

Global Standards Screening

Methodology Version 2.1

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1. INTRODUCTION

This document provides an overview of Sustainalytics' Global Standards Screening (GSS) methodology. GSS assesses the impact that companies have on stakeholders and the extent to which companies cause, contribute or are linked to violations of international norms and standards. Specifically, GSS provides Sustainalytics' opinion as to whether a company is violating, or is at risk of violating, a Principle (or Principles) of the United Nations Global Compact (UN Global Compact or UNGC).

1.1 What GSS Assesses

Companies are expected to operate within internationally accepted norms and standards related to human rights, labour rights, the environment, and business ethics. When companies fail to operate within these norms, they risk negatively impacting societal stakeholders and/or the environment. This poses reputational risks for the company and for those who invest in it, and it can potentially destroy shareholder value.

In our **Global Standards Screening (GSS)**, we provide our opinion as to whether a company is violating, or is at risk of violating, one or more of the UN Global Compact Principles and related international norms and standards. Sustainalytics applies its own guidelines to assess company compliance with relevant international norms, assigning one of the following three statuses: Non-Compliant, Watchlist or Compliant. We aim to ensure a structured and consistent approach to assessing companies.

GSS assesses companies' compliance with the UN Global Compact Principles. It identifies companies that fail to meet established expectations for responsible business conduct. The nature and scope of (alleged) violations of norms and their impact on stakeholders are the starting point of a GSS assessment.

GSS assessments also include information on norms and standards that are enshrined in the UNGC, related complementary standards - such as the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD MNE Guidelines) and the United Nations Guiding Principles on Business and Human Rights (UNGPs),- as well as their underlying international conventions and instruments.

GSS company assessments are qualitative and based on a number of different dimensions, including impact, company responsibility and management, applying factors derived from international standards. A holistic assessment is made, based on all these dimensions, to determine a company's assessment status.

1.2 How Clients Can Use GSS

Investors can use GSS for a wide variety of purposes, including to:

- Support due diligence efforts while making investment decisions.
- Proactively manage reputational and potential financial risks by constructing investment portfolios aligned with international norms and standards.
- Identify companies that violate the UN Global Compact's internationally recognized principles for business conduct and align portfolio holdings with these standards.
- Fulfil requirements related to norms-based screening, engagement and responsible investment mandates.
- Access qualitative analyses of issues that consider the company's responsibility, the severity of its impact and the quality of management's response.

2. OVERVIEW OF GSS

2.1 Key Features

- **Research Scope:** GSS assesses a company's compliance with the UN Global Compact Principles and underlying standards including the OECD MNE Guidelines and the UNGPs. The assessments provide insights on the extent to which a company causes, contributes to or is linked to violations of international norms and standards.
- **Assessment Status:** Companies are assessed as **Compliant**, **Watchlist** or **Non-Compliant** with the ten UN Global Compact Principles – at both the issue and overall company levels. Detailed information about the Principle(s) violated, or at risk of being violated, is provided according to the following framework:
 - » Company is classified as Non-Compliant, Watchlist or Compliant.
 - » A Positive, Negative or Neutral Outlook is provided based on our assessment of whether we expect an improvement or a deterioration in the assessment status within the following 12-24 months.
 - » Detailed information about the Principle(s) violated, or at risk of being violated is provided.
 - » Analysis of the severity of the impact, company responsibility and company management are provided.
- **Specialized Research Team:** Dedicated research team with expertise on norms-based screening and assessments.
- **Rigorous Research Process:** Severity of the impact, company responsibility and company management are assessed for every issue and company with a Watchlist or Non-Compliant assessment status. A company's corporate structure and ownership relationships are assessed.
- **Oversight:** An internal committee consisting of senior representatives from Research and Product Management reviews and approves all assessments, ensuring consistency in all decisions.
- **Quarterly Reporting:** Ongoing analysis, with quarterly publication of companies' overall status ensures product stability.

2.2 International Standards Covered

In our assessments, we provide an opinion as to whether a company is violating or at risk of violating one or more of the ten UNGC Principles. Within scope and referenced within our (Watchlist and Non-Compliant) assessments are also complementary standards (such as the OECD MNE Guidelines and the UNGPs) that are considered relevant to the specific UNGC violation, as well as underlying international conventions and instruments (see Table 1).

The UNGPs, OECD Guidelines, ILO Tripartite Declaration are the main standards defining corporate responsibilities towards social and environmental issues, as well as the expected behaviour by corporations. The content of these standards are aligned and complementary in terms of scope. Important to note is that these standards specifically make reference to certain human rights treaties companies should respect, but they do not get to that level of details in relation to environmental treaties. When assessing companies we look at the international conventions and other standards for interpretation purposes, for example to understand better the content and scope of human rights, also in relation to environmental issues.

Our GSS research keeps abreast of developments of international norms and standards, including emerging consensus on interpretations of international norms and corporate conduct. If a new standard or international treaty is published by an international or multilateral organization, GSS aims to develop criteria to incorporate these norms into our assessments in order to ensure that GSS research meets investors' requirements.

Table 1: International Standards Covered in GSS

United Nations Global Compact (UN Global Compact)	Identifies the specific UNGC principle(s) to which an issue relates.
United Nations Guiding Principles on Business and Human Rights (UNGPs)	References relevant principle(s) of the UNGPs associated with the Watchlist and Non-Compliant issue.
OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD MNE Guidelines)	References relevant chapter(s) of the OECD MNE Guidelines associated with the Watchlist and Non-Compliant issue.
Related International Conventions and Instruments	References relevant international instruments and conventions associated with the Watchlist and Non-Compliant issue.

2.2.1 UN Global Compact Initiative

The UN Global Compact is a voluntary initiative aimed at implementing universal sustainability principles. It comprises ten Principles that define the minimum fundamental responsibilities that companies are expected to meet in the areas of human rights, labour, the environment and anti-corruption. The UNGC Principles are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

UN Global Compact signatories are required to publish a description of the ways in which they support the UN Global Compact and its ten Principles in their annual reports or similar corporate reports (e.g. sustainability reports). GSS assessments do not necessarily align with the UN Global Compact policies related to delisting or to its integrity measures to expel companies due to systematic or egregious abuse of the Global Compact's overall aims and Principles.

Sustainalytics analyses publicly reported allegations of adverse impacts caused by businesses and provides assessments based on principles recognized under the UN Global Compact Principles as well as underlying conventions and authoritative guidelines, such as the OECD MNE Guidelines and the UNGPs. The terms Watchlist and Non-Compliant should be understood to be Sustainalytics' opinion and a normative assessment of a company with regard to the UN Global Compact Principles. Our assessments are not intended to affect, preempt or substitute for other regulatory or legal procedures or proceedings in any jurisdiction.

2.2.2 OECD MNE Guidelines, UNGPs and Underlying Conventions and Instruments

GSS assessments reference relevant OECD MNE Guidelines (chapters), UNGPs and their underlying conventions and instruments. The UNGC and OECD MNE Guidelines are complementary standards based on broad international consensus. The UNGPs also form an integral part of the OECD MNE Guidelines. These instruments are deeply rooted in international conventions and declarations enjoying universal consensus. The ten Principles of the UN Global Compact and related standards are listed in Table 2 below. Please note that the table shows the typical Global Compact Principles, OECD MNE Guideline Chapters and UNGPs assigned to each norm area; however, these are ultimately decided by our research analysts, based on the details of each issue.

Table 2: Overview of International Norms and Standards in GSS Scope

Norms Areas	UN Global Compact Principles	OECD Guidelines for Multinational Enterprises on Responsible Business Conduct Chapters	UN Guiding Principles on Business and Human Rights
Human Rights	<p>P1 – Businesses should support and respect the protection of internationally proclaimed human rights</p> <p>P2 – Businesses should make sure that they are not complicit in human rights abuses</p>	<p>Chapter IV – Human Rights</p> <p>Chapter VIII – Consumer Interests</p>	<p>11 – Respect for Human Rights</p> <p>12 – Respect internationally recognized Human Rights</p> <p>13 – Avoid / Prevent Human Rights impacts</p> <p>14 – Enterprise context and structure adverse impacts</p> <p>15 – Policy Commitment</p> <p>16 – Policy Statement</p> <p>17 – Human Rights Due Diligence</p> <p>18 – Identify and assess actual / potential impacts</p> <p>19 – Integration and appropriate action</p> <p>20 – Verification of adverse impacts with stakeholders</p> <p>21 – Communicate on human rights impact</p> <p>22 – Provide remediation</p>
Labour Rights	<p>P3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining</p> <p>P4 – Businesses should uphold the elimination of all forms of forced and compulsory labour</p> <p>P5 – Businesses should uphold the effective abolition of child labour</p> <p>P6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation</p>	<p>Chapter V – Employment and Industrial Relations</p>	<p>11 – Respect for Human Rights</p> <p>12 – Respect Int. recognized Human Rights</p> <p>13 – Avoid / Prevent Human Rights impacts</p> <p>14 – Enterprise context and structure adverse impacts</p> <p>15 – Policy Commitment</p> <p>16 – Policy Statement</p> <p>17 – Human Rights Due Diligence</p> <p>18 – Identify and assess actual / potential impacts</p> <p>19 – Integration and appropriate action</p> <p>20 – Verification of adverse impacts with stakeholders</p> <p>21 – Communicate on human rights impact</p> <p>22 – Provide remediation</p>
Norms Areas	UN Global Compact Principles	OECD Guidelines for Multinational Enterprises on Responsible Business Conduct Chapters	UN Guiding Principles on Business and Human Rights
Environment	<p>P7 – Businesses should support a precautionary approach to environmental challenges</p> <p>P8 – Businesses should undertake initiatives to promote greater environmental responsibility</p> <p>P9 – Businesses should encourage the development and diffusion of environmentally friendly technologies</p>	<p>Chapter VI – Environment</p> <p>Chapter IX – Science, Technology and Innovation</p>	<p>Not Applied to issues captured under Principles 7, 8 and 9.</p>

Business Ethics	P10 – Businesses should work against corruption in all its forms, including extortion and bribery	Chapter VII – Combating Bribery and Other Forms of Corruption Chapter X – Competition Chapter XI – Taxation	Not Applied to issues captured under Principle 10.
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A list of underlying conventions and instruments is included in Appendix A.

