

Overview Engagement Implementation Statement

This document provides an overview of how Lombard Odier Investment Managers (LOIM) implements and fulfils the Engagement Implementation Statement (Appendix III of the Investment Policy). For this purpose we have made a selection of the fair finance guide requirements. For each relevant norm, grouped by ESG theme, the document explains how LOIM addresses the requirement in its investment process, stewardship activities, and engagement practices. The descriptions below are based on information provided by LOIM and are reproduced verbatim for transparency and public disclosure purposes.

Corruption

Requirement

Companies publicly disclose their ultimate beneficial owner or owners including full name, date of birth, nationality, jurisdiction of residence, number and categories of shares, and if applicable the proportion of shareholding or control.

LOIM response

This topic is covered by our due diligence assessment prior to investments. Corporate governance is a key component of our ESG and sustainability methodology (ESG Materiality Rating and Sustainable Investment Classification).

LOIM additional clarification

This is part of compliance assessment performed by our Compliance team.

Indicators considered in LOIM ESG Materiality Rating:

- Board/Management Quality & Integrity
- Board Structure
- Ownership & Shareholder Rights
- Remuneration
- Audit & Financial Reporting
- Resilience

Animal Welfare

Requirement

Requirements are set for the use of laboratory animals for testing medical products in order to limit animal suffering and the number of animals used as much as possible and demonstrably look for alternatives to animal testing (the so-called 3R-strategy).

LOIM response

This topic is assessed as part of our product involvement assessment and ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment

Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Animal Testing Policy
- Animal Testing Programme

Food

Requirement

Companies minimise use of pesticides.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Sustainable Agriculture Programmes
- Sustainable Food Programmes
- Organic products

LO SI Framework

- PFAS production is considered harmful. Companies with a material exposure to PFAS are classified as red investments
- Where relevant, minimising the use of pesticides is part of our fundamental criteria for assessing companies' management of their biodiversity impacts

Requirement

Fishers are certified according to the Marine Stewardship Council (MSC) criteria or comparable standards for all fisheries in which they operate.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Supplier Environmental Certifications

LO SI Framework:

- MSC and ASC certifications are minimum requirements in order for seafood producers to be classified as contributing to sustainability objectives. Where relevant, MSC and ASC certifications are also part of our criteria for assessing companies' management of their biodiversity impacts.

Requirement

Fish farms are certified according to the Aquaculture Stewardship Council (ASC) criteria.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Sustainable Aquaculture Programmes

LO SI Framework:

- MSC and ASC certifications are minimum requirements in order for seafood producers to be classified as contributing to sustainability objectives. Where relevant, MSC and ASC certifications are also part of our criteria for assessing companies' management of their biodiversity impacts.

Requirement

Companies integrate environmental, social and governance criteria in their procurement and operational policies.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Sustainable Food Programmes
- Green Procurement Policy
- Environmental Policy

Requirement

Companies include clauses on the compliance with environmental, social and governance criteria in their contracts with subcontractors and suppliers

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

- Sustainable Food Programmes
- Supplier Environmental Programmes
- Supplier Environmental Certifications
- Social Supplier Certification
- Supply Chain Management
- Supply Chain Monitoring

Forestry

Requirement

Companies prevent negative impacts on High Carbon Stock (HCS) areas within their business operations and the forests they manage.

LOIM response

LO engages on nature-positive transition incl. TNFD disclosure, zero-deforestation; e.g. Nature Action 100, Finance Sector Deforestation Action.

LOIM additional clarification

Companies are expected to prevent negative impacts on High Carbon Stock (HCS) areas across their operations and managed forests. This expectation aligns with Nature Action 100+ priorities on managing material nature related impacts and transition planning, as well as investor led deforestation initiatives such as the Finance Sector Deforestation Action, which seek to eliminate deforestation and forest degradation linked to financing. Engagements carried out under these initiatives (from 2026, DIG replaces FSDA) inherently approach the topic.

Requirement

Companies throughout the wood supply chain prevent the use of illegally cut and traded timber

LOIM response

LO engages on nature-positive transition incl. TNFD disclosure, zero-deforestation; e.g. Nature Action 100, Finance Sector Deforestation Action.

