

Memorandum of Understanding

September 9, 2015

Between

Global Initiative for Sustainability Ratings (GISR)

11 Arlington Street

Boston USA

and

ARISE[®], Association for Responsible Investment Services

Rue du Progrès 333/7, B-1030 Brussels, Belgium

Brussels, Belgium

Hereafter, each individually 'Party' and collectively, the 'Parties'

Whereas:

- Sustainability content in company and credit ratings is integral to rigorous assessment of long term value creation and performance and, as such, to the healthy financial and consumer markets worldwide.
- GISR is a global coalition of investors, companies, research/rating/rankings/index (hereafter R3I) organizations.
- GISR's mission is to drive excellence in company and credit ratings through a multifaceted effort comprising a framework and associated principles-based accreditation of ratings/rankings/index methodologies, information hub, laboratories and convenings.
- The Association of Responsible Investment Services (ARISE) is a trade association of Responsible Investment Research (RIR) organizations worldwide.
- ARISTA[®], ARISE's Responsible Investment Research (RIR) standard, comprises guidelines and rules, and commitments regarding the transparency, quality and verifiability of the processes involved in corporate sustainability and responsibility research.
- ARISTA provides assurance on the level of (i) RIR research methodologies, (ii) RIR groups' professionalism, integrity and quality performance and (iii) RIR products
- The Parties recognize the benefits to be achieved through cooperation and collaboration to advance excellence in ESG research processes, methodologies and

practices. The parties also recognize that the focus and activities of their respective organizations are distinct and complementary.

The Parties agree as follows:

1. Purpose

1.1 The purpose of this memorandum of understanding ('MoU') is to articulate the basis and general principles for ongoing cooperation and alignment between the Parties to promote the realization of their mutual interests, notably in relation to efforts to promote:

- Global accessibility and clarity of ESG research and rating frameworks, standards in ways that drive complementarity, coherence and consistency
- Transparency, collaboration and sharing of relevant and significant information between the Parties
- Thought leadership in support of ESG research and ratings excellence that contributes to the creation of a sustainable future for business, society and the environment and seeks to expand the global market applications for high quality sustainability research and ratings

1.2 Any activities undertaken further to this MoU are subject to their inclusion in the Parties' respective programs of work and shall be carried out in accordance with their respective rules and practices.

2. Acknowledgments

2.1 Both Parties acknowledge the complementarity of their respective activities and focus and specifically:

- GISR acknowledges ARISE's role in the design and implementation of a responsible investment research standard (ARISTA) and comprehensive quality assurance audits for RIR methodologies, organizations and products
- ARISE recognizes GISR's mission as a global multistakeholder initiative that aims to develop a *framework*, a resource *hub*, *labs* and *convenings* in order to advance excellence in the process and content of R3I methodologies to enhance business performance and investor decision-making

3. Focus of cooperation

3.1 Each Party commits to:

- Take appropriate opportunities, to the extent reasonable and practicable, to support and profile the work of the other Party including but not limited to the activities proposed in Annex A, which may evolve over time
- Work with the other Party and other organizations to optimize alignment, complementarity and market clarity between GISR's Profiles and Registry and accreditation process and ARISTA's Transparency Matrix and audit and accreditation

process, to the extent applicable and practicable, taking into account the distinct and complementary missions the Parties

- Explicit mutual reference in GISR's accreditation program and ARISTA's transparency assurance process of functionally equivalent data items to which both Parties agree and standardized citations for ARISE in the GISR Profiles which could include weblinks, trademarks and citations for the Transparency Matrix ARISTA TM 3.0® submissions. The GISR Profiles - which focus primarily on ESG research, rating and ranking products and services - will include the option for R3I's to link and upload information included in the ARISTA Transparency Matrix.
- Participate in the other Party's governance, including but not limited to, an ARISE member serving on GISR's Technical Review Committee and Accreditation Working Group, of their future equivalents
- Consider opportunities to organize joint events of mutual interest to the stakeholders of both Parties
- Facilitate regular exchange of information with the other Party on relevant aspects of their respective activities and other matters of common interest
- Explore ways in which to extend and strengthen collaboration with the other Party, in each case and on terms to be agreed between the Parties
- Develop, where relevant and appropriate, joint action plans, as required, outlining cooperation on discrete critical issues where the resources of both Parties can be leveraged effectively to achieve common ends in the Parties' mutual interest.

3.2 The Parties shall maintain a schedule of specific financial and other in-kind commitments made between them, which as of the date hereof are as provided in Appendix A hereto. The schedule shall be updated as appropriate with such additions and modifications as may be agreed between the Parties subsequent to signature of this MoU.

4. Consultation

4.1 Each Party undertakes to enter promptly into consultation with the other Party at the latter's request with respect to any matter arising in relation to their respective activities.

4.2 The Parties shall endeavor to resolve real or potential conflicts of interest promptly and in good faith.

5. Intellectual property

5.1 Each Party will share with the other Party such concepts, ideas and other facets of its intellectual property as are relevant and appropriate to advance the collaborative ends of this MoU, provided that neither Party shall seek to benefit unduly in any way from the other Party's intellectual property and that each Party will respect the intellectual property rights of the other by reference to the latter's related policies and procedures and in accordance with relevant laws. All intellectual property rights in any materials, documents, software or other items created by or licensed to either Party will remain vested in such Party (or its licensors).

5.2 The Parties will agree in advance and in writing on the extent to which, by reference to their respective policies and procedures and in accordance with relevant laws, each will enjoy intellectual property rights relating to new materials, documents, software or other items created by the Parties, individually or collectively, as a result of collaboration with each other further to this MoU.

6. Confidentiality

6.1 Each Party will use information gained as a result of collaboration with the other Party further to this MoU with due discretion and solely to the ends for which it was provided.

