

# Self-Attestation Document with respect to the Hong Kong Code of Conduct for ESG Ratings and Data Products Providers

**January 2025**

Name of ESG ratings / data products provider: Governance Solutions Company Ltd.

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

☒ ESG ratings/scores

☒ ESG data products

Date: January 10, 2025

**Notes:**

1. This is the Self-attestation Document referred to in paragraph 2.3 of the Code of Conduct for ESG Ratings and Data Products Providers ("Code of Conduct") developed by the Hong Kong Environmental, Social and Governance Ratings and Data Products Providers Voluntary Code of Conduct Working Group.

2. When completing this document, providers:

a. should include hyperlinks to relevant policies and documents where relevant; and

b. may consider clarifying where appropriate the extent to which:

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

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

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

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

Code of Conduct Reference	Principles and actions	How has the principle / action been implemented?
<b>1. Principle on Good Governance</b>		
1.1	ESG ratings and data products providers should ensure appropriate governance arrangements are in place that enable them to promote and uphold the Principles and overall objectives of the Code of Conduct.	Governance Solutions Company Ltd. ("GSG") is committed to creating and operating compliant, credible, and valuable ESG ratings and data products through effective governance arrangements. This ensures that our clients can make correct and wise decisions when using our data products. We have issued a specific ESG Data Business Management Policy to regulate the relevant governance arrangements and operational standards.
Actions		
ESG ratings and data products providers should have appropriate governance arrangements in place that:		
1.4	(A) include a clear organisational structure with well-defined, transparent and consistent roles and responsibilities for personnel involved in the determination, publication, or oversight, as appropriate, of an ESG rating or of an ESG data product; and which	<p>GSG has clearly defined the roles and responsibilities for individuals involved in determining, publishing, or monitoring ESG ratings or ESG data products. Overall, GSG's Data Team and Research Team work together to ensure effective execution of the business:</p> <ul style="list-style-type: none"> <li>• Data Team: Develops ESG data product strategies, manages data production and operations, and ensures data quality and integrity. The team consists of three groups: Production, Quality Control, and Technology, each with specific responsibilities.</li> <li>• Research Team: Engages with client needs, executes ESG projects, and transforms project insights into data product opportunities. They continuously innovate GSG's ESG methodologies and collaborate closely with other teams for data product development and promotion.</li> </ul>
1.5	(B) enable them to follow the Principles set out in this Code of Conduct.	GSG's governance arrangements ensure that it adhere to the Principles set out in the Code of Conduct. Additionally, we promote the sharing of business knowledge across various departments to help all involved teams continuously deepen their understanding of these principles.
<b>2. Principle on Securing Quality (Systems and Controls)</b>		
2.1	ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure the issuance of high quality ESG ratings and data products.	GSG has issued a specific ESG Data Business Management Policy to regulate our data product research and production processes, ensuring that we produce high-quality ESG ratings and data products. For details, please refer to responses 2.4-2.13.
Actions		
These policies and procedures should be drafted taking into account the nature, scale and complexity of ESG ratings and data products providers' respective businesses and should require that ESG ratings/data products are based on:		
2.4	(A) publicly disclosed data sources, where possible, and other information	In principle, GSG uses publicly disclosed data sources to develop ESG metrics and rating model methodologies,

