

Sienna IM

Sustainability Policy

December 2025



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1. Introduction

A. What's Sienna Investment Managers

Sienna Investment Managers (Sienna IM or the Group) is a pan-European, multi-expertise asset management group. With approximately 300 professionals, Sienna IM operates in several countries, mainly in Europe. By combining listed, private and hybrid assets, Sienna IM develops customised and innovative solutions that align with clients' values and objectives, giving deeper meaning to their investments. Through this approach, Sienna IM actively supports the real economy by offering a broad range of asset classes.

B. Sustainability philosophy

Sienna IM plays an active role in financing the real economy with a medium to long-term vision. To do so, Sienna IM has developed an ambitious sustainability strategy directed both at itself and at the companies it invests in.

Sienna IM seeks to challenge the status quo by developing innovative investment solutions designed to identify opportunities and reduce risks associated to the major social and environmental challenges of our time.

Sienna IM recognises that responsible finance plays a crucial role in supporting a wide range of economic stakeholders during major global transitions – digital, demographic, societal, and ecological – and Sienna IM relies on the UN SDGs¹ framework. Given the significant investments required to reorient production, consumption, and reshape living patterns in the coming decades, sustainable finance is already directing capital toward activities that will shape the future while ensuring sound profitability for investors and shareholders. Sienna IM is convinced that integrating responsible investment objectives into its investment processes can enhance the value of the portfolio by mitigating risks, strengthening corporate resilience, and fostering long-term attractiveness — ultimately creating value for all stakeholders.

To this end, Sienna IM incorporates environmental, social, and governance (ESG) criteria into its investment processes. The Group's philosophy acknowledges that sustainability and profitability are not mutually exclusive; rather, sustainable finance enhances our ability to fulfil our fiduciary duties. Sienna IM's fiduciary responsibility therefore combines the pursuit of financial performance with the integration of ESG considerations, both of which create long term value.

As a responsible investor, Sienna IM upholds rigorous standards for the companies it invests in.

¹ <https://sdgs.un.org/goals>

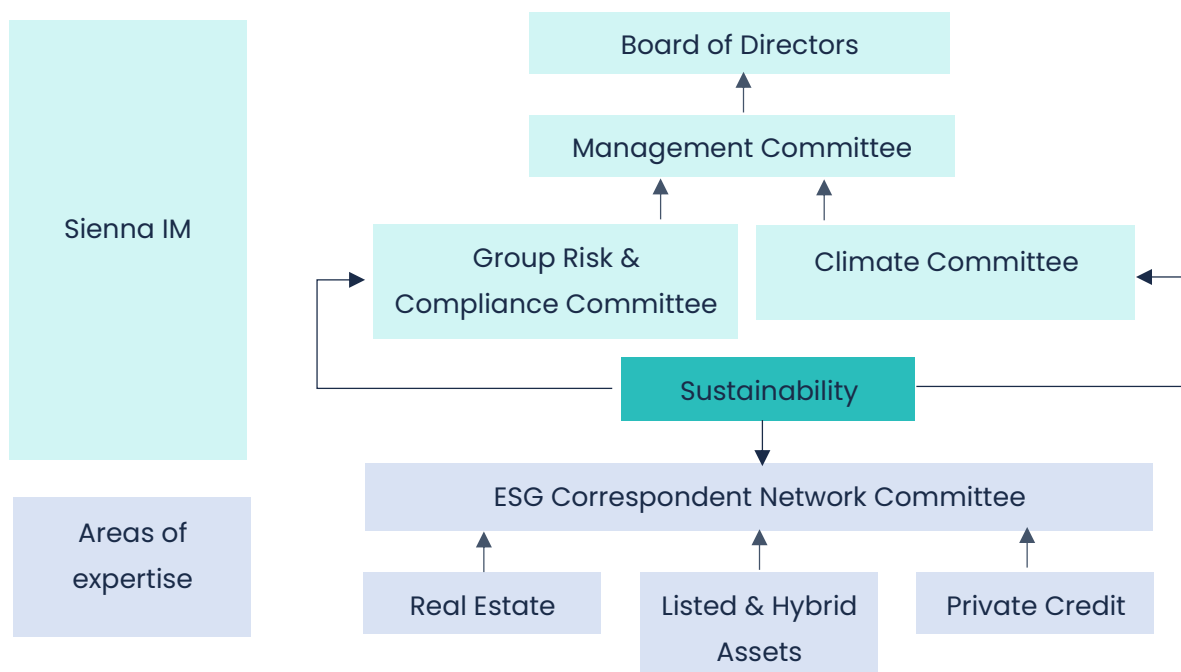
Sienna IM applies the same level of demand to itself. Sienna IM considers, therefore, sustainability at both the investment and corporate (CSR) levels. Accordingly, the Group systematically focuses on addressing challenges related to climate, biodiversity and DE&I, while striving to implement tangible solutions. Furthermore, Sienna IM commits to focus on additional thematic, whenever relevant to its activities and stakeholders.

2. Scope

The policy applies to all subsidiaries and asset classes under Sienna IM worldwide. The Responsible Investment Policy is applied to all funds managed by Sienna IM, except in instances where a client mandate specifically requires otherwise.

