



SUSTAINALYTICS

Sustainable Momentum

2014
Sustainability
Report



Photo credits

Cover: Joshua Zakkai, French Alps Mer de Glace, France

Page 8: Joshua Zakkai, Zion National Park, USA

Page 13: Jeremy Hammond, Rocky Mountains, Canada

Page 21: Anda Magda, Tarcu Mountain, Romania

Page 32: Maggie Kenney, White Mountains, USA

Page 35: Jeremy Hammond, Rocky Mountains, Canada

Page 38: Amit de Leeuw, Wasserkuppe, Germany

Table of Contents

About Sustainalytics.....	3
About this Report.....	5
Message from the CEO.....	6
SustainabilityContext.....	7
Our Reporting Approach.....	9
Material Issues: What We Do.....	14
Material Issues: How We Do Things.....	22
What’s Next?.....	33
Appendix.....	36
GRI G4 Index for “In Accordance” Core - 2014.....	39

About Sustainalytics

Headquartered in Amsterdam with 14 offices globally, Sustainalytics is an independent ESG and corporate governance research and analysis firm supporting investors around the world with the development and implementation of responsible investment strategies. Sustainalytics partners with institutions within the capital markets that integrate environmental, social and governance (ESG) information and assessments into their investment processes. As of December 31, 2014, Sustainalytics had 200 employees, including more than 120 analysts with multidisciplinary expertise across more than 40 industries.



Our Vision

Sustainalytics believes that it is imperative for the global economy to become more just and sustainable.



Our Mission

Sustainalytics’ mission is to provide the insights required for investors and companies to make more informed decisions that lead to a more just and sustainable global economy.



Our Values

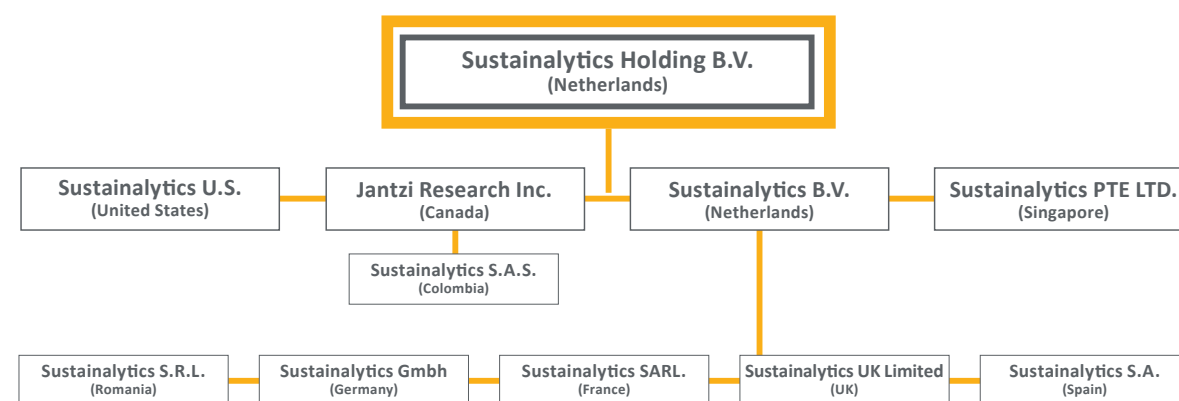
- We have a positive **impact** on our world
- We embrace **diverse** perspectives
- We foster **excellence** through **continuous collaboration**
- We are **adaptable** and **entrepreneurial**
- We **treat others** as we like to be treated



Company Structure

Ten companies directly or indirectly owned by parent company Sustainalytics Holding B.V., incorporated under the laws of The Netherlands as a private company with limited liability.¹

Figure 1: Sustainalytics Group Structure



Shareholders

ABN AMRO MeesPierson, Michael Jantzi and senior staff, Mooncrest Holdings Limited, PGGM, Renewal Partners Company, Silver Box Holdings Limited and Triodos.



Board of Directors

Seven board directors, including the Chief Executive Officer. Separate Chairman governance structure with two subcommittees of the Board – the Audit and Risk Committee and the Remuneration and Employment Committee.²



Offices

Amsterdam, Boston, Bucharest, Frankfurt, London, New York City, Paris, Singapore, Timisoara and Toronto; and representative offices in Bogotá, Brussels, Copenhagen and Washington D.C.



Employees

200³



Clients

300+ clients worldwide including investment managers, mutual funds, pension funds, NGOs, corporate issuers, international organisations, and academic networks.

About this Report

Sustainability Working Group⁴

- Rachel Birenbaum
- Michael Jantzi
- Alexander Rengers
- Dennis Siemelink
- Nina van Ewijk

Sustainability Reporting Advisory Committee

- Simon MacMahon
- Kathryn Morrison
- Marion Oliver

This is Sustainalytics' second sustainability report, and the first being circulated to external stakeholders.⁵ As a mission-based company focused on the pursuit of sustainability, Sustainalytics is committed to setting a high bar for operating, measuring and reporting its own sustainability practices. This report aims to provide an honest and holistic overview of our performance throughout 2014 across a range of ESG issues that were deemed material by a variety of stakeholders, including Sustainalytics' shareholders, Board of Directors, senior management, employees and clients. The report highlights our successes and challenges in managing these issues and highlights ways in which we hope to improve our performance going forward.

Sustainability is more than a term that defines who we are, or what we do as a company, and as such this document represents much more than a simple reporting exercise. Sustainability is a critical element for Sustainalytics and embedding it into our decision-making is integral to our long-term success. Sustainability informs what Sustainalytics delivers to the market, and the manner in which we produce and deliver our products and services.

In preparing this report, Sustainalytics was aware that it would be read with interest by a variety of stakeholders. However, it is primarily targeted to our internal audience (shareholders, the Board of Directors and employees), seeking to provide an honest appraisal about how we are allocating resources to ensure our long-term relevance and impact in an evolving market. Nevertheless, we anticipate that current clients, prospective clients, competitors, members of the media, regulators and other interested parties will also find items of interest herein. We trust this report serves to inspire and inform – and to highlight Sustainalytics' collective commitment to be the leading ESG research provider for many years to come.

We prepared this report in accordance with the Global Reporting Initiative (GRI) G4 reporting guidelines at the 'core' level. A GRI Content Index is provided at the back of this report to aid in navigating GRI disclosures.

Sustainalytics has an annual reporting cycle and the information provided in this report is based on our progress and performance over the fiscal year ending December 31, 2014. Where relevant, we discuss policies and programmes that took effect in 2015, with the aim of reporting on the progress of these initiatives in our report next year.

As this is Sustainalytics' first public sustainability report, we did not seek any form of external assurance. As we become more experienced in our reporting, the company will consider engaging with an external assurance provider. Additionally, there are no restatements or changes to reporting periods from previous sustainability reports.

On a final note, this report is full of images of mountains, all of which were taken by Sustainalytics' employees in the countries where we operate. Much like a challenging hike to the peak, the process of integrating sustainability business planning and reporting is an enormous challenge with significant rewards. We hope that you enjoy reading this report and look forward to receiving your feedback.⁶

Message from the CEO

Sustainalytics has been in the business of analysing companies' ESG performance and impact since 1992. With the launch of our second sustainability report, we continue the process of focusing inward and applying this same analysis to ourselves. This year, for the first time, we are circulating our report to external stakeholders as a testament of our work, and to highlight the successes and challenges associated with integrating sustainability into our strategic planning and management systems. We hope it inspires others to do the same.



Subsequent to the merger of Jantzi Research in Canada with Sustainalytics in the Netherlands in 2009, Sustainalytics embarked on a global growth strategy, underpinned by a significant investment cycle to build the required operational and management infrastructure to achieve scale. Driven by geographic expansion, product and service innovation, selective M&A and the ability to hire and develop talented staff, Sustainalytics has achieved growth rates that we believe are two to three times the industry average.

This attractive sales history (we remain on target to achieve €14 million in sales this year), our positive cash generation profile, and the full support of shareholders, allow us to continue our investment strategy. This strengthens our ability to execute on the goal of supporting our clients with the tools necessary for them to integrate ESG into their investment decision-making processes.

In addition to supporting our clients' work, as a micro-multinational small- to medium-sized enterprise (SME) we also strive to manage our own operational footprint and run our business sustainably. Although Sustainalytics made significant and meaningful strides in 2014, we still have a long way to go in meeting our goal of becoming an SME leader with respect to integrating sustainability considerations into business strategy, business management systems, goal setting and incentive structures, and management reporting.

The initiatives highlighted within these pages paint a picture of an incredible group of individuals that make up the Sustainalytics family. I remain immensely proud to work together with these smart, passionate and committed colleagues. Lastly, my thanks to the report's co-authors, Nina van Ewijk and Rachel Birenbaum, along with their colleagues on the Sustainability Reporting Advisory Committee, for a job well done.

Happy reading. We look forward to your comments and suggestions for improvement.



Michael Jantzi
CEO
Sustainalytics

Sustainability Context

As highlighted throughout these pages, sustainability is a critical element for Sustainalytics, and we understand and embrace the notion that embedding sustainability into our decision-making is integral to our long-term success, from both a financial and impact perspective.

Sustainability informs **what we do** – ensuring that Sustainalytics delivers high quality ESG research and analysis that provide meaningful insights to our clients in a manner that can be effectively integrated into their decision-making processes. Embedding our understanding of sustainability risks and opportunities with respect to a multitude of issues, themes and sectors, across our entire product suite, is at the heart of our objective of helping clients wrestle with an evolving concept of materiality and fulfil their fiduciary responsibilities. This discipline also ensures that Sustainalytics' mission – “to provide the insights required for investors and companies to make more informed decisions that lead to a more just and sustainable global economy” – remains central in our thinking.



Sustainability is a crucial input with respect to **how we do things** at Sustainalytics. We believe it is vital to increasingly embed sustainability parameters into our management decision-making and reporting because it improves our understanding of our business and helps us to achieve attractive financial performance. But aside from supporting our objective of building a successful firm over the long term, our shareholders, board directors, management and staff believe that incorporating sustainability into our strategic and operating framework is the right thing to do.