	sources, where necessary;	as well as to produce and process ESG ratings and data products. Occasionally, in specific projects, based on actual client needs, GSG may introduce non-public information sources for customized ESG data products. In such cases, GSG will provide detailed explanations to the relevant clients about the non-public information used and the channels through which the information is obtained, to help the clients fully understand the data products. Additionally, this information will be protected according to the confidentiality clauses stipulated in relevant contracts.
2.5	(B) the adoption, implementation and provision of transparency around methodologies for their ESG ratings and data products that are defined, rigorous, systematic, applied continuously, in accordance with Principle 4, while maintaining a balance with respect to proprietary or confidential aspects of the methodologies; and	GSG develops ESG data product brochures and ESG rating methodology documents to disclose production methods and processes within a reasonable scope, ensuring full, public, and transparent disclosure to clients of ESG data and rating products. In response to specific client requirements, GSG may provide more detailed methodological explanations and data demonstrations, outlining the research framework and the logic behind indicator calculations, as deemed appropriate.
2.6	(C) a thorough analysis of relevant information consistent with the applicable methodologies available to the ESG ratings and data products providers at the time of determination.	GSG has established robust data product development and quality control processes to ensure that our research is timely, objective, effective, and comprehensive. Upon client request, we can provide explanation of the relevant information referenced and the analytical methods employed during our research process.
Furthermore, having regard to the nature, scale and complexity of their respective businesses, ESG ratings and data products providers should also ensure:		
2.8	(A) they monitor on an ongoing basis and regularly update, as appropriate, their ESG ratings and data products, except where specifically disclosed that the rating is a point in time rating;	GSG employs a product-specific approach to monitor and update the relevant data for each ESG rating or data product, with update frequencies ranging from daily to annually, depending on the characteristics of each product.
2.9	(B) they regularly review the relevant methodologies and sufficiently communicate changes made to the methodologies as well as potential impacts of these changes to the ESG ratings and data products;	All personnel responsible for GSG's ESG ratings and data products must maintain a vigilant awareness of policy requirements, market trends, industry practices, and client demands. They are required to periodically review the methodologies of the respective products and implement any necessary updates. In the event of changes to the methodology, GSG will ensure that the methodological documentation and sales materials are updated in sync. Additionally, GSG will promptly notify clients of the changes made to the methodology, along with the potential impacts these changes may have on the ESG data and rating products.
2.10	(C) they maintain internal records to support their ESG ratings and data products;	GSG maintains a continuous record of key research and development progress and feedback from all relevant stakeholders throughout the ESG rating and data product development and production process. For each product, we compile comprehensive methodological documentation, capturing essential information such as the indicators, parameters, data sources, update

		<p>frequencies, and calculation methodologies employed. Post-launch, our team continuously monitors policy changes, market dynamics, industry peers, and client needs, regularly reviewing and updating the methodology as necessary. If there are any updates to the methodology, GSG promptly revises the methodological documentation and sales materials to ensure that all relevant records are kept up-to-date.</p>
2.11	<p>(D) they have sufficient resources (personnel and technological capabilities) to consistently apply the relevant methodologies to determine high quality ESG ratings and data products, to seek out information they need in order to make an assessment, analyse all the information relevant to their decision-making processes, and conduct quality control on their processes and production of ESG ratings and data products. The quality controls should include both (i) procedural checks to ensure that the methodology and internal processes are followed correctly; and (ii) holistic checks to ensure that the process considering the plausibility, coherence and logic of the product is sound. The quality control framework should also allow for the appropriate and timely consideration of information brought to ESG ratings and data products providers' attention by covered entities or users, as outlined at action 6.10 below; and</p>	<p>GSG's ESG data business are supported by both the Data and Research Teams. Team members, with interdisciplinary backgrounds, possess extensive experience in ESG research and data analysis, enabling us to provide comprehensive professional services, from data delivery to training and customized development. We establish quality assurance measures from two perspectives: methodology and data production.</p> <ul style="list-style-type: none"> <li>• <b>Methodology Quality Assurance:</b> The Research Team, through extensive market research and participation in ESG projects, has accumulated rich experience in designing ESG metrics and rating models, ensuring the advancement and reliability of our data methodologies. We strive to make ESG data as high-quality and accessible as financial data, focusing on the model's leading-edge nature, financial impact, market trend forecasting, and the reliability of data sources. During methodology development, the Research and Data Teams collaborate regularly to ensure the scientific validity and applicability of the methodologies, which are documented and approved in detailed methodology documents. After product launch, we continuously monitor policy changes, market dynamics, and client needs, updating our methodologies as necessary.</li> <li>• <b>Data Production Quality Assurance:</b> GSG treats data quality as a systematic project, centered on listening to client feedback. We have established a comprehensive data quality management framework from three dimensions: process, team, and platform. <ul style="list-style-type: none"> <li>■ <b>Process:</b> We set key performance indicators for data production based on client needs, ensuring data is delivered promptly, completely, and accurately. The Data Team has established rigorous data collection and validation processes, employing various data validation rules such as logical and regression validation to ensure high-quality standards.</li> <li>■ <b>Team:</b> Additionally, the Data Team includes an independent Quality Control Group that conducts regular data audits and analysis to continuously improve data quality.</li> </ul> </li> </ul>