3. Governance

Sienna IM relies on a strong governance framework for the development, implementation and monitoring of its sustainability strategy:



- The **Chief Executive Officer (CEO)** is responsible for the strategy, its objectives, achievements and funding and is the dedicated ESG correspondent to Sienna IM's Board of Directors.
- The CEO is supported by the **Chief Sustainability Officer (CSO)**, a member of the executive team, who reports directly to the CEO and is responsible for implementing Sienna IM's sustainability strategy. The CSO leads the Group's sustainability approach

by providing functional guidance to ESG managers within the specialised subsidiaries and by validating the ESG programmes and communications established across the organisation.

- The Chief Sustainability Officer leads the **ESG Correspondent Network**, composed of ESG managers representing each of the Group's expertise. The CSO ensures that each manager reports directly to a corporate officer, and that an ESG correspondent is appointed to the Supervisory Boards of each operating subsidiary.
- The CSO ensures that Sienna IM's sustainability practices are aligned with the oversight and guidance of the **Group's Chief Risk and Compliance Officer (CRCO)**. The CRCO is chaired by the CEO of Sienna IM and meets quarterly. In addition to its responsibilities for risk monitoring and management, the Committee:
 - Validates ESG- related policies implemented within Sienna IM.
 - Contributes to steering the implementation of the Corporate Sustainability Reporting Directive (CSRD) and to the assessment and analysis of double materiality.
 - Evaluates and monitors ESG risk mapping.
- The **Climate Committee**, established in January 2025, meets biannually and is composed of members of Sienna IM's senior management, the Chief Sustainability Officer, Listed Assets' Head of ESG and the Climate Referent. Its roles include:
 - Defining and regularly updating Sienna IM's climate strategy.
 - Assessing performance twice a year by analysing data on greenhouse gas (GHG) emissions from Sienna IM's operations and investments, as well as progress on sustainability initiatives.
 - Proposing corrective actions and recommendations to enhance climate performance and refine the Group's climate strategy as needed.

Each entity is responsible for implementing and maintaining its proprietary governance structure to oversee ESG-related policies, procedures, and practices, in alignment with the Group's overall sustainability framework.

4. Support and capacity building

A. Resources

Sienna IM acknowledges that ESG considerations are inherently transversal and integral to all areas of its operations. Every team is expected to contribute to and uphold the Group's ESG objectives, ensuring consistent commitment and integration across the organisation. Each function plays a vital role in the successful implementation of Sienna IM's Sustainability Strategy. For instance, the investment teams contribute through responsible investment practices, the Human Resources team advances our corporate social responsibility initiatives

dedicated to social topics, and the Marketing and Communications team ensures fair and transparent representation of Sienna IM's sustainability commitments. Across the organisation, all teams are expected to maintain a strong knowledge and understanding of ESG principles and to actively contribute to the implementation of the strategy at every stage.

i. Internal resources

Sienna IM's dedicated Sustainability Team is composed of six members. The Team is responsible for defining and implementing Sienna IM's sustainability strategy, both for its own operations and its investments, with a tailored approach for each area of expertise.

To ensure consistent integration and dissemination of sustainability principles throughout the organisation, an ESG Correspondent has been appointed within each team. These correspondents are responsible for overseeing the implementation of the ESG approach within their respective asset classes, monitoring the integration of ESG factors into investment processes, and ensuring alignment with Sienna IM's overarching sustainability strategy.

ii. External resources

Sienna IM relies on several external data providers to support ESG analyses and to monitor ESG KPIs across the companies in our portfolios. These providers include, but are not limited to, Morningstar Sustainalytics, Ethifinance, Humpact, Bloomberg, S&P Global Trucost, Habitat, Carbometrix, Iceberg Data Lab, Proxinvest Glass Lewis, and, for voting procedures, the Broadridge platform.

Weefin centralises all extra-financial data, offering multiple teams access to up-to-date issuer information and enabling aggregation and analysis at both the portfolio and index levels.

Additionally, for private credit investments, Sienna IM collects ESG data from issuers via an annual questionnaire through Tennaxia, which also provides access to benchmark data for each industry.

B. Trainings

Sienna IM is committed to providing sustainability training to all employees.

The dedicated Sustainability Team, along with other relevant staff, participates in ongoing training to remain current on emerging sustainability issues.

These sessions include both mandatory and voluntary courses designed to deepen employees' understanding of the relationship between sustainability, the Group's operations, and its strategic objectives. Participation in these programmes equips employees to identify and manage material sustainability impacts, risks, and opportunities that Sienna IM faces.

Training may also cover additional sustainability topics specifically related to the Group's own operations, ensuring a comprehensive approach across the organisation.

5. Corporate Social Responsibility

Sienna IM ensures that its own operations reflect the same sustainability principles it applies to investments made on behalf of clients. As a responsible investor, Sienna IM holds the companies in which it invests to rigorous ESG standards — and holds itself to those same standards.

As a responsible Group, Sienna IM integrates environmental and social considerations into its decision-making processes and activities, with a systematic focus on key challenges such as climate change, biodiversity, and diversity, equity, and inclusion (DE&I). Sienna IM strives to implement practical, real-world solutions and ensure these considerations are embedded across all areas of its activities.

Sienna IM's corporate responsibility takes several forms as described below.