6.2 Neither Party will, without the other Party's prior agreement, during the period covered by this MoU or at any time thereafter, for any reason whatsoever disclose to any third party, or in any way make use of, any information provided to it by, or otherwise acquired from, the other Party which is: (a) not in the public domain; or (b) is marked, considered, or by its nature would reasonably be expected to be treated as confidential. Each Party will use its best endeavors to prevent the unauthorized publication or disclosure of any such information.

7. Costs

7.1 Nothing under this MoU shall be taken to represent a commitment of funds on the part of either Party and, unless otherwise agreed between the Parties in writing, each Party will bear its own costs relating to activities undertaken further to this MoU.

8. Publicity and external communications

8.1 Each Party may make public reference to the existence of this MoU as it thinks relevant and appropriate. Each Party will obtain the approval of the other Party for the contents of any press release relating to the specific terms of this MoU prior to issue of such press release.

8.2 Neither Party shall, in any communication to third parties, purport to represent the other Party's views or position on any matter, including any activity undertaken further to this MoU, without the prior agreement of the other Party.

9. Use of logos and trademarks

9.1 Each Party may use, where relevant and mutually agreed and in appropriate terms, the other Party's logo or trademark, which each Party will make available to the other in digital format for such use on request. Advance written approval is required from both organizations granting permission for use of logos and trademarks.

9.2 Each Party agrees that upon expiration of this MoU, it shall return to the other Party the latter's logo and trademark in the form in which it was delivered to and retained by such Party.

10. Institutional arrangements

10.1 The Parties will discuss whether, to what extent and in what capacity each will be represented on the other's governing and advisory bodies, subject to the provisions of their

respective constitutional arrangements and policies from time to time applicable relating to such appointments. Article 3.1 and Annex A detail some of the existing arrangements.

11. Contact

11.1 Each Party will designate a staff member to act as the primary contact point for matters arising in relation to, or further to, this MoU and facilitate the exchange of information between the Parties on matters of common interest.

11.2 As at the date hereof, the Parties' designated primary contact points, which may be modified upon mutual agreement, are as follows:

For GISR: Mark Tulay, mark.tulay@ratesustainability.org

For ARISTA: Herwig Peeters, herwig.peeters@aristastandard.org

11.3 Either Party may at any time revise its designated primary contact point by notice to the other.

11.4 Any notice required to be provided hereunder shall be deemed duly given if made by either Party to the other Party's designated primary contact point in writing, which for the purposes hereof shall include by email.

12. Status of the MoU

12.1 This MoU represents an expression of common intent. For legal purposes, nothing in this MoU shall be construed as creating a joint venture, an agency relationship or a legal partnership between the Parties. No provision of this MoU shall be construed so as to in any way interfere with the respective decision-making processes of the Parties with regard to their own respective work and operations.

12.2 Neither Party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other.

12.3 Nothing in this MoU shall preclude either Party from concluding a memorandum of understanding, or other arrangement, with any third party.

13. Validity

13.1 This MoU shall be effective once signed by both Parties until 30 June 2016 inclusive. Its validity may be extended by agreement in writing between the Parties.

13.2 This MoU may be terminated by either Party for reasonable cause upon three months' prior written notice to the other Party, such notice to provide the grounds for termination.

13.3 Ongoing collaborative activities undertaken on the basis of joint work plans developed by the Parties will continue to the extent required for their completion, unless otherwise terminated by separate agreement between the Parties to such effect.

14. Revisions

14.1 Any revisions to this MoU shall be agreed in writing between the Parties.

15. Assignment

15.1 Neither Party may assign or otherwise transfer its rights or obligations hereunder, or any part thereof, to any third party without the prior written approval of the other Party.

16. Disputes

16.1 The Parties will endeavor to resolve any dispute as between them relating to the interpretation of this MoU, or any matter covered by it, through negotiation and constructive discussion between senior personnel, failing which it shall be submitted for arbitration to a mutually agreed upon third party.

Signed for acceptance and agreement, for and on behalf of:

GISR

Name:

Date:

ARISE



Name: Herwig Peeters, Chairman

Mark Tulay, COO

Date: 30/04/2015

09/09?2015

Annex A

Milestones and Key Activities in 2015-2016

The activities identified for collaboration in 2015 include, but are not limited, to the following.

- Herwig Peeters is invited to continue to participate on GISR's Technical Review Committee. GISR will seek to cover the travel expenses of ARISE designated representative, subject to resources availability.
- Future revisions to the GISR Principles will provide additional information on ARISE, the ARISTA standard and the Transparency Matrix as mutually agreed. GISR's cooperation with ARISE will reference and link to this MoU in selected GISR documents and publicity, with the exception of Annex A which is subject to periodic update and modification. ARISE, in turn, will reciprocate by referencing GISR.
- GISR recognizes ARISE as a committed partner in the development of its updated Principles and will consider ARISE's input and developments in the Principles revisions.
- In designing GISR's CORE web-based Platform, GISR will incorporate a system for cross-referencing, in a form and to the degree that serves GISR's key stakeholders, the alignment of the Profiles content with Arista's Transparency Matrix.
- Arista agrees to reference GISR Profiles via link/citation to the appropriate document(s) as mutual agreed.
- In 2015-2016, as part of the Accreditation and Registry work, GISR will assign a staff member to review the ARISTA audit manual to inform GISR's Accreditation Program and other core GISR program activities, to the extent ARISTA deems appropriate.
- Upon execution of this MOU by the parties, the MoU will be referenced in a joint press release and will be made publicly available. In Q1 2016, GISR and ARISE will evaluate progress on the above and assess areas for strengthening collaboration and will make adjustments as mutually agreed.