

CODE OF CONDUCT

CEO's Statement

Sustainalytics has built strong relationships with our stakeholders by providing outstanding products and service, and by doing business according to the highest ethical standards, wherever we operate and whatever the situation. Our commitment to principles such as fairness, honesty, independence, integrity, and transparency has long underpinned our decisions and actions.

The Golden Rule (“Do to others as you would like them to do to you”) guides our day-to-day interactions with one another and with stakeholders. This simple, but powerful, phrase transcends nationalities, faiths and belief systems – it is universal.

Nevertheless, given our position as an industry leader, it is important that Sustainalytics have a more formal Code of Conduct. It is the responsibility of each of us to ensure that the Code becomes more than just words on a page or screen. Each of us must not only read the Code, but must also adhere to its letter and spirit.

Sustainalytics’ culture and reputation are defined by our actions and the decisions we make every day. Through our own individual commitment to the Code, we uphold Sustainalytics’ legacy and ensure our future as the premier ESG research provider in the world.

Michael Jantzi
CEO
Sustainalytics

Introduction

Scope

The Sustainalytics Code of Conduct (hereafter referred to as the “Code”) applies to all Sustainalytics **Employees**.¹

Employees are required to review and sign the Code upon hiring and annually thereafter. Sustainalytics provides annual compliance training to Employees on the Code. Non-compliance with the policies and procedures in the Code can result in disciplinary action up to, and including, termination of employment.

¹ Please refer to the Glossary for the definitions associated with selected terms or phrases (these are bold in the text when first referenced).

This Code supersedes all other regional Codes in place at the time of its establishment. Sustainalytics reviews the Code at least every two years, or as required. The Executive Team has ultimate authority and oversight of the Code.

The Code is available internally on Sustainalytics' intranet and is publicly disclosed on Sustainalytics' website.

General Compliance Procedures and Assigned Responsibility

The **Compliance Manager** is responsible for overseeing compliance with the Code and its related policies. The Human Resources, Legal and Operations (HRLO) team provides support to the Compliance Manager, as required. The Compliance Manager must approve in writing the granting of exceptions to this Code.

Managers have the day-to-day responsibility to ensure that their direct reports understand the Code and its related policies and are updated on any changes. Employees are expected to raise concerns, and report any suspected violations of the Code, to their Manager. The Manager in turn is expected to report concerns or suspected violations to the Compliance Manager. If the concern or alleged violation involves a Manager, then Employees should report directly to the Compliance Manager by sending an email to the designated email address, compliance@sustainalytics.com.

Alternatively, reports may be made anonymously via <https://www.surveymonkey.com>. The information provided by the Employee will be treated as confidential and privileged to the extent feasible and permitted by applicable laws. However, Employees who report compliance concerns are encouraged to identify themselves when making such reports so that an investigation can be conducted with a full factual background and without any delay.

The Compliance Manager conducts investigations of each reported potential violation. Any retaliation against Employees reporting on (perceived) misconduct is prohibited and could result in disciplinary action up to, and including, termination of employment.

Conduct in the Workplace

Sustainalytics is committed to equity and fairness. The company strives to implement these principles in all aspects of its operations, including its employment practices and business relationships.

In its recruiting, hiring, retention and promotion practices, Sustainalytics does not discriminate against any individual on the basis of gender, race, ethnicity, place of origin, religion, political affiliation, sexual orientation, age, marital status or physical disability, or any other social class protected by law.

Sustainalytics does not tolerate discrimination or harassment of any kind in its workplace or at off-site business-related activities. Sustainalytics' non-discrimination policy is detailed in the **Global Employee Handbook**.

How We Do Business

Professional Business Practices

As a partner to investors around the world in developing and implementing responsible investment strategies, Sustainalytics aims to showcase integrity and transparency across its global business activities. Employees are expected to act in an ethical manner and demonstrate integrity, competence, diligence and respect for all of the company's stakeholders.

Sustainalytics is committed to complying with global and regional laws and regulations. Where a conflict exists between local laws and the Code, the stricter requirements are observed, with compliance with the law being the minimum required. Furthermore, if a local custom or policy is less strict than this Code, compliance with the stricter standards of this Code prevails.

