



Sustainable Fitch* Self-attestation Document – Hong Kong Code of Conduct for ESG Ratings and Data Products Providers, sponsored by the Hong Kong Securities and Futures Commission (SFC)

Sustainable Fitch was established by the Fitch Group in 2021 and launched its Environmental, Social and Governance (ESG) product suite in September 2022. It offers a range of products that evaluate and/or opine on the ESG qualities of entities and/or financial instruments. Sustainable Fitch's ESG products include: ESG Ratings, (i.e. ESG Entity Ratings, ESG Framework Ratings and ESG Instrument Ratings), ESG Scores and Second-Party Opinions (SPOs). This attestation is in relation to these ESG analytical products.

For ESG Ratings and ESG Scores, when assessing environmental alignment and impact, our methodologies generally refer to science-based taxonomies and, for social issues, the social aspects of the UN Sustainable Development Goals (SDGs). Point-in-time SPOs are produced prior to an instrument's issuance and provide the market with opinions on instruments' impact and alignment with relevant environmental and social principles, guidelines and/or taxonomies.

Sustainable Fitch does not issue credit ratings. Sustainable Fitch's ESG products are independent of credit ratings or any effect that ESG factors may have on the credit profile of the entity or debt instrument.

**"Sustainable Fitch" refers to Sustainable Fitch Inc. and each of its affiliates that provide ESG products under the trade name "Sustainable Fitch".*

Sustainable Fitch's position on each of the Principles and Guidelines of the Code is as follows:

Principle 1 – Good Governance

ESG ratings and data products providers should ensure appropriate governance arrangements are in place that enable them to promote and uphold the Principles and overall objectives of the Code of Conduct.

Sustainable Fitch has policies, procedures and internal controls are designed to help ensure the objectivity and integrity of its ESG analytical products. Sustainable Fitch abides by Fitch Group's Code of Conduct, which addresses the recommendations of the IOSCO for ESG Ratings and Data Providers. The policies included in Principle 3 below exemplify our commitment to following the core values that drive the way we conduct our business – objectivity, independence, integrity and transparency.

In terms of organizational structure, Sustainable Fitch has a clearly defined structure with well-defined roles and responsibilities to effectively adhere to and carry out the principles set forth in the Code of Conduct.

The employees of Sustainable Fitch have the necessary skills, knowledge, qualifications, and background to help achieve quality and consistency in its ESG products. In addition to providing a comprehensive onboarding process to new analysts, Sustainable Fitch provides ongoing internal and external training throughout its analysts' professional careers and provides analysts with the resources to seek external professional qualifications. The team is extensively trained on methodology, the rating process and compliance issues, providing for a common level of knowledge among the analytical team.

Sustainable Fitch employees are subject to competencies at every level, meeting minimum requirements for each stage of their career. We evaluate:

- Analytical skills, knowledge and expertise, as well as critical thinking abilities.
- Productivity, both in terms of the quantity and quality of work produced.
- Effective written and verbal communication skills.
- Understanding the needs and objectives of investors, intermediaries, and issuers.



Principle 2 - Securing Quality (Systems & Controls)

ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure the issuance of high quality ESG ratings and data products.

Sustainable Fitch evaluates and updates the scoring guidelines for sub-factors used by analysts in the application of its methodologies on an ongoing basis to reflect feedback and facilitate consistent application. The weightings of each broad area and sub-factor have been established based upon the identification of metrics that are considered by Sustainable Fitch as indicative of the willingness of an entity to achieve environmental and social impacts, scenario testing on weightings and qualitative feedback from market participants.

Each ESG product is assigned according to a published methodology available on [Sustainable Fitch's website](#) which discloses the areas evaluated for the ESG Ratings and ESG Scores in a modular manner, including the level of contribution of each factor towards the final assessment. The SPO methodology considers alignment to internationally accepted principles and guidelines, as well as taxonomies.

The analytical team develops methodology, and the Global Head of Resources of Sustainable Fitch conducts an independent review prior to its publication. Methodology is subject to periodic review (every 18 months) and independent approval by the Global Head of Resources of Sustainable Fitch.

Principle 3 – Conflicts of Interest

ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure their decisions are independent, free from political or economic interference, and appropriately address actual or potential conflicts of interest that may arise from, among other things, the ESG ratings and data products providers' organisational structure, business or financial activities, or the financial interests of the ESG ratings and data products providers and their officers and employees.

ESG ratings and data products providers should identify, avoid or appropriately manage, mitigate and disclose actual or potential conflicts of interest that may compromise the independence and integrity of the ESG ratings and data products providers' operations.