2.3 Assessment Status

GSS assesses companies as Non-Compliant, Watchlist or Compliant in relation to the Principles of the UNGC. This Overall Global Compact Compliance Status reflects Sustainalytics' judgment call as to whether a company is violating, or is at risk of violating, a Principle (or Principles) of the UNGC. In the sections below, we provide definitions of each assessment status.

2.3.1 Non-Compliant

A company is assessed as Non-Compliant with the UN Global Compact Principles when it is determined to be **causing or contributing (or directly linked)** to severe or systemic and/or systematic violations of international norms. In other words, a company is assessed as Non-Compliant when it does not act in accordance with the Principles and their associated standards, conventions and instruments, according to our framework.

Companies assessed as Non-Compliant include those that are directly associated with issues causing severe, irreversible impacts that affect stakeholders and/or the environment and interfere with the enjoyment of rights and/or impose a clear cost on society. Companies displaying inadequate responses to address or remediate the issues at hand, including attempts to conceal their wrongdoing and/or involvement, are also assessed as Non-Compliant.

In addition, GSS assesses companies that facilitate third parties in human rights violations as Non-Compliant (with Principle 2 of the UN Global Compact). For example:

- Companies involved in key and dedicated components of anti-personnel mines, cluster munitions, and chemical and biological weapons.
- Producers of nuclear weapons that support their proliferation outside of the five designated nuclear states or that violate UN sanctions / International Atomic Energy Agency (IAEA) rules.

See Section 4.1.1 for more details on GSS's approach to controversial weapons.

2.3.2 Watchlist

A company is assessed as Watchlist if it is determined to be **at risk of causing or contributing (or directly linked)** to severe or systemic and/or systematic violations of international norms and standards.

A company is assessed as Watchlist when it is determined to be:

- Causing or contributing to severe negative impacts (harm) to stakeholders and/or the environment, but for which not all requirements for a Non-Compliant status could be established (e.g. company accountability cannot be confirmed);
- Accountable for negative impacts, but there is insufficient information to determine that the company is violating international norms;
- Linked to a violation of international norms, but the negative impacts are not severe enough to warrant a Non-Compliant status, or the negative impacts are still remediable;
- Improving its policies and programmes to prevent a reoccurrence, having been assessed previously as Non-Compliant, and further monitoring is required due to pending resolutions or remediation efforts.

2.3.3 Compliant

A company is assessed as Compliant when it has not been determined to be **causing/contributing/directly linked** – or to be at risk of– to severe or systemic and/or systematic violations of international norms and standards in scope.

When there are allegations against a company that is assessed as Compliant, this means that the issues have been deemed not to meet the assessment factors to be relevant for Watchlist or Non-Compliant status, or do not otherwise meet the requirements of GSS's methodology for Watchlist or Non-Compliant status.

A Compliant status in GSS should not be interpreted as implying that a company is in full compliance with all international norms.

3. RESEARCH PROCESS AND CRITERIA

3.1 GSS Research Process

Our assessment of companies for GSS is conducted through a comprehensive and structured process. The assessment framework is applied by the GSS Team, which is a dedicated group of research analysts with expertise in norms-based screening and assessments. See Exhibit 1 for an overview of the research process.

Exhibit 1: Overview of Research Process



Step 1. News and Incident Screening

The research process begins with assessing issues identified by the Sustainalytics' Incidents screening, which informs GSS assessments as an initial input. Our dedicated Incidents Analyst team performs daily news screening of more than 60,000 media and NGO sources / 700,000 news items to identify relevant Incidents. All allegations identified by the Incidents team are monitored by the GSS team, which assesses the issue against the GSS assessment dimensions to determine whether in-dept research is required.

Step 2. Additional GSS Research

The GSS Team performs additional research and uses sources such as company public disclosures, media sources, government and regulatory publications, NGO publications, and reports from international and multilateral organizations (including UN Global Compact and the Office of the High Commissioner for Human Rights - OHCHR). In addition, specific in-depth sector and thematic research in the public domain are leveraged, such as recommendations issued by the Norwegian Council on Ethics or conclusions published by OECD National Contact Points on companies. Furthermore, the GSS Team leverages insights that we generate throughout Sustainalytics' in-house research database, for example findings from our Incidents and our Controversies Research.

Step 3. GSS Assessment Proposal

If the GSS Team identifies information that links a company to a violation that meets the criteria of our GSS methodology, an assessment is prepared, and applicable norms are identified. The analysts then make proposals to the GSS Research Manager. The GSS Team is responsible for their proposals for assessment changes independent from signals in other research products or analyst teams, but they do consult other teams within Sustainalytics during this step of the process.

Step 4. Company Contact

In the research process, a company will be contacted for fact-finding purposes and to provide the company with the opportunity to explain its position or efforts to address the issue. The

GSS Team can ask the company to confirm whether the company is aware of allegations and ask questions on how the company is responding to the issue.

Step 5. Approval and Publication

Proposals for an assessment change are made to the weekly Global Standards Oversight Committee (GSOC). See Section 3.3 for more details on this process. If the proposal is approved, a written report is drafted according to the GSS guidelines. Before a Watchlist or Non-Compliant status for an issue is published, a quality and editorial review is conducted on the report and the sources used therein.

Step 6. Quarterly Review

While the monitoring of companies is an ongoing process, assessment changes are published on a quarterly basis. The GSS Team reviews relevant companies for updates and developments during this research cycle. Each quarter, a screening for new Incidents and review of corporate relationships within the GSS universe are conducted as well. If the GSS Team concludes that a company meets the upgrade criteria, a proposal for an assessment change (upgrade) can be proposed for the weekly GSOC meeting (**Step 5**).

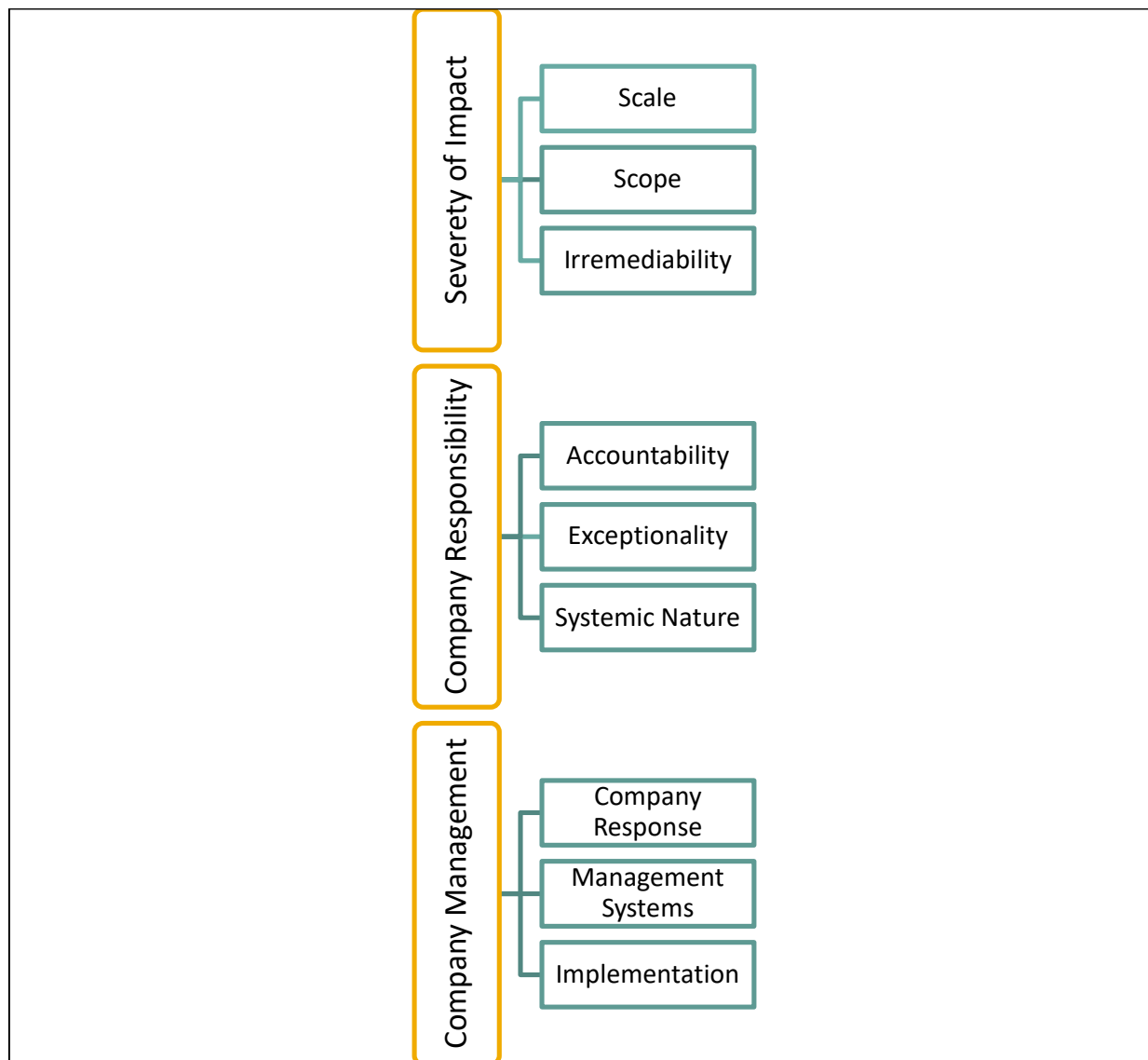
3.2 GSS Core Elements of Analysis

When determining the GSS assessment status, we analyse a company on several dimensions in relation to the issue, including:

1. **Impact** – severity of impact on stakeholders and/or environment – scale, scope and irremediability.
2. **Company Responsibility** – accountability, exceptionality, and systemic and/or systematic nature of impact.
3. **Company Management** – response, management systems and implementation.