Our Reporting Approach

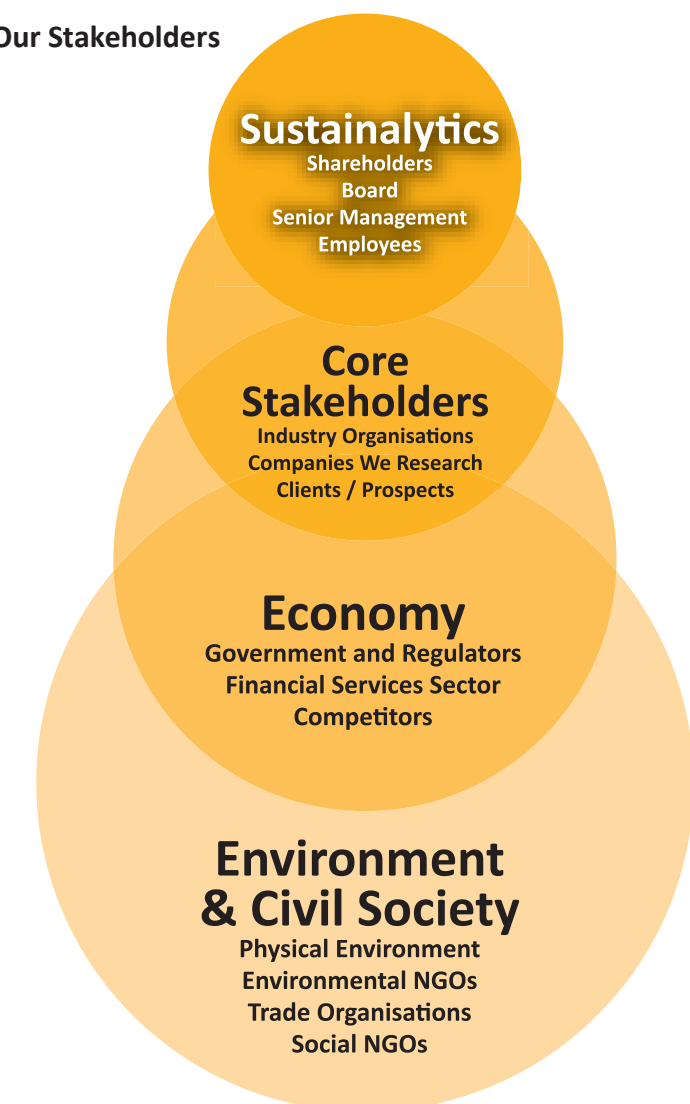
Our Reporting Approach

While integrating sustainability into Sustainalytics' planning is important, so too is the exercise of reporting on our successes and challenges. The process of sustainability reporting ensures that we track and manage sustainability issues appropriately, thereby enhancing their operational usefulness and insights. Moreover, publishing a report such as this helps keep Sustainalytics accountable, and humble, as we continue to strive to be the leading ESG research provider in the world.

Our Stakeholders

This sustainability report has been informed by a variety of stakeholders, many of which are highlighted in the accompanying diagram.

Figure 2: Our Stakeholders



We interact with our stakeholders in a myriad of ways, doing our best to incorporate feedback and address challenges as they arise. Below is a sampling of how Sustainalytics engaged with some of our stakeholders in 2014.

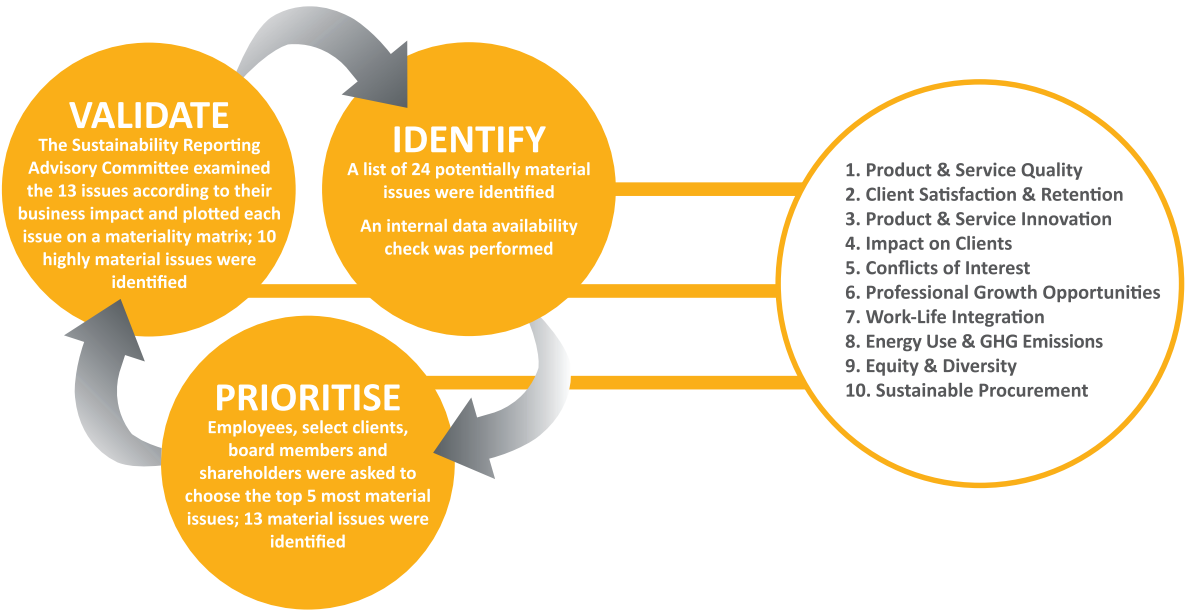
Figure 3: Examples of Stakeholder Engagement in 2014

Stakeholder	Method of Engagement	Frequency	Main Concerns Raised in 2014	Our Response
Shareholders	Annual General Meeting and informal contact	Annually and as required	None cited	
Board	Board meetings	Quarterly	None cited	
Employees	CEO & COO company updates	At least semi-annually	Absence of a statement of corporate values	We engaged a group of 28 employees representing all offices, teams, levels, and genders, to propose a set of corporate values. The result is included in the About Sustainalytics section above.
Clients	Solicit feedback on existing and proposed products and services through regular client contact, targeted surveys and other feedback mechanisms	As required	The breadth and relevance of our research	Client feedback drove our product innovation agenda in 2014: we expanded our research coverage, built new products and services, and improved the quality of our products and services.
Companies we research	Solicit feedback on company profiles as part of our research process	Annually	Limitations in adapting ESG research to company specific circumstances	We adapted our IT environment in early 2015 to allow for company-specific research templates that we will gradually apply where relevant as of 2016.
Industry organisations	Memberships, position on governance body or committee, event participation and collaboration	Monthly	None cited	

Materiality Assessment

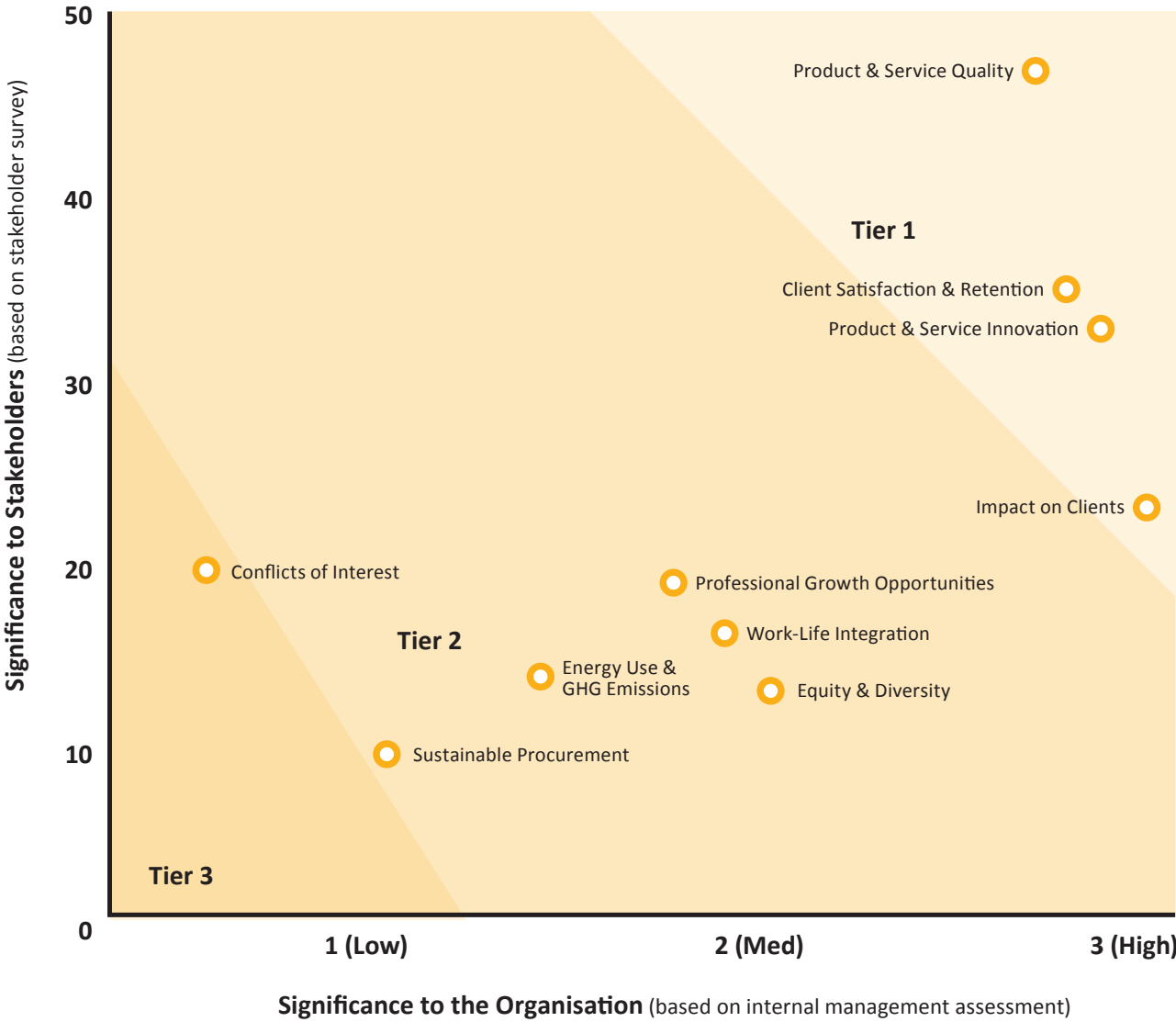
Declaring that sustainability informs what Sustainalytics delivers to the market, and the manner in which we produce and deliver products and services to our clients, is a relatively simple exercise. The process of integration is decidedly more challenging, starting with the first step of identifying what issues and indicators are most material to our long-term success.

