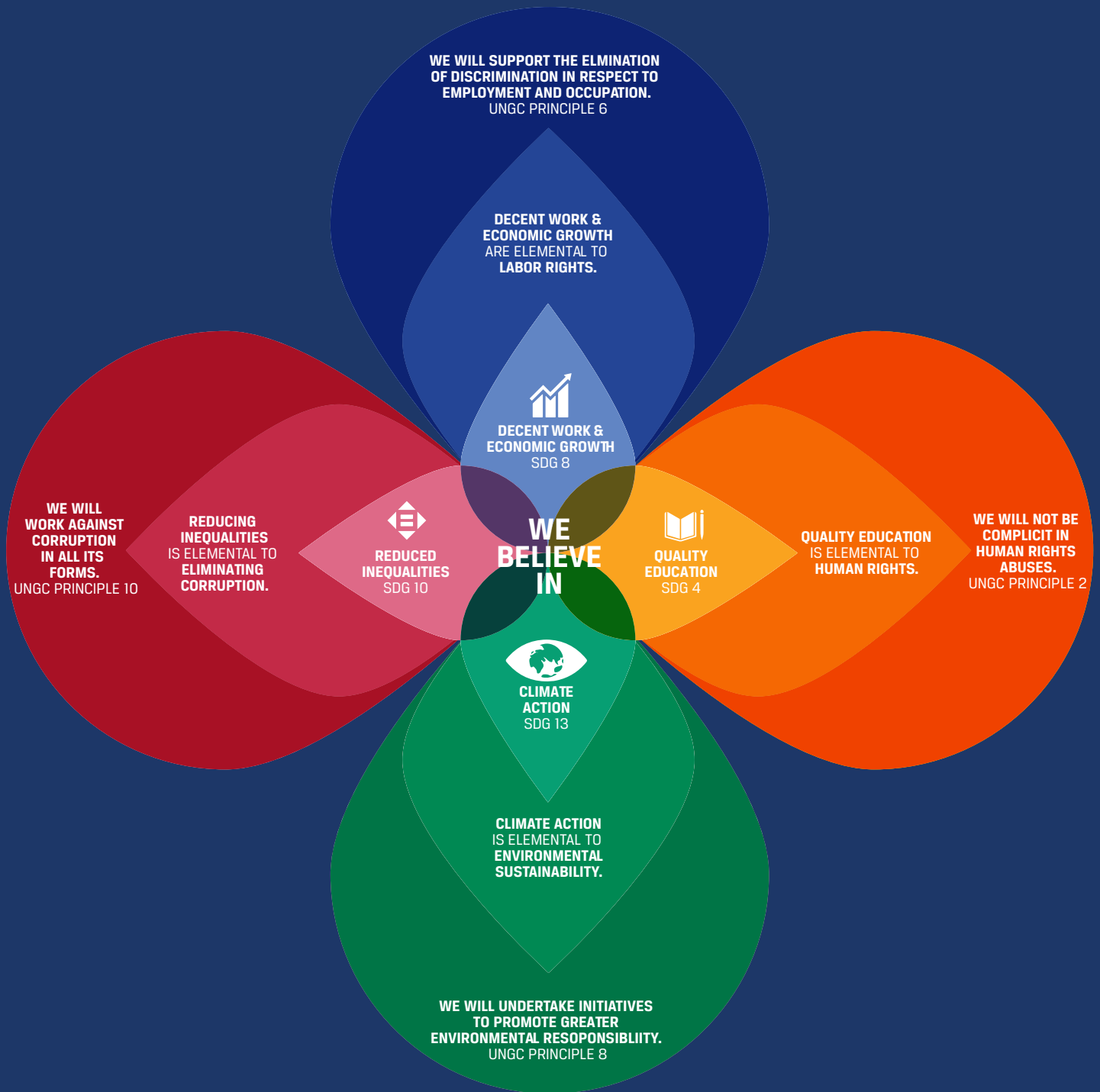


CONNECTING WITH THE TEN PRINCIPLES OF THE GLOBAL COMPACT



HUMAN RIGHTS

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

PUTTING BELIEFS INTO PRACTICE

Click on titles in white to learn more. Key: ● Human Rights □ Labour ▲ Environment ◆ Anti-Corruption