Avoidance of Commercial Conflicts of Interest

Sustainalytics avoids entering into commercial relationships that might jeopardize the company's integrity and research independence. If an Employee believes a specific client relationship (or prospect relationship) presents a potential **conflict of interest**, the Employee should bring the issue to the attention of the Compliance Manager. In addition, an Employee may opt out of a specific client-, prospect or **subject company** relationship) without consequence if it presents a potential conflict of interest.

Quality and Integrity of the Research Process

In order to support the quality and integrity of our products and services, we strive to be transparent regarding the manner in which our research is presented and shared with clients. We are committed to providing clients and prospects with information about our research and rating methodologies, as well as information sources used.

Sustainalytics' research process involves the collection and analysis of information made available by third parties, including civil society, corporate, government, industry association, investor, media and regulatory sources. To ensure the production of high-quality objective analysis, employees are required to act with prudence and to use authoritative evidence to support analysis, keeping appropriate documentation on sources and citing sources in accordance with guidelines compiled for each product and service. **Plagiarism** is strictly prohibited within our research. Sustainalytics has rigorous review processes to ensure that research assessments are reasonable, adequate and appropriately sourced.

Separation of Client-Facing Teams from Research Authors

Sustainalytics aims to provide independent analysis, devoid of undue influence. Accordingly, **Research Authors** conducting research for ESG ratings are in separate teams from those whose primary responsibility is commercial and sales activities (**Institutional Relations**) as well as those whose primary responsibility is managing client accounts (**Advisory Services**). This separation aims to preserve the research objectivity of Sustainalytics' products and services with respect to ESG ratings, indices and screening.

Advisory Services team members and Institutional Relations team members must refrain from exerting any pressure, explicit or implicit, on Research Authors to change, not change, or justify any aspect of our research. For example, an Advisory Services team member arranging a meeting between a Research Author and a client to discuss a company's ESG Rating must not exert pressure to persuade the Research Author to a different view from the Research Author's previous judgement.

Avoidance of Conflicts of Interest in Research

Research Authors researching a company in which they are aware they have a **significant financial interest in the company, derive a benefit**, or have another **personal conflict of interest** must notify their Manager and the Compliance Manager. Sustainalytics' **Research Leadership** will carefully evaluate potential conflicts of interest within research and will initiate additional review processes if warranted to ensure research objectivity.

Moreover, Research Authors are required to notify their Manager and the Compliance Manager of any potential personal conflicts of interest, conflicts with work responsibilities, and/or negative impacts to Sustainalytics' reputation that could arise from activities beyond their work at Sustainalytics, including but not limited to: working for a different employer; board directorships; leadership positions with voluntary, advocacy and/or political organizations; and/or independent consulting.

Communications between Research Authors and Subject Companies

Sustainalytics may receive feedback from subject companies (i.e. companies in our research universe) as a regular component of the research and/or updating process. Sustainalytics maintains records of communications with companies as part of the company feedback process. Where relevant, references to these company contacts are disclosed in client deliverables.

Employee Gifts, Travel and Entertainment

Employees are prohibited from giving or receiving anything that can be construed as a **Bribe or Kickback** under any circumstance. Employees are not allowed to accept **Gifts** in excess of €100.

For research-related visits and field trips to Subject Companies, Employees are required to seek approval beforehand from the Compliance Manager. The estimated value of company-paid trip expenses (including travel and lodging costs, food and entertainment, etc.) should not exceed €2,000 over a 2-year period. The Compliance Manager maintains records on trips to Subject Companies to ensure compliance with this restriction.

Employees are permitted to entertain clients or prospects during the course of their ordinary business activities, provided this entertainment is not greater than €200 per person.

Restrictions on Communications with Clients/Prospects

Employees are not to communicate changes in ratings or outlook assessments to a client or prospect in advance of the publication of these changes in Global Access or other standard client delivery channels. Employees are to refrain from speculating about any changes to our research to a client or prospect before these changes are made available to all clients in Global Access.

Employees should not issue opinions about company assessments to a client or prospect that explicitly contradict assessments in our published research. Employees should not make misrepresentations or otherwise give false impressions about Sustainalytics' products or services.

Employees are not allowed to communicate confidential or internal Sustainalytics information to clients or prospects unless express permission is given to do so.

Insider Trading and Tipping

In the course of regular business activities, Sustainalytics and its employees may become aware of **Material Non-Public Information**. Material non-public information refers to information that is not publicly available and is reasonably expected to have a significant impact on the market price of the company's securities or to be considered as relevant by reasonable investors in their investment decision-making.