See Tables 3, 4 and 5 for more details on the assessment dimensions and the factors used to determine the status.

Exhibit 2: GSS Core Elements of Analysis



3.2.1 Severity of Impact on Stakeholders and/or Environment

The first assessment dimension concerns determining the impact on stakeholders and/or environment caused by a company. See Table 3 for the factors considered in this dimension. The **Scale** of the impacts are assessed based on the gravity of the impacts and the number of people affected, as well as the **Scope** in terms of the frequency and consequences of the impact. The level of difficulty of restoring the situation of those impacted and/or the environment to the prior state (**Irremediability**) is also considered. In assessing these components, Sustainalytics looks at relevant norms for a company, as well as expectations for companies operating in an industry.

Table 3: Assessment Dimensions - Impact

<p>Scale</p> <ul style="list-style-type: none"> ▪ Gravity and duration of the impact for stakeholders / environment. ▪ Extent of impact and infringement on norms (fundamental rights). ▪ Whether stakeholders/environment are impacted negatively by a company's action(s) or omission(s).
<p>Scope</p> <ul style="list-style-type: none"> ▪ Number of individuals affected Salience, the rights that stand out as being most at risk of the potential or actual impact identified. ▪ (Geographic) reach of impact (contained or spreading, current or future). ▪ Frequency of impact. ▪ Consequences of (initial) impact, i.e. wider socio-economic impacts.
<p>Irremediability</p> <ul style="list-style-type: none"> ▪ Level of difficulty of restoring the situation and the rights of those impacted by the company. ▪ Extent of damage to society and whether this impact can be rectified (e.g. through compensation, reinstatement).

Based on this assessment criteria, GSS concludes whether the impact is **Low, Medium, High** or **Severe**. Relevant figures or numbers on impact such as number of people affected, size of spills or fines are assessed on a case-by-case basis using case law as a proxy for guidance. There are no fixed thresholds or quantitative rules applied, but analysts are guided by the concept of saliency (assessing the most salient rights that stand out as being most at risk) in line with the UNGPs.

3.2.2 Company Responsibility

The second dimension that GSS assesses is the company's responsibility for the impact. This dimension primarily assesses how closely a company is linked to the negative impacts. In determining a company's responsibility, Sustainalytics looks at whether a company has directly or indirectly, knowingly or unknowingly, caused or contributed or linked to the negative impacts through its operations, products or services (**Accountability**). When applicable, we assess the **Exceptionality** of the issue, which speaks to the degree to which the issue stands out, relative to relevant industry standards or peers. The level of a company's **Negligence**, as well as any **Recurrence** of similar issues involving the company, is also considered. For **Duration**, we assess how long the issue existed and how long a company's management should have been aware of the issue.

Under this dimension, we also assess whether the company is responsible due to its involvement in **Systematic** and/or **Systemic** violations.

See Table 4 for more details of the factors considered.

Table 4: Assessment Dimension - Company Responsibility

<p>Accountability / Managerial Responsibility</p> <ul style="list-style-type: none"> ▪ The nature of the issue and how closely the company’s management is linked to the impact. ▪ Whether the company caused, contributed to or is directly linked to the negative impact through its operations, products or services. ▪ The relationship between the company and those responsible for or accused of relevant violations.
<p>Exceptionality</p> <ul style="list-style-type: none"> ▪ Assessment of whether conduct vis-à-vis international norms is extremely negative in comparison with other companies in the sector. ▪ Whether the impact/issue stands out relative to what is acceptable in the industry (standards).
<p>Level of Negligence (when applicable)</p> <ul style="list-style-type: none"> ▪ Whether a company could have reasonably known about the issue before it happened, and whether it has taken steps to mitigate the possible impact.
<p>Level of Recurrence / Pattern (when applicable)</p> <ul style="list-style-type: none"> ▪ Whether similar impacts (i.e. high number of injuries among workers due to faulty equipment) occurred. ▪ Pattern of similar impacts involving the company (i.e. community displacements, loss of biodiversity in multiple situations).
<p>Duration</p> <ul style="list-style-type: none"> ▪ For Duration, we assess how long the issue existed and/or how long a company’s management should have been aware of the issue.
<p>Systematic/Systemic</p> <ul style="list-style-type: none"> ▪ Systematic: A systematic issue refers to an accumulation of identical situations that derive from the same underlying problem (e.g. repeated pattern of accidents due to operating without adequate health and safety measures). To qualify as systematic, the violations must be substantial in scope, numerous in quantity, include the infringement of different types of rights or abuses take place in many places within the company’s sphere of influence. Often, this is a result of an accumulation of violations and not merely isolated issues. They constitute a pattern of behaviour. ▪ Systemic: A systemic issue arises when a company does not address the adverse impacts that it causes or contributes to when operating in contexts where issues are prevalent due to governance failures. Examples are poor access to schools and high rates of poverty, which can increase the risk of child labour, or extensive bribery and corruption. If a company is operating in close proximity to many violations of norms but is ineffective in preventing or mitigating actual adverse impacts, it may be causing or contributing to systemic violations of norms.

3.2.3 Company Management

The dimension of **Company Management** assesses whether a company is willing and able to address an **issue** in an appropriate manner. GSS considers the quality of the **Company Response** in terms of the remedial steps taken by the company to address the impact, as well as how transparent the company is in disclosing relevant information and addressing concerns. GSS also assesses a company's **Management Systems**, which include policies and programmes for the relevant issue (or lack thereof) and how effective the **Implementation** of those management systems is at preventing a recurrence. This assessment is primarily based on publicly available information. See Table 5 below for more details on the factors considered.

Table 5: Assessment Dimension - Company Management

<p>Company Response</p> <ul style="list-style-type: none"> ▪ Steps that the company has taken to address those affected (e.g. regarding remedy and/or compensation of possible victims). ▪ Commitments made regarding the concerns raised (e.g. involvement in local community development projects). ▪ The company's overall response to the allegations or impact and its overall transparency.
<p>Management Systems</p> <ul style="list-style-type: none"> ▪ Whether the company has policies in place and conducts, impact and risk analysis, or other due diligence efforts. ▪ How the company implements and monitors adherence to relevant policies. ▪ Whether the company has implemented best practices according to international and industry standards.
<p>Implementation</p> <ul style="list-style-type: none"> ▪ Overall implementation of commitments to prevent a recurrence. ▪ Reporting on steps taken to prevent similar impacts in the future. ▪ Verification and monitoring of measures taken (ideally confirmed by third parties).

Based on this assessment factors, GSS concludes whether we have a **low, moderate or high** level of confidence in the company's ability to prevent a reoccurrence.

3.2.4 Issue- and Company-Level Assessments

Given that companies may be involved in more than one situation that brings them into conflict with international norms, GSS distinguishes between **Issue Assessments** and **Overall Company Assessments**. Every violation (Non-Compliant status) or high risk of violation (Watchlist status) of the UN Global Compact is related to a specific issue (e.g. an incident or a series of related incidents), and a company may be involved in several distinct issues at the same time. The Overall GSS Company Assessment refers to the most severe of the company's underlying issue assessments. While two or more issues for different norms falling under the same Principle make the overall impact more severe and are likely to make us question the quality of the company's management, there is no automatic rule that would make a company with two (or more) Watchlist issues Non-Compliant. For companies with

multiple issues under the same Principle or if there is evidence of a systematic problem, a Non-Compliant assessment could be concluded.

3.2.5 Assessment Status Outlook

The GSS **Outlook** is an indication of our conviction regarding the 12- to 24-month trajectory of the GSS Watchlist or Non-Compliant assessment status **at the company level**. Specifically:

- A **Positive** outlook assessment indicates that the overall assessment status is likely to be upgraded in the next 12 to 24 months because impacts associated with the issue(s) have decreased due to positive developments.
- A **Neutral** outlook signals that a company's overall assessment status is unlikely to lead to a change in the next 12 to 24 months.
- A **Negative** outlook indicates that the company's overall assessment status is likely to be downgraded over the next 12 to 24 months due to negative developments.

3.2.6 Upgrade Criteria

The assessment status for a company can be upgraded based on improvements in its management of an issue, based on the assessment factors described in this chapter. Upgrades are usually based on changes in a variety of factors. However, we generally consider the following as signs of a decreased risk of recurrence:

- Progress toward remediating the negative impacts caused
- Policies and processes aimed at preventing a recurrence (publicly disclosed)
- Lack of new negative developments regarding the issue

GSS identifies two conditions (criteria) for upgrading a company with an issue from Non-Compliant to Watchlist or Compliant:

1. **The violation has ceased.** (This relates to the actual issue(s).)
2. **The company has adopted a responsible course of action.** (This relates to the company's response to the issue(s).)

These **Upgrade Criteria** are defined when the assessment status is initially assigned and monitored on a quarterly basis. Companies are evaluated against the upgrade criteria on a quarterly basis. The Upgrade Criteria can change on a quarterly basis to reflect developments in the impact, company responsibility or management of the issue.

If both Upgrade Criteria are met, the GSS team can propose that the company be upgraded to Compliant. If the Upgrade Criteria have been partially fulfilled, the company could be upgraded to Watchlist. If positive developments have not been significant enough to justify an upgrade or too little time has passed since the issue(s) emerged to determine the success of any implementation of remediation efforts, the company may remain Non-Compliant.

We may upgrade a company from Watchlist to Compliant even if it has not demonstrated management improvements. In these situations, the lack of new incidents over an extended

period of time can be considered a proxy for the cessation of the violation and prevention of a recurrence.

All decisions to upgrade companies are made on a case-by-case basis, and all company assessment status changes must be agreed by the GSOC (see Section 3.3 for details).