EXTERNAL WORK

Published Industry Leading Research, Analysis, and Position Statements in Diversity and Inclusion in Finance and ESG Investing and Analysis

| | |
|---|---------|
| Established an experimental partners program based on "Driving Change: Diversity and Inclusion in Investment Management" and Experimental Partners Are Testing the Efficacy of "Twenty Actions and Best Practices to Promote Inclusion in the Workplace" (2019, 2020, 2021) | ● □ |
| ESG Integration and Analysis in Asia Pacific: Markets, Practices and Data (2019) | ● □ ▲ ◆ |
| ESG Integration and Analysis in Europe, the Middle East, and Africa (2019) | ● □ ▲ ◆ |
| Why Diversity is More Critical Than Ever (2020) | ● □ |
| Future of Sustainability in Investment Management (2020) | ● □ ▲ ◆ |
| Climate Change Analysis in the Investment Process (2020) | ▲ |
| Public Sentiment and the Price of Corporate Sustainability (Financial Analysts Journal, 2020 Vol. 76, No. 2) | ● □ ▲ ◆ |
| Position on Environmental, Social, and Governance Integration (2021) | ● □ ▲ ◆ |
| Risk Mitigation of Corporate Social Performance in US Class Action Lawsuits (Financial Analysts Journal, 2021 Vol. 77, No. 2) | ● □ ▲ ◆ |

Produced Compelling Educational Content

| | |
|---|---------|
| The Convergence of Stakeholder Capitalism and Desires for More Sustainable Investing (2020) | ● □ ▲ ◆ |
| Women in Investment Management (Virtual) Conference (2020) | ● □ |
| The Enhanced Importance of Investing with Impact (2020) | ● □ ▲ ◆ |
| Race and Inclusion Now: An Investment Industry Call to Action (2020) | ● □ |
| Meaningful Climate Data, Intentional Investments (Climate Change Webinar Series; 2020) | ▲ |
| Climate Change Regulator Landscape in the EU (Climate Change Webinar Series; 2020) | ▲ |
| Climate Change Response in the United States: The Future of Policy and Investor Responses to Climate Change (Climate Change Webinar Series; 2020) | ▲ |
| Refresher Reading (CFA Program Level III) - The Behavioral Biases of Individuals (2021) | ● □ |
| Certificate in ESG Investing (2021) | ● □ ▲ ◆ |

Engaged, Societies, Members, Volunteers, and Industry

| | |
|--|---------|
| Members and candidates follow the Code of Ethics and Standards of Professional Conduct (Code and Standards); CFA charterholders, regular members, affiliate members, and candidates in the CFA and CIPM Programs must complete a Professional Conduct Statement form annually to attest that they are in compliance with this requirement (2019, 2020, 2021) | ◆ |
| The CFA Institute Asset Manager Code™ (the Code) outlines the ethical and professional responsibilities of organizations that manage assets on behalf of clients; 1,150 organizations claim compliance with the Code (2019, 2020, 2021) | ◆ |
| CFA Society Philadelphia Hosted The Effects of Carbon Pricing on Our Financial Markets Webinar (Climate Change Webinar Series; 2020) | ▲ |
| CFA Society New York Hosted Asset Owner Series SDG-ESG Infrastructure Investment Framework Conference (Climate Change Webinar Series; 2020) | ● □ ▲ ◆ |
| CFA Society Spain and CFA Institute Hosted the Implementing SASB Sustainability Disclosures Webinar Hosted with CFA Society Spain (2021) | ● □ ▲ ◆ |
| CFA Society Denmark Hosted the ESG-Focused Nordic Investment Conference (2021) | ● □ ▲ ◆ |
| CFA Society Malaysia and World Bank Group Inclusive Growth & Sustainable Hub in Malaysia Hosted the Sustainable & Responsible Investing Webinar (2021) | ● □ ▲ ◆ |
| CFA Society Hong Kong and CFA Institute Issued a Joint Response to the Consultation Paper on the Management and Disclosure of Climate-Related Risks by Fund Managers, issued in October 2020 by The Securities and Futures Commission (SFC) (2021) | ▲ |
| CFA Society Singapore Embarked on the ESG Year 2021 Initiative (2021) | ● □ ▲ ◆ |

