Taiwan Depository & Clearing Corporation

Code of Conduct for ESG Ratings and Data Products Providers

2026.11

Contents

I. Background 3

1. Introduction 3

2. Overview of the Code of Conduct 4

3. Development History 5

4. Application and approach 6

5. Hosting and Maintenance of the Code of Conduct 8

II. Scope and Definitions 9

1. Target Scope 9

2. Definitions 9

3. Negative Scope 11

III. Principles 15

1. Principle on Good Governance 15

2. Principle on Securing Quality 16

3. Principle on Conflicts of Interest 18

4. Principle on Transparency 20

5. Principle on Confidentiality 22

6. Principle on Engagement 23

Appendix: Self-Assessment Document 25

I. Background

1. Introduction

1.1 With the continuous development of ESG issues, the importance of ESG factors in the financial market has increasingly elevated, which in turn has driven a rapid increase in the demand for related services such as ESG ratings and data products. As the market continues to develop, issues regarding the transparency, quality, and reliability of ESG ratings and data products have also gradually gained attention. Establishing a code of conduct will help enhance market trust in ESG ratings and data products, assist investors in allocating capital to appropriate investment targets that align with sustainable development principles, and thereby reduce the risk of greenwashing.

1.2 Since 2020, the Taiwan Depository & Clearing Corporation (TDCC) has provided ESG rating information of Taiwan's listed companies on its ESG IR Platform for the reference of issuing companies and investors. To ensure the quality of the ESG rating information on the TDCC ESG IR Platform, the Company established the "Code of Conduct for ESG Rating Providers" in 2024, referencing the regulations of the International Organization of Securities Commissions (IOSCO) and the Financial Services Agency (FSA) of Japan. Subsequently, to further strengthen the supervisory mechanism for sustainable rating providers in Taiwan and actively align with international standards, TDCC planned the revision of the aforementioned code and issued the "Taiwan Depository & Clearing Corporation Code of Conduct for ESG Ratings and Data Products Providers" (this Code), with the expectation of building a more comprehensive and internationally consistent ESG rating

supervisory framework.

1.3 This Code references the ICMA Code of Conduct for ESG Ratings and Data Products Providers (ICMA Code), which was launched on 14 December 2023. The ICMA Code was developed by an international, industry-led working group initiated by the Financial Conduct Authority in the UK, with support from ICMA. It was formulated based on IOSCO recommendations and is intended to be internationally interoperable. Accordingly, TDCC has established this Code by referencing the structure and spirit of the aforementioned international code, ensuring that the development of Taiwan's ESG ratings and data products market aligns with international supervisory standards.

2. Overview of the Code of Conduct

2.1 This Code of Conduct aims to foster a trusted, efficient and transparent market, by introducing clear standards for ESG ratings and data products providers and clarifying how such providers can interact with wider market participants. Based on IOSCO's recommendations, the Code sets out six principles (each a "Principle" or, collectively, the "Principles"), with the aim of:

(A) improving the availability and quality of information provided to investors at product and entity levels;

(B) enhancing market integrity through increased transparency, good governance and sound systems and controls; and

(C) improving competition through better comparability of products and providers

2.2 This Code of Conduct is intended to be internationally interoperable,

and it is hoped that it can be part of a globally consistent regulatory framework.

2.3 In line with IOSCO's recommendations, the Code is structured around four key outcomes:

(A) Good Governance: ESG ratings and data products providers are expected to ensure appropriate governance arrangements are in place that enable them to promote and uphold the Principles and overall objectives of the Code.

(B) Systems and Controls: ESG ratings and data products providers are expected to adopt and implement written policies and procedures designed to help ensure the issuance of high quality ESG ratings and data products.

(C) Management of Conflicts of Interest: ESG ratings and data products providers are expected to identify, avoid or appropriately manage, mitigate and disclose actual or potential conflicts of interest that may compromise the independence and objectivity of ESG ratings and data products providers' operations.

(D) Transparency: ESG ratings and data products providers are expected to make adequate levels of public disclosure and transparency a priority for their ESG ratings and data products. This includes their methodologies and processes to enable users to understand the product and any associated potential conflicts of interest, while maintaining a balance with respect to proprietary or confidential information, data and methodologies.

