

UN Global Compact: Communication on Progress

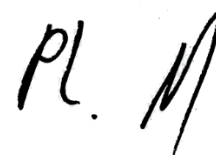
Year: 2018

Statement of continued support

RepRisk became a signatory to the United Nations Global Compact Principles in 2014. With this, RepRisk has committed itself to ensuring that the Global Compact's Principles are an integral part of our management, strategy, culture and daily operations.

We recognize that a key requirement for participation in the UN Global Compact is the annual submission of a Communication on Progress (CoP) that describes our company's efforts and advancement to implement the Ten UN Global Compact Principles. We support public accountability and transparency, and therefore commit to report on progress on an early basis according to the UN Global Compact's CoP policy. We hereby submit the 2018 report on our commitment to and the implementation of the UN Global Compact Principles.

As an outlook for our CoP 2019, RepRisk AG has decided to conduct a materiality assessment involving internal stakeholders in order to review, confirm and/or adapt our current set of Key Performance Indicators (KPIs) that help us measure our performance with regards to the UN Global Compact's Ten Principles as well as other material ESG topics related to our industry.



Dr. Philipp Aeby
Chief Executive Officer
RepRisk AG

Contact
Alexandra Mihailescu Cichon
Executive Vice President Sales and Marketing
RepRisk AG, Stampfenbachstrasse 42, 8006 Zurich, Switzerland
Email: mihailescu@reprisk.com Phone: +41 43 300 54 44

1. Brief Description of Nature of Business

RepRisk AG was founded in 1998 as an environmental risk consultancy for banks called Ecofact AG. In 2006, the Environmental, Social and Governance (ESG) risk business intelligence service RepRisk was launched. By 2010, the business intelligence service had grown to the extent that the company was renamed to RepRisk AG. Correspondingly, the consulting part was spun off in a new company that took over the name Ecofact AG. In 2013, RepRisk Philippines Inc. was registered and serves as RepRisk's Asia Pacific Hub in Manila as a fully-owned subsidiary of RepRisk AG. In January 2016, the EMEA Hub in Berlin, Germany was established. The Americas Hub in Toronto, Canada followed in 2017. RepRisk has currently over 100 employees and contractors working around the globe.

Today, RepRisk is a research and business intelligence provider, specializing in ESG and business conduct risks based in Switzerland. RepRisk has built and continues to grow the most comprehensive ESG risk database that serves as a research, due diligence, and monitoring tool in risk management, compliance, investment management, corporate benchmarking, and supplier risk control. The RepRisk ESG Risk Platform currently includes risk profiles for over 110,000 listed and non-listed companies, and 26,000 projects as well as for every sector, and country in the world.

On a daily basis, RepRisk systematically screens big data from a broad range of media, stakeholder, and third-party sources in 16 languages in order to identify, analyze, and quantify ESG risks (such as environmental degradation, human rights abuses, and corruption) related to companies, projects, sectors, and countries. This external perspective provides valuable insight on whether a company's policies, processes, and commitments are consistently translating into performance

Our employees are working for over 200 clients mainly from the financial sector (including banks, insurance, and investment managers) as well as for a growing portfolio of multinationals from other sectors to proactively assess ESG issues that may present financial, reputation, and compliance risks.

RepRisk's research scope encompasses 28 ESG Issues, 45 Topic Tags (ESG specific topics of interest, such as Palm oil for example) and covers the Ten Principles of the UN Global Compact. The analysis of the information by our Operations and Research team is also done in accordance with the key international standards such as the [Universal Declaration of Human Rights](#), [ILO Conventions](#), the [UN Convention Against Corruption](#), the [Equator Principles](#), [World Bank Group Performance Standards and Environmental, Health and Safety Guidelines](#), and the [OECD Guidelines for Multinational Enterprises](#).

RepRisk provides the transparency needed to enable better, more informed decisions. Our mission is to provide transparency on business conduct risks to help drive accountability and responsible behavior of companies, thus creating positive change. We aspire to increase accountability across all institutions.