3.3 Global Standards Oversight Committee (GSOC)

Status changes from or to Non-Compliant and Watchlist are approved by the **Global Standards Oversight Committee (GSOC)**. The GSOC comprises Research Directors, Product Managers and Senior Editors and is accountable to Sustainalytics' Research Products Leadership and the Executive Team (Executive Vice President, Research Products) in relation to any decisions taken.

On a weekly basis (or ad hoc, if needed), GSS Analysts present proposals for new assessments, as well as assessment changes. The Committee considers several factors in its review of these proposals, including:

- Is the proposed status change timely (i.e. violation should be recent or ongoing) and warranted given the (alleged) violation and based on the information available?
- Was the company contacted for fact-finding purposes?
- Is the status change based on the appropriate application of the GSS Methodology and historical case law?
- Are the supporting arguments convincing and credible?

A status change proposal is approved if it is determined to meet all key considerations, and it is rejected if the Analyst fails to convince Committee members of its merits.

The GSOC also considers and approves proposals related to the interpretation of norms, methodology and analyst guidance changes, and recommendations related to the research process.

3.4 Sources and Transparency

GSS research and assessments are conducted based on publicly available information, which includes, but is not limited to, media and NGO sources, company reporting, publications by international organizations, regulatory filings and judicial information. The research team utilizes publicly available sources for a large part of its research. There are two broad categories of sources that are employed in the research process:

1. Company disclosures, such as annual reports, financial documents (e.g. 10-K or 8-K reports in the US), proxy statements, and sustainability reports, which are published in accordance with legal and regulatory requirements.
2. Media sources, such as news outlets, NGO reporting, legal documents, regulatory decisions, government websites, and open data platforms, as well as other publicly available sources.

GSS reports list all the sources used for the assessment. For all Non-Compliant assessments, GSS reports additionally identify the key sources used in the section called **Basis for Non-Compliance Status**.

Sources are assessed using our sources protocol, which focuses on understanding their political bias (if any) and the accuracy of their reporting. Sustainalytics is a non-partisan research, data and ratings organization. When compiling data using primary sources or using news and other editorial content from secondary sources, we are dedicated to taking an unbiased approach and presenting only the facts within our research. We are apolitical and do not support or oppose any government, party, company, individual or issue. We look for specific sets of information related to impact, company response, company accountability, reputational impact and exceptionality. The information extracted from these sources does not alone determine any research outcome. The information is applied to static research methodologies and analyst guidance documents to ensure consistent research outcomes. In all cases we review multiple sources.

Sustainalytics contacts companies before GSS publishes a Watchlist or Non-Compliant assessment in order to confirm the allegations and request additional information regarding the issue under assessment. GSS reports indicate whether and when we contacted a company, whether and when we received a response, as well as the nature of the response. Although we do not solicit feedback on GSS company reports, we provide companies with the full GSS report upon request and take into consideration any company feedback. Further dialogue is conducted as part of Sustainalytics' Global Standards Engagement (GSE) service.

3.5 Global Standards Engagement (GSE)

Sustainalytics' Global Standards Engagement (GSE) provides in-depth information regarding the engagement activities with companies assessed as Watchlist or Non-Compliant in GSS. Within GSE, the dialogue aims to effect change at the company, and is considered successful if the company develops a strategy to address the identified shortcomings and reaches an advanced stage of implementing the strategy.

4. APPROACH FOR SPECIFIC ISSUES AND TOPICS

GSS categorizes issues that arise for companies into 99 **Issue Names**, which, in turn, are mapped to the ten UN Global Compact Principles. See Table 7 below for the full list of Issue Names and the Principles to which they are mapped. Note that there is not necessarily a Watchlist and/or Non-Compliant assessment for every Issue Name at any given point in time. GSS’s methodology allows GSS Analysts to track a specific issue under a single Issue Name, even if that issue relates to multiple Issue Names.

Table 7: GSS Issue Names Mapped to UN Global Compact Principles

UN Global Compact Principles	GSS Issue Names
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Access to Basic Services
	Activities Resulting in Adverse Human Rights and Environmental Impacts
	Activities Resulting in Adverse Human Rights Impacts
	Community Relations
	Community Relations – Indigenous Peoples
	Community Relations – Supply Chain
	Consumer Interests
	Consumer Interests – Human Rights
	Controversial Project(s) – Human Rights and Environmental Impacts
	Controversial Project(s) – Human Rights Impacts
	Data Privacy and Security
	Employees - Human Rights
	Employees – Human Rights – Supply Chain
	Financing of Controversial Activities
	Financing of Controversial Activities – Human Rights
	Freedom of Expression
	Health and Safety
	Human Rights
	Human Rights – Operations
	Human Rights – Product Use
	Human Rights – Supply Chain
	Human Rights – Surveillance
	Incident(s) Resulting in Negative Human Rights and Environmental Impacts
	Incident(s) Resulting in Negative Human Rights Impacts
	Labour Rights (general)
	Labour Rights – Operations

	Labour Rights – Supply Chain
	Land Rights
	Leaks, Spills and Pollution – Human Rights and Environmental Impacts
	Marketing Practices – Human Rights
	Media Ethics
	Occupational Health and Safety
	Occupational Health and Safety – Supply Chain
	Quality and Safety
	Quality and Safety – Human Rights
	Social Impact – Products
	Society – Human Rights
	Violence – Operations
	Water Rights
Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Anti-Personnel Mines
	Chemical and Biological Weapons
	Cluster Weapons
	Conventional Weapons
	Involvement with Entities Violating Human Rights
	Nuclear Weapons
	Operations in Territories with Elevated Human Rights Risks
	Sanctions
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Freedom of Association
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour.	Forced Labour
	Forced Labour - Supply Chain
Principle 5: Businesses should uphold the effective abolition of child labour.	Child Labour
	Child Labour - Supply Chain
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Discrimination & Harassment
	Activities Resulting in Adverse Environmental and Human Rights Impacts
	Activities Resulting in Adverse Environmental Impacts
	Air Pollutant Emissions
Principle 7: Businesses should support a precautionary approach to environmental challenges.	Animal Welfare
	Carbon Impact of Products
	Controversial Project(s) – Environmental and Human Rights Impacts

	Controversial Project(s) – Environmental Impacts
	Degradation & Contamination (Land)
	Emissions, Effluents and Waste
	Emissions, Effluents and Waste – Supply Chain
	Energy Use and Greenhouse Gas Emissions
	Energy Use and Greenhouse Gas Emissions – Supply Chain
	Environmental Impacts – Products
	Environmental Impacts – Operations
	Environmental Impacts – Supply Chain
	Environmental Violations – Supply Chain
	Financing of Controversial Activities – Environment
	Incident(s) Resulting in Negative Environmental and Human Rights Impacts
	Incident(s) Resulting in Negative Environmental Impacts
	Land Pollution
	Land Use and Biodiversity
	Leaks, Spills and Pollution
	Leaks, Spills and Pollution – Environmental and Human Rights Impacts
	Marketing Practices – Environment
	Natural Resource Use
	Quality and Safety – Environment
	Spill(s) Resulting in Environmental Impacts
	Water and Land Pollution
	Water Pollution
	Water Use

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.	Environmental Responsibility
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.	Environmental Technologies
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Accounting and Taxation
	Anti-Competitive Practices
	Asset Misappropriation
	Bribery and Corruption
	Bribery and Corruption – Supply Chain
	Business Ethics
	Business Ethics – Supply Chain
	Competition

	Consumer Interests – Business Ethics
	Embezzlement
	Fraud
	Marketing Practices
	Money Laundering
	Price-Fixing Violations

In Sections 4.1 to 4.4, a subset of issues is explained in more detail. These issues are grouped under the relevant norms area and by Principle, outlining how we would typically assess a company as Watchlist or Non-Compliant in our methodology.

4.1 Human Rights (Principles 1 and 2)

Business enterprises should respect human rights. The responsibility to respect human rights is a global standard of expected conduct for all business enterprises wherever they operate. Respecting human rights, as defined in international norms, requires companies to use due diligence to avoid infringing human rights (“do no harm”) and to address adverse human rights impacts with which they are involved. In this section, certain issues that concern human rights are explained in more detail to provide insights into the GSS methodology’s approach to these issues.

4.1.1 Controversial Weapons

GSS assesses companies as Non-Compliant when they facilitate third parties in human rights violations due to their involvement in controversial weapons that have a disproportional and/or non-discriminatory impact on citizens and society.

In scope are companies involved in **Key** and **Dedicated** components of **anti-personnel mines, cluster munitions, and chemical and biological weapons**:

- **Key** - essential for the functioning of the weapon.
- **Dedicated** - specifically designed for the weapon under consideration.

Companies involved are assessed as Non-Compliant for **Principle 2** of the Global Compact. GSS considers these companies to be complicit in human rights abuses that another company, government, individual or other group is causing if these banned weapons are used in conflict.

GSS also assesses companies involved in **Key** and **Dedicated** components of **nuclear weapons** (in line with Sustainalytics’ Controversial Weapons Radar product), thereby supporting their proliferation outside of the five designated nuclear weapons states as Non-Compliant. Companies that are linked to violations of UN sanctions related to nuclear weapons or International Atomic Energy Agency (IAEA) rules are also assessed as Non-Compliant.

GSS distinguishes between companies that support nuclear weapon programmes that fall within the framework and supervision of the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) and companies that support programmes that are not subjected to global

supervision. The NPT's objective is to prevent the spread of nuclear weapons and weapons technology, to promote cooperation in the peaceful uses of nuclear energy and to further the goal of achieving nuclear disarmament. Currently, 191 countries, including the five designated nuclear weapons States (China, France, Russia, the United Kingdom and the United States), are signatories to the NPT. Accession to the NPT creates an extra safeguard for both the nuclear and non-nuclear signatory states. The IAEA is responsible for verifying the specific obligations deriving from the NPT. GSS's position is that companies that support the proliferation of nuclear weapons by states that are not signatories to the NPT weaken the global non-proliferation goal.