INTERNAL WORK

| | |
|--|---------|
| Appointed Margaret Franklin, CFA as First Woman CEO and President in the Organization's 73-Year History (2019) | □ |
| Updated the Employee Code of Conduct to be Gender Neutral (2019) and Added Our Cultural Values of Trust, Service, Inclusion, Curiosity (2020) | ● □ |
| Partnered with Trucost, Part of S&P Global, for Annual Global Carbon Footprint Analysis and Reporting (2019, 2020) | ▲ |
| Promoted Internal Inclusion & Diversity, Corporate Citizenship, and Environmental Sustainability Activities to CFA Institute Members via the Annual Report (2019, 2020) | ● □ ▲ |
| Maintained Board of Governors Gender Diversity Goal (2019, 2020) | □ |
| Board of Governors Investment Subcommittee Added an ESG Beliefs Statement to the Investment Policy Statement (2020) | ● □ ▲ ◆ |
| Launched Business Resource Groups (Able@CFAInstitute, BIPOC@CFAInstitute, Pride@CFAInstitute, Women@CFAInstitute; 2019, 2020, 2021) and the Inclusion and Diversity Council (2021) to Foster an Environment that Embraces Difference, Demonstrates Respect, and Instills Trust | ● □ |
| Engaged with in the Boston College Center on Corporate Citizenship for Professional Development | ● □ ▲ ◆ |
| <ul style="list-style-type: none"> Member of the Professional Services Sustainability Roundtable (2019, 2020, 2021) Co-presented an "Executive Briefing on Corporate Citizenship" to CFA Institute Board of Governors (2020) Presented at the International Corporate Citizenship Conference (2019) | |

**OUR MISSION IS...
TO LEAD THE INVESTMENT
PROFESSION GLOBALLY
BY PROMOTING THE
HIGHEST STANDARDS
OF ETHICS, EDUCATION,
AND PROFESSIONAL
EXCELLENCE FOR THE
ULTIMATE BENEFIT OF
SOCIETY.**

The mission of CFA Institute is served by generating value for core investment management professionals and engaging with the core investment management industry to advance ethics, market integrity, and professional standards of practice, which collectively contribute value to society.

Core investment management professionals are those individuals primarily involved in activities related to the investment decision-making process—generally portfolio managers, financial advisors, and research analysts on both the buy and sell side.

The core investment management industry comprises of firms (or larger firm business lines) primarily engaged in asset management (mutual funds, hedge funds, private equity, real estate investment, investment research and ratings, and investment advisory services), wealth management, fiduciary asset ownership (such as pension funds, endowments, and sovereign wealth funds), and their related regulators and standard setters.

Our Cultural Values define who we are, what we stand for, and what we aspire to be. They run deeply through the organization, guiding our internal and external behaviors. They bind our colleagues together, across every level of business, in passionate pursuit of our company's mission.

TRUST

We act with integrity, are ethical and authentic, and speak the truth in a timely, transparent manner.