		<ul style="list-style-type: none"> <li>Platform: Technologically, GSG continues to invest in building an efficient end-to-end data collection platform, leveraging advanced technologies and tools to enhance the quality and efficiency of data collection.</li> </ul>
2.12	(E) the personnel involved in the determination, publication or oversight, as appropriate, of ESG ratings and data products are professional, competent, and of high integrity.	To drive the development and improvement of talent in ESG data business, GSG actively supports corresponding team members in attending professional training and industry conferences focused on ESG investing, fintech, and climate risk management. This helps them continually enhance their skills and professional performance. GSG also regularly holds internal training sessions to encourage knowledge sharing among different departments, fostering an environment of ongoing learning and growth. The HR department conducts annual supervision and assessments to ensure that personnel involved in ESG ratings and data products fulfill their duties with high integrity.
2.13	ESG ratings and data products providers could consider providing ESG ratings and data products to clients in a machine-readable format.	GSG offers a variety of ways to deliver ESG data and ratings to meet client needs. For example, we can provide specific data in traditional Excel spreadsheets, offer customized data transfer services through API interfaces with necessary development support, and help set up ESG databases locally with data updates and notifications. Regardless of the delivery method, GSG always provides detailed data dictionaries and methodology introductions to facilitate rapid data application.
<b>3. Principle on Conflicts of Interest</b>		
3.1	ESG ratings and data products providers should adopt and implement written policies and procedures designed to help ensure their decisions are independent, free from political or economic interference, and appropriately address actual or potential conflicts of interest that may arise from, among other things, the ESG ratings and data products providers' organisational structure, business or financial activities, or the financial interests of the ESG ratings and data products providers and their officers and employees.	GSG has clearly identified potential conflicts of interest in its ESG Data Business Management Policy within the ESG rating and data product business, and has taken measures to actively avoid or appropriately manage and mitigate the risks of such conflicts, so as to protect the independence and integrity of the ESG ratings and data services we provide. For further details, please refer to our responses 3.6-3.11.
3.2	ESG ratings and data products providers should identify, avoid or appropriately manage, mitigate and disclose actual or potential conflicts of interest that may compromise the independence and integrity of the ESG ratings and data products providers' operations.	See response 3.1.
<b>Actions</b>		
ESG ratings and data products providers should:		