A company will be upgraded from Non-Compliant to Compliant if it ceases its involvement with controversial weapons, according to our Controversial Weapons Radar (CWR) methodology. Ownership assessments are also based on our CWR methodology. Assessment upgrades are subject to approval by Sustainalytics' CWR Committee, as well as its Global Standards Screening Oversight Committee (GSOC).

Out of Scope

The following areas of involvement are not within GSS's scope:

- Controversial weapons such as depleted uranium and white phosphorus (as no international conventions banning them exists).
- Non-Key/Non-Dedicated components of controversial or conventional weapons (e.g. steel or plastics).

Additional controversial weapon types and components are considered in Sustainalytics' Controversial Weapons Radar, which provides up-to-date information about all companies involved in the production, development, sale and maintenance of controversial weapons, including the production of essential parts of the weapon or specific components.

In cases where a company is allegedly complicit in severe human rights impacts caused by the use of weapons (including as white-phosphorus or laser-blinding weapons or non-detectable fragments), the company would be assessed under GSS's arms trade framework (see Section 4.1.2 below).

4.1.2 Arms Trade

The defence industry faces a number of risks of causing, contributing to or being linked to serious violations of international humanitarian or human rights law, especially in relation to the export of military products and services to high-risk countries or those experiencing civil upheaval or repeated misuse of military goods and services by clients and third parties. Defence companies supply military equipment to a variety of clients across the world. Although not all transactions concerning conventional weapons pose significant human rights threats, there is demand for military equipment in regions suffering from conflict and political upheaval. Arms producers have a responsibility for the impact their products have worldwide and should not sell to states that use these weapons against human security.

GSS assesses companies whose products or services facilitate, exacerbate or enable exceptionally severe or systematic human rights violations as Non-Compliant with Principle 2 of the UN Global Compact. GSS uses the following criteria to make this determination:

- **Criterion A:** There is evidence that a company exported or was involved in the export of conventional arms/military equipment to (local or foreign) parties known to systematically use them in attacks directed against civilians (with a severe impact on civilians), in particular attacks that may amount to atrocity crimes (genocide, crimes against humanity, war crimes), according to credible sources, and there is strong evidence that the arms/military equipment was used in these attacks. The provision of these weapons should fall within the duration of the conflict or time period within which the commission of human rights abuses took place.
- **Criterion B:** Reports suggest that a company is involved in exports that violate international embargoes, such as those of the UN and EU. Non-EU companies involved in exports to countries under EU arms embargoes are within scope if the exports are systematic. Companies violating country-level sanctions outside multilateral organizations can trigger the reassessment of a company, but do not directly trigger a downgrade. Under this criterion, the export must take place while the arms embargo(es) is in force and a reliable source should report on such an export/violation of the embargo.

4.1.3 Consumer Rights

GSS assesses severe violations related to consumer rights (e.g. marketing practices, consumer interest, product safety) as Watchlist or Non-Compliant with Principle 1 of the UN Global Compact. International norms such as the OECD MNE Guidelines state that consumers and users of goods and services have the right to the protection of their health, safety and other interests.

A Non-Compliant status is applicable to involvement in irremediable impacts on stakeholders as a result of product safety issues, particularly where it connects to fatalities and is linked to the human right to life (UDHR Art 3, ICCPR Art 6). GSS treats product safety as a human rights issue where we see severe impacts if we identify severe and irremediable impacts on human health. For a Non-Compliant status, we typically identify quality and safety issues with a severe impact on stakeholders (such as fatal accidents or issues that spark concern and loss of trust among customers). We typically assess a company with a Watchlist status if the company sells a product that causes harm because it is unfit for its present use, and this use leads to potential irremediable human rights violations.

4.1.4 Medicine/Opioid Addiction

Access to controlled medicines without discrimination is a key element of the right to health. However, there can also be negative impacts associated with drug use. Stakeholder impact resulting from the fraudulent marketing or the over-prescription of medicines (particularly opioids) are a serious issue worldwide and is recognized by the United Nations General Assembly as an issue impacting the right to health. Moreover, the World Health Organization (WHO) declares that the non-medical use of opioids, both medicines and synthetic substances, is an increasing concern for law enforcement and public health authorities.

Companies that are (allegedly) causing harm by being involved in unlawful drug or opioid malpractices in a widespread and systematic manner (causing medicine/opioid addiction) are within the scope of GSS. GSS considers the scale of the involvement to distinguish between Watchlist or Non-Compliant status. A company could be assessed as Non-Compliant

with Principle 1 of the UN Global Compact if the key issue concerns consumers' rights or patients' health or with Principle 10 if it is related to fraudulent behaviour.

4.1.5 Free, Prior and Informed Consent

Free, Prior and Informed Consent (FPIC) is a right that relates to indigenous peoples and is recognized in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). It enables indigenous peoples to negotiate the conditions under which a project that may affect them (or resources in their territories) will be designed, implemented, monitored and evaluated, and allows them to give or withhold consent. This right is also embedded within the universal right to self-determination, which is enshrined in the International Covenant on Economic, Social and Cultural Rights and in the International Covenant on Political Rights.

Companies involved in violations of FPIC are assessed by GSS as Watchlist or Non-Compliant with Principle 1 of the UN Global Compact. GSS prioritizes companies involved in severe violations of the free, prior and informed consent (FPIC) of indigenous populations (prior to development on their ancestral land and/or the use of resources within their territories), regardless of whether they have formal or customary land rights. These often concern issues whose impact on a community or scope (in terms of number of people affected or recurrence) are exceptionally serious. We also consider the land rights of all landowners, including the most severe violations of the right to consultation and compensation, and violent evictions. Mere allegations that the company in question disregarded an indigenous community's right to FPIC according to NGO reports will not result in a Watchlist or Non-Compliant assessment in all situations. When a company demonstrates it is managing the issue proactively before a business activity has started or when a project is not nearing its construction or starting phase yet, a company will remain Compliant in GSS.

4.1.6 Companies Operating in Conflict-Affected Areas

Companies linked to conflict-affected areas, or disputed or occupied territories or regions, should not be assigned a Watchlist or Non-Compliant status based solely on their presence in the region. We assess them according to the same methodology that we use for all other companies, which entails evaluating the severity of the impacts on stakeholders and the environment, the company's accountability and management's response.

In the context of the IPCA, Israeli settlements within conflict areas and a barrier built by Israel between Israel and some parts of the West Bank are also considered by many in the international community to have human rights implications. This consideration is based on their belief that the settlements and the barrier are not built within the official borders of Israel, as recognized by most nations. We prioritize the following business activities that might trigger a Watchlist or Non-Compliant status:

- The supply of surveillance and identification equipment to monitor settlements, the West Bank barrier and checkpoints directly linked to those settlements;
- The supply of equipment for the demolition of housing and property, the destruction of agricultural farms, greenhouses, olive groves and crops.

Additionally, GSS prioritizes:

- Infrastructure projects of exceptional scale that negatively impact the Palestinian population;
- The supply of arms (according to the GSS criteria on arms trade).

GSS prioritizes these activities because they create a negative impact in the human rights of local Palestinian populations and create risks due the challenging operating environment. Again, companies that are present in the conflict-affected regions, or disputed or occupied territories or regions, but do not participate in any of these activities, do not meet the threshold for analysis under GSS.

In the context of Western Sahara, we assess the impacts caused by companies according to guidance on the matter from the UN Under-Secretary General for Legal Affairs (2002). Specifically, GSS prioritizes:

- Exploration and exploitation activities of natural resources in violation of the international legal principles dealing with non-self-governing territories.

In this context, we expect companies to conduct a stakeholder engagement process involving the UN-recognized representative of the Saharawi – the Polisario – aimed at seeking consent for the operations being conducted in the interests and wishes of the people of Western Sahara.

4.1.7 Controversial Projects

Companies that play key roles (e.g. lead financier, lead contractor) in controversial projects that have caused – or are likely to cause – significant stakeholder impacts, in violation of internationally recognized standards (including the UN Declaration on the Rights of Indigenous Peoples) are assessed as Watchlist or Non-Compliant. A relevant standard-setting instrument that GSS uses in its assessment is the Equator Principles, which is a risk management framework for determining, assessing and managing environmental and social risk in projects. Watchlist or Non-Compliant status may be removed three to five years after the projects have been completed, under the condition that there is no evidence of new stakeholder impacts. Typical projects relate to large infrastructure projects, such as transportation lines, hydro dams, pipelines, oil and gas or large industrial facilities, such as energy plants.

Under the Global Standards Screening methodology, we consider the stakeholder impact to be severe if multiple sources or multilateral organizations, such as the UN, indicate that the company has not adequately informed or consulted the community in question prior to the project. A company will typically be assessed as Non-Compliant if a project leads to irremediable damage, such as the destruction of burial grounds and sacred sites and poses risks to its water supply.

A Watchlist or Non-Compliant assessment for Principle 1 is in scope if a project exposes stakeholders to significant issues, in violation of norms such as the UN Declaration on the Rights of Indigenous Peoples, which protects the right to maintain cultural manifestations,

such as historical sites and artefacts and/or the Indigenous and Tribal Peoples Convention (ILO 169), stating that studies should be carried out in co-operation with indigenous peoples concerned with assessing the social, spiritual, cultural and environmental impact of planned projects.

4.1.8 Health and Safety

Health and safety issues, including occupational health and safety, are assessed under Principle 1 in GSS. The primary reason is that the UNGC states that as part of Principle 1, companies are required to respect human rights in the workplace by, among other means, providing safe and healthy working conditions.

A company will be assessed as Watchlist for Principle 1 if it is involved in a wide range of alleged human rights and labour rights violations, and if these issues are impacting a yet unknown number of workers or have been already at least partly rectified. A company will be assessed as Non-Compliant if the allegations provide specific information that the company knew about violations of the human rights of its workers within its sphere of influence and/or if the company shows systematic involvement due to a pattern of impacts.