Figure 4: Materiality Process based on GRI G4 Guidelines

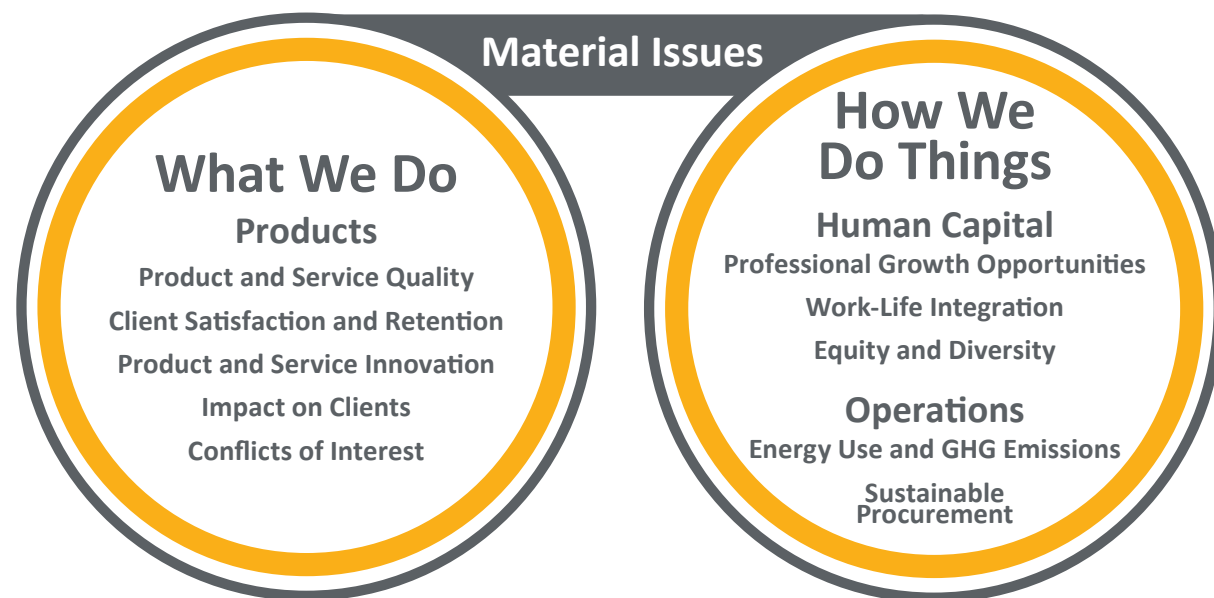


Our starting point for analysing materiality was based on the methodology outlined in the GRI's G4 Guidelines. We leveraged GRI's three-step process of *identify, prioritise and validate* to arrive at our list of ten highly material issues. Subsequently, we ranked these issues in terms of significance to the organisation and stakeholders from Tier 1 to Tier 3, with Tier 1 being the most significant material issues and Tier 3 being the least.

Figure 5: Sustainalytics' 2014 Materiality Matrix



Senior management then grouped these issues according to a strategic sustainability framework, broken down into three areas – Products (What We Do), and Human Capital and Operations (How We Do Things). The key performance indicators (KPIs) used to measure our progress with respect to these areas were marked with a traffic light system: green ● to indicate that we were on target, amber ● to indicate that we fell short of our target, and red ● to indicate that we failed to meet our target. In cases where a target was not set in 2014, the traffic light was left blank ○. Where relevant, we articulated our goals for 2015 in the given areas to the level of disclosure we were comfortable with at this stage in our reporting.



**Material
Issues:
What We
Do**

Material Issues: What We Do Products

The first grouping encompasses those material indicators that inform Sustainalytics’ decisions with respect to what we deliver to the market (What We Do). We reported on these issues through a products and services lens, focusing on five sustainability themes identified through the materiality assessment process: Product and Service Quality; Client Satisfaction and Retention; Product and Service Innovation; Impact on Clients; and Conflicts of Interest.



Product and Service Quality

Without quality products and services, any firm, including Sustainalytics, would struggle to remain relevant. Providing products that deliver meaningful ESG insights underpins our growth as a firm and allows us to push towards our vision and mission. In 2014, Sustainalytics surpassed its new sales and revenue targets, and met (within acceptable parameters) its profitability and core operating cash objectives.

Material Issue	KPI	2014 Assessment	2015 Goal
Product & Service Quality	Revenues	●	Put in place robust QMS framework by end of 2015 that could be subject to external certification
	New Sales	●	
	Profitability	●	
	Core Cash Creation	●	Achieve internal KPI targets

In 2014, Sustainalytics was named the [Best Independent Socially Responsible Investment Firm](#), for the third consecutive year, by the Extel and SRI-Connect in the Independent Research in Responsible Investment (IRRI) survey. We were also ranked among the three best independent corporate governance research firms and were recognised for our innovative thematic research. Additionally, our analysts earned the most top ten spots of any provider in the “Best Analyst for SRI Research,” “Best Analyst for Corporate Governance Research” and “Best Client Service/Sales Representative” categories. This industry-voted

recognition is a testament to our innovative, premium quality products and services that enable our clients to apply meaningful ESG analysis to their decision-making processes.⁷

In line with our commitment to continue to deliver superior quality products and services to clients, in 2014 Sustainalytics invested considerable resources in our quality management processes. As part of this investment, we drafted a quality management policy, which states that our “products and quality processes are monitored continuously to ensure deliverables are completed on time and with excellence.” To help ensure adherence to this policy, Sustainalytics created a Quality Management Team and a Project Management Office.

During 2014, Sustainalytics began developing a formal quality control framework, which includes a feedback mechanism designed to help us better understand our clients’ requirements, effectively meet challenges, and inform our product innovation initiatives. Acknowledging that our clients have a variety of needs, and are motivated in a myriad of ways, Sustainalytics often works to co-create bespoke solutions, honouring our belief that a ‘one size fits all’ solution is neither preferred by clients nor in the best interest of a dynamic and constantly evolving market.

To maintain our ability to co-create with clients and find solutions for unique client needs, Sustainalytics continued to expand the teams responsible for this customised work. As the profile of our new clients has changed, we have expanded these teams with individuals experienced with this new client type. A direct understanding of our clients is especially important for ESG integration, as it requires deep knowledge of the practices and context in which this integration takes place.

Client Satisfaction and Retention

Our ability to retain clients is imperative for Sustainalytics to continue to be a successful business, growing at a rate we believe to be two to three times the industry average. In 2014, our client retention rate dipped slightly below our target of 95%.

Material Issue	KPI	2014 Assessment	2015 Goal
Client Satisfaction & Retention	Client Retention Rate	●	<ul style="list-style-type: none">Enhance client feedback mechanisms we have in place to include a broader set of KPIsLeverage the functionalities of the CRM to improve response time, analysis and resolution of client feedback and install global trackingImprove the process in which client satisfaction is reviewed and analysed at structured intervals of each client relationship to increase client satisfactionAchieve client retention rate of 95%

Sustainalytics monitors closely the manner and intensity in which our clients use our products and services. Consequently, we have a good sense of what drives client satisfaction and the reasons behind client loss. Although the majority of the 2014 result was driven by industry consolidation and repositioning some long-standing contracts, a small portion was

the result of competitive pressures (where a client was not satisfied with Sustainalytics’ product suite). We expect some of these shortcomings will be addressed in 2015, through: the launch of Global Access, our new client interface; a new corporate governance product suite; enhanced sector reports and empirical research; and other products discussed throughout this report.

Product and Service Innovation

Sustainalytics’ long-term success depends, in part, on our ability to innovate and deliver more sophisticated products to our clients to meet their demands for broader coverage across asset classes and sustainability themes, more timely analysis, and increasingly sophisticated insights at a security and portfolio level – all in a manner that can be efficiently and effectively integrated into investment processes. Innovation also encompasses our desire to continue to find ways to more effectively evaluate the sustainability impact of our work, which is aligned with our corporate vision and mission.

Material Issue	KPI	2014 Assessment	2015 Goal
Product & Service Innovation	Product Innovation	<div></div>	<ul style="list-style-type: none">Roll out Corporate Governance Research and Ratings Products, and other product and process innovations
	Process Innovation	<div></div>	

Recognising a need to address some product shortcomings, Sustainalytics focused a tremendous amount of energy and resources on product innovation in 2014, with significant development initiatives occurring across multiple product and service areas. These efforts have put us in a strong position for the 2015 launch of a new client interface (Global Access), the introduction of several new corporate governance products, an expanded coverage universe, among a host of other improvements. These insights were also strengthened, as our Thematic Research team became fully staffed and started producing our new generation of sector reports.

With a keen understanding that companies’ corporate governance practices are widely embraced by investors as material indicators of risk, Sustainalytics made the decision in 2014 to invest in the development of an enhanced suite of corporate governance products. Through an extensive market outreach and feedback effort, investors made it clear that they view sustainability governance and corporate governance as distinctly different, but with some overlap. Armed with clear direction from investors and a desire to garner competitive differentiation as a one-stop shop for the full spectrum of ESG and corporate governance investment insights, Sustainalytics assembled an experienced governance team from the ground up and built the required data collection, research, and ratings methodologies and processes, all of which allowed us to successfully launch our first products into the market in the first quarter of 2015. Importantly, we set the groundwork to establish Sustainalytics as an important and differentiated provider of corporate governance insights to the global investment community. Sustainalytics monitors companies year-round and assesses governance-related investment risks and opportunities by determining the extent to which

a firm’s governance practices detract from or add to the company’s ability to execute on its business strategy.