3. Development History

3.1 To strengthen the supervisory mechanism for sustainable rating

providers in Taiwan and align with international standards, TDCC formed the "Taiwan Depository & Clearing Corporation Working Group for the Amendment of the Code of Conduct for ESG Ratings and Data Products Providers" in 2026 to coordinate the amendment process of this Code. The working group members encompass representatives from competent authorities, securities-related entities, scholars, international organizations, ESG ratings and data products providers, rated entities, and investment institutions. By integrating diverse perspectives, the working group ensures that the amended content is professional, comprehensive, and internationally consistent.

3.2 Since April 2026, the working group has held three meetings and conducted one public consultation to discuss the various principles, scope of application, and specific provisions of this Code. During this process, the working group agreed that the Code proposed by ICMA effectively aligns with international practices; therefore, this Code maintains consistency with the ICMA Code starting from Section "II. Scope and Definitions."

3.3 Following the aforementioned deliberation procedures, this Code was promulgated and implemented on [Month] [Day], 2026.

4. Application and approach

4.1 Each Principle in this Code of Conduct is underpinned by a series of actions, which provide a practical guide to the application and interpretation of the Principle.

4.2 The Code of Conduct does not, and is not intended to, prescribe a singular approach as to how the Principles should be embedded

within a provider's organisation. Rather, the Code of Conduct allows signatory organisations to meet the expectations set out in the Principles in a manner aligned to their own business model and structure.

4.3 By signing and adhering to this Code, ESG rating and data product providers agree to complete the "Self-Assessment Document" according to the format in the Appendix and should review it at least once a year (updating where appropriate). To enhance transparency and assist clients in conducting due diligence procedures, ESG rating and data product providers shall use the aforementioned document to specifically explain the measures taken to implement this Code.

4.4 In order to assist in determining the scope of application of the Code of Conduct, as explained further below, we offer definitions of ESG ratings/data products providers as well as ESG data products and ESG ratings/scores. Furthermore, the Code comments on certain areas of negative scope. As this is an evolving and innovative market, this Code of Conduct is intended to have broad application across the market of providers of ESG ratings and data products. The definitions and commentary on scope should, therefore, be read purposively, recognising the intentionally broad application that the Code is intended to have.

4.5 The Code of Conduct is intended to enhance transparency of methodologies for ESG ratings and data products and improve standards generally across the market. In doing so, the Code should assist users of these products to better carry out their due diligence to understand the range of products on offer. The Code of Conduct is not, however, a substitute for such due diligence.

4.6 After signing and adhering to this Code, ESG ratings or data product providers shall implement the principles within their organizations and provide the "Self-Assessment Document" to TDCC.

4.7 Once an ESG ratings or data product provider has signed up to the Code of Conduct, this will be followed by an implementation period. The implementation period for ESG ratings providers is six months and the implementation period for ESG data products providers is twelve months.

5. Hosting and Maintenance of the Code of Conduct

TDCC is responsible for the management and maintenance of this Code, performing the following tasks:

5.1 Publishing and continuously updating the list of the compliance list of signatory organizations, declarations, and self-assessment documents that agree to follow this Code on the TDCC IR platform website.

5.2 Handling formal inquiries from market participants regarding this Code.

5.3 Continuously monitoring the revision trends of relevant international standards or, depending on practical needs, conducting opinion surveys with market participants and stakeholders to reflect best practices and current industry developments.

5.4 This Code shall be implemented after approval by the President of TDCC; the same applies to amendments.

II. Scope and Definitions

1. Target Scope

1.1 This is a voluntary Code of Conduct and as such it is open to any entity that so wishes (and considers this Code of Conduct relevant to its business or operations) to implement and adhere to the Principles. The intention in the development of this Code of Conduct is to ensure that it is sufficiently clear and flexible to have relevance in its application to the broad spectrum of ESG ratings or data products providers that exist in the global market.

1.2 Nevertheless, for clarity of terminology and to provide guidance as to the relevant market identified and considered during the development of the Code of Conduct, the following definitions and commentary on scope are provided.