3.5	(A) adopt written internal policies and procedures and mechanisms designed to (1) identify, and (2) eliminate, or manage, mitigate and disclose, as appropriate, any actual or potential conflicts of interest related to their ESG ratings or data products that may influence the opinions and analyses ESG ratings and data products providers make or the judgment and analyses of the individuals they employ who have an influence on their ESG ratings or data products decisions; and	See response 3.1.
3.6	(B) disclose such conflict avoidance and management measures.	GSG has established accountability mechanisms, reporting mechanisms, and compensation arrangements for managing conflicts of interest. All management personnel and employees of GSG shall identify and manage various types of conflicts of interest in accordance with the requirements of laws and regulations and the company's policies. Should any conflicts of interest arise during the conduct of ESG data-related business, relevant personnel must prioritize the overall interests of the company and treat all clients fairly. They must follow the appropriate procedures to make independent and objective decisions throughout the development, production, and sales of ESG data and rating products. They are prohibited from making any decisions that could harm the company or its other clients for the benefit of the company itself, its affiliates, or other stakeholders or specific clients.
ESG ratings and data products providers should take steps to help ensure that any existing or potential business relationship between them (or their affiliates) and any entity or any other party for which they provide ESG ratings or data products would not affect the integrity of the ESG ratings and data products being offered to those entities or other parties. These steps could include (but are not limited to) the following measures in respect of appropriate staff:		
3.8	(A) putting in place measures to help ensure such staff refrain from any securities or derivatives trading presenting inherent conflicts of interest with the ESG ratings and data products;	GSG enforces a stringent accountability mechanism. Should any personnel be found in violation of the conflict-of-interest management regulations, including engaging in securities or derivative transactions that present conflicts of interests with our ESG ratings and data products, our compliance and human resources departments will promptly initiate an investigation. Depending on the severity of the situation, appropriate disciplinary actions will be taken, which may include fines, demotion, or termination of employment.
3.9	(B) structuring reporting lines for such staff and their compensation arrangements to eliminate or appropriately manage actual and potential conflicts of interest related to their ESG ratings and data products;	GSG has established appropriate reporting mechanisms and personnel compensation arrangements to prevent actual and potential conflicts of interest related to ESG ratings and data products.
3.10	(C) not compensating or evaluating such staff on the basis of the amount of revenue that an ESG rating and data products provider derives from an entity for which such staff	The compensation structure at GSG determines that the remuneration of the two core teams responsible for ESG data business, namely the research team and the data team, including salaries, bonuses, and other forms of

	provides ESG ratings and data products, or with which such staff regularly interact regarding such ESG ratings and data products; and	compensation, shall not be linked to the revenue generated from any entities for which GSG provides ESG ratings and data products.
3.11	(D) where consistent with confidentiality, contractual and other business, legal and regulatory requirements, disclosing in respect of such staff the general nature of the compensation arrangement or any other business or financial relationships that exist with an entity for which the ESG ratings and data products provider provides ESG ratings or data products.	Where consistent with confidentiality, contractual and other business, legal and regulatory requirements, GSG will disclose potential conflicts of interest and the corresponding avoidance and management measures to the inquirer upon receipt of relevant inquiries.
-	(Other steps taken, if any:)	None
<b>4. Principle on Transparency</b>		
4.1	ESG ratings and data products providers should make adequate levels of public disclosure and transparency a priority for their ESG ratings and data products, including their methodologies and processes to enable the users of the product to understand what the product is and how it is produced, including any potential conflicts of interest and while maintaining a balance with respect to proprietary or confidential information, data and methodologies.	See response 2.5.
<b>Actions</b>		
ESG ratings and data products providers should, where applicable:		
4.4	(A) make public disclosure and transparency a priority for their ESG ratings and data products offerings, subject to commercial sensitivity considerations;	Upon receiving requests from stakeholders regarding GSG's ESG data and rating products, we will provide relevant introduction documents free of charge to them. These documents disclose the production methods and processes used in the relevant products within a reasonable scope, ensuring full, public, and transparent disclosure to the stakeholders of our ESG data and rating products.
4.5	(B) clearly describe their ESG ratings and data products to enable the users to understand the ESG rating's or ESG data product's intended purpose including its measurement objective; and	GSG will clearly explain to clients the intended use and application scenarios of the relevant ESG data and rating products.
4.6	(C) publish sufficient information about the methodologies underlying their ESG ratings and data products and how they ensure their consistent implementation to enable the users of these products to understand how their outputs were determined.	GSG will clearly explain to clients the methodology and other relevant information of the ESG data and rating products, helping clients understand how to better utilize GSG's products to support their work.