This product innovation would not have been possible without Sustainalytics’ 24-person strong ICT Development team. Our ability to deliver across the innovation agenda – from concept, through development and delivery – with an in-house and dedicated team of professionals provides a significant competitive advantage for Sustainalytics vis-à-vis smaller and under-capitalised competitors.

Finally, the critical nature of innovation does not end with products and services; it also encompasses Sustainalytics’ efforts to more effectively collect and analyse increasing amounts of data globally, and efficiently turn that into meaningful insights for our clients. To that end, in 2014, these efforts resulted in the launch of an enhanced incidents analysis service, designed to provide clients with more timely information upon which they can manage their own investment processes.

Impact on Clients

The question of impact has a number of different elements from Sustainalytics’ perspective.

On one level, it deals with whether or not Sustainalytics’ efforts are meeting the first part of our mission – **“to provide the insights required for investors and companies to make more informed decisions** that lead to a more just and sustainable global economy.” That’s relatively simple to assess and is best measured in ways highlighted in previous sections of this report.

Evaluating Sustainalytics’ success with respect to the latter part of our mission statement – “to provide the insights required for investors and companies to make more informed decisions that **lead to a more just and sustainable global economy**” is decidedly more challenging. Assessing Sustainalytics’ contribution to enabling the shift towards a more “just and sustainable global economy” is extremely complex and challenging. However difficult, gaining a better understanding of our impact is a long-term objective that all Sustainalytics stakeholders share.

Given our vision and mission, it is fair to ask whether or not Sustainalytics is contributing to finding solutions to the economic conundrums of our time. Are we helping to redefine the investment paradigm – fiduciary duty, efficient markets theory, and the definition of risk – or simply trying to find a way to better manage within the same mould of an imperfect financial system? Beyond capital markets, are we contributing to finding solutions to the most pressing issues of our time such as climate change, water scarcity, human rights abuses, corruption, etc.?

The answer is a resounding – maybe.

Material Issue	KPI	2014 Assessment	2015 Goal
Impact on Clients	Impact framework development	<div></div>	<ul style="list-style-type: none"> Scope the development of an impact framework

In 2014 Sustainalytics partnered with a variety of clients in the capital markets and civil society that had a powerful impact and whose initiatives were aligned with our vision and mission. Samples of these types of initiatives are highlighted in the section below.

Access to Medicine Index

In 2014, Sustainalytics was a research partner to the Access to Medicine Foundation in creating the Access to Medicine Index 2014. Funded by the Bill & Melinda Gates Foundation and the UK and Dutch governments, the Index has been published every two years since 2008. For the 2014 update of the Index, which was released in November 2014, a dedicated project team at Sustainalytics assessed, analysed and scored large amounts of data in order to rank the top 20 research-based global pharmaceutical companies on their access to medicine initiatives.

Through providing an independent ranking, the Access to Medicine Index aims to stimulate large pharmaceutical companies globally to enhance access to medicine in developing countries. Two billion people in the world have no access to medicine yet. As manufacturers and developers of life-saving products, pharmaceutical companies have a crucial role to play.

Access to Seeds Index

In 2014 and 2015, Sustainalytics partnered with the Access to Seeds Foundation, a not-for-profit organisation supported by the Bill & Melinda Gates Foundation and the Dutch Ministry of Economic Affairs, in developing the first Access to Seeds Index. Sustainalytics is responsible for the Index methodology, collecting all necessary scoring data from the seed companies, and drafting the Access to Seeds Index report, scheduled for release in November, 2015.

The Index features both large multinationals as well as smaller companies that play a vital role in a specific region. In 2015, the Index focuses exclusively on the Eastern African region. The goal of the Access to Seeds Index is to foster social responsibility in the seed industry and bridge the gap between the world’s leading seed companies and the smallholder farmer in developing countries.

Ceres

In 2014, Sustainalytics collaborated with Ceres (a non-profit organisation advocating for corporate sustainability leadership) to produce a report titled *“Gaining Ground: Corporate Progress on the Ceres Roadmap for Sustainability.”* The report evaluated how well 613 of the largest, publicly traded U.S. companies are integrating sustainability into their business systems and decision-making. The report assessed corporate progress across the four strategic areas first outlined in 2010 in the *Ceres Roadmap for Sustainability: Governance, Stakeholder Engagement, Disclosure and Performance*. Ceres and Sustainalytics first evaluated these companies in a 2012 report titled *“The Road to 2020.”* Two years later, the *Gaining Ground* report revealed that while there is progress being made by an increasing number of companies and sectors, we are still not seeing the speed of change that is required, or the scale of innovation that is possible.

Sustainability Bonds

Our sustainability bonds services offer an example of how our business activities contribute to the improvement of economic, environmental and social conditions. Through these services, we help clients issue bonds that finance sustainability projects or activities, such as renewable energy generation, water efficiency, underserved communities, and other critical areas. In June 2014, Sustainalytics collaborated with Cross Keys Homes (a UK not-for-profit social housing association) in creating a framework for an ESG Bond. The £150 million ESG bond’s proceeds will be used to: 1) refinance improvement projects that result in environmental, social and economic benefits; 2) finance new energy efficient, socially beneficial homes; and to a lesser extent, 3) support projects providing environmental and social benefits across the existing asset stock and the community base.

Sustainalytics invested heavily in the area of thought leadership in 2014. Our Thematic Research team came fully on stream, allowing us to publish more meaningful investor-oriented research. Although these pieces have a particular focus on material ESG risks and opportunities, they also highlight broader systemic sustainability challenges and the need for creative reform. For example, our Sector Report *Banks: Like a Phoenix from the Ashes?* (which was ‘Highly Commended’ in the 2014 Farsight Awards) raised questions about banking regulation and offered possible solutions with respect to how to measure the sustainability of banks (through resiliency indicators, for example). Sustainalytics is committed to supporting the distribution of these reports beyond our normal constituencies, in part, to ensure these important issues find themselves on the radar of decision-makers and persons of influence.

Finally, Sustainalytics collaborates with other stakeholders to support broad-based industry initiatives in support of our mission. The firm is a member of a variety of global and regionally-focused industry organisations to help advance ESG and sustainability agendas.⁸

Memberships

Global charters and principles to which Sustainalytics subscribes:

- United Nations Global Compact (UNGC)
- United Nations backed Principles for Responsible Investment (UNPRI)
- Green Bonds Principles

Industry associations and organisations in which Sustainalytics holds a position on the governance body or participates in projects or committees:

- The Forum for Sustainable and Responsible Investment in the United States (USSIF): Board member and conference planning committee member
- Canadian Responsible Investment Association (RIA): Board member
- Network for Business Sustainability (NBS): Board member and participating company in the Embedding Sustainability Working Group
- Canadian Business for Social Responsibility (CBSR): Board member
- Sustainability Network Canada: Board member
- United Kingdom Social Investment Forum (UKSIF): Planning committee member
- USSIF International Working Group: Planning committee member
- The Boston Area Sustainable Investment Consortium (BASIC): Chair of membership
- Council of Institutional Investors (CII): Capital Markets committee member

Conflicts of Interest

Sustainalytics avoids entering into commercial relationships that might jeopardize the company’s integrity and research independence.

In 2014, Sustainalytics began updating its Code of Conduct. This was necessary, in part, to ensure that regional codes were aligned and that a variety of policies and procedures were aggregated. Sustainalytics’ revised Code was approved in Q2 2015. Sustainalytics continues to focus on ensuring its implementation, including adherence to the process to be followed if an employee believes a specific client relationship (or prospective relationship) presents a potential conflict.

Material Issue	KPI	2014 Assessment	2015 Goal
Conflicts of Interest	Code of Conduct development	<div></div>	<ul style="list-style-type: none">Complete Code of Conduct implementation across global operations

Material
Issues:
How We
Do Things

Material Issues: How We Do Things

The second area of discussion encompasses those material indicators that inform Sustainalytics' decisions with respect to managing the company (How We Do Things). As highlighted previously, we firmly believe that it is critical to integrate sustainability parameters into our management decision-making and reporting because it improves our understanding of our business, in addition to being the right thing to do.

We have reported on these issues through a Human Capital and Operations framework, focusing on five sustainability themes identified through the materiality assessment process – three under Human Capital (Professional Growth Opportunities, Work-Life Integration, and Equity and Diversity) and two in the Operations category (Energy Use and Greenhouse Gas (GHG) Emissions, and Sustainable Procurement).

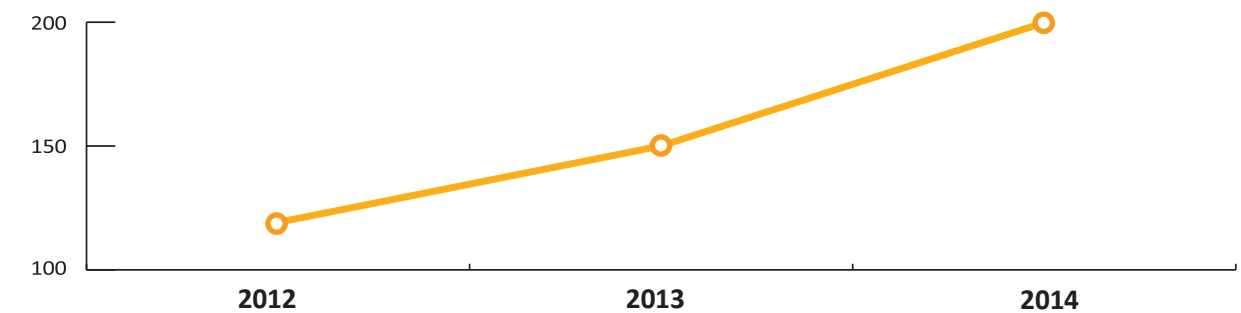


Human Capital

At Sustainalytics, employees are our most important asset. We believe that our ability to attract talented staff, and motivate and support them through a career path in the hope of retaining them for the long-term, is an important competitive advantage. This is becoming increasingly important as a mainstreaming market requires ESG providers that can provide high quality research, insightful analysis, and meaningful support and client service. These are the primary reasons that Sustainalytics has chosen to build its own team globally, as opposed to producing research through a network of partnerships or leveraging outsourcing firms, both of which can lead to sub-optimal results based on our experience.