SERVICE

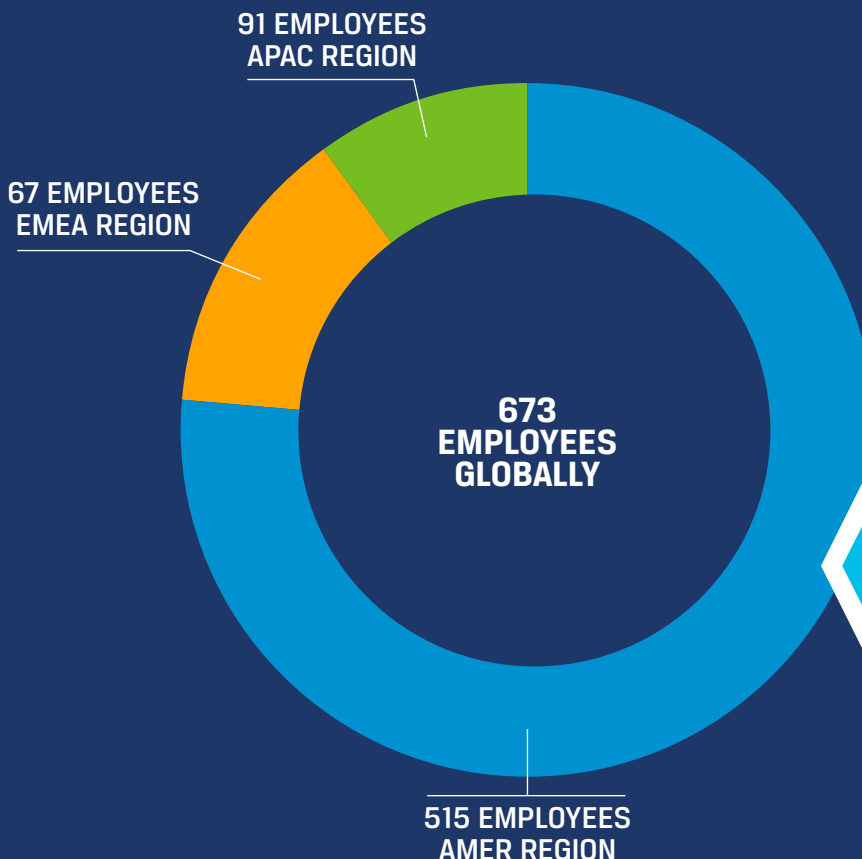
We understand the needs of our external stakeholders and, together, deliver exceptional results through a regional model, localized where appropriate.

INCLUSION

We create a welcoming, safe environment where fairness, opportunity, and trust exist, allowing us to leverage the diverse talents and perspectives of our staff and volunteers to achieve our strategic objectives.

CURIOSITY

We demonstrate an unrelenting pursuit of knowledge and understanding in our quest for excellence.



**THERE ARE MORE THAN
178,000 CFA CHARTERHOLDERS
WORLDWIDE IN 164 MARKETS.**

**THERE ARE 159 LOCAL MEMBER
SOCIETIES GLOBALLY.**

**CFA INSTITUTE HAS 9 OFFICES
WORLDWIDE WITH 673
EMPLOYEES.**

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President and CEO

James (Chris) Ainsworth
Chief Operating Officer

Paul P. Andrews
Managing Director, Research, Advocacy,
and Standards

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and Chief Information Officer

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8 April 2021

H.E. Antonio Guterres
Secretary-General
United Nations
New York, NY 10017 USA

Dear Secretary-General Guterres:

With this communication, CFA Institute expresses its continued support for advancing the Ten Principles of the Global Compact and are pleased to share the attached Communication on Engagement for the period March 2019 – April 2021.

The details included in this document outline the practical actions and measured outcomes of CFA Institute in support of the implementation of the Ten Principles, and our engagement with the Global Compact with respect to human rights, labour, environment, and anti-corruption. They are a representative sampling of our internal and external global work – each linked to a publicly available resource in support of the Ten Principles of the Global Compact. This level of accessibility not only significantly increases the impact of our efforts, but also illustrates our commitment to using our position within the investment industry to amplify the principles. CFA Institute will continue to make our commitment clear to our stakeholders and the general public through a variety of channels.

We remain committed to making the Global Compact and its principles part of the strategy, culture, and day-to-day operations of our organization, and to engaging in collaborative projects that advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

Yours sincerely,



Margaret Franklin CFA
President and CEO
CFA Institute

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CFA INSTITUTE
CLICK HERE TO READ
OUR ANNUAL REPORT**