2. Definitions

2.1 Throughout this Code of Conduct, reference is made to the Principles and actions applying to "ESG ratings/data products providers". For these purposes, we offer the following (intentionally broad) definitions:

2.2 " ESG ratings/data products provider" means an entity whose activities involve the provision of ESG ratings/scores and/or data products.

2.3 "ESG data product" is a product provided, or marketed as providing either a specific environmental, social, or governance focus or a holistic ESG focus, or a combined focus on a combination of E, S or G factors, in respect of one or more entities, financial instruments, products or companies' ESG profile, characteristics, or exposure to

ESG, climate-related or other environmental risks or impact on society and the environment. For the purposes of this definition, it is irrelevant whether or not the product is explicitly labelled as an "ESG data product".

2.4 "ESG rating/score" is a product that is provided, or marketed as providing an opinion, score or other ranking issued using an established and defined ranking system, regarding the environmental, social or governance characteristics or risks in relation to one or more entities', financial instruments', or products or one or more companies' ESG profile, characteristics, or exposure to ESG, climate-related or other environmental risks or impact on society and the environment. For the purposes of this definition, it is irrelevant whether or not the relevant product is explicitly labelled as an "ESG rating or ESG score".

2.5 It is important to note that our definition of ESG rating/score is not intended to suggest that ESG ratings and ESG scores are the same product, or that the terms can or should be used interchangeably in all situations. For the purposes of this Code of Conduct, however, we do not consider that it is necessary to draw specific differences between the product types. ESG ratings/data products providers may feel, however, that the manner in which they implement aspects of this Code of Conduct across their business may vary depending on the product/business area, and to the extent that differences are drawn between ESG ratings and ESG scores, that there may be different styles of application between those product sets.

2.6 Controversy alerts and second party opinions (SPOs): in developing this Code of Conduct, the decision was made that it should have

broad application across ESG ratings and data products providers and that, consistent with this principle, it could include entities that provide controversy alerts (also referred to as controversy reports or norm-based research) or SPO providers. As this is a voluntary Code, it is up to organisations that offer these products to decide whether and to what extent they intend to apply the Code Principles. It is envisaged that signatories should explain their approach, and their justification for such approach, in their Self-attestation Document (see paragraph 2.3).

2.7 Where applying this Code of Conduct to controversy alerts or reports, ESG ratings or data products providers should have regard to the overarching aims of the Code. In particular, ESG ratings and data products providers should seek to ensure sufficient transparency concerning their products. Areas of particular relevance and focus could include: (i) the reliability of public data sources, and providing transparent information as to the hierarchy of such sources; (ii) applying a measure of materiality reflecting the overall weight and relevance of the controversy to the company; (iii) having regard to the length of time passed since the date of the original controversy and its continued relevance; and (iv) the level of responsibility that the named company can take for the controversy versus industry-wide issues.

3. Negative Scope

3.1 As this is a voluntary Code that has been designed to have broad application and relevance, there is an argument as to whether it is necessary to express specific exclusions from the Code of Conduct's application. While a valid observation, it may help guidance and

interpretation to identify the categories of organisation that, while capable of falling within the ESG ratings/data products provider definition, were not the primary target of this Code of Conduct during its development. These types of organisations include:

(A) credit rating agencies in respect of their offering of credit ratings (including ESG factors and scores that are part of credit rating methodologies). Where Credit Rating Agencies or their affiliates offer ESG ratings/ scores or ESG data products, the intention is that the Code of Conduct would apply in respect of the offering of those products.

(B) entities who produce ESG ratings/scores or ESG data products that are used or consumed only within the same corporate group of affiliated companies and are therefore not provided or marketed to third parties; and

(C) entities whose commercial activities involve ESG consulting services, but that do not involve the provision of any ESG ratings/scores or ESG data products.

(D) Print or electronic media whose business activities involve solely reporting on ESG ratings or rankings.

(E) Non-profit entities whose ESG-related research is produced purely for academic publication, educational purposes, or the public interest.

(F) Evaluation agencies that conduct ESG-related performance evaluations in accordance with laws and regulations or as commissioned by government authorities.