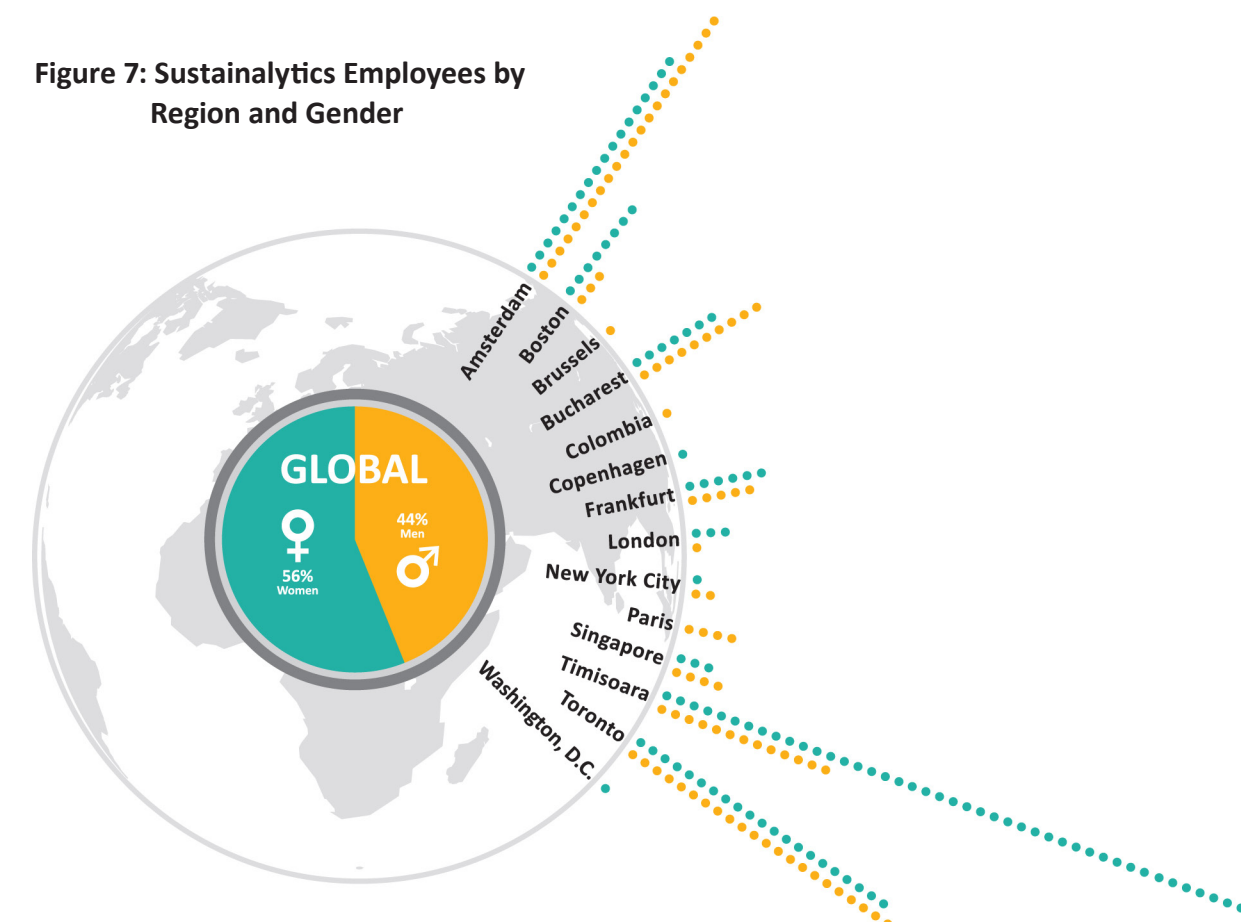
In 2014, our employee base grew by 33%. We ended the year with 200 employees, among them 88 (44%) men and 112 (56%) women. The vast majority of our staff were permanent, full-time employees with the exception of one (0.5%) contractor, 10 (5%) employees on fixed-term contracts, and 18 (9%) employees working less than full-time.

Figure 6: Sustainalytics' Employee Growth



The Sustainalytics team was spread across ten countries in 2014, with the greatest number represented in Timisoara, Romania (56 employees, or 28%); Toronto, Canada (43 employees, or 21.5%); and our headquarters in Amsterdam, the Netherlands (40 employees, or 20%).

Figure 7: Sustainalytics Employees by Region and Gender



Employees in Romania and France (38%) are represented by collective bargaining agreements.

Managing our human capital efficiently is a critical ingredient in the long-term success of Sustainalytics, given that labour costs represent on average approximately 78% of our annual cost base. On that front, 2014 was a good year, as Sustainalytics managed personnel expenditures within 1% of our target.

Another key measure of Sustainalytics' success is employee turnover, which has averaged under our 10% target over the last three years.⁹ Nevertheless, the rate edged higher in 2014, as a

higher than usual proportion of entry-level employees left the company (approximately 40% of voluntary departures left to pursue higher education). Turnover at the senior level remains rare.

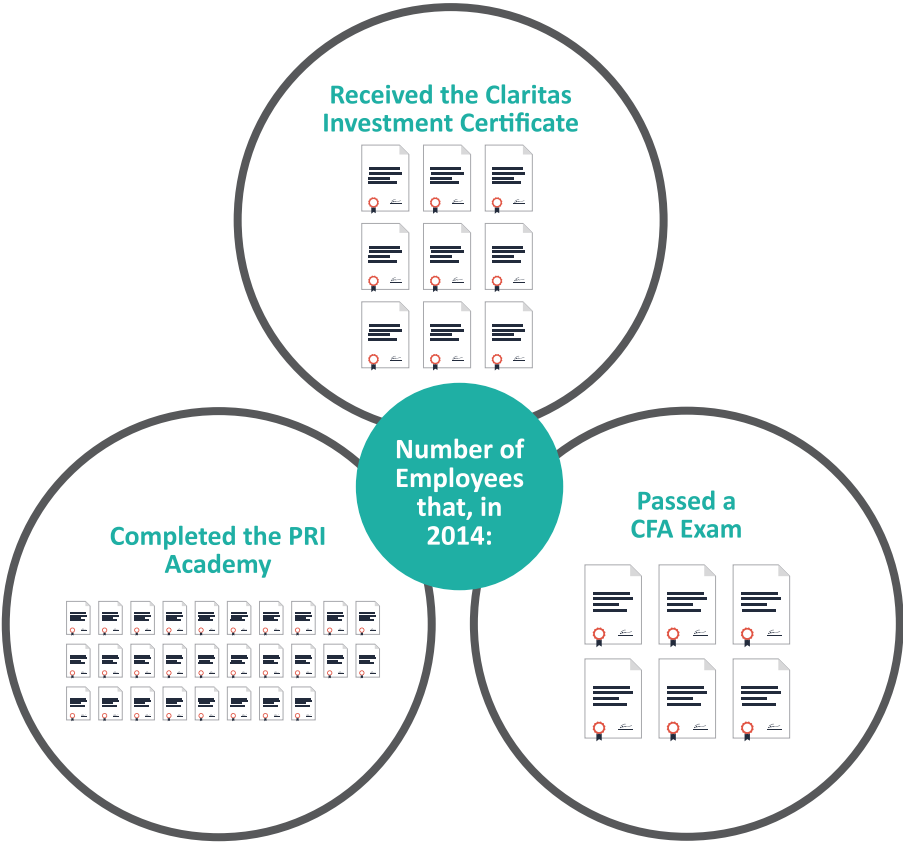
The increase in turnover is of concern and is the subject of active focus in 2015. It is also an indication of why we take professional development and work-life integration matters seriously, as they are key drivers of employee retention and engagement.

Professional Growth Opportunities

Sustainalytics nurtures professional development among its employees. All Sustainalytics employees have 10% of their goals attributed to learning and development, and are entitled to a €750 training credit per year. In 2014, employees spent approximately 8,100 hours (40.5 hours/employee) and about €106,000 (€528/employee) in various training programmes.

In addition to the training credit, the company pays for CFA accreditation and other industry programmes such as the RI Academy and the Claritas Investment Certificate. Also in 2014, 91 employees each undertook 16 hours or more of training outside of work. To remove obstacles to employees’ success in their educational pursuits, Sustainalytics offers a minimum of two paid study leave days to every employee.

Figure 8: Professional Development at Sustainalytics



Sustainalytics’ global appraisal and career progression frameworks support equitable professional growth at the firm. Transparency therein is key to ensuring the success of these programmes in retaining, developing and promoting our talented employees over time. In 2014, 175 of 178 (98%) eligible employees received an end-of-year performance and career development review on time.

Material Issue	KPI	2014 Assessment	2015 Goal
Professional Growth Opportunities	Training budget as a percent of personnel costs	●	<ul style="list-style-type: none">• Maintain existing suite of professional development programmes• Complete annual performance and career development reviews for at least 90% of eligible employees on time
	Education credit usage	●	
	Annual performance and career development reviews	●	

Work-Life Integration

Sustainalytics aims to provide its employees with the ability to better manage the ever-shifting boundaries between work and life. Ultimately, a happy, healthy and engaged workforce supports employee retention, thereby strengthening our ability to have the greatest impact as a company.

Examples of some of our work-life integration practices beyond the standard benefit suite offered by a company of our size include:

- Flexible return-to-work practices for employees returning from maternity and parental leaves;
- Support for employee-initiated transfers to another global office for personal or professional growth opportunities; and
- The opportunity for employees working abroad to spend two weeks per year working from their home country.

Work-life integration also means tapping into employees’ motivations for working with a company like Sustainalytics. To that end, programmes such as our annual Global Volunteer Day,¹⁰ employee exchanges (discussed in the section below), and various social events connect employees with their passion for sustainability, entrepreneurialism, and desire to be a part of something more than just a workplace.

Furthermore, work-life integration means creating an environment where employees feel they can perform consistently at their best, and rewarding them based on the value they provide. Here too, the successful implementation of our appraisal framework, remuneration structure, and career progression framework is of central importance to employee retention.