4.1.9 Sanctions (Principle 1 / Principle 2 / Principle 10)

GSS assesses companies targeted as the object of international sanctions issued by multinational organizations (the UN, EU), as identified by our Incident screening process. The sanctions are only in scope if the sanctions reference international norms (as embedded in the UNGC Principles and its underlying conventions).

We assess companies as Non-Compliant for engaging in activities that fall under sanction regimes of multinational organizations if, according to credible sources, a company is breaching those sanctions. GSS assesses companies as Watchlist if they engage in arms trade to embargoed countries or for allegations of circumvention of certain financial sanctions, even if they are exempted or legal according to national legislation. A company operating in a country with active international sanctions would not automatically be within the scope of GSS, because we may not have enough visibility into its engagement in operations there, unless we identify credible reports, investigations into, or allegations against its operations. We do not structurally screen the transactions or compliance of companies with national lists (such as the US Office of Foreign Assets Control). In addition, very specific financial sanctions are not always within the scope of GSS (for example, EU sanctions targeting certain subsidiaries of Russian companies) do not automatically lead to a Watchlist/Non-Compliant assessment.

4.1.10 State-Owned Enterprises

GSS assesses state-owned entities, defined as entities that are closely connected to a government that is accused of perpetrating exceptionally severe human rights abuses, as Non-Compliant with Principle 2. We use a set of criteria to select those states and state-owned entities where complicity in human rights abuses is a concern. A company is complicit in human rights abuses if it authorizes, tolerates or knowingly ignores human rights abuses

committed by an entity (including a state) associated with it, or if the company knowingly provides practical assistance or encouragement that has a substantial effect on the perpetration of human rights abuse. The participation of the company need not actually cause the abuse. Rather, the company’s assistance or encouragement, including financial support or dividends, has to be to a degree that, without such participation, the abuses most probably would not have occurred to the same extent or in the same way.

In the research process, GSS takes into account majority-owned SOEs (the state holds more than 50% of the shares) and also investigates the level of the state’s effective control of the SOE, for example through the company’s management. The analysis is done on a case-by-case basis. In addition to the level of control exercised by the government on a particular SOE, GSS takes into account several ways in which the SOE generates state revenues, such as corporate income tax, dividends, royalties and payments to governments. Following extensive analysis of the issue of complicity through financing, Sustainalytics considers an SOE as generating substantial revenues for governments if it generates more than 50% of a state’s revenue in a given year.

Table 8: Overview of factors determining the status for Principle 2

Factor	Compliant	Compliant	Non-Compliant
Government ownership of SOE	<50%	>50%	>50%
The level of revenue generation	n/a	<50%	>50%

The following (publicly available) sources are used in the analysis:

- country data on state revenues,
- company annual reports – financial statements, and
- reports on payments to governments.

GSS uses the following criteria to determine the countries in scope:

- 1) States that have been included in Freedom House’s annual Freedom in the World “Worst of the Worst” list for at least three of the past five years.

OR

- 2) States whose governments have been accused of committing or being linked to recent atrocity crimes, including genocide, crimes against humanity, war crimes and/or ethnic cleansing.

AND

Have severely restricted the civil and political rights of its own citizens (defined as states assessed as “not free” in the latest Freedom House annual Freedom in the World Report).

GSS updates its list of countries in scope on an annual basis.

4.2 Labour Rights (Principles 3, 4, 5 and 6)

Labour rights are human rights according to international conventions such as the Universal Declaration of Human Rights (UDHR). The UNGC provides four specific principles for several labour rights issues, highlighting that companies are required to respect international (ILO) norms in this area. The labour rights principles are derived from the ILO Declaration on Fundamental Principles and Rights at Work.

GSS methodology prioritizes issues and allegations of human and labour rights abuses in a company's own operations. If a company faces allegations of violations of labour rights in its supply chain, a company will typically be assessed as Watchlist or Non-Compliant in cases where it does not show an effort to monitor and prevent adverse impacts in its supply chain. We also expect companies to establish their own supply chain grievance mechanism or participation in a multi-stakeholder grievance mechanism, in line with international norms. GSS assesses a company facing a combination of issues around labour rights such as health and safety, freedom of association, discrimination, forced labour and child labour issues under the overarching Principle 1.

4.2.1 Freedom of Association and the Effective Recognition of the Right to Collective Bargaining

Based on international norms, all workers and employers have the right to set up, join and run their own organizations in defence of their occupational interests without interference. Companies can deploy their own approach to worker representation in accordance with national laws, provided that this right does not infringe on a worker's right to freedom of association. A company should also not retaliate against workers joining or forming an association.

GSS considers the impact on workers to be severe if the violation relates to companies taking coercive actions and retaliation against workers within a company's operations. Relevant issues for typical Watchlist assessments are credible allegations that the company uses anti-unionization policies that result in dismissals, the use of undue force and the use of strike-breakers, as well as lengthy production stoppages. A company will typically be assessed with Non-Compliant if the allegations provide specific information that the company engaged in retaliation against its workers.

4.2.2 Forced and Compulsory Labour

Forced or compulsory labour is defined in international norms as any work or service from any person under the menace of any penalty, and for which that person has not offered himself or herself voluntarily. Any form of forced labour - which include for example debt bondage, human trafficking, and compulsory labour - are a severe violation of international norms and are therefore within the GSS scope. Allegations linking companies from our clients' portfolios (our universe) to either engaging in or knowingly benefitting from such practices are thoroughly investigated and - if substantiated - they trigger a GSS status downgrade.

A company will be assessed as Non-Compliant for Principle 4 if we have credible information indicating that the company is responsible for specific allegations of forced labour, and if the company can be directly linked to the involuntary working conditions in its own operations. For example, if we identify credible reports that a company is benefitting from work done by minors (under 18) or if prisoners are forced to work involuntarily for the benefit of a private undertaking. If the company takes proactive action, a Watchlist assessment is typically assigned. If the company is not responsive to addressing the allegations and harm caused, it could be assessed as Non-Compliant.

It should be noted that forced labour allegations often concern the supply chains of companies from our universe, rather than the companies themselves. This kind of indirect involvement is also considered within GSS, with dimensions such as the severity of impact, the closeness of links to the supplier in question, its management of the issue and preparedness to prevent recurrences.

4.2.2.1 Approach to Assessing Human Rights and Forced Labour Allegations

GSS closely monitors allegations regarding companies linked to negative human rights and labour rights impacts around the world. Our methodology is based on internationally recognized standards, and we aim to be consistent in our application of research across countries and companies, without taking a political stance.

Business enterprises should respect human rights. According to international standards, including the Guiding Principles on Business and Human Rights (UNGPs), this responsibility to respect human rights is a global standard of expected conduct for all business enterprises wherever they operate (regardless of their size or sector), and it exists independently of states' ability (or willingness) to protect human rights. In order to fulfil this responsibility, companies should carry out due diligence activities to avoid infringing on human rights and to address any adverse human rights impacts with which they are involved. If national laws impose requirements that directly conflict with internationally recognized human rights, companies should seek ways to honour the principles of internationally recognized human rights.

Since business enterprises may negatively impact all types of human rights, they should consider their potential impact on all rights, including - at a minimum - the rights protected under the International Bill of Human Rights and the core International Labour Organization (ILO) Conventions. These include, for example, freedom from discrimination, prohibition of torture, arbitrary arrest and slavery, freedom of religion or belief, right to privacy, as well as freedom of opinion and expression.

Our methodology covers companies that cause, contribute or are linked to human rights impacts:

- o Impact: We assess the impacts that companies' operations have or their contributions to human rights abuses, including ethnic minorities
- o Company responsibility: We primarily focus on direct responsibility identified by reliable sources clearly linking the company to the impact, also taking into account whether a company is knowingly benefitting from abuses.

International norms define “forced or compulsory labour” as any work or service exacted from a person under the threat of a penalty, and for which that person has not offered themselves voluntarily. Any form of forced labour – including debt bondage, human trafficking and other forms of modern slavery – is a severe violation of international norms and is, therefore, within the scope of the GSS product. Allegations linking companies from our clients' portfolios to such practices are thoroughly investigated and, if they meet the criteria outlined in our methodology, they trigger a GSS status downgrade.

GSS’s methodology covers companies that cause, contribute or are linked to forced labour:

- o Impact: We analyze the link between the company and the practices. The level of detail needed on the allegations is high. Our assessments take into account, among other things, the scale (e.g. the number of people affected) and the scope (e.g. gravity of the specific circumstances) of the practices.
- o Company responsibility: We assess the extent to which a company is responsible for the impacts, considering reliable sources clearly linking the company to the violation (e.g. third-party investigations).

Government Sponsored Labour Programmes

Companies directly involved in involuntary or compulsory employment programmes established by national governments may not be in line with international standards. Similarly, companies sourcing products that have been manufactured by workers employed as part of a coercive government-sponsored labour scheme are at risk of benefitting from forced labour. According to international instruments, including the International Covenant on Economic, Social and Cultural Rights, the right to work includes the right of every human being to freely choose or accept their employment. Not all forms of labour transfers or programmes result in forced or coercive labour, as they can be voluntary. However, companies linked to any involuntary work are at risk of not being aligned with the ILO Convention concerning Forced or Compulsory Labour (No. 29). Moreover, the ILO Convention concerning the Abolition of Forced Labour (No. 105) specifically prohibits the use of forced or compulsory labour:

- as a means of political coercion or education or as a punishment for holding or expressing political views or views ideologically opposed to the established political, social or economic system;
- as a method of mobilizing and using labour for purposes of economic development;
- as a means of labour discipline;
- as a means of racial, social, national or religious discrimination.

Forced labour can take multiple forms and, to identify these practices, we need to perform a complex multi-layered analysis, looking for indications of the non-voluntary nature of the work (including the use of some form of coercion or threat). The analysis also requires an in-depth knowledge of the local circumstances and practices. Considering all the above, we do not automatically equate participation in a labour transfer programme or scheme with forced labour, as this needs to be assessed on a case-by-case basis.