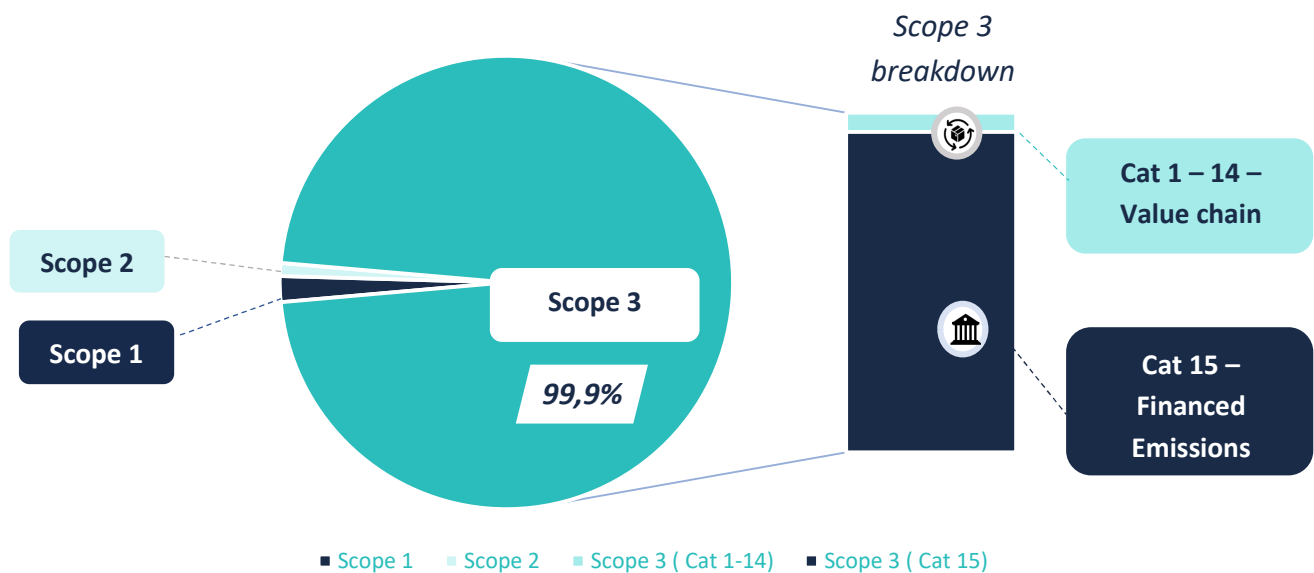
A. Climate responsibility

i. Implementation of an ambitious decarbonisation trajectory

Climate change is a growing threat to the planet. As indicated by the latest IPCC report, human activities are responsible for an increase in global temperatures of around 1.1°C compared to pre-industrial levels. The report highlights that, without a rapid and significant reduction in greenhouse gas (GHG) emissions, the world risks surpassing the 1.5°C threshold by 2030 — leading to severe consequences such as the intensification of extreme weather phenomena, rising sea levels and irreversible damage to ecosystems.

Since 2022, Sienna IM has conducted annual carbon audits in accordance with the internationally recognised Greenhouse Gas (GHG) Protocol, in collaboration with an independent third-party, to measure and understand its environmental impact. These audits provide a detailed emissions inventory and guide concrete actions to reduce the Group's carbon footprint, while enabling progress tracking and strategic adjustments over time.

The annual measurement of Sienna carbon footprint enables the identification of the main sources of emissions and the most effective levers for reduction. This allows Sienna IM to implement a series of targets and actions across all scopes.



Graphic representation of Sienna IM's emissions. Source: Sienna IM and Carbometrix

Sienna IM has, therefore, set ambitious GHG reduction targets, aligned with the Paris Agreement and the Science Based Targets initiative (SBTi), which are described in detail in its [Climate Roadmap](#). They cover both Sienna IM's own operations and the emissions Sienna IM finances.

Scope	Objective
1 & 2	Reduce absolute emissions by 54.6% by 2033 compared to 2023 levels.
3 (Categories 1-14)	Implement measures to reduce indirect emissions across the value chain
3 (Category 15)	Establish and pursue targets for reducing financed emission – detailed in the Responsible investment part

ii. Travel & Mobility

In 2023, Sienna IM implemented a Travel Policy designed to ensure fair treatment for all employees, define consistent travel rules, and minimise the carbon footprint of business travel. Under this policy, train travel is prioritised for journeys lasting less than 3.5 hours. Sienna IM also encourages employees to adopt sustainable modes of transport for commuting to and from work, supported by a financial incentive scheme that promotes environmentally responsible mobility choices.

Sienna IM has begun replacing its fleet of company cars with electric and hybrid vehicles, significantly lowering direct emissions.

iii. Responsible Procurement

Sienna Investment Managers implements responsible sourcing practices that address the environmental and social impacts of its upstream value chain. Through the Responsible Purchasing Charter, Sienna IM mandates all suppliers to engage in continuous improvement regarding environmental protection, particularly in climate-related areas such as energy consumption reduction and greenhouse gas emissions in line with the Paris Agreement. The main principles of this responsible procurement policy are:

- Reuse and Recycling: encouraging the reuse of materials and equipment wherever possible and appropriate
- End of life cycle assessment: evaluating whether maintenance or repair of existing assets is a viable alternative to purchasing new equipment
- Environmentally friendly products: give preference to the purchase of products and materials that are environmentally and energy-friendly, as well as those that meet recognised sustainability standards
- Supplier Collaboration: Partnering with suppliers to promote and strengthen sustainable business practices.