4.7 - 4.16	<p>ESG ratings and data products providers should, where applicable, publish information that is relevant to understanding their methodologies, subject to any proprietary or confidentiality considerations. This information may include, but is not limited to:</p> <p>(A) the measurement objective of the ESG rating;</p> <p>(B) the criteria used to assess the entity or company;</p> <p>(C) the KPIs used to assess the entity against each criterion;</p> <p>(D) the relative weighting of these criteria to that assessment;</p> <p>(E) the scope of business activities and group entities included in the assessment;</p> <p>(F) the principal sources of qualitative and quantitative information used in the assessment, including for example whether the information is forward-looking (such as transition plans), the use of industry averages, estimations or other methodologies when actual data is not available, as well as information on how the absence of information was treated;</p> <p>(G) the time horizon of the assessment;</p> <p>(H) the meaning of each assessment category; and</p> <p>(I) a regular evaluation of their methodologies against the outputs which they have been used to produce.</p>	<p>In general, the disclosure information provided by GSG includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>the intended use and application scenarios of ESG data and rating products;</li> <li>the domestic and international standards and policy requirements referenced by the relevant products;</li> <li>the overall production or calculation methods of the relevant products, including key issue dimensions and performance indicators involved, and the assumptions and limitations of the relevant data;</li> <li>the scope and number of business activities or enterprises covered by the relevant products;</li> <li>the length of historical data covered by the relevant products and the frequency of future updates;</li> <li>the delivery methods and client access methods of the relevant products.</li> </ul> <p>Depending on the specific needs of clients, GSG may provide more detailed methodological explanations and data demonstrations as appropriate, introducing the research framework and the logic behind indicator calculations.</p>
5. Principle on Confidentiality (Systems and Controls)		
5.1	<p>ESG ratings and data products providers should adopt and implement written policies and procedures designed to address and protect all non-public information received from or communicated to them by any entity, or its agents, related to their ESG ratings and data products, in a manner appropriate in the circumstances.</p>	<p>GSG has clearly defined the principles and standards for data privacy protection in its ESG Data Business Management Policy. For further details, please refer to our responses 5.4-5.6.</p>
Actions		
ESG ratings and data products providers should:		
5.4	<p>(A) adopt and implement written policies and procedures and mechanisms related to their ESG ratings and data products designed to address and protect the non-public nature of information shared with them by entities under the terms of a</p>	<p>GSG places great emphasis on the data privacy and information security of all types of proprietary and confidential information. We require all employees, whether during their employment or after leaving the company, to strictly protect such proprietary or confidential information and prohibit the disclosure of</p>



	confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially;	<p>non-public information in any form.</p> <p>GSG's standard client contracts typically encompass our obligation to safeguard the confidential information provided by clients, and we strictly implement information protection measures in accordance with the terms. If the contract signed by both parties is terminated in accordance with the regulations, either party shall return, destroy or delete the information, documents, software and other carriers obtained from the other party on its own.</p>
5.5	(B) adopt and implement written policies and procedures designed to address the use of non-public information only for purposes related to their ESG ratings and data products or otherwise in accordance with their confidentiality arrangements with the entity; and	<p>In principle, all the underlying metrics of GSG's ESG data products come from publicly disclosed data sources. GSG relies on publicly disclosed data to develop ESG metrics and rating model methodologies. Only in extremely rare cases, based on the actual needs of clients, GSG may introduce non-public information sources for specific ESG data products; otherwise, GSG does not allow employees to actively solicit, accept or use material non-public information in the research process.</p> <p>GSG's standard client contracts typically encompass our obligation to safeguard the confidential information provided by clients, and we strictly implement information protection measures in accordance with the terms.</p>
5.6	(C) include information on data confidentiality management and on the protection of non-public information to the extent terms of engagement are published.	<p>GSG does not allow employees to actively solicit, accept or use material non-public information in the research process. If engagement practices are involved in research projects related to ESG data business, GSG will strictly implement in accordance with the company's data privacy protection requirements and the confidentiality clauses of relevant contracts.</p>
<b>6. Principle on Engagement (Systems and Controls)</b>		
6.1	ESG ratings and data products providers should regularly consider whether their information gathering processes with entities covered by their products leads to efficient information procurement for both the providers and these entities. Where potential improvements to information gathering processes are identified, ESG ratings and data products providers should consider what measures can be taken to implement them.	<p>GSG relies on publicly disclosed data for the research and production of ESG data and rating products, and generally does not collect information through communication with the covered entities. Occasionally, based on specific client requirements or in accordance with GSG's own data quality control procedures, we may have doubts about the collected public information and wish to contact the corresponding entity to ensure objective and reasonable analysis and evaluation. In such cases, we will initiate contact with that entity through email inquiries, meeting invitations, questionnaires, public forums, and other communication channels, in the hope of improving the obtained information. This process is regularly reviewed as part of GSG's internal ESG data production and quality control procedures. Should any improvements be identified in the data collection process, we will consider the feasible measures to be taken.</p>