All managers as well as other employees undertake to live out fundamental values in their daily work and actively implement them in a responsible way. Our corporate values are:

- Operational excellence and superior quality
- Reliability and responsiveness
- Intellectual honesty and curiosity
- Flexible, open workplace
- Ownership and goal-oriented teamwork
- Personal and professional growth
- Humility

Through our [regularly published reports](#), we offer valuable insights into key ESG topics in various geographies and sectors.

Since 2014, RepRisk is a signatory of the six Principles for Responsible Investment (PRI), which provide a voluntary framework for all investors to incorporate ESG topics into their decision-making and ownership practices, which help align their objectives with those of society at large. For more information, visit www.unpri.org.

RepRisk is currently in the process of becoming a signatory of the Principles for Sustainable Insurance (PSI). Launched at the 2012 UN Conference on Sustainable Development, the UNEP FI Principles for Sustainable Insurance serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities. For more information, visit: <http://www.unepfi.org>

In addition, RepRisk promotes sustainable finance through its active membership in Swiss Sustainable Finance, by informing, educating and catalyzing growth. We became a member of this association in 2014. For more information, visit www.sustainablefinance.ch.

With the help of Swiss Cleantech, of which RepRisk is a member as well, we can actively promote and contribute to the development of a sustainable economic policy on a local level and eventually serve as an example on an international level. Swiss Cleantech focuses on resource-efficient and low-emission economic activity among all industries. For more information, visit www.swisscleantech.ch/.

2. Human Rights Principles

We are committed to respecting and protecting internationally proclaimed human rights, both within our own business and through our work with clients and partners. We strongly condemn human rights violations and will not be complicit in human rights abuses of any kind. We are committed to ensuring that we as a company, as well as our employees as individuals, respect and uphold human rights in every way.

2.1 Implementation

RepRisk fully complies with local laws and minimum standards regarding human rights in the locations where we operate.

RepRisk provides internal company guidelines which are available anytime for all our employees and assist them in their daily operations regarding their own rights as an employee as well as with regards to their relationship with clients, partners, and external stakeholders.

Furthermore, the senior management team conducts a review of internal policies with the help of an annual Company-wide Survey, whereby all staff members are able to give feedback online and anonymously with no fear of retaliation. Where gaps in performance are found, mitigation measures are identified and a plan of action is agreed and implemented.

Our staff members have a very good understanding of human rights, particularly because of the core business activities of RepRisk, which focus on the identification and analysis of ESG risks. In order to further clarify our expected behavior from employees, we established our own Code of Conduct, which is called "The RepRisk Way". Every staff member is required to abide by the Code, which sets forth our values and ethical standards to help our employees conduct their actions in line with the company's expectation on topics such as conflict of interests, intellectual property, and relation with stakeholders. The Code also provides guidance on particular situations, channels of communication, and practical examples through questions and answers. RepRisk offers all of its employees and contractors to address any breaches of the Code of Conduct and escalate them with their line manager, or, as appropriate, with the HR Team.

As an indirect measure, through our business, we raise awareness among our clients and partners of human rights issues, and other ESG issues, and help them to identify and assess human rights risks both in their own business as well as in their extended business relationships.

2.2 Measurement of Outcomes

RepRisk has never been subject to any investigations, legal cases, ruling, fines, or any other events related to human rights violations.

We further contribute through our core business activity to our clients who we help by supporting their understanding, identification, and assessment of corruption-related risk incidents.

3. Labor Principles

RepRisk is committed to supporting the elimination of all forms of forced and compulsory labor. We condemn the illegal use of unacceptable forms of child labor, and any kind of child exploitation. Equally, we strongly condemn all forms of discrimination in every aspect of human resources, i.e. hiring, training, compensation, equal employment opportunities, and decisions about promotions and advancement.

3.1 Implementation

RepRisk fully complies with local laws and minimum standards regarding labor rights in the locations where we operate.

In Switzerland, the minimum age for employment is regulated by the Employment Act. RepRisk adheres to these regulations for all countries where it is represented, and where labor rights regulation and implementation are not as enhanced as in Switzerland. Additionally, our Employee Handbooks outline our rules regarding working hours, holidays, and other employee related directions to ensure compliance with local and international law.