The policy also details our supplier selection criteria such as the availability of the supplier's carbon footprint on scope 1, 2 and 3. This policy is available for all Sienna IM's employees, and the ESG Correspondent Network is responsible for overseeing and ensuring its implementation.

Sienna IM has taken the strategic decision to switch all offices to 100% renewable electricity contracts. This initiative, currently being implemented, will significantly reduce emissions linked to energy consumption while supporting the development of renewable energy in the market.

iv. Other actions

Sienna IM integrates climate responsibility across the organisation through training, workshops, and employee engagement.

Furthermore, as a responsible investor, Sienna IM integrates climate considerations into the investment process.

B. Biodiversity Responsibility

Biodiversity is defined as the diversity between species, among species, of ecosystems, and their interactions. Biodiversity and the vital services provided by nature for humanity influence almost all aspects of human development. These ecosystem services are essential for food production, water purification, climate regulation, and disease control. However, the natural resources are depleting and degrading much more rapidly than at any other time in human history, and this is almost exclusively due to human activities. One million species, out of an

estimated total of eight million, are threatened with extinction, 75% of the Earth's surface has been significantly altered, and 85% of wetlands have disappeared². This decline jeopardises a significant number of ecosystems as well as the ecosystem services essential to the economy and our society. The IPBES³ estimates that 50% of global GDP will be affected by biodiversity loss. In this regard, biodiversity loss constitutes a financial risk.

Sienna IM recognises that its activities both depend on and impact biodiversity, directly and indirectly. Sienna IM has long supported biodiversity-related initiatives and stakeholders. To strengthen this commitment, the Group has become a shareholder of Iceberg Data Lab in 2022 and supports academic research dedicated to biodiversity, through the Research Chair of AgroParisTech. In 2024, Sienna IM formalised this commitment by developing a dedicated Biodiversity Strategy.

Furthermore, as a responsible investor, Sienna IM integrates biodiversity considerations into the investment process, ensuring that nature-related risks and opportunities are systematically assessed and managed.

C. Human capital responsibility

Sienna takes great care of its human capital. Sienna is therefore committed to various topics, as explained below. All the below dimensions are assessed at least every two years, through a social climate survey to which all Sienna employees are invited to respond anonymously. The questionnaire combines quantitative items and open-ended qualitative questions. The results are thoroughly analysed, shared at the team level, and followed by a targeted improvement plan led by management.

i. Diversity, Equity and Inclusion

[The Diversity, Equity, and Inclusion \(DE&I\) Charter](#) of Sienna IM, dated June 2025, outlines the Group's commitment to fostering an inclusive workplace for all employees. It defines diversity as the presence of differences within an organisation, equity as fair access and opportunities for all individuals, and inclusion as the actions taken to embrace and leverage unique strengths and identities, ensuring that everyone feels welcomed and valued.

Aligned with Sienna IM's core values of cohesion, sustainable innovation, customer focus, and agility, the charter emphasises that DE&I are essential for enhancing business performance and decision-making. As a responsible investor, the Group holds itself and its portfolio companies to high standards regarding diversity and inclusion, aiming to create an environment where diverse backgrounds and perspectives are embraced, and where all employees have equal opportunities to thrive.

To guide its DE&I efforts, Sienna IM has identified five key priorities: ensuring equal opportunities, promoting gender equality, encouraging the integration of people with

² According to the French Ministry of Ecological Transition

³ IPBES: Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services

disabilities, fostering the professional development of young people, and valuing the expertise of senior employees.

Sienna IM's commitment to DE&I is operationalised through a concrete action plan, supported by management and monitored through key performance indicators. This comprehensive approach aims to cultivate a safe and inclusive workplace where every employee can express their thoughts and ideas freely.

Conferences are regularly offered to employees to develop knowledge and raise awareness on key topics that support a genuine DE&I mindset, such as psychological biases, disability-related stereotypes, and other relevant issues.

ii. Quality of life at work

Sienna IM has adopted a flexible office model, introduced in 2024 in response to feedback gathered through the annual employee survey. This model brings all France-based employees together on a single floor and provides anchor areas designed to support collaboration and mobility.

Work-life balance is supported and formalised through a Disconnection Charter and a Remote Working Policy, which authorises up to two days of remote work per week.

Employee health and safety are actively promoted. Sienna IM organises regular preventive health initiatives on topics such as nutrition, cardiovascular health, and the challenges faced by caregivers. The group also provides training in first aid.

Finally, Sienna IM fosters an environment that encourages open, direct and collective expression, ensuring that employees have accessible channels to share their views and contribute to workplace dialogue.

iii. Remuneration

All employees of the Group are assigned at least one annual sustainability-related objective as part of their performance evaluation.

Members of Sienna IM's senior management have ESG considerations integrated into their variable remuneration. In 2023, a long-term incentive plan was introduced, which includes the achievement of Science Based Targets initiative (SBTi) validation. These objectives encompass both the decarbonisation of Sienna IM's own operations and its investment portfolios.