(G) If an ESG rating provider is a securities and futures related organization that assists the Securities and Futures Bureau of the Financial Supervisory Commission in executing supervisory

duties or promoting policies (including the Taiwan Stock Exchange, Taiwan Futures Exchange, Taipei Exchange, Taiwan Depository & Clearing Corporation, Securities and Futures Investors Protection Center, and the Securities and Futures Institute, etc.), considering that such an organization serves an auxiliary supervisory role, it is, in principle, not the primary entity subject to this Code. However, if its business operations are assessed to be highly relevant to this Code, it may still voluntarily sign and comply with it.

ESG ratings and data products providers should ensure that they comply with applicable laws and regulations in the jurisdictions in which they operate, whether or not they adhere to the Code. It should be noted that this voluntary Code of Conduct is not intended to overlay upon existing regulated activities for which formal rules and guidance already exist.

3.2 In addition, while the scope of application of the Code of Conduct has been created with regard to the broad spectrum of ESG ratings, scores and data products, there are limits to those products and services that have been broadly considered to be in scope. For example, the definitions are not intended to be so broad as to bring into scope proxy advisory services, investment research, or financial benchmarks with an ESG or climatic focus where benchmark providers are already applying IOSCO's Principles for Financial Benchmarks.

3.3 We emphasise that the above is intended to provide guidance as to the target scope during the development process, and is not intended to dissuade organisations listed above from applying the Code of Conduct if they consider it to be relevant to their activities or business.

3.4 As explained throughout the Code of Conduct, on a principle-by-

principle basis, the Code of Conduct is intended to be interpreted and applied in a proportionate manner, having regard to the nature, scale and complexity of the activities or business.

III. Principles

1. Principle on Good Governance

No.		
1.1	Principle	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.
1.2	Context	The purpose of this Principle is to ensure that ESG ratings and data products providers have appropriate governance and oversight arrangements in place necessary in connection with this Code of Conduct.
1.3	Actions	ESG ratings and data products providers should have appropriate governance arrangements in place that:
1.4		(A) include a clear organisational structure with well-defined, transparent and consistent roles and responsibilities for personnel involved in the determination, publication, or oversight, as appropriate, of an ESG rating or of an ESG data product; and which
1.5		(B) enable them to follow the Principles set out in this Code of Conduct.
1.6	Outcome	Appropriate governance arrangements ensure ESG ratings and data products providers are well-positioned to operationalise this Code of Conduct appropriately and ultimately enable appropriate management of conflicts of interest, ensure appropriate and transparent procedures, as well as support competent personnel and sufficient resources.

2. Principle on Securing Quality

No.		
2.1	Principle	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.
2.2	Context	The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to ensure they can provide high quality ESG ratings and data products. Without appropriate policies and procedures being established, maintained and followed consistently, there is a risk that reliability and quality of the relevant product (ESG rating or data product) could be affected. It would also impact the ability of users to make an informed decision.
2.3	Actions	These policies and procedures should be drafted taking into account the nature, scale and complexity of ESG ratings and data products providers' respective businesses and should require that ESG ratings/data products are based on:
2.4		(A)publicly disclosed data sources, where possible, and other information sources, where necessary;
2.5		(B) the adoption, implementation and provision of transparency around methodologies for their ESG ratings and data products that are defined, rigorous, systematic, applied continuously, in accordance with Principle 4, while maintaining a balance with respect to proprietary or confidential aspects of the methodologies; and
2.6		(C)a thorough analysis of relevant information consistent with the applicable methodologies available to the ESG ratings and data products providers at the time of determination.
2.7		Furthermore, having regard to the nature, scale and complexity of their respective businesses, ESG ratings and data products providers should also ensure:
2.8		(A)they monitor on an ongoing basis and regularly update, as appropriate, their ESG ratings and data products, except where specifically disclosed that the rating is a point in time rating;

2.9		(B) they regularly review the relevant methodologies and sufficiently communicate changes made to the methodologies as well as potential impacts of these changes to the ESG ratings and data products;
2.10		(C) they maintain internal records to support their ESG ratings and data products;
2.11		(D)they have sufficient resources (personnel and technological capabilities) to consistently apply the relevant methodologies to determine high quality ESG ratings and data products, to seek out information they need in order to make an assessment, analyse all the information relevant to their decision-making processes, and conduct quality control on their processes and production of ESG ratings and data products. The quality controls should include both (i) procedural checks to ensure that the methodology and internal processes are followed correctly; and (ii) holistic checks to ensure that the process considering the plausibility, coherence and logic of the product is sound. The quality control framework should also allow for the appropriate and timely consideration of information brought to ESG ratings and data products providers' attention by covered entities or users, as outlined at action 6.10 below; and
2.12		(E)the personnel involved in the determination, publication or oversight, as appropriate, of ESG ratings and data products are professional, competent, and of high integrity.
2.13		Finally, ESG ratings and data products providers could consider providing ESG ratings and data products to clients in a machine-readable format.
2.14	Outcome	Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of adverse impacts to the consistency or quality of ESG ratings or data products is mitigated and the ability of users to make informed decisions will be improved.

3. Principle on Conflicts of Interest

No.		
3.1	Principle	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.
3.2		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.
3.3	Context	The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to avoid and, if identified, to address any potential conflicts of interest appropriately. Without appropriate policies and procedures being established, there is a risk that the independence, integrity, reliability and credibility of the ESG ratings or data products providers' operations could be undermined.
3.4	Actions	ESG ratings and data products providers should:
3.5		(A)adopt written internal policies and procedures and mechanisms designed to (1)identify, and (2)eliminate, or manage, mitigate and disclose, as appropriate, any actual or potential conflicts of interest related to their ESG ratings or data products that may influence the opinions and analyses ESG ratings and data products providers make or the judgment and analyses of the individuals they employ who have an influence on their ESG ratings or data products decisions; and
3.6		(B) disclose such conflict avoidance and management measures.
3.7		ESG ratings and data products providers should take steps to help ensure that any existing or potential business relationship between them

		(or their affiliates) and any entity or any other party for which they provide ESG ratings or data products would not affect the integrity of the ESG ratings and data products being offered to those entities or other parties. These steps could include (but are not limited to) the following measures in respect of appropriate staff:
3.8		(A) putting in place measures to help ensure such staff refrain from any securities or derivatives trading presenting inherent conflicts of interest with the ESG ratings and data products;
3.9		(B)structuring reporting lines for such staff and their compensation arrangements to eliminate or appropriately manage actual and potential conflicts of interest related to their ESG ratings and data products;
3.10		(C)not compensating or evaluating such staff on the basis of the amount of revenue that an ESG rating and data products provider derives from an entity for which such staff provides ESG ratings and data products, or with which such staff regularly interact regarding such ESG ratings and data products; and
3.11		(D)where consistent with confidentiality, contractual and other business, legal and regulatory requirements, disclosing in respect of such staff the general nature of the compensation arrangement or any other business or financial relationships that exist with an entity for which the ESG ratings and data products provider provides ESG ratings or data products.
3.12	Outcome	Through the establishment, maintenance and adherence to appropriate policies and procedures that address actual or potential conflicts of interest, the risk of undermining the independence, integrity, reliability and credibility that informs the issuance of an ESG rating or data product is mitigated.

4. Principle on Transparency

No.		
4.1	Principle	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.
4.2	Context	Ensuring transparency of methodologies and processes that underpin ESG ratings and data products should enable all users and stakeholders to have a reasonable understanding of how each provider defines and compiles their respective ESG ratings and data products. Improved transparency on methodologies and processes would enhance overall trust in such ratings and data products.
4.3	Actions	ESG ratings and data products providers should, where applicable:
4.4		(A)make public disclosure and transparency a priority for their ESG ratings and data products offerings, subject to commercial sensitivity considerations;
4.5		(B)clearly describe their ESG ratings and data products to enable the users to understand the ESG rating's or ESG data product's intended purpose including its measurement objective; and
4.6		(C)publish sufficient information about the methodologies underlying their ESG ratings and data products and how they ensure their consistent implementation to enable the users of these products to understand how their outputs were determined.
4.7		ESG ratings and data products providers should, where applicable, publish information that is relevant to understanding their methodologies, subject to any proprietary or confidentiality considerations. This information may include, but is not limited to:
4.8		(A)the measurement objective of the ESG rating;