Material Issue	KPI	2014 Assessment	2015 Goal
Work-Life Integration	Employee Turnover	●	<ul style="list-style-type: none">• Achieve employee turnover of 10% or less

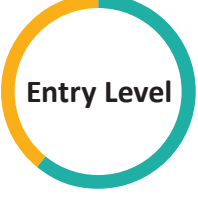
Equity and Diversity

It is widely accepted that diversity across a workforce makes for a more successful and sustainable company.¹¹ Accordingly, our focus is on leveraging our cultural and geographic diversity, and attracting, retaining and advancing the best talent from the largest pool of high-quality candidates as possible.

Sustainalytics is a diverse family: in 2014, we represented 39 nationalities and spoke 37 languages. At year-end 56% of staff were women, including 46% of senior management (12/26 senior managers/associate directors and directors) and 22% of the executive team (2/9).

Figure 9: Representation of Women and Men by Level

Male Female



One of the ways in which we actively manage our culturally and geographically diverse workforce is through our employee exchange programme. Every year for the last four years, Sustainalytics has given a select group of its employees the opportunity to work in one of our global offices for a period of 3-6 months. In addition to strengthening our global teams and accelerating employee development, the exchanges have fostered rich cross-cultural experiences from which all participants and host offices have benefitted.

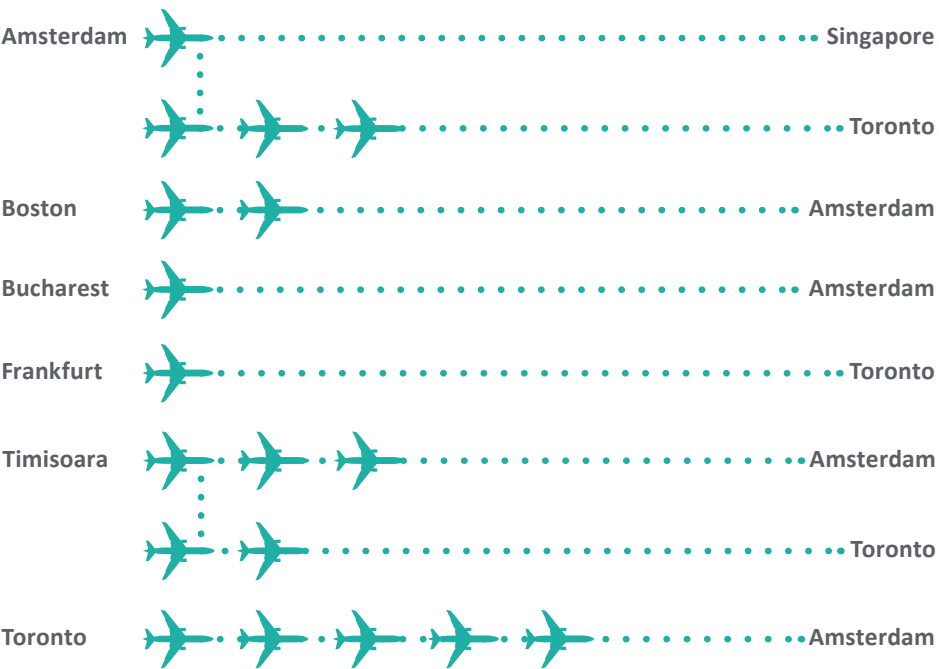
Another key measure of diversity and equity is pay ratio by gender. Accordingly, in 2014, Sustainalytics analysed the ratio of the salary of women to men for each employee category by significant locations of operation.¹² Due to the limited sample size, we cannot report the results by employee category and location without compromising employee confidentiality; however, we can report in aggregate that:

- The ratio of basic salary of women to men at entry- through manager-level positions was 0.99:1
- The ratio of basic salary of women to men at senior management positions was 0.81:1

We could not draw any conclusions from this study of such a limited sample set; yet the exercise reminded us that societal patterns of inequality have the potential to perpetuate themselves within our company in the absence of deliberate efforts to mitigate them. In that light, and in light of staying true to our value of embracing diverse perspectives, Sustainalytics piloted a women’s professional development programme. The programme was designed to give emerging women leaders in the company cross-functional and cross-regional training to prepare them for senior leadership positions. The programme, once fully launched in 2015, will also include executive sponsorship and an increased training budget.

Figure 10: Sustainalytics Exchanges Since 2011

✈ = 1 Employee



In addition to our commitment to develop women leaders, we implemented a number of measures in 2015 targeted at ensuring gender equity in our hiring and promotion processes. They included:

- Measurement of and reporting on a broader set of gender diversity indicators;
- Increased scrutiny of hiring processes for senior positions;
- Procedures for analysing salary increases and promotions by gender; and
- Diversity training for the Human Resources team.

Material Issue	KPI	2014 Assessment	2015 Goal
Equity & Diversity	Employee Exchanges	●	<ul style="list-style-type: none">• Maintain existing employee exchange programme• Introduce new hiring processes for senior positions• Introduce procedures for analysing salary increases and promotions by gender• Execute diversity training for the Human Resources team• Formally launch the women’s professional development programme
	Representation of women at senior levels of the company	○	

Operations

Embedding sustainability into our operations comes naturally to Sustainalytics. It’s part of our DNA. It’s who we are.

But it’s also smart business. At Sustainalytics we need to do our best to “walk the talk,” given our business and positioning as an industry leader. And while our commitment to sustainable business practices allows us to manage our reputational risk, its value plays out more dramatically on the opportunity side: it differentiates us from some of our competitors, enhances our brand reputation globally across a range of stakeholder groups, and assists in the recruitment and retention of talented staff.

Sustainalytics made progress on a number of fronts in 2014. The company established a Sustainable Procurement Policy and a Sustainable Travel Policy, began offsetting commuter travel (previously off-set for business travel only), and introduced an online sustainability engagement programme internally branded as Get Your Green On. Much work remains, specifically with respect to managing and reporting on our environmental impact, but these steps are an integral part of this process.

Get Your Green On (GYGO), an application created by Wespire Inc., has enabled our employees to connect with the mission of Sustainalytics on a day-to-day basis. The nature of desk-based jobs can, at times, disconnect employees from the impact they desire to have in their work. GYGO attempts to bridge this gap. The tool allows Sustainalytics to measure in real-time employees’ impact across a range of issues, including CO₂, water use, and paper. It has also created a powerful social platform, connected our global family in new and dynamic ways, sparked challenging dialogue, and allowed employees to learn sustainability habits from one another.

Figure 11: Get Your Green On User Activity in 2014

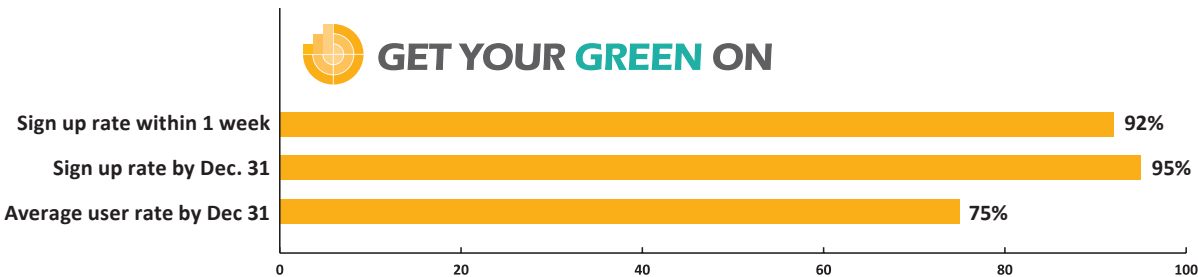
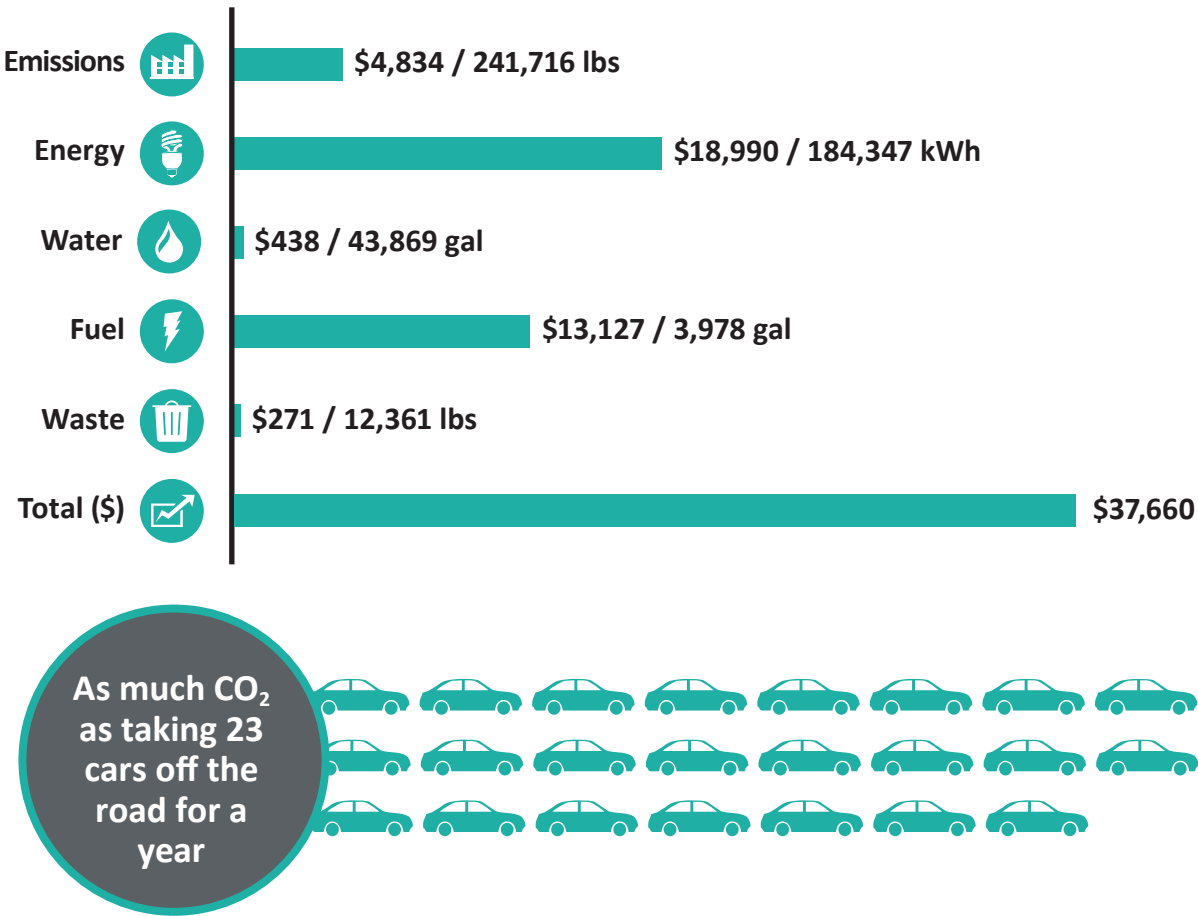


Figure 12: Total Employee Savings with Get Your Green On Actions (in USD)



The following two indicators, highlighted as part of the materiality assessment process, are examples of how Sustainalytics seeks to integrate sustainability parameters into its operations and management.