6.2	Where feasible and appropriate, ESG ratings and data products providers should respond to and address issues flagged by entities covered by their ESG ratings and data products and by users while maintaining the independence and integrity of these products.	GSG welcomes and accepts any reports of factual errors or omissions in its products from the covered entities or clients of ESG data products. In the event of such occurrences, GSG will promptly clarify the relevant information requirements or queries and actively respond and address them in a timely and appropriate manner.
Actions		
Where they collect information from covered entities on a bilateral basis, ESG ratings and data products providers should:		
6.5	(A) communicate sufficiently in advance by when they expect to request this information regarding their ESG ratings and data products; and	<p>If GSG deems it necessary to seek contact with covered entities in order to improve our obtained information, we will ensure the following:</p> <ul style="list-style-type: none"> <li>• When initiating communication, state the purpose for which GSG uses the relevant data and materials;</li> <li>• Synchronize the materials that GSG has obtained from public sources and request the relevant entity to review them;</li> <li>• Reserve a period of more than 5 working days to accept further material content feedback from the relevant entity;</li> <li>• Provide clear contact information to receive feedback from the relevant entity and respond to necessary routine inquiries.</li> </ul>
6.6	(B) include in their requests, pre-inputted information either from publicly available sources or from the covered entities' previous submissions, where possible, for the covered entities' review or confirmation.	See response 6.5.
ESG ratings and data products providers should:		
6.8	(A) provide a clear and consistent contact point with whom the covered entity can interact to address any queries relating to the assessment provided by the ESG ratings and data products provider;	If GSG deems it necessary to seek contact with covered entities in order to improve our obtained information, we will ensure to provide clear contact information to receive feedback from the relevant entity and respond to necessary routine inquiries. The relevant entity may also proactively contact GSG through the contact information provided on our official website.
6.9	(B) where feasible and appropriate, inform covered entities: (i) that they are in the process of being assessed; and (ii) of the principal categories of data on which an ESG rating is based before the publication of the ESG rating;	The covered entities may at any time request to review their own relevant data used in GSG's ratings and provide feedback. GSG will, in a feasible and appropriate manner, inform the relevant entity of information related to the ESG rating methodologies.
6.10	(C) allow the covered entity and users to draw attention to any factual errors or omissions in the ESG rating or ESG data product, including the data and information underlying the ESG rating or ESG data product; and	See response 6.2.
6.11	(D) publish terms of engagement describing how ESG ratings and data products providers will typically engage with their covered entities, including when information	<p>GSG generally only proactively engages with the covered entities for the following reasons:</p> <ul style="list-style-type: none"> <li>• Our specific clients have relevant needs, or</li> <li>• In accordance with GSG's own data quality control</li> </ul>

	<p>is likely to be requested and the opportunities available (if any) to the covered entity for review.</p>	<p>procedures, we have doubts about the collected public information and wish to contact the corresponding entity to ensure objective and reasonable analysis and evaluation.</p> <p>In such cases, we will initiate contact with that entity through email inquiries, meeting invitations, questionnaires, public forums, and other communication channels, in the hope of improving the obtained information. We will reserve a period of more than 5 working days to accept further material content feedback from the relevant entity. On a regular basis, we also welcome the covered entities to request at any time to review their own relevant data used in GSG's ratings and provide feedback. GSG will, in a feasible and appropriate manner, inform the relevant entity of information related to the ESG rating methodologies.</p>
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