4.9		(B)the criteria used to assess the entity or company;
4.10		(C)the KPIs used to assess the entity against each criterion;
4.11		(D)the relative weighting of these criteria to that assessment;
4.12		(E)the scope of business activities and group entities included in the assessment;
4.13		(F)the principal sources of qualitative and quantitative information used in the assessment, including for example whether the information is forward-looking (such as transition plans), the use of industry averages, estimations or other methodologies when actual data is not available, as well as information on how the absence of information was treated;
4.14		(G)the time horizon of the assessment;
4.15		(H)the meaning of each assessment category; and
4.16		(I)a regular evaluation of their methodologies against the outputs which they have been used to produce.
		Actions outlined at 4.7 to 4.16 above may have differential relevance and application across the range of ESG ratings and data products.
4.17	Outcome	The purpose of this Principle is to ensure that ESG ratings and data products providers are transparent about the methodologies and processes that underpin their ESG ratings and data products, while maintaining a balance with respect to proprietary or confidential information, data and methodologies. In order to promote market-wide confidence in ESG ratings and data products, all users and stakeholders need to have a reasonable understanding of how each provider defines and compiles their respective ESG ratings and data products. Improved transparency on methodologies and processes would enhance overall trust in such ratings and data products.

5. Principle on Confidentiality

No.		
5.1	Principle	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.
5.2	Context	The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements designed to ensure they can manage and protect non-public information appropriately. Without appropriate policies and procedures being established, there is a risk that reliability and credibility of the ESG ratings or data products providers could be undermined.
5.3	Actions	ESG ratings and data products providers should:
5.4		(A)adopt and implement written policies and procedures and mechanisms related to their ESG ratings and data products designed to address and protect the non-public nature of information shared with them by entities under the terms of a confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially;
5.5		(B)adopt and implement written policies and procedures designed to address the use of non-public information only for purposes related to their ESG ratings and data products or otherwise in accordance with their confidentiality arrangements with the entity; and
5.6		(C)include information on data confidentiality management and on the protection of non-public information to the extent terms of engagement are published.
5.7	Outcome	Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of infringing on the non-public nature of information that may underpin the issuance of ESG ratings or data products is mitigated.

6. Principle on Engagement

No.		
6.1	Principle	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.
6.2		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.
6.3	Context	The purpose of this Principle is to ensure that ESG ratings and data products providers operate internal arrangements that provide forward visibility to covered entities as to what to expect from their assessment processes. Without appropriate policies and procedures being established, there is a risk that procurement of information that underpins ESG ratings or data products providers could be inefficient and lack credibility.
6.4	Actions	Where they collect information from covered entities on a bilateral basis, ESG ratings and data products providers should:
6.5		(A)communicate sufficiently in advance by when they expect to request this information regarding their ESG ratings and data products; and
6.6		(B)include in their requests, pre-inputted information either from publicly available sources or from the covered entities' previous submissions, where possible, for the covered entities' review or confirmation.
6.7		ESG ratings and data products providers should:
6.8		(A)provide a clear and consistent contact point with whom the covered entity can interact to address any queries relating to the assessment provided by the ESG ratings and data products provider;
6.9		(B)where feasible and appropriate, inform covered entities: (i) that they

		are in the process of being assessed; and (ii) of the principal categories of data on which an ESG rating is based before the publication of the ESG rating;
6.10		(C)allow the covered entity and users to draw attention to any factual errors or omissions in the ESG rating or ESG data product, including the data and information underlying the ESG rating or ESG data product; and
6.11		(D)publish terms of engagement describing how ESG ratings and data products providers will typically engage with their covered entities, including when information is likely to be requested and the opportunities available (if any) to the covered entity for review.
6.12	Outcome	Through the establishment, maintenance and adherence to appropriate policies and procedures concerning ESG ratings or data products processes, the risk of inefficiencies or of relying upon incomplete or inaccurate information in procuring the information that may underpin the issuance of ESG ratings or data products are mitigated.