Insider Trading and **Tipping** are prohibited for all employees. Any Employee found to have engaged in this type of activity will be subject to disciplinary action up to, and including, termination of employment. Sustainalytics will also report such activity to local authorities as required by local laws and regulations. Employees are expected to observe such obligations not only during their employment with Sustainalytics but also after employment termination while in possession of material non-public information.

Fair Dealing with Clients and Prospects

Sustainalytics commits to fair dealing towards clients and prospects without bias or discrimination. Where different products or service levels are available, Sustainalytics takes reasonable efforts to ensure the service level provided is commensurate with the product and/or service selection.

Handling of Confidential Data

Confidential client data is shared with internal staff only on a need-to-know basis and is not made available to the wider company. Confidential client data is not shared with third parties unless express permission is given by the client to do so.

Social Media

Sustainalytics encourages its Employees to engage with social media to build awareness and momentum about responsible investment and corporate social responsibility. To leverage the full beneficial potential of social media, and to mitigate any problems or misunderstandings that may arise due to social media use, Employees are required to adhere to the company's [Social Media Policy](#).

Glossary

“Advisory Services” and/or **“Advisory Services team members”** refer to Employees whose responsibilities include, but are not limited to: managing the client experience; assisting clients with drafting and implementing responsible investment policies; acting as trusted advisors to clients; maintaining and improving client retention and client satisfaction; and supporting business development.

“Bribe or Kickback” is any inducement provided in order to elicit unethical, dishonest or illegal behaviour (or that leaves the impression that it is provided with this purpose); or may affect or appear to affect an Employee's objectivity, judgement, fairness, honesty, independence, integrity, and/or transparency.

“Compliance Manager” is the Executive Vice-President, Human Resources, Legal and Operations.

“Conflict of Interest” exists when personal, occupational or financial considerations may affect or appear to affect an Employee's or objectivity, judgement, fairness, honesty, independence, integrity, and/or transparency.

“Derive a Benefit” includes, but it not limited to, remuneration or compensation agreements, bonus programs, commissions, financial incentives, or related relationships such as holding external positions/board directorships.

“Employee/Employees” refers to all Sustainalytics' employees, including temporary staff, interns and contractors.

“Gift” includes, but is not limited to, cash, cash equivalents (gift card, voucher, etc.), entertainment or other items with a value of €100 or greater (individually or collectively).

“Global Employee Handbook” is an internal document outlining Sustainalytics' human resources policies and procedures. It is a companion document to Local Employee Handbooks.

“Insider Trading” refers to employees trading securities of a company with knowledge of material non-public information.

“Institutional Relations” and/or **“Institutional Relations team members”** refer to Employees responsible for sales activities.

“Managers” are those individuals to whom Employees report.

“Material Non-Public Information” refers to information that is not publicly available and is reasonably expected to either have a significant impact on the market share price of a certain security or to be considered as relevant by reasonable investors in their investment decisions. This includes, without being limited to, information not yet released to clients about screenings, rankings or indices developed by Sustainalytics or in which Sustainalytics participates.

“Personal Conflict of Interest” exists where personal considerations may affect or appear to affect a Research Author's objectivity, judgement, fairness, honesty, independence, integrity, and/or transparency.

“Plagiarism” is the use of another person’s work, including but not limited to, ideas, opinions and theories, as well as reports, models and charts, without citation or acknowledgement.

“Research Authors” refer to Employees who have primary responsibility for research reports within the Research Products and Corporate Governance teams.

“Research Leadership” refers to the leadership team of the Research Products department.

“Significant Financial Interest in the Company” is defined as having direct ownership (greater than €1,000) in a company through an investment security (stocks, debt securities, or otherwise). For clarity, owning a security through a mutual fund, pooled portfolio, unit trust and the like is not covered by this definition.

“Social Media Policy” is a document that outlines guidelines to Employees when operating on the Internet as an identifiable employee of Sustainalytics. You can read it [here](#).

“Subject Companies” refer to companies researched for any products/services included as part of Sustainalytics’ research offering.

“Tipping” refers to the provision of any material non-public information to another party (including client, prospect and/or company) before such information has been generally disclosed to the public whether or not the other individual/company uses or is reasonably expected to use the information for trading purposes.