For portfolio managers, a portion of variable remuneration is linked to qualitative performance criteria, including compliance with ESG regulations and alignment with Sienna IM's risk management policy. This qualitative component incorporates sustainability risk considerations, in accordance with Article 3 of the SFDR Regulation.

In addition, some of the legal entities' profit-sharing agreements include targets for ESG indicators such as 'S' (employee training, parity) and 'E' (the company's carbon footprint), and for eligible entities, Sienna IM offers a PERECO⁴ employer contribution to employees.

Additionally, gender parity is demonstrated in employee compensation, ensuring that individuals performing equivalent responsibilities receive equal pay.

Further details are available in the respective entities' sustainability policies.

iv. Skills development & Trainings

Employee integration and skills development are key priorities at Sienna IM. Training needs are identified through annual performance reviews and employee surveys, ensuring that development plans reflect both individual aspirations and organisational objectives.

To support continuous learning, Sienna IM provides employees in France with access to Skillup, a dedicated platform that allows them to easily explore and select training courses aligned with their identified needs.

D. Societal responsibility

Sienna IM is committed to supporting and promoting societal initiatives that create a positive social impact. The Group particularly values initiatives led by its employees, such as the partnership with Cravate Solidaire. Each year, a new solidarity initiative is undertaken. For some entities, employee savings schemes include the implementation of such initiatives as part of their engagement activities.

Sienna IM also favours engagement with our stakeholders through its Responsible Purchasing Policy, which requires all partners to sign the Responsible Purchasing Charter. This ensures shared commitment to ethical, social, and environmental standards across the value chain. Additionally, Sienna IM supports skills-based sponsorship initiatives aimed at empowering individuals and communities by providing access to professional development resources. These initiatives include mentoring students and offering internships aligned with Sienna IM's areas of expertise, with a particular focus on supporting underserved youth and marginalised communities.

⁴ Plan d'Épargne Retraite d'Entreprise Collectif

6. Responsible Investment

Sienna IM considers material risks and opportunities throughout the entire investment cycle — from selection and monitoring to portfolio optimisation and divestment — through the lens of double materiality. This approach means Sienna IM assesses both the risks posed by the environment to investments and the negative externalities generated by the companies Sienna IM's finances. Sienna IM's investment decisions increasingly rely on the understanding that non-financial analysis is essential to determine a company's long-term value and sustainability. This perspective enhances the investments selection and management processes, allowing Sienna IM to focus on companies and assets that demonstrate transparent, meaningful, and sustainable activities. Thus, Sienna IM's responsible investment activities are intrinsically linked to its long-term fiduciary duty.

Sienna IM integrates climate, biodiversity and social considerations into its investment process.

Sienna IM is committed to the responsible management of its funds and aim, wherever feasible, to classify all new funds as Article 8 or Article 9 under the SFDR, with exceptions made only where the nature of the assets or the fund requires otherwise. As of December 2025, over 90% of assets under management within the scope of SFDR are classified as Article 8 or Article 9. Sienna IM understands the significance of fund labelling for its clients and actively works to meet their labelling preferences.

Sienna IM integrates the ESG dimension into its entire decision-making process, guided by four key pillars: Exclusions, ESG Integration, Engagement, and Advocacy.

The detailed methodologies of listed assets and private credit ESG integration can be found in [Sienna Listed Assets ESG Policy](#) and [Sienna Private Credit ESG Policy](#).

<i>Listed assets</i>	<i>Private credit</i>
<p>Exclusions</p> <p>All our areas of expertise apply Sienna IM's exclusion policy (normative and sectoral exclusions).</p>	
<p>ESG Integration</p> <p>Our areas of expertise integrate ESG criteria in differentiated ways into the investment process.</p>	
<ul style="list-style-type: none"> • ESG risk analysis (issuers exposure and management systems put in place) • Controversies monitoring • Exclusion of issuers with the highest risk 	<ul style="list-style-type: none"> • Controversies' analysis • ESG risk analysis (based on the SASB framework and PAIs) and identification of opportunities (mainly via the SDGs) • Annual monitoring of the ESG analysis for each investment
<p>Engagement</p> <p>Engagement is deployed according to approaches specific to each expertise, with the objective of continuously improving issuers' ESG practices.</p>	
<ul style="list-style-type: none"> • Exercise of voting rights attached to shares • Collective engagement/dialogue 	<ul style="list-style-type: none"> • Bilateral dialogue prior to funding • Annual ESG questionnaire • Provision of thematic kits
<p>Advocacy</p> <p>Within the financial industry and with its stakeholders, Sienna IM promotes a responsible and long-term investment approach. It responds to consultations, actively participates in market groups and maintains a regular dialogue with its peers and its various counterparts.</p>	

E. Exclusions

The purpose of the [Exclusions Policy](#) is to prevent investment in any assets exposed to significant sustainability risks or that may have a negative impact on sustainability factors.

Sienna IM applies different types of exclusions:

Exclusions	Sienna IM
Norm-based	Compliance with the UNGC, UN Guiding Principles, OECD Guidelines and controversial jurisdictions
Weapons	Total exclusion of a defined list of illegal weapons
Pornography	≥5% production ≥25% distribution
Tobacco	≥5% production ≥25% distribution
Coal	Total exclusion (planning/developing new capacities (extraction, production, etc.)) ≥5% of revenues (Full value chain)
Non-conventional oil and gas	≥20% (exploration, production, trade, transport)

Other specific exclusion criteria may be applied at fund or mandate level, due to specific client requests, fund positioning and/or specific labelling requirements.