Sustainable Fitch has policies and procedures designed to identify, eliminate or manage, and disclose in a transparent manner, any potential conflicts of interest. The main bulletins to which all Sustainable Fitch employees are subjected to are:

SUSTAINABLE FITCH – SPECIFIC BULLETINS

BULLETIN	Overview
FITCH GROUP BULLETIN 6: EMPLOYEE CODE OF CONDUCT	Sets forth business ethics guidelines that specify the ethical and legal conduct expected of Fitch Group employees in a variety of identified business situations.
BULLETIN 1: SEGREGATION OF COMMERCIAL & ESG PRODUCT ACTIVITIES POLICY	Sets forth the requirements regarding the segregation of commercial and ESG Analytical Product Activities and manages potential conflicts of interest.
BULLETIN 2: ESG SECURITIES TRADING & CONFLICTS OF INTEREST POLICY	Addresses securities trading and other potential conflicts of interest between Sustainable Fitch and its employees. It contains prohibitions, restrictions and disclosure requirements applicable to employees that help identify and manage these potential conflicts.
BULLETIN 3: CONFIDENTIAL INFORMATION POLICY	Sets forth those requirements applicable to Sustainable Fitch Analysts regarding the protection and permissible dissemination of Confidential Information, including Material Non-Public Information (MNPI) and Confidential Analytical Information.
BULLETIN 4: COMPLAINT HANDLING POLICY	Outlines procedures for the receipt, retention and treatment of (i) complaints regarding ESG Analytical Products, models and methodologies and compliance with applicable laws and policies and procedures, and (ii) confidential, anonymous complaints by employees or users of ESG Analytical Products.
BULLETIN 5: FILE MAINTENANCE POLICY	Establishes guidelines for the management, maintenance and orderly disposition of analytical records relating to the assignment of ESG Analytical Products and the policies, procedures, criteria and methodologies.
BULLETIN 6: FIREWALL POLICY	Manages potential conflicts of interest regarding Sustainable Fitch's assignment (both pending and actual) or maintenance of ESG Analytical Products on certain affiliated entities.



BULLETIN 7: RESTRICTION ON PROVIDING ADVICE

Prevents Sustainable Fitch from providing advisory or consulting services to any ESG Rated Entity or related parties.

BULLETIN 8: TIPS POLICY

Outlines the procedures for the receipt and treatment of allegations (tips) and their potential impact on the ESG profile of any outstanding ESG Analytical Product.

Principle 4 - Transparency

ESG ratings and data products providers should make adequate levels of public disclosure and transparency a priority for their ESG ratings and data products, including their methodologies and processes to enable the users of the product to understand what the product is and how it is produced, including any potential conflicts of interest and while maintaining a balance with respect to proprietary or confidential information, data and methodologies.

Sustainable Fitch has policies and procedures designed to ensure that its ESG products reflect the ESG characteristics of the entity and/or debt instruments according to the applicable methodology. Each ESG product is assigned according to a published methodology which discloses the areas evaluated for the ESG Ratings and ESG Scores in a modular manner, including the level of contribution of each towards the final assessment. The SPO methodology considers alignment to internationally accepted principles and guidelines, as well as taxonomies. The methodologies published on Sustainable Fitch's website are:

- [ESG Rating Methodology](#)
- [ESG Score Methodology](#)
- [Second-Party Opinion Methodology](#)

A description of Sustainable Fitch policies and procedures can be found here:
[Sustainable Fitch Procedures for Analytical Products](#)

Principle 5 – Confidentiality (Systems & Controls)

ESG ratings and data products providers should adopt and implement written policies and procedures designed to address and protect all non-public information received from or communicated to them by any entity, or its agents, related to their ESG ratings and data products, in a manner appropriate in the circumstances.

Sustainable Fitch's Confidential Information Policy sets forth those requirements applicable to Sustainable Fitch Analysts regarding the protection and permissible dissemination of Confidential Information, including Material Non-Public Information (MNPI) and Confidential Analytical Information

See: [Confidential Information Policy](#)

Principle 6 – Engagement (Systems and Controls)

ESG ratings and data products providers should regularly consider whether their information gathering processes with entities covered by their products leads to efficient information procurement for both the providers and these entities. Where potential improvements to information gathering processes are identified, ESG ratings and data products providers should consider what measures can be taken to implement them.

Where feasible and appropriate, ESG ratings and data products providers should respond to and address issues flagged by entities covered by their ESG ratings and data products and by users while maintaining the independence and integrity of these products.

