committed” status. This commitment is highly structuring for Sienna IM, as it encompasses not only our operations (scope 1 and 2) but also the emissions of the companies we finance. We have 2 years to develop targets that will make us compatible with a Net Zero scenario by 2040. However, we have decided to go faster and present our development plan to our Board of Directors by the end of the year.

This commitment to SBTi is a paradigm shift. It means that we will put climate at the heart of all our corporate and management decisions.

Few financial players have made such a commitment, and we’re delighted to be leading the way.



**Jean-Marie Péan,**  
Head of Responsible  
Finance Listed Assets  
Expertise at  
Sienna IM

*“Joining SBTi is more than just a membership. It’s an opportunity for an asset manager like Sienna IM to take a global approach to climate as a company and investor, to belong to a network of companies sharing the same objectives, and to structure its group around a common vision of sustainability and long-term financial performance.”*

## → Pursue the ESG data project

ESG data management remains a central point of our ESG strategy and a lever for improvement. We are convinced that accessing, managing and processing data enables us to offer our clients the best products and services. Indeed, the ability to establish indicators on E, S and G issues is a starting point for setting up a transformation plan, which can then be monitored and reported on. While this is true of all measurable subjects, we will be paying particular attention to data relating to climate (to meet our commitment to SBTi), to those linked to diversity issues, and more generally to all subjects linked to corporate social responsibility.

Thus, the operational implementation of our SaaS ESG is one of the key challenges for 2024 and lies at the heart of our transformation.

This year, we are also committed to complying with the European CSRD (Corporate Sustainability Reporting Directive), with reporting due in 2025 for the 2024 financial year. The implementation of CSRD has a dual objective: on the one hand, to raise companies’ awareness of their ESG issues, from a double materiality perspective, in order to challenge their strategy and lead them to transform their practices. Secondly, the introduction of extra-financial accounting that will enable companies and their stakeholders to gain a 360° view of their performance and risks. Because we consider these issues to be fundamental, Sienna IM wishes to anticipate the regulations and will be working from 2024 on the implementation of CSRD reporting that will be audited to obtain limited assurance, as required by the directive. Our CSRD reporting will be available in early 2025.

## → Implement strong measures on DE&I issues in our investments and operations

We are convinced that for the environmental transition to be possible, it must be accepted, even desired, by the entire population. This is what we call “just transition”, a vision to which Sienna IM wholeheartedly subscribes. It’s also clear that we need to address environmental issues – climate and biodiversity in particular – at the same time as social issues. In 2024, we have therefore decided to focus on issues related to diversity, equity and inclusion. We intend to address these issues both in our own operations and in our portfolios.

At the end of 2022, we launched a social impact investment strategy aimed at combating gender discrimination and promoting the employment of seniors and people with disabilities. With a view to continuous improvement, in 2024 we decided to strengthen the strategy’s ESG and impact analysis process in order to bring even greater value to our clients.

In our own operations, we have launched a number of working groups, including one on human capital management, whose mission is to focus on the issues of diversity, equity and inclusion. We are also involved in market discussions on this subject, since the Deputy Managing Director of our Private Debt expertise, Marianne des Roseaux, is President of the AFG’s Diversity Commission.



**Sébastien Lesueur,**  
CTO at Sienna IM

*“To meet regulatory challenges and make our commitments real, it is essential to have qualitative and industrial management of ESG data. Our team is actively engaged in developing our information system along these lines, selecting innovative tools, including a centralized data hub for the Group, and collaborating with specialized data providers. Implementation projects are underway at a steady pace, involving all the business lines concerned. In ESG data, as in many other areas, the synergies between listed and private asset management bring significant collective value.”*



**Marianne des  
Roseaux,**  
Deputy Managing  
Director  
Private Debt  
Expertise at  
Sienna IM

*“Convinced that diversity is a key to business performance, we have set measurable targets for improving gender diversity in our profit-sharing agreements for 2023. We have also set up training courses for our employees to raise awareness of disability issues in the workplace. These initiatives are fully in line with our portfolios’ social impact strategy.”*



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