Appendix: Self-Assessment Document

1. Name of ESG ratings / data products provider: _____

2. Please indicate if the provider engages in the provision of (check all relevant boxes):

   □ESG ratings/scores

   □ESG data products

3. Date: _____

Instructions for Completion:

1. When filling out the Self-Assessment Document, the provider:

   1.1 should include hyperlinks to relevant policies and documents where relevant; and

   1.2 may consider clarifying where appropriate the extent to which:

      A. application of a principle is affected by existing regulatory obligations or other constraints to which the provider is subject; and

      B. a principle is not considered to be applicable or relevant to any ESG ratings and data products offered by the provider; and

   1.3 may make reference to their adherence to any relevant voluntary code or regulatory requirements of other jurisdiction(s) and explain how such adherence may also satisfy the equivalent expectation(s) in the Code of Conduct.

2. Please refer to the Code of Conduct for a more detailed description of the context and outcomes relevant to each principle set out in this document.

Code of Conduct Reference	Principles and actions	How has the principle/action been implemented?
1. Principle on Good Governance		
1.1	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.	
Actions		
ESG ratings and data products providers should have appropriate governance arrangements in place that:		
1.4	(A) include a clear organisational structure with well-defined, transparent and consistent roles and responsibilities for personnel involved in the determination, publication, or oversight, as appropriate, of an ESG rating or of an ESG data product; and which	
1.5	(B)enable them to follow the Principles set out in this Code of Conduct.	
2. Principle on Securing Quality		
2.1	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.	
Actions		
These policies and procedures should be drafted taking into account the nature, scale and complexity of ESG ratings and data products providers' respective businesses and should require that ESG ratings/data products are based on:		
2.4	(A)publicly disclosed data sources, where possible, and other information sources, where necessary;	
2.5	(B)the adoption, implementation and provision of transparency around methodologies for their ESG ratings and data products that are defined, rigorous,	

	systematic, applied continuously, in accordance with Principle 4, while maintaining a balance with respect to proprietary or confidential aspects of the methodologies; and	
2.6	(C)a thorough analysis of relevant information consistent with the applicable methodologies available to the ESG ratings and data products providers at the time of determination.	
Furthermore, having regard to the nature, scale and complexity of their respective businesses, ESG ratings and data products providers should also ensure:		
2.8	(A)they monitor on an ongoing basis and regularly update, as appropriate, their ESG ratings and data products, except where specifically disclosed that the rating is a point in time rating;	
2.9	(B)they regularly review the relevant methodologies and sufficiently communicate changes made to the methodologies as well as potential impacts of these changes to the ESG ratings and data products;	
2.10	(C)they maintain internal records to support their ESG ratings and data products;	
2.11	(D)they have sufficient resources (personnel and technological capabilities) to consistently apply the relevant methodologies to determine high quality ESG ratings and data products, to seek out information they need in order to make an assessment, analyse all the information relevant to their decision-making processes, and conduct quality control on their processes and production of ESG ratings and data products. The quality controls should include both (i) procedural checks to ensure that the methodology and internal processes are followed correctly; and (ii)holistic checks to ensure that the process considering the plausibility, coherence and logic of the product is sound. The quality control framework	

	should also allow for the appropriate and timely consideration of information brought to ESG ratings and data products providers' attention by covered entities or users, as outlined at action 6.10 below; and	
2.12	(E)the personnel involved in the determination, publication or oversight, as appropriate, of ESG ratings and data products are professional, competent, and of high integrity.	
2.13	ESG ratings and data products providers could consider providing ESG ratings and data products to clients in a machine-readable format.	
3. Principle on Conflicts of Interest		
3.1	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.	
3.2	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.	
Actions		
ESG ratings and data products providers should:		
3.5	(A)adopt written internal policies and procedures and mechanisms designed to (1) identify, and (2) eliminate, or manage, mitigate and disclose, as	