Companies that benefit from the use of forced labour and/or are linked to other human rights abuses are assessed by GSS as violating (or at risk of violating) one or more UNGC principles.

We aim to identify and assess all serious allegations against companies either engaging in or knowingly benefitting from forced labour practices. However, information on government-sponsored labour transfer programmes tends to be scarce, due to a lack of self-reporting, reports from stakeholders or credible (news) sources. Therefore, we apply a set of criteria with a focus on the actual conditions of the labour practices on a case-by-case basis, considering specific indicators outlined below.

Identification

In this context, in order to identify companies involved in or linked to labour practices indicative of forced labour, we look for evidence of one or more of the following (among other factors that we apply*):

1. Systemic and/or systematic participation of a company in labour transfer programmes.
2. Company workers being transported and/or housed in isolation or under strict surveillance.
3. Involvement in (or benefitting from) coercive practices or any form of indoctrination in the context of employment, including, but not limited to, cultural and political instruction at any stage of the employment process.

*A wide range of more general forced labour indicators are also taken into account, such as: links to detention centres, restrictions on freedom of movement or religion, excessive surveillance and others.

Exceptionality

In line with our general methodology, we apply the following criteria to assess companies that are identified:

- Scale: the number of people transferred or at risk of forced labour.
- Scope: the actual conditions under which the workers are living/working; the extent of the company's involvement in coercive practices.

Management

Companies facing allegations regarding forced labour often do not address them publicly. For this reason, a company response indicates that the company is actively managing the issue, and we take this into consideration. Depending on the allegations, we assess the following factors:

- Policies and management systems focusing on forced labour, and their effective implementation. A lack of a policy could be an indication of negligence, unless the company provides specific responses to the allegations.
- Other details and reports that can be considered as proxies of management (e.g. reports on the standard of working/living conditions).

Over the past few years, we have been reviewing reports and articles linking companies to human rights abuses. For our assessments, we have been using reliable sources that provide specific details on a company's involvement in these practices. Sustainalytics does not use UN resolutions or sanctions lists as a sole source unless details on the actions of a company are provided. We will always conduct further analysis aimed at corroborating sources. The same rule applies to any resolution or sanction adopted by any state.

4.2.3 Child Labour

Prohibited child labour is defined as a form of exploitation that is a violation of a human right by international instruments. These instruments prescribe a minimum age for admission to employment or work that must not be less than the age for completing compulsory schooling, and in any case not less than 15 years (except for light work next to compulsory schooling).

A company will be assessed as Non-Compliant for Principle 5 if we have credible reports showing that a company is causing / contributing to child labour and if there is evidence of child labour in the company's own operations (or knowingly benefitting from it). If the company is not responsive to addressing the allegations and harm (supply-chain responsibilities, i.e. knowingly buying products tainted by labour rights violations), it could be assessed as Non-Compliant. During our evaluation process, dimensions such as the severity of impact, the company's links to the supplier in question, its management of the issue and preparedness to prevent recurrences are considered. In other words, we focus on incidents that result in exceptionally severe impact and can be closely linked to the company's actions/negligence.

4.2.4 Elimination of Discrimination in Respect of Employment and Occupation

Non-discrimination in employment is aimed at ensuring that employees are selected based on their ability to do the job and that there is no distinction, exclusion or preference made on other grounds.

While poor working conditions are typically captured under Principle 1, a company could be assessed as Watchlist or Non-Compliant for Principle 6 if we have information indicating that the company is responsible for violating norms on non-discrimination or related rights, such as being free from harassment in the workplace. If the company is not responsive to addressing the allegations and harm, it could be assessed as Non-Compliant. If a company applies a discriminatory policy in a systematic manner or if a company is causing harm by taking inadequate measures to address harassment and violence in the workplace, a company could be assessed as Watchlist or Non-Compliant for this principle.

4.3 Environment (Principles 7, 8 and 9)

In international norms, the precautionary approach requires companies to avoid causing severe or irreversible harm to the public or the environment. In addition, where there is a lack of full scientific certainty, the argument of lack of scientific proof should not be used as a reason to continue an activity that could result in environmental degradation. Sustainalytics' interpretation of the precautionary approach is that companies have a responsibility to protect the environment from harm where there is a plausible risk that an action or omission will lead to severe and irremediable environmental damage.

4.3.1 Marine and Riverine Discharges of Mine Tailings

Companies have a responsibility under international law to address all sources of marine pollution by avoiding or managing impact in a systematic manner. The practice of disposing tailings in rivers or at sea has resulted in environmental damage in the past and is no longer widely practiced, as it is not permitted under the international standards. It can be considered to be (at risk of) contravening the UN Convention on Biodiversity and IMO London Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 (known as the London Protocol).

Mine tailings are what remains after the target metal (e.g. copper or gold) has been separated from the ore. Mine tailings contain heavy metals, chemical reagents used in the separation process (e.g. cyanide from gold processing), and sulphide-bearing materials. Potential environmental issues include the toxic impacts of heavy metals, the generation of acid rock drainage, and habitat destruction. It should also be noted that almost all mines dispose tailings on land.

Companies involved in the disposal of mine tailings in rivers (riverine tailings disposal or RTD) or the dumping of waste at sea (such as deep seabed mining or disposals) in contravention of the standards of the International Maritime Organization (IMO) are assessed as either Watchlist or Non-Compliant in GSS with regard to Principle 7 of the UN Global Compact.

A company involved in deep sea tailings placements (DSTP) for the purpose of seabed mining has irrefutably significant impacts on the environment. A company using this practice is likely to be operating in violation of international norms. Primary reason because the practice is banned by almost all countries unless strict conditions are met. Based on IMO standards, only if a company can prove it is disposing prove that the rock waste is chemically inert fulfil relevant conditions before starting a project, including site selections and feasibility studies being part of environmental impact assessment, it could be assessed as Watchlist.

4.3.2 Environmental Damage and Climate Change

In 2015, the Parties to the UN Framework Convention on Climate Change (UNFCCC) adopted the Paris Agreement, which entered into force on 4 November 2016. The Paris Agreement on Climate Change is part of the UNFCCC (also known as the Rio Declaration, agreed in 1992) and is thereby within the scope of UNGC Principles 7, 8 and 9.

Currently, the UNFCCC sets international standards for greenhouse gas (GHG) emissions that apply to nationally determined contributions at the state level. Furthermore, the Paris Agreement itself does not specify norms or standards (e.g. emission reduction targets) for companies. If we identify credible allegations that a company impedes the fulfilment of the Paris Agreement/UNFCCC according to multilateral organizations, such as the UN Paris Agreement Implementation and Compliance Committee (PAICC), a company could be assessed as Watchlist or Non-Compliant.

We expect that, over time, we will gain more insights into the framework and standards that companies need to adhere to under the international nomenclature of the UNFCCC and the

Paris Agreement. GSS aims to incorporate such norms for companies into the GSS methodology in the future.

4.4 Business Ethics (Principle 10)

UN Global Compact Principle 10 requires companies not only to avoid bribery, extortion and other forms of corruption, but also to proactively develop policies and concrete programmes to address corruption internally and within their supply chains. GSS considers an offer or receipt of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something that is dishonest, illegal or a breach of trust, in the conduct of the enterprise's business, as a form of corruption.

Companies that are involved in anti-trust activities, accounting fraud, taxation fraud, (illegal) tax evasion, money-laundering, and bribery and corruption with significant stakeholder impacts may be assessed as Watchlist or Non-Compliant in relation to UN Global Compact Principle 10.

GSS typically assesses companies as Watchlist for other forms of corruption by a company's management such as illegally appropriating funds and goods for personal enrichment or other activities or gaining an unfair or illegal advantage (financial, political or otherwise). GSS also assesses financial institutions that violate norms and laws on the topic of money laundering (defined as "the process of concealing the origin, ownership or destination of illegally or dishonestly obtained money by hiding it within legitimate economic activities to make them appear legal") as Watchlist or Non-Compliant.

4.4.1 Tax Evasion

Regarding (illegal) tax evasion, OECD MNE Chapter XI –Taxation states that companies should comply with both the letter and spirit of the tax laws and regulations of the countries in which they operate. For this topic, GSS looks at allegations that companies have breached local norms, as an international treaty on taxation does not yet exist.

Regarding the topic of tax avoidance and illicit flows, while relevant work has been done by the OECD (OECD/G20 Base Erosion and Profit Shifting (BEPS) Package), there is currently no related international treaty. GSS awaits the emergence of a global consensus on this issue

5. GSS COVERAGE, ELIGIBILITY AND CORPORATE OWNERSHIP RULES

5.1 Coverage Universe

GSS covers Sustainalytics' largest standard coverage universe and has a standard coverage of over 20,000 issuers. Through a custom service, Sustainalytics can screen any eligible entity in a client's universe or portfolio against GSS's methodology.

5.2 Eligibility Rules

Sustainalytics implements rules regarding the eligibility of securities, with the aim of providing valid assessments in accordance with the GSS framework for corporate entities. Exceptions are made based on a qualitative assessment of an issuer using factors such as whether an entity is an issuer of financial instruments.

Several types of entities are generally not eligible for a GSS assessment. Examples are listed closed- and open-ended mutual funds, foundations/endowments, associations, syndicated loan issuers or ABS and structured product issuers. Furthermore, central banks or multilateral organisations are not eligible as these are governmental institutions.

Entities that were eligible initially can become ineligible for a GSS assessment if the company is declared bankrupt or acquired by another company.

5.3 Rules on Corporate Ownership and Relationships in GSS

The GSS product evaluates the entire corporate tree of eligible issuers for each company assessed as Watchlist or Non-Compliant. GSS's approach to parent/subsidiary responsibility is a qualitative approach, based on rules, and derives from requirements in international standards such as the OECD MNE Guidelines.