For specific asset classes and clients, Sienna IM can apply additional exclusions.

For more information, please refer to the [Exclusions Policy](#).

F. ESG Integration

At Sienna IM, ESG integration means the extra-financial criteria are considered within the investment process. It is based on an ESG analysis of issuers (corporate, states, cities, etc.) and on the use of this ESG analysis to select the issuers for investments. We consider ESG as a driver of long-term value creation for our portfolios.

i. Listed Assets

a. ESG Analysis

The ESG analysis aims to appreciate the capacities of issuers to manage ESG risks and opportunities. It covers material environmental factors (climate, biodiversity, pollution, resource management, etc.), social factors (human capital, stakeholder relations, etc.), and governance (balance of powers, culture, strategy, etc.).

ESG analysis relies on extra-financial rating agencies and is based on three main pillars:

- Identification of ESG risks and opportunities for each sector and issuers: Not all issuers face identical ESG risks and opportunities; these vary according to factors such as their business activities, value chain, production locations, clientele, and environmental dependencies. For instance, industrial companies typically encounter greater exposure to environmental risks and opportunities, while service-based firms are generally more affected by social considerations.
- Analysis of ESG risks and opportunities management by issuers: After identifying ESG risks and opportunities for each sector and issuer, it's important to evaluate how these are managed. This involves examining the policies, processes, and governance structures put in place to address risks and capitalise on opportunities. While companies in the same sector may face similar ESG challenges, their management effectiveness can vary widely based on the strength of internal controls, board oversight, the degree of ESG integration into their strategies, and resource allocation for sustainability. Additionally, controversies are carefully factored into ESG assessments, as they offer insight into a company's real-world practices and can influence final scores depending on their frequency, seriousness, and the company's handling of such events.
- Scoring system: The ESG scoring system evaluates issuers by considering both their exposure to material ESG risks and opportunities and how well they manage them. It ensures assessment reflects not just risk level, but also effectiveness of management. Higher exposure requires stronger management, and the final score balances risk with management quality for a clearer view of an issuer's ESG profile.

b. ESG selection

The ESG score can inform investment decisions in several ways:

- Best-in-class or best-in-universe approaches, where issuers with the lowest ESG scores in their sectors are excluded from the investable universe.
- ESG score performance: The scoring can also be used as a portfolio-level constraint, ensuring that the portfolio's average ESG score remains better than that of its benchmark or initial universe.

These methods enable systematic integration of ESG factors, prioritisation of higher-rated issuers, and alignment with sustainability goals.

Other approaches can be used depending on the investment strategies.

ii. Private Credit

a. Controversies Analysis

Following exclusion screening, investment opportunities undergo a systematic controversy analysis conducted either by the external provider EthiFinance or internally. When a controversy is detected, our analysts evaluate both its severity and the adequacy of the company's remedial actions. After completing this assessment, the Private Credit team may elect not to proceed with financing if the controversy presents a material risk.

b. ESG Analysis

All financing candidates undergo an ESG analysis in addition to traditional financial analysis. This review covers environmental factors (climate, biodiversity, pollution, and resource management), social factors (human capital and stakeholder relations), and governance (balance of powers, culture, and strategy). The analysis draws on the following complementary tools:

- The Sustainability Accounting Standards Board (SASB) sector analysis framework, the principal adverse impact (PAI) indicators and the analysis of the UN's Sustainable Development Goals (SDGs) are used to identify material ESG factors for the potential borrower.
- An ESG questionnaire is systematically sent out as part of the ESG analysis. Based on the potential borrower's answers, publicly available information and the documents received, the Sustainability team will identify and document the actions taken to address material ESG risks and opportunities.

If no critical issues are identified, the investment can proceed.

c. Monitoring

Borrowing companies are required to update their ESG questionnaires annually. This ensures that Sienna IM can track progress on ESG practices and maintain continuous oversight of portfolio entities.

iii. Investment strategies

ESG criteria are integrated in differentiated ways into the investment process depending on the asset class and investment objective.

a. ESG risk-focused funds

Some of Sienna IM's funds are ESG risk focused. They apply a traditional approach to ESG integration, either by reducing the investment universe (best-in-class/ best-in universe strategies) or by taking ESG criteria into account in the valuation of the company, to mitigate ESG risk.

b. Thematic funds

Sienna IM manages thematic funds that address specific challenges, such as climate transition, social impact, green bonds or defence, while integrating ESG-risk considerations.

c. Impact funds

Sienna IM also manages impact funds, which demonstrate a strong commitment to measurable positive outcomes.

Sienna IM defines impact investing, in line with the *Institut de la Finance Durable*, as an investment and financing strategy designed to accelerate the fair and sustainable transformation of the real economy, while providing clear evidence of the positive effects generated by investors.

This approach is built on three pillars: intentionality, additionality, and impact measurement.

It reflects the commitment of financial actors to deliver tangible social and environmental benefits aligned with the Sustainable Development Goals (SDGs), and to measure those outcomes rigorously.

To put this commitment into practice, Sienna IM has developed a range of impact funds across listed assets and private credit.