Energy Use and GHG Emissions

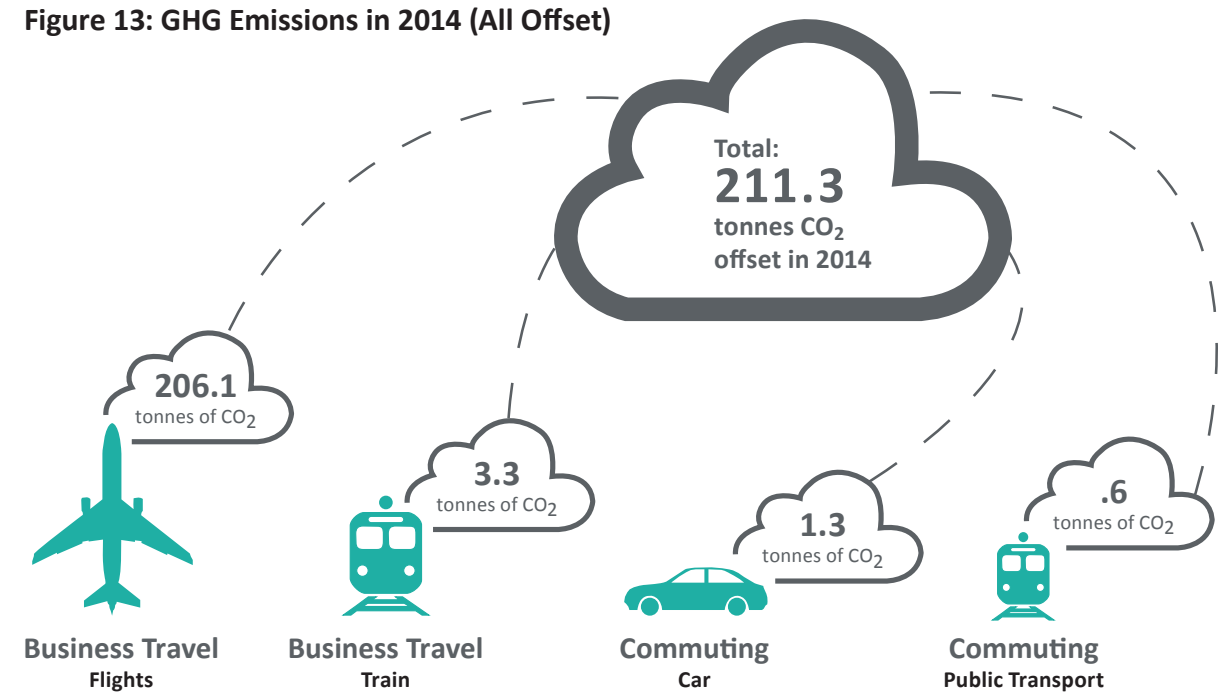
During 2014, Sustainalytics made progress with respect to measuring and offsetting Scope 3 GHG emissions. Regardless, the company still has work to do in measuring, reducing and offsetting all generators thereof (such as transport, purchased materials, product use and waste management). Included in this report are Sustainalytics’ indirect CO₂ emissions from business and commuter travel in 2014.

In an attempt to better track, reduce and offset our business travel-related GHG emissions, Sustainalytics introduced a Sustainable Travel Policy in 2014. The policy states that employees travelling a distance of up to 600km point-to-point one-way must go by rail, unless certain exceptions are met. The Finance team is responsible for overseeing this policy.

To help us calculate, and subsequently offset our emissions associated with business and commuter travel, in 2014 Sustainalytics partnered with Swiss-based myclimate.org. They worked alongside our internal carbon experts to determine where the company’s carbon credits could have the greatest impact. Sustainalytics chose to support CEDESOL, a programme that reduces carbon emissions, improves health, and reduces stress placed on forestry resources in Bolivia and Paraguay through the replacement of inefficient wood burning stoves with high efficiency rocket stoves or solar cookers.

Sustainalytics does not have a structured data collection system in place to measure energy consumption per office. In 2016, we plan to start building such a system to measure Scope 2 Emissions (water, gas, electricity), together with expanding our Scope 3 Emissions data collection system to include transport, purchased materials, product use and waste management.

Figure 13: GHG Emissions in 2014 (All Offset)



Material Issue	KPI	2014 Assessment	2015 Goal
Energy Use and GHG Emissions	GHG emissions offset	<div></div>	<ul style="list-style-type: none"> Create a structured data collection system to measure energy consumption per office by end of 2016

Sustainable Procurement

The environmental and social impacts of Sustainalytics’ supply chain are not considered to be significant. Nevertheless, we make efforts to source responsibly and established a formal sustainable procurement policy in 2014. The policy applies, at a minimum, to office supplies and services, and food and drink associated with staff functions, at all of our offices globally. Our objective is to extend this policy to cover 100% of company purchases. Operations staff, who are responsible for purchasing, received training focused on how to recognise and source sustainable products in their regions.

Figure 14: Sustainalytics’ Supply Chain

Personnel	Non-Personnel
Payroll administrators	Real estate rented for offices
Recruitment and professional development services	Office maintenance, security and cleaning services
Social securities and benefit providers	Banking services
	Pension providers
	Marketing services
	Office furniture, food and supplies providers
	Insurance providers
	Research license providers
	Research partners
	IT services
	Travel service providers
	Legal services

Material Issue	KPI	2014 Assessment	2015 Goal
Sustainable Procurement	Percentage of eligible purchases made in accordance with policy	<div></div>	<ul style="list-style-type: none"> Maintain policy as implemented and expand scope of policy in 2016 to cover 100% of company purchases



What's Next?



What's Next?

In addition to continuing to measure the key indicators highlighted in this report, in 2015 Sustainalytics will focus on embedding sustainability metrics more effectively into our strategic decision-making and management reporting systems. This will include efforts to improve our data collection systems as well. Sustainalytics will continue to build on its commitment not only to measure and manage these issues, but to report more effectively to our stakeholders.

One of the greatest challenges Sustainalytics faces in the coming years is to measure, and more meaningfully understand, the impact our work (directly and through our clients) has on the economy, environment and society. We will strive to make progress in this area in 2015.

Material Issues	2015 Goals	Metrics
What We Do		
Products		
1. Product and Service Quality	<ul style="list-style-type: none">Put in place robust QMS framework by end of 2015 that could be subject to external certification	<ul style="list-style-type: none">RevenuesNew SalesProfitabilityCore Cash Creation
2. Client Satisfaction and Retention	<ul style="list-style-type: none">Enhance client feedback mechanisms we have in place to include a broader set of KPIsLeverage the functionalities of the CRM to improve response time, analysis and resolution of client feedback and install global trackingImprove the process in which client satisfaction is reviewed and analysed at structured intervals of each client relationship to increase client satisfactionAchieve client retention rate of 95%	<ul style="list-style-type: none">Client Retention Rate
3. Product and Service Innovation	<ul style="list-style-type: none">Launch Global Access in Q2 of 2015, with improved navigation tools and enhanced analyst views on each company's management of key ESG issuesRoll out Corporate Governance Research and Ratings Products, and other product and process innovations	<ul style="list-style-type: none">Product InnovationProcess Innovation
4. Impact on Clients	<ul style="list-style-type: none">Scope the development of an impact framework	<ul style="list-style-type: none">Impact framework
5. Conflicts of Interest	<ul style="list-style-type: none">Complete Code of Conduct implementation across global operations	<ul style="list-style-type: none">Code of Conduct implementation

How We Do Things		
Human Capital		
6. Professional Growth Opportunities	<ul style="list-style-type: none"> Maintain existing suite of professional development programmes Complete annual performance and career development reviews for at least 90% of eligible employees on time 	<ul style="list-style-type: none"> Training budget as a percent of personnel costs Education credit usage Annual performance and career development reviews
7. Work-Life Integration	<ul style="list-style-type: none"> Achieve employee turnover of 10% or less 	<ul style="list-style-type: none"> Employee Turnover
8. Equity and Diversity	<ul style="list-style-type: none"> Introduce new hiring processes for senior positions Introduce procedures for analysing salary increases and promotions by gender Execute diversity training for the Human Resources team Formally launch the women's professional development programme 	<ul style="list-style-type: none"> Representation of women at senior levels of the company
Operations		
9. Energy Use and GHG Emissions	<ul style="list-style-type: none"> Create a structured data collection system to measure energy consumption per office by end of 2016 	<ul style="list-style-type: none"> GHG emissions offset
10. Sustainable Procurement	<ul style="list-style-type: none"> Maintain policy as implemented and expand scope of policy in 2016 to cover 100% of company purchases 	<ul style="list-style-type: none"> Percentage of eligible purchases made in accordance with policy

Appendix

Appendix

The table below lists all of our material issues and the corresponding GRI material aspect. Each material aspect is relevant to all entities included in our consolidated financial statements. While defining the content for this report we did not recognise regional differences. Access to data both internally (office energy usage) and externally (the impact our clients have on the environment and civil society) has limited our ability to fully understand the impact of some of these issues in relation to the aspect boundary.