Our staff members all work for us of their own choosing and are all of legal age. Fair and just remuneration including comparable pay for comparable work is given to all our staff members, and we strongly reject any form of discrimination against staff members.. Further, we respect different working styles and make an effort to create a comfortable working environment.

We undertake knowledge-building on labor rights for our employees as an ongoing process that takes place through working with relevant international standards such as the ILO Convention, the OECD Guidelines for Multinationals, and the Equator Principles, but also through research for the work we do in our core business.

Our four global offices work hard to execute daily work with integrity and respect, and we all work closely with one another to ensure employees are finding the proper work balance and achieving fulfillment through their roles. We also look to empower all employees to grow within their roles and take on new challenges, providing training and support when needed. To monitor and ensure this, we regularly engage with our employees through personal meetings, feedback sessions, and the annual Company-wide Survey.

Through our business, we raise awareness among our clients and partners of labor issues, and other ESG issues, and help them to identify and assess labor-related risks both in their own business as well as in their extended business relationships.

3.2 Measurement of Outcomes

RepRisk has never been subject to any investigations, legal cases, ruling, fines, or any other labor-related issues. By engaging with our employees on a regular basis, we are able to evaluate our performance in terms of labor principles.

We further contribute through our core business activity to our clients who we help by supporting their understanding, identification, and assessment of corruption-related risk incidents.

4. Environmental Principles

RepRisk considers environmental protection as an issue of great importance. While the direct impact of our business operations on the environment is limited, we are committed to reduce negative impacts wherever they appear. Moreover, we are dedicated to using our business relationships to further promote the protection of the environment and sustainable business practices.

4.1 Implementation

RepRisk fully complies with local laws and minimum standards regarding environmental protection in the locations where we operate.

Regarding the implementation of environmental principles, we rely on the sense of responsibility of our employees. We strive to reduce our consumption of water, energy, paper, and other resources as well as reducing waste and supporting recycling. Our staff members have a very good understanding of environmental issues, particularly because of the core business activities of RepRisk which focus on the identification and analysis of ESG risks. We have summarized our commitments in an Environmental Policy that is included in all our Employee Handbooks and provides guidance on the usage of resources and energy for all our global locations.

Through our business, we raise awareness among our clients and partners of a variety of environmental issues, and other ESG issues, and help them to identify and assess environmental risks both in their own business as well as in their extended business relationships.

4.2 Measurement of Outcomes

RepRisk has never been subject to any investigations, legal cases, rulings, fines or any other events related to environmental issues.

We further contribute through our core business activity to our clients who we help by supporting their understanding, identification, and assessment of corruption-related risk incidents.

5. Anti-Corruption Principles

RepRisk does not tolerate any form of corruption, including extortion and bribery by management and any employee, and strictly enforces compliance with Swiss law on these issues.

5.1 Implementation

RepRisk fully complies with local laws and minimum standards regarding the prohibition of corrupt practices in the locations where we operate.

Compliance with Swiss law aligns with our anti-corruption principles and ensures that we respect the relevant national legislation and standards that further reinforce our books, records, and internal control requirements under the law of Switzerland. We take anti-corruption principles into account in our daily operations. In order to further inform our employees about the expected behavior when working for RepRisk, we developed our Code of Conduct, which contains guidance on anti-competitive principles, as well as some practical examples through questions and answers. We have also developed a corporate Gifts and Entertainment policy with general rules regarding the provision and receipt of gifts.

RepRisk further promotes anti-corruption principles throughout its clients and partners by building awareness of the reputational risk inherent in any such actions that are in breach of these principles. We strongly believe that corruption harms the economy and is counterproductive to our mission of transparency and accountability.

5.2 Measurement of Outcomes

To date there have been no reported instances of corrupt practice related to RepRisk's operations and business.

We further contribute through our core business activity to our clients who we help by supporting their understanding, identification, and assessment of corruption-related risk incidents.