GSS's method to corporate ownership departs from assessing ownership in terms of shareholding (voting rights). We rely on a reputable third-party data provider to identify relevant ownership links in a systematic manner. The research thresholds for assigning a GSS status can be summarized as follows:

Entities linked to a GSS issue originating at a subsidiary (relationship with leverage):

- GSS holds a parent company accountable for the negative impacts of its subsidiary if:
 - » The parent has a more than a 50% (majority-ownership) shareholding in that subsidiary
 - OR
 - » The parent company has a minority ownership shareholding (20-50%) in the subsidiary
- AND
- » exerts operational control over it (the parent company has the ability to prevent and/or mitigate negative impacts on stakeholders). This is evidenced by the presence of the parent company on the Board of Directors or among senior management of the subsidiary,

the parent company having voting control over the subsidiary and/or evidence of cross shareholding, among other factors.

- If there is strong evidence that a parent company **does not** have operational control over a minority-owned subsidiary (i.e. the parent company does not have the ability to use its leverage to prevent and/or mitigate negative impacts on stakeholders), an exception can be made and a specific entity might not be assigned the same GSS status.

Entities linked to a GSS issue originating at a parent (business relationship through ownership):

- GSS assigns the same status to subsidiaries if the subsidiary is majority-owned by its parent (more than 50%).
- If there is strong evidence that a subsidiary is not directly involved in the misconduct of its parent company, an exception can be made. These exceptions concern entities that are not linked to the issue, operate autonomously from the parent or do not support the parent company through financial relationships or operate a different business model. Factors used to make an exception are company disclosure, governance and business model. These exceptions do not apply to subsidiaries owned by companies involved in controversial weapons.
- GSS does not hold a company responsible for the GSS issue originating at a sibling entity unless there is a connection to the issue and management overlap between the siblings.
- This exception does not apply to involvement in Controversial Weapons where GSS assessments will follow the analysis of corporate relationships from our Controversial Weapons Radar.

5.4 Delivery Cycle and Channels

GSS assessments are published on a quarterly basis in Sustainalytics' client systems (on the last Friday of November (for Q1), February (for Q2), May (for Q3) and August (for Q4)). These release dates have been selected to allow clients to process relevant information in time for quarterly portfolio updates.

In exceptional situations, GSS may provide assessment status changes in between quarterly deliverables. This would be in response to a major incident or company admission of misconduct.

Clients can access GSS assessments, data and reports via the following channels:

- Global Access platform – onscreen, PDF reports, screening and reporting tool (.xlsx or .csv)
- Data feeds via (S)FTP or API
- Offline Excel standard reports
- Custom portfolio screenings

APPENDIX A: INTERNATIONAL CONVENTIONS AND OTHER INSTRUMENTS REFERENCED IN GSS

UN instruments

- Arms Trade Treaty, 2013
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989
- Convention on Biological Diversity, 1992 (and relative protocols)
- Declaration of the United Nations Conference on the Human Environment, 1972
- FAO International Treaty on Plant Genetic Resources for Food and Agriculture, 2001
- IMO Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 (and relative protocol)
- IMO International Convention for the Prevention of Pollution from Ships, 1973 (and relative protocols)
- IMO International Convention on Oil Pollution Preparedness, Response and Cooperation, 1990
- Minamata Convention on Mercury, 2013
- Non-legally Binding Authoritative Statement of Principles for a Global Consensus on the Management, Conservation and Sustainable Development of all Types of Forests, 1992
- Principles for Responsible Banking
- Principles for Responsible Investment
- Rio Declaration on Environment and Development, 1992
- Rotterdam Convention on the Prior Informed Consent Procedures for Certain Hazardous Chemicals and Pesticides in International Trade, 1998
- Stockholm Convention on Persistent Organic Pollutants, 2001
- UN Convention against Corruption, 2003
- UN Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances, 1988
- UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, 1994
- UN Convention against Transnational Organized Crime, 2000 (and relative protocols)
- UN Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects, 1980 (and relative protocols)
- UN Convention on the Elimination of All Forms of Discrimination against Women, 1979
- UN Convention on the Law of the Sea, 1982
- UN Convention on the Prevention and Punishment of the Crime of Genocide, 1948
- UN Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, 1992
- UN Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction, 1997
- UN Convention on the Rights of Persons with Disabilities, 2006

- UN Convention on the Rights of the Child, 1989 (and relative optional protocols)
- UN Convention relating to the Status of Refugees, 1951 (and relative protocol)
- UN Convention to Combat Desertification, 1994
- UN Declaration on the Rights of Indigenous Peoples, 2007
- UN Declaration on the Rights of Persons Belonging to National or Ethnic, Religious and Linguistic Minorities, 1992
- UN Framework Convention on Climate Change, 1992 (and subsequent Kyoto Protocol and Paris Agreement)
- UN Guidelines for Consumer Protection, 2016
- UN Guiding Principles on Internal Displacement, 1998
- UN International Convention for the Protection of All Persons from Enforced Disappearance, 2006
- UN International Convention for the Suppression of the Financing of Terrorism, 1999
- UN International Convention on the Elimination of all Forms of Racial Discrimination, 1965
- UN International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, 1990
- UN International Covenant on Civil and Political Rights, 1966
- UN International Covenant on Economic, Social and Cultural Rights, 1966
- UN Treaty on the Non-Proliferation of Nuclear Weapons, 1968
- UN Universal Declaration of Human Rights, 1948
- UNECE Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, 1998
- UNECE Convention on Environmental Impact Assessment in a Transboundary Context, 1991
- UNECE Convention on Long-range Transboundary Air Pollution, 1979
- UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes, 1992
- UNECE Convention on the Transboundary Effects of Industrial Accidents, 1992
- UNEP Convention on the Conservation of Migratory Species of Wild Animals, 1979
- UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage, 1972
- WHO Ethical Criteria for Medicinal drug Promotion, 1988
- WHO Framework Convention on Tobacco Control, 2003
- WHO Good Manufacturing Practices for Pharmaceutical Products: Main Principles

ILO instruments

- ILO Convention concerning Conditions of Employment of Plantation Workers, 1958 (No. 110) (and relative protocol)
- ILO Convention concerning Discrimination in Respect of Employment and Occupation, 1958 (No. 111)
- ILO Convention concerning Equal Remuneration for Men and Women Workers for Work of Equal Value, 1951 (No. 100)

- ILO Convention concerning Forced or Compulsory Labour, 1930 (No. 29) (and relative protocol)
- ILO Convention concerning Freedom of Association and Protection of the Right to Organise, 1948 (No. 87)
- ILO Convention concerning Indigenous and Tribal Peoples in Independent Countries, 1989 (No. 169)
- ILO Convention concerning Migration for Employment, 1949 (No. 97)
- ILO Convention concerning Minimum Age for Admission to Employment, 1973 (No. 138)
- ILO Convention concerning Minimum Wage Fixing, with Special Reference to Developing Countries, 1970 (No. 131)
- ILO Convention concerning Occupational Safety and Health and the Working Environment, 1981 (No. 155) (and relative protocol)
- ILO Convention concerning Safety and Health in Construction, 1988 (No. 167)
- ILO Convention concerning Safety and Health in Mines, 1995 (No. 176)
- ILO Convention concerning the Abolition of Forced Labour, 1957 (No. 105)
- ILO Convention concerning the Application of the Principles of the Right to Organise and to Bargain Collectively, 1949 (No. 98)
- ILO Convention concerning the Elimination of Violence and Harassment in the World of Work, 2019 (No. 190)
- ILO Convention concerning the Prevention of Major Industrial Accidents, 1993 (No. 174)
- ILO Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, 1999 (No. 182)
- ILO Convention concerning the Promotion of Collective Bargaining, 1981 (No. 154)
- ILO Convention concerning the Protection of Wages, 1949 (No. 95)
- ILO Convention concerning the Reduction of Hours of Work to Forty a Week, 1935 (No. 47)
- ILO Convention Limiting the Hours of Work in Industrial Undertakings to Eight in the Day and Forty-eight in the Week, 1919 (No. 1)
- ILO Declaration on Fundamental Principles and Rights at Work, 1998
- ILO General Principles and Operational Guidelines for Fair Recruitment, 2016
- ILO Guidelines on Occupational Safety and Health Management Systems, 2001
- ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy

Other Instruments

- Convention for the Protection of the Marine Environment of the North-East Atlantic, 1992
- Convention on Cluster Munitions, 2008
- Convention on the Prohibition of Development, Production, Stockpiling of Bacteriological (Biological) and Toxin Weapons and on the Destruction, 1972
- Equator Principles

- EU Sanctions
- Geneva Conventions, 1949 (and relative protocols)
- Hague Conventions with Respect to the Laws and Customs of War on Land and its annex: Regulations concerning the Laws and Customs of War on Land, 1899 and 1907
- IAEA Convention on Nuclear Safety, 1994
- IAEA Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, 1997
- IAEA Safety Standards
- ICC Advertising and Marketing Communications Code
- ICGN Global Corporate Governance Principles
- ICMM Mining Principles
- IMF Fiscal Transparency Code
- International Convention for the Regulation of Whaling, 1946
- International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, the FATF Recommendations
- IUCN Convention on International Trade in Endangered Species of Wild Fauna and Flora, 1973
- OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997
- OECD Good Practice Guidance on Internal Controls, Ethics and Compliance
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- Ramsar Convention on Wetlands of International Importance especially as Waterfowl Habitat, 1971
- UN Sanctions
- Vienna Convention for the Protection of the Ozone Layer, 1985 (and subsequent Montreal Protocol)
- WOAHA Terrestrial Animal Health Code

CHANGE LOG

Version	Date	Initiator	Main Items that Changed	Comment/Rational
1.0	31.05.2019	Product Manager	N/A	N/A
2.0	31.11.2021	Product Manager	Addition of Specification of topics	Improvement of our offering to meet new requirements.
2.1	30.09.2023	Product Manager	Factual corrections, approaches to sources, terminology updates.	Updated methodology document to provide transparency on use of sources and terminology used.