	appropriate, any actual or potential conflicts of interest related to their ESG ratings or data products that may influence the opinions and analyses ESG ratings and data products providers make or the judgment and analyses of the individuals they employ who have an influence on their ESG ratings or data products decisions; and	
3.6	(B)disclose such conflict avoidance and management measures.	
ESG ratings and data products providers should take steps to help ensure that any existing or potential business relationship between them (or their affiliates) and any entity or any other party for which they provide ESG ratings or data products would not affect the integrity of the ESG ratings and data products being offered to those entities or other parties. These steps could include (but are not limited to) the following measures in respect of appropriate staff:		
3.8	(A)putting in place measures to help ensure such staff refrain from any securities or derivatives trading presenting inherent conflicts of interest with the ESG ratings and data products;	
3.9	(B)structuring reporting lines for such staff and their compensation arrangements to eliminate or appropriately manage actual and potential conflicts of interest related to their ESG ratings and data products;	
3.10	(C)not compensating or evaluating such staff on the basis of the amount of revenue that an ESG rating and data products provider derives from an entity for which such staff provides ESG ratings and data products, or with which such staff regularly interact regarding such ESG ratings and data products; and	
3.11	(D)where consistent with confidentiality, contractual and other business, legal and regulatory requirements, disclosing in respect of such staff the general nature of the compensation arrangement or any other business or financial relationships that exist with an entity for which the ESG ratings and data	

	products provider provides ESG ratings or data products.	
4.Principle on Transparency		
4.1	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.	
Actions		
ESG ratings and data products providers should, where applicable:		
4.4	(A)make public disclosure and transparency a priority for their ESG ratings and data products offerings, subject to commercial sensitivity considerations;	
4.5	(B)clearly describe their ESG ratings and data products to enable the users to understand the ESG rating's or ESG data product's intended purpose including its measurement objective; and	
4.6	(C)publish sufficient information about the methodologies underlying their ESG ratings and data products and how they ensure their consistent implementation to enable the users of these products to understand how their outputs were determined.	
4.7-4.16	ESG ratings and data products providers should, where applicable, publish information that is relevant to understanding their methodologies, subject to any proprietary or confidentiality considerations. This information may include, but is not limited to:	

	(A)the measurement objective of the ESG rating; (B)the criteria used to assess the entity or company; (C)the KPIs used to assess the entity against each criterion; (D)the relative weighting of these criteria to that assessment; (E)the scope of business activities and group entities included in the assessment; (F)the principal sources of qualitative and quantitative information used in the assessment, including for example whether the information is forward-looking (such as transition plans), the use of industry averages, estimations or other methodologies when actual data is not available, as well as information on how the absence of information was treated; (G)the time horizon of the assessment; (H)the meaning of each assessment category; and (I)a regular evaluation of their methodologies against the outputs which they have been used to produce.	
5.Principle on Confidentiality		
5.1	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.	
Actions		
ESG ratings and data products providers should:		
5.4	(A)adopt and implement written policies and	

	procedures and mechanisms related to their ESG ratings and data products designed to address and protect the non-public nature of information shared with them by entities under the terms of a confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially;	
5.5	(B)adopt and implement written policies and procedures designed to address the use of non-public information only for purposes related to their ESG ratings and data products or otherwise in accordance with their confidentiality arrangements with the entity; and	
5.6	(C)include information on data confidentiality management and on the protection of non-public information to the extent terms of engagement are published.	
6.Principle on Engagement		
6.1	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.	
6.2	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.	
Actions		
Where they collect information from covered entities on a bilateral basis, ESG ratings and data		

products providers should:		
6.5	(A) communicate sufficiently in advance by when they expect to request this information regarding their ESG ratings and data products; and	
6.6	(B) include in their requests, pre-inputted information either from publicly available sources or from the covered entities' previous submissions, where possible, for the covered entities' review or confirmation.	
ESG ratings and data products providers should:		
6.8	(A)provide a clear and consistent contact point with whom the covered entity can interact to address any queries relating to the assessment provided by the ESG ratings and data products provider;	
6.9	(B)where feasible and appropriate, inform covered entities: (i) that they are in the process of being assessed; and (ii) of the principal categories of data on which an ESG rating is based before the publication of the ESG rating;	
6.10	(C)allow the covered entity and users to draw attention to any factual errors or omissions in the ESG rating or ESG data product, including the data and information underlying the ESG rating or ESG data product; and	
6.11	(D)publish terms of engagement describing how ESG ratings and data products providers will typically engage with their covered entities, including when information is likely to be requested and the opportunities available (if any) to the covered entity for review.	