These strategies focus on themes such as social inclusion, climate and biodiversity, with the common goal of driving sustainable transformation and contributing meaningfully to the SDGs.

G. Voting & Engagement

Sienna IM's stewardship activities are closely integrated with its investment decision-making process. Shareholder engagement allows us to actively influence the companies in which Sienna IM invests, encouraging better environmental, social, and governance (ESG) practices, helping to mitigate financial risk in the long term. Through its engagement approach, Sienna IM aims, in line with its responsible investment policy, to:

- **Influence companies** towards stronger ESG practices and compliance with international standards and frameworks in areas such as climate change, biodiversity conservation and social responsibility.
- **Encourage issuers to measure and report** their non-financial performance to monitor the impact of their activities.
- **Promote greater transparency** on how companies take ESG issues into account.

i. Listed Assets

a. Voting:

Sienna IM has implemented a [voting policy](#) that guides shareholder decisions at general meetings, ensuring that votes are aligned with investors' long-term interests and best governance practices. To be effective, the voting policy must adhere to certain fundamental principles:

- **Policy transparency:** The voting policy must be clear and accessible, allowing investors to understand how and why voting decisions are made. This transparency ensures accountability and strengthens investor confidence.

- Independence of decisions: Voting decisions must be made independently, without undue influence from company management or conflicts of interest. Integrity in the voting process ensures that votes reflect the best interests of shareholders.
- Environmental and social responsibility: Voting decisions should incorporate non-financial criteria as much as possible, supporting resolutions that promote environmental sustainability and social responsibility.

Following presentation and approval by Sienna IM's Listed Assets senior management, the Responsible Finance Department is entrusted with exercising voting rights. The team is responsible for analysing resolutions, with the support of Proxinvest Glass Lewis, and manages voting procedures via the Broadridge platform. Voting execution is performed by the middle office team.

Sienna IM's Listed Asset [Voting and Engagement policy](#) is available online as well as the Annual Voting and Engagement reports.

b. Engagement

Sienna IM views engagement as a practical and complementary tool to ESG analysis, strengthening our ability to identify and manage ESG risks and opportunities. The search for long-term fund performance also involves supporting and raising awareness among the companies in which Sienna IM invests. Sienna IM's engagement strategy includes notably dialogue engagement activities with companies (mainly through collective initiatives). All these actions are designed to have an impact on companies by encouraging them to improve their consideration of the ESG issues they face. As a long-term investor, Sienna IM monitors the progress of engagement actions over a three-year period. If a company fails to demonstrate meaningful progress, divestment may be considered.

Three areas of focus have been identified for engagement in line with the Sienna IM's ESG strategy:

- Climate and energy transition strategies required under the Paris Agreement,
- Gender diversity, in particular in supervisory boards,
- Biodiversity preservation strategies.

Sienna IM conducts two types of engagements:

- Proactive engagement initiated when a company lacks transparency or a robust ESG strategy. While not linked to a controversy, such weaknesses represent potential risks that could escalate over time if not addressed.
- Reactive engagement undertaken in response to controversies involving breaches of international norms such as the UN Global Compact or the OECD Guidelines for Multinational Enterprises. In such cases, Sienna IM seeks dialogue to understand the company's perspective and corrective measures, allowing us to assess and manage related risks.

Sienna IM strongly believes in the effectiveness of collaborative stewardship to engage with listed companies. The collaborative engagement initiatives in which Sienna IM participates are selected in line with its responsible investment approach and policy.

The different engagement actions are detailed in the public [Voting and Engagement policy](#) and annual Engagement report.

ii. Private Credit

Sienna IM's Private Credit expertise does not operate as a shareholder with the ability to buy or sell securities. While it is entirely possible to engage in dialogue with private borrowers on ESG issues and request that they meet certain objectives, escalation mechanisms are limited: Sienna IM cannot sanction the borrowers' management by voting or filing voting resolutions, nor can it reduce its position or sell it in whole. As a lender, Sienna IM must hold its loan to maturity, and its influence is mainly exercised while the transaction is set up.

As a private debt holder, Sienna IM does engage with investee companies through several channels:

- **Initial dialogue:** Most transactions (approximately 80%) are bilateral deals that allow for an in-depth initial dialogue with the borrower. When setting up the transaction, Sienna IM includes in the key elements of the discussion the borrower's commitment to provide ESG data on an annual basis.
- **Sustainability Linked Loans (SLL) clauses:** Where possible, in the case of impact funds, the team includes SLL clauses. These clauses commit borrowers to achieving predefined sustainability indicators relevant to their business activities. They are developed through extensive discussions and are designed to be both ambitious and measurable.
In the event of non-compliance, interest rate penalties may apply, while achievement of objectives can lead to rate reductions, thereby aligning financial incentives with sustainability outcomes.
- **Thematic Audits:** For specific thematic deals, Sienna IM conducts dedicated audits before granting the loans. These audits ensure that the social and biodiversity trajectories of the entities are aligned with those of the respective funds. They also provide the basis for recommendations on key performance indicators relevant to each fund's focus.
- **Ongoing ESG monitoring:** Borrowers are required to complete annual ESG questionnaires to track progress against agreed indicators and commitments.
- **Capacity building:** Sienna IM support borrowers in strengthening their ESG capabilities by offering dedicated toolkits, including conferences, memos, expert discussions, etc.