Material Issue	Why is it Material?	Corresponding Material GRI Aspect	Corresponding Material GRI Indicator	Issue Boundary of Impact & Key Interested Stakeholders
Product and Service Quality	Providing products that deliver insightful ESG insights underpins our growth as a firm and allows us to push towards our vision and mission.	NONE IDENTIFIED	G4-DMA NONE IDENTIFIED	EXTERNAL <ul style="list-style-type: none">• Clients• Prospects
Client Satisfaction and Retention	Our ability to retain clients is imperative for Sustainalytics to continue to be a successful business and the success of the responsible investment industry.	NONE IDENTIFIED	G4-DMA NONE IDENTIFIED	EXTERNAL & INTERNAL <ul style="list-style-type: none">• Employees• Shareholders• Clients• Prospects
Product and Service Innovation	Sustainalytics’ long-term success depends, in part, on our ability to innovate and deliver more sophisticated products to our clients to meet their demands.	NONE IDENTIFIED	G4-DMA NONE IDENTIFIED	EXTERNAL <ul style="list-style-type: none">• Clients• Prospects
Impact on Clients	Enhancing and gaining a better understanding of our impact is a long-term objective.	NONE IDENTIFIED	G4-DMA NONE IDENTIFIED	EXTERNAL <ul style="list-style-type: none">• Clients• Prospects• Financial services sector
Conflicts of Interest	Maintaining independence is a criterion for generating meaningful products and services and garnering employee trust.	GOVERNANCE	G4-DMA G4-56	INTERNAL <ul style="list-style-type: none">• Employees• Senior management• Board• Shareholders
Professional Growth Opportunities	As a knowledge-based organisation, nurturing professional growth and keeping our employees challenged and motivated is paramount to our success as an organisation.	TRAINING & EDUCATION	G4-DMA G4-LA9	INTERNAL <ul style="list-style-type: none">• Employees• Senior management
Work-Life Integration	Work-life integration means creating an environment where employees feel they can perform consistently at their best. This, together with nurturing professional growth, is key to recruiting and retaining top talent.	EMPLOYMENT	G4-DMA G4-LA1	INTERNAL <ul style="list-style-type: none">• Employees• Senior management
Equity and Diversity	Diversity across a workforce makes for a more successful and sustainable company. Accordingly, it is critical that Sustainalytics has access to the largest pool of high quality candidates as possible so that it can attract and retain the best talent.	EQUAL REMUNERATION FOR MEN & WOMEN	G4-DMA G4-LA13	INTERNAL <ul style="list-style-type: none">• Employees• Senior management

Energy Use and GHG Emissions	Our commitment to sustainable business practices allows us to manage our reputational risk, it differentiates us from some of our competitors, it enhances our brand reputation globally across a range of stakeholder groups, and it assists in the recruitment and retention of talented staff.	EMISSIONS	G4-DMA G4-EN15	EXTERNAL & INTERNAL <ul style="list-style-type: none">• The environment• Employees• Senior management
Sustainable Procurement	Our commitment to sustainable business practices allows us to manage our reputational risk, it differentiates us from some of our competitors, it enhances our brand reputation globally across a range of stakeholder groups, and it assists in the recruitment and retention of talented staff.	PROCUREMENT PRACTICES	G4-DMA NONE IDENTIFIED	EXTERNAL & INTERNAL <ul style="list-style-type: none">• The environment• Employees• Senior management

Endnotes

- ¹ All entities are covered in this report.
- ² For more information refer to <http://www.sustainalytics.com/team>.
- ³ Excluded from this total and other metrics are 12.4 FTE interns who were employed at Sustainalytics in 2014.
- ⁴ The Sustainability Working Group, a cross-functional committee which includes Sustainalytics’ CEO, is responsible for decision-making on economic, environmental, and social impacts.
- ⁵ Sustainalytics issued an internal Sustainability report based on our performance over the year ending December 31, 2013. This report was made available only to employees, board members and shareholders. The internal report was not in accordance with GRI G4 reporting guidelines.
- ⁶ For questions regarding this report or its contents, please contact: Nina van Ewijk, nina.vanewijk@sustainalytics.com.
- ⁷ A description of Sustainalytics’ products and services is available at <http://www.sustainalytics.com/solutions>.
- ⁸ Sustainalytics does not provide any form of funding to any of these organisations beyond routine membership fees.
- ⁹ Calculated as number of voluntary departures / average number of employees.
- ¹⁰ For more information, see <http://www.sustainalytics.com/global-volunteer-day>.
- ¹¹ See, for example: Credit Suisse, [The CS Gender 3000: Women in Senior Management](#); Forbes, [Fostering Innovation Through a Diverse Workforce](#); Cristian L. Dezso and David Gaddis Ross, [Does Female Representation in Top Management Improve Firm Performance? A Panel Data Investigation](#); Cedric Herring, [Does Diversity Pay? Race Gender, and the Business Case for Diversity](#); Samantha C. Paustian-Underdahl, Lisa Slattery Walker, and David J.Woehr, [Gender and perceptions of leadership effectiveness: A meta-analysis of contextual moderators](#); and Orlando C. Richard, [Racial Diversity, Business Strategy, and Firm Performance: A Resource-Based View](#).
- ¹² Includes: Amsterdam, Boston, Bucharest, Frankfurt, Timisoara, Paris, Timisoara, and Toronto. Employee groups were excluded due to their small size, incomparable remuneration frameworks, and/or absence of either women or men from the group. The resulting sample group represents 69% of employees.

Copyright ©2015 Sustainalytics. All rights reserved. No part of this publication may be reproduced or redistributed in any manner without prior written consent of Sustainalytics.

This sustainability report is created for informational purposes only. All statements made in this report are intended for Sustainalytics’ internal purposes.

Sustainalytics www.sustainalytics.com - For general enquiries: contact@sustainalytics.com

GRI G4 Index for “In Accordance” Core - 2014

GRI G4 Index for “In Accordance” Core - 2014

General Standard Disclosures			
General Standard Disclosures	Description	Page Number/ Location	Omissions
Strategy & Analysis			
G4-1	Statement from the most senior decision-maker of the organization	Pg. 6	
Organisational Profile			
G4-3	Name of the organization	Report Cover	
G4-4	Primary brands products and services	http://www.sustainalytics.com/solutions	
G4-5	Location of company’s headquarters	Pg. 3	
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	Pg.4	
G4-7	Nature of ownership and legal form	Pg.4	
G4-8	Markets served	Pg. 4	
G4-9	Scale of the organization	Pg.4	
G4-10	Total number of employees by employment type, employment contract, and region, broken down by gender	Pg. 23 & 26	
G4-11	Percentage of total employees covered by collective bargaining agreements	Pg. 23	
G4-12	Describe the organization’s supply chain	Pg. 31	
G4-13	Significant changes during the reporting period regarding the organization’s size, structure, ownership, or its supply chain		Changes were insignificant
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	Pg. 20	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	Pg. 19	
G4-16	Memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization	Pg. 19	
Material Aspects & Boundaries			
G4-17	All entities included in the organization’s consolidated financial statements or equivalent documents including indication which of these are not covered by the report	Pg. 4	
G4-18	Process for defining the report content and the Aspect Boundaries	Pg. 36	
G4-19	Material Aspects identified in the process for defining report content	Pg. 36	
G4-20	Aspect boundary within the organization for each material aspect	Pg. 36	
G4-21	Aspect boundary outside the organization for each material aspect	Pg. 36	
G4-22	Effect of any restatements of information provided in previous reports, and the reasons for such restatements	Pg. 5	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	Pg. 5	

Stakeholder Engagement		
G4-24	Provide a list of stakeholder groups engaged by the organization	Pg. 10
G4-25	Basis for identification and selection of stakeholders with whom to engage	Pg.9
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	Pg. 10
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting	Pg. 10
Report Profile		
G4-28	Reporting period (such as fiscal or calendar year) for information provided	Pg. 5
G4-29	Date of most recent previous report (if any).	Pg. 5
G4-30	Reporting cycle (such as annual, biennial).	Pg. 5
G4-31	Contact point for questions regarding the report or its contents	Pg. 37 (Endnotes)
G4-32	‘In accordance’ option chosen for the report	Pg. 5
G4-33	Organization’s policy and current practice with regard to seeking external assurance for the report	Pg. 5
Governance		
G4-34	Governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	Pg. 4 & 37 (Endnotes)
Ethics & Integrity		
G4-56	Organization’s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	Pg. 3 & 20

Specific Standard Disclosures			
Material Issue	GRI Material Aspect	Performance Indicator	Omissions
Products			
Product and Service Quality	None identified	<ul style="list-style-type: none"> Revenues New Sales Profitability Core Cash Creation Pg. 14	
Client Satisfaction and Retention	None identified	<ul style="list-style-type: none"> Client Retention Rate Pg. 15	
Product and Service Innovation	None identified	<ul style="list-style-type: none"> Product Innovation Process Innovation Pg. 16	
Impact on Clients	None identified	<ul style="list-style-type: none"> Impact framework Pg. 17	
Conflicts of Interest	Ethics & Integrity	<ul style="list-style-type: none"> Code of Conduct implementation G4-56: Organization’s values, principles, standards and norms of behavior such as codes of conduct and codes of ethics Pg. 20	

Human Capital		
Professional Growth Opportunities	Training & education	<ul style="list-style-type: none"> Training budget as a percent of personnel costs Education credit usage Annual performance and career development reviews G4-LA9: Average hours of training per year per employee by gender, and by employee category Pg. 24
Work-Life Integration	Employment	<ul style="list-style-type: none"> Employee Turnover G4-LA1: Total number and rates of new employee hires and employee turnover by age group, gender and region Pg. 25
Equity and Diversity	Equal remuneration for men & women	<ul style="list-style-type: none"> Representation of women at senior levels of the company G4-LA13: Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation Pg. 25
Operations		
Energy Use and GHG Emissions	Emissions	<ul style="list-style-type: none"> GHG emissions offset G4-EN17: Other indirect greenhouse gas (GHG) emissions (Scope 3) Pg. 29
Sustainable Procurement	Non identified	<ul style="list-style-type: none"> Percentage of eligible purchases made in accordance with policy Pg. 30



SUSTAINALYTICS