For ESG products (excluding ESG Scores for Leveraged Finance), Sustainable Fitch uses public sources of information, where available. If sufficient public information is not available, to proceed with the analytical process, Sustainable Fitch may request that the issuer provide relevant information and proceed with the analytical process only if sufficient information is made available. When information is deemed insufficient, Sustainable Fitch does not proceed with the analytical process.

In addition, for ESG products (excluding ESG Scores for Leveraged Finance), issuers are provided with the outcome of the assessment and a draft of the related report prior to publication. The draft report provided to the issuer includes a list of the data and information sources used by Sustainable Fitch. Issuers have the opportunity to review the draft report prior to publication and may respond directly with comments or questions to the primary analysts. In particular, prior to publication, issuers are able to: (i) provide further information which may be relevant to the ESG Rating or the ESG Second Party Opinion and (ii) provide comments on the



accuracy of the information used or included in the report or the inclusion of any confidential information within the report. Where an issuer submits an appeal request in relation to a notified outcome, the issuer's request is reviewed by analysts who were not directly involved in the original analysis. Data sources are included in [Sustainable Fitch Procedures for Analytical Products](#).

Issuers have access to analysts and senior management. In addition, an issuer who is the subject to a proposed or existing ESG Analytical Product may request at any time a review of the outcome of Sustainable Fitch's analysis. Requests should be sent to reporting@sustainablefitch.com.

ESG Scores for Leveraged Finance typically use public sources of information which may be supplemented by non-public information from the requestor of the scores. An ESG Leveraged Finance Score typically requires less information than an ESG Rating and no direct need for issuer interaction. These scores are not made generally available to subscribers of Sustainable Fitch's other products, and their distribution is restricted to specific recipients.



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a FitchSolutions Company

A Sustainable Fitch ESG Analytical Product (ESG Product) provides an assessment of the Environmental, Social and/or Governance ("E", "S" and "G") qualities of an issuer and/or its securities. ESG Products provided by Sustainable Fitch include an ESG Entity Rating, ESG Framework Rating, ESG Instrument Rating, ESG Scores and ESG Second-Party Opinion, among other ESG analytical products. An ESG Product is not a credit rating. ESG Products are provided by Sustainable Fitch, a Fitch Solutions company, and an affiliate of Fitch Ratings. Sustainable Fitch has established certain policies and procedures intended to avoid creating conflicts of interest and compromising the independence or integrity of Fitch Ratings' credit rating activities and Sustainable Fitch's ESG Product generation activities. For a description of the methodology, limitations and disclaimers relating to Sustainable Fitch's ESG Products, please use this link: www.sustainablefitch.com.

Please note that individuals identified in an ESG Product report are not responsible for the opinions stated therein and are named for contact purposes only. A report regarding an ESG Product is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of financial instruments and securities. ESG Products are not considered investment advice and they are not and should not be considered as a replacement of any person's own assessment of the ESG factors related to a financial instrument or an entity. Sustainable Fitch does not represent, warrant or guarantee that an ESG Product will fulfil any of your or any other person's particular purposes or needs. Sustainable Fitch does not recommend the purchase or sale of financial instruments or securities or give investment advice or provide any legal, auditing, accounting, appraisal or actuarial services. ESG Products are not an opinion as to the value of financial instruments or securities. Sustainable Fitch does not audit or verify the accuracy of the information provided to it by any third party for the purpose of issuing an ESG Product, including without limitation issuers, their representatives, accountants and legal advisors and others. Sustainable Fitch does not represent, warrant or guarantee the accuracy, correctness, integrity, completeness or timeliness of any part of the ESG Product. The information in an ESG Product report is provided "as is" without any representation or warranty of any kind, and Sustainable Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report.

Sustainable Fitch receives fees from entities and other market participants who request ESG Products in relation to the analysis conducted to assign an ESG Product to a given financial instrument and/or entity. The assignment, publication, or dissemination of an ESG Product by Sustainable Fitch shall not constitute a consent by Sustainable Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction.

ESG Products offered to clients in Australia. ESG Products in Australia are available only to wholesale clients (as defined in section 761G of the Corporations Act (Cth) (the "Act")) in Australia. Information related to ESG Products published by Sustainable Fitch is not intended to be used by persons who are retail clients within the meaning of the Act ("Retail Clients") in Australia. No one shall distribute, disclose or make references to any information related to ESG Products in a manner which is intended to (or could reasonably be regarded as being intended to) influence a Retail Client in making a decision in relation to a particular financial product (as defined in the Act) or class of financial products, unless required to do so by law to meet continuous disclosure obligations. No one shall make reference to any ESG Product information in any publication, promotional material, disclosure document, correspondence, website, or any other venue that may be accessed by clients and investors who are Retail Clients in Australia (except in the circumstances as permitted by law).

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