H. Advocacy

Sienna IM promotes a responsible and long-term mindset across the financial industry.

Sienna IM is a firmly committed participant within its ecosystem. Sienna IM actively contributes to market initiatives and participates in collaborative engagements that are in line with its sustainability strategy. Each year, Sienna IM identifies new opportunities for engagement and advocacy to advance industry practices and support emerging ESG themes, including climate action, biodiversity preservation, and social inclusion. All of Sienna IM's commitments to sustainable finance are publicly available [on the website](#).

I. Climate

By directing capital flows towards projects and companies that promote environmental sustainability, financial institutions can not only reduce their own impact on the environment but also catalyse positive change on a large scale.

By integrating climate considerations into its investment decisions, Sienna IM can help achieve the goals of the Paris Agreement and support the resilience of ecosystems and communities to the impacts of climate change. Sienna IM's commitment to climate action is rooted in its core values and investment processes, reflecting the Group's belief in a sustainable and more environmentally friendly future.

Sienna IM has established a comprehensive framework supported by an Exclusions Policy that applies to all areas of expertise, at least for open-ended funds. This policy limits exposure to coal and unconventional oil and gas, reflecting our commitment to addressing major drivers of climate change.

Sienna IM sets measurable goals to reduce the carbon intensity of its investments while maintaining a realistic and effective approach to decarbonisation.

i. Listed assets (by 2029, baseline 2023)

Scope	Objective
1 & 2	Align 42% of listed assets' temperature score from 2.33°C to 2.03°C.
1, 2 & 3	Align 42% of listed assets' temperature score from 2.52°C to 2.16°C.

Although these targets cover 42% of listed assets under management (as of 31/12/2023), Sienna IM measures and monitors the temperature of **all portfolios** to ensure a consistent and comprehensive climate strategy.

ii. Private Credit (by 2033, baseline 2023)

Sector	Objective
Cement	–27.5% GHG emissions per tCO ₂ e/t
Land Transport	–39.1% GHG emissions per gCO ₂ e/t.km
Aviation	–35% GHG emissions per gCO ₂ e/RTK
Buildings	–69.1% GHG emissions per kgCO ₂ e/m ²
Energy	Finance exclusively renewable electricity projects

Through these commitments, Sienna IM integrates climate objectives across its investment activities, contributing actively to the transition toward a **low-carbon and sustainable economy**.

To meet this objectives, Sienna IM has implemented:

- A personalised guide for each investment strategy
- Sector-specific guides for carbon-intensive industries, summarising key issues, best practices for decarbonisation, data requirements, and relevant resources.
- A decision tree outlining the due diligence process for new borrowers operating in sectors covered by the Science Based Targets initiative (SBTi).
- Annual measurement of the total carbon footprint (Scopes 1, 2, and 3) of financed companies.

Sienna IM also participates in industry initiatives promoting responsible climate action across the financial sector.

The full strategy is detailed in Sienna IM's [Climate Roadmap](#).

J. Biodiversity

Building on the Global Biodiversity Framework of Kunming-Montreal, Sienna IM commits to biodiversity protection through the following objectives and actions:

- **Integration into investment processes:** Incorporating biodiversity considerations into ESG scoring, launching a dedicated private debt fund for biodiversity, and applying sectoral exclusions to limit exposure to highly polluting sectors.
- **Active engagement:** Conducting dialogue with companies and participating in collaborative industry initiatives to promote biodiversity conservation.
- **Impact monitoring:** Assessing the impact of investments on biodiversity through third-party analyses.
- **Dependency assessment:** Mapping sectors within our portfolios that are exposed to financial risks associated with biodiversity loss.

These commitments are further detailed in Sienna IM's [Biodiversity Policy](#), integration into our investment decisions which guides the integration of biodiversity protection into our activities.

7. Reporting & transparency

Transparent and regular reporting is a cornerstone of Sienna IM's sustainability approach. It enables the Group to demonstrate accountability to clients, stakeholders, and regulators, track progress against sustainability objectives, and provide clear insights into the environmental, social, and governance performance of both the Group and its investments.

Key examples of reporting include:

- **Sienna IM Annual Sustainability Report:** Consolidated reporting at the Group level, including progress updates and performance against all sustainability targets for both investments and operations.
- **Regulatory reports:** Compliance with requirements such as the Article 29 report for French entities and funds, SFDR, CSRD, and other applicable regulations.
- **PRI Reporting:** Transparency and Assessment Reports submitted to the Principles for Responsible Investment.
- **Fund-level ESG reporting:** Including impact reports where relevant to demonstrate outcomes of ESG and impact-focused strategies.
- **Tailored reporting:** Customised presentations and reporting prepared to meet specific client requirements.

8. Review & oversight

Sienna IM's Board of Directors is responsible for overseeing and validating the tri-annual review of the Sustainability Policy and its implementation. This review is conducted by the dedicated ESG resources in coordination with other relevant teams. The policy is also presented to the Supervisory Board of the entities of the Group.

The Sustainability Policy may be reviewed more frequently if significant changes occur in processes, regulatory requirements, or the investment environment to ensure that the policy remains up-to-date, effective, and aligned with Sienna IM's sustainability objectives.