LOIM additional clarification

In addition to our sustainable framework/controversies methodology, we address the topic of illegally cut and traded timber for companies in scope, as part of wider engagement questions, when deemed material. Indeed, preventing the use of illegally cut and traded timber is a prerequisite for managing deforestation-related nature risks, and is essential to meeting Nature Action 100 expectations. Chain of custody is a connecting mechanism between the expectations of NA100 (managing material nature-related risks) and FSDA, seeking to eliminate deforestation and forest degradation. Engagements carried out under these initiatives (from 2026, DIG replaces FSDA) inherently approach the topic.

Requirement

Production forests and timber plantations are certified according to the Forest Stewardship Council (FSC) forest management certification.

LOIM response

LO engages on nature-positive transition incl. TNFD disclosure, zero-deforestation; e.g. Nature Action 100, Finance Sector Deforestation Action.

LOIM additional clarification

In addition to our sustainable framework/controversies methodology, we address the topic of certifications for companies in scope, as part of wider engagement questions to understand the strength of its supply chain and the requirements it sets.

Example. Engagement with International paper Company through CA100+ has included a discussion around its FSC certification and its chain of custody certification. Since the company was an early adopter (2007 and 2009), engagement has focused on systematically embedding int across its manufacturing footprint rather than limited to distribution or selected sites.

In addition, under the engagements we carry out through Nature Action 100, FSC is a key topic. Whilst having a certification in place is important, we also may focus on the governance and accountability side at executive level and corrective actions implemented.

Requirement

Supply chains of timber traders and companies in the wood product chain (including pulp, paper, veneer, furniture) are certified according to the FSC chain of custody certification

LOIM response

LO engages on nature-positive transition incl. TNFD disclosure, zero-deforestation; e.g. Nature Action 100, Finance Sector Deforestation Action.

LOIM additional clarification

same as above.

Requirement

Companies in industries with a large impact on forests (including in any case the forestry and paper industry), report their forest related information to the Carbon Disclosure Project (CDP) Forest Program.

LOIM response

LO engages on nature-positive transition incl. TNFD disclosure, zero-deforestation; e.g. Nature Action 100, Finance Sector Deforestation Action.

LOIM additional clarification

LOIM proxy for this: we have participated since 2021 in CDP Non Disclosure Campaign to encourage companies to respond to CDP questionnaire. During the 2025 Non-Disclosure Campaign, 1,314 companies that had never disclosed through CDP before, were called on to disclose, of which 306 companies were targeted to disclose on forests. Companies engaged under this campaign were 2.9 times more likely to disclose on forests.

Example

Company Name: 3M Company

Country of HQ: US

Activity Classification: Materials

New disclosures on: Water Security, Forests

A longtime discloser through CDP on all issues, 3M in 2024 continued reporting on climate but stopped disclosing against water security and forests. However, the NDC campaign drove positive stakeholder engagement with the company and they renewed their water and forests disclosures for 2025.

Requirement

Companies integrate environmental, social and governance criteria in their procurement and operational policies

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Forest Certifications
- FSC Certified Sourcing
- Green Procurement Policy
- Biodiversity Programmes

Requirement

Companies include clauses on the compliance with environmental, social and governance criteria in their contracts with subcontractors and suppliers.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Forest Certifications
- Supplier Environmental Programmes
- Supplier Environmental Certifications
- Social Supplier Certification
- Supply Chain Management
- Supply Chain Monitoring

Energy

Requirement

Companies do not develop new coal-fired power plants.

LOIM response

LO exclusions and restrictions policy restricts investments in companies with revenues exposure above 10% to thermal coal power generation with derogation if the company has in place credible phase-out plans including an analysis of new coal capacity. Engagements support the assessment of the phase-out plans where needed.

LOIM additional clarification

There is usually no new coal-fired plants developments (especially in OECD) but usually investments are for maintenance capex.

Requirement

Companies integrate environmental, social and governance criteria in their procurement and operational policies.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Environmental Policy
- Environmental Management System
- Green Procurement Policy
- GHG Risk Management
- GHG Reduction Programme
- Renewable Energy Programmes

Requirement

Companies include clauses on the compliance with environmental, social and governance criteria in their contracts with subcontractors and suppliers.

LOIM response

This topic is assessed as part of our ESG and sustainability methodologies (ESG Materiality Rating and Sustainable Investment Classification). Engagements can address ad hoc challenges identified in the sustainability assessments.

LOIM additional clarification

Indicators considered in LOIM ESG Materiality Rating:

- Supplier Environmental Programmes
- Supplier Environmental Certifications
- Social Supplier Certification
- Supply Chain Management
- Supply Chain Monitoring