



LuxFLAG

Staff Code of Conduct

LuxFLAG Staff Code of Conduct

Luxembourg Finance Labelling Agency, 2024.

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For further information on LuxFLAG's activities, please consult our website, www.luxflag.org.

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FOREWORD

Isabelle Delas

Chief Executive Officer

LuxFLAG was established with a clear mandate to promote and support sustainable finance. We are not just advocating for it; we are pioneers by driving positive change in the international financial landscape. We believe that through dedication and a shared commitment to common values, we can shape a more resilient and responsible world.

Our employees are the driving force behind our mission. Each member of the LuxFLAG team contributes uniquely, representing diverse cultures and educational and professional backgrounds. It is their commitment and passion that propel us forward, ensuring that our activities align with our core mission. Engagement and adherence to our common values are the key to achieving our goals.

This Code of Conduct plays a crucial role in achieving LuxFLAG's mission. By setting out clear rules and expectations for behaviour, it ensures that we uphold the highest standards of integrity, professionalism and ethical conduct in all our endeavours. By adhering to this Code, we demonstrate our commitment to the values that underpin our organisation.

As we embark on this journey together, I want to personally thank each and every one of you for your contribution to LuxFLAG's mission. Your hard work and dedication are essential to our success, and I am proud to lead such a talented and committed team. Together, we can achieve great results and continue to make a positive impact on the world we live in, a matter really close to our heart.

1. GENERAL PROVISIONS

1.1 Purpose of the Code

As LuxFLAG considers its employees to be its most valuable asset, this Staff Code of Conduct (the “Code”) sets out a framework for business ethics and professional behaviour that LuxFLAG employees are expected to adhere to as part of their individual and collective commitment to fostering a positive change in the realm of sustainability. The Code serves manifold objectives:

1. **Promoting Ethical Behaviour:** The Code outlines the ethical standards that LuxFLAG employees are expected to adhere to throughout the performance of their duties. By promoting ethical behaviour, the Code helps maintain the organisation's integrity and reputation.
2. **Ensuring Compliance and Accountability:** The Code ensures compliance with applicable laws, regulations and industry standards, while holding LuxFLAG employees accountable for failure to demonstrate professional and lawful behaviour within the meaning of this Code.
3. **Fostering a Positive Work Environment:** By setting out expectations for respectful and professional behaviour, the Code enables the creation of a positive and inclusive work environment, while promoting mutual respect, collaboration and teamwork among LuxFLAG employees.
4. **Protecting Stakeholder Interests:** The Code reinforces LuxFLAG's commitment to its stakeholders, including clients, members, partners and the broader community. By upholding high standards of professional conduct, LuxFLAG employees help protect the interests and trust of these stakeholders.
5. **Guiding Decision Making:** By laying down clear standards with regards to what constitutes professional conduct, this Code enables LuxFLAG employees to take decisions relating to ethically complex issues in alignment with the organisation’s mission and values.

1.2 Scope

The Code applies to all LuxFLAG employees, irrespective of their function or level within the organisation. The term “LuxFLAG employees” encompasses all employees that are employed by LuxFLAG on a permanent, temporary or consulting basis (including trainees and interns), regardless of their office location. Moreover, the Code addresses conduct both within and outside the workplace, including interactions with colleagues, clients, partners and the public.

1.3 Core Values

LuxFLAG is grounded in four core values that serve as the guiding standards for everyone working within the organisation and are crucial for achieving LuxFLAG’s mission. These values are central to our identity and foster a strong culture of ethics.

COMMITMENT	DIVERSITY	INTEGRITY	COOPERATION
<p>Our commitment to our mission inspires us both personally and in our teamwork. Driven by the desire to create positive change, we feel a strong commitment to our internal culture, our rules of engagement and a strong bond with our external partners. Therefore, LuxFLAG employees are expected to adhere to high standards of professional behaviour and strive to behave in a manner that preserves LuxFLAG's mission.</p>	<p>We believe that diversity brings a wealth of knowledge drawn from many different perspectives and provides opportunities for learning and understanding. Therefore, we take an active stance towards advocating for equal opportunities and fair and unbiased treatment. Everyone's voice is heard, and every person's contribution is acknowledged.</p>	<p>Our actions are consistent with the values that we stand for. We strive to maintain the highest professionalism and ethical standards in all circumstances. Integrity and reliability constitute the basis of all our professional relations. We are expected to treat each other and third parties in a competent, dignified and ethically responsible manner.</p>	<p>We respect and want to leverage everyone's knowledge and expertise to consistently strengthen inclusive teamwork and collaboration among LuxFLAG employees. Close cooperation, mutual assistance, trust and solidarity among us are highly valued. We want our employees to feel free to engage in critical reflection, and we promote a culture of active and honest debate and dialogue, both internally and with our partners. We are driven by curiosity, innovation and consistent excellence throughout our performance.</p>

2. OBLIGATIONS

LuxFLAG mandates its employees to operate in compliance with applicable rules and in strict accordance with the principles of confidentiality, loyalty, avoidance of conflicts of interest and prevention of money laundering and terrorism financing in the execution of their respective duties. This ensures that every task performed contributes to maintaining the integrity and commitment upon which LuxFLAG stands.

2.1 Compliance with applicable rules

LuxFLAG employees are expected to comply with applicable laws, regulations, internal rules, policies, and procedures in the performance of their duties. This includes without limitation laws related to anti-money laundering and countering the terrorism financing (“AML/CTF”), data protection and financial regulations. LuxFLAG is committed to providing comprehensive training to all employees to ensure awareness and understanding of the applicable laws, regulations and internal policies and procedures.

As part of the Human Resources’ onboarding process, employees will receive an introductory training session covering relevant laws, regulations and internal policies. Access to relevant documents, including the Code, internal policies and procedures, will be provided to facilitate compliance of the employees.

LuxFLAG's Legal and Compliance department will be available to address any questions or concerns regarding compliance with applicable rules. Employees are encouraged to seek guidance and clarification from the Legal and Compliance department whenever necessary to ensure adherence to all relevant regulations and standards.

2.2 Confidentiality

LuxFLAG employees are expected to treat all information received or internally generated, in an oral or written form, with confidentiality, while abstaining from any unauthorised disclosure. LuxFLAG employees shall use data and information solely for the performance of their professional duties and in accordance with internal rules and procedures.

Breaches of confidentiality may result in disciplinary action or legal consequences. LuxFLAG provides training and resources to ensure employees understand and uphold confidentiality standards.

2.3 Loyalty

While carrying out their professional duties, LuxFLAG employees are expected to demonstrate appropriate conduct and sound judgement, mindful of the organisation's mission. It is imperative that, throughout the performance of their duties, LuxFLAG employees demonstrate objectivity and

professionalism, prioritise LuxFLAG's best interests and remain independent from and uninfluenced by any parties external to LuxFLAG.

When representing LuxFLAG externally, LuxFLAG employees shall ensure adherence to the Code and the LuxFLAG policies and procedures, while refraining from any conduct that could undermine LuxFLAG's reputation and trust by the public.

2.4 Conflict of interest

LuxFLAG faces conflicts of interest on an ongoing basis. In order to avoid the associated risks and secure objectivity and independence, LuxFLAG aims to manage at all times the conflicts of interest that may arise out of its activities.

Conflicts of interest may arise in connection with the official duties assumed within LuxFLAG. Conflicts of interest for this purpose mean a conflict between the professional duties and the private interests to which LuxFLAG employees are exposed, and which could improperly influence the performance of an employee's official duties and responsibilities.

A conflict of interest can also arise between two different professional interests relating to conflicting business interests or a lack of independence, where independence is required.

The following are some cases that could give rise to actual or perceived conflicts:

1. Applicant engagement

LuxFLAG engages with manifold applicant investment products throughout the quarterly label review process. Where an engagement might be compromised by personal or professional interests (directly or indirectly), LuxFLAG employees shall disclose this situation internally in a timely manner in order to appropriately manage the conflict.

2. Label Eligibility Committee members and Board members

On a quarterly basis, the label applications undergo various stages of review. For this purpose, LuxFLAG has specially dedicated committees for each of the LuxFLAG labels that are composed by experts in the relevant field. Albeit not applying to LuxFLAG employees as such, Committee members are expected to disclose any conflict that may arise out of their personal or professional relationship with one of the applicant investment products before the quarterly meetings take place. A Declaration of Conflict of Interest shall be completed for this purpose. Similarly, the members of the Board of Directors of LuxFLAG are expected to abstain from voting on a label application in case of conflict of interest. In both cases, the interested parties shall declare their conflict in a timely manner.

3. Outside employment

Although LuxFLAG employees shall dedicate their professional efforts to LuxFLAG in the context of fulfilling their duties, LuxFLAG supports the undertaking of additional interests, activities and memberships outside of their capacity as LuxFLAG employees, provided that their exercise does not impede the accomplishment of their duties and subject to the prior written approval of LuxFLAG. In the event that an employee's ability to objectively perform their duties may be affected, LuxFLAG employees are expected to disclose any conflict arising out of external personal and/or professional activities and/or memberships. Examples may include without limitation Board memberships, teaching and/or the publication of articles (for which a disclaimer may be requested).

2.5 Prevention of money laundering and terrorism financing

LuxFLAG employees are required to adhere to all applicable laws and regulations pertaining to the prevention of money laundering and terrorism financing, as well as the LuxFLAG associated implementing policies and procedures. To this end, LuxFLAG is expected to regularly educate its employees in relation to AML/CTF.

2.6 Use of professional resources and tools

LuxFLAG provides its employees with resources, tools and facilities ("assets") for the performance of their duties. In this regard, LuxFLAG employees shall use these assets in a manner that avoids unnecessary waste, while ensuring their secure and efficient use. Moreover, LuxFLAG employees shall use the LuxFLAG assets solely for the fulfilment of their duties, striving to make a sustainable use of resources while minimising costs and expenses, whenever feasible. Reasonable personal use of the LuxFLAG assets, namely printers, phones or stationery, is permissible.

3. INTERNAL RELATIONS

LuxFLAG endeavours to foster working relationships founded on loyalty and mutual trust. Interactions among colleagues, regardless of function and level, should exemplify cooperation, respect, equal treatment and non-discrimination.

LuxFLAG employees are expected to adhere to the governance, policies and procedural framework of LuxFLAG, striving for amicable resolutions in cases of conflict. They are expected to behave reasonably and honestly, refraining from actions that may harm colleagues, disrupt the uninterrupted functioning of the organisation, or undermine the organisation's mission. Behaviours such as disseminating offensive remarks, violating the privacy of colleagues, making unfounded accusations, spreading misinformation, or unjustifiably refusing to collaborate are strictly prohibited. Furthermore, LuxFLAG adopts a zero-tolerance policy towards any form of violence in the workplace.

The following compilation of our internal standards - which delineates our business ethics - shall provide orientation to this purpose. It should help everyone to make the right call when questions or issues arise throughout the day-to-day operations and during exchanges with colleagues.

3.1 Acceptable behaviour from/towards management

Managers and supervisors shall have an exemplary role in demonstrating conduct that adheres to the principles articulated in the Code. To this end, managers and supervisors shall:

- ensure the consistent application of internal rules, policies and procedures;
- proactively address workplace issues that could lead to violations of the Code;
- avoid exploiting their position and refrain from favouritism at the workplace;
- provide support and promptly respond to employees who disclose information regarding misconduct or raise concerns about breaches of professional duties;
- avoid assigning tasks to their team members that are not related to business activities.

Employees shall respect the authority of their managers and supervisors and diligently execute the tasks assigned to them, whenever these are pertinent to their role. Employees shall feel free to engage in critical reflection with their manager, supervisor or senior management as a means to foster innovation and better governance.

3.2 Dignity

LuxFLAG is committed to creating a positive work environment, where all employees are treated with honesty, respect and dignity, whilst imbalances are actively addressed. To this end, LuxFLAG employees are expected to be respectful in the way in which they communicate and act.

Any form of harassment - including without limitation verbal remarks, physical advances, sexual advances and bullying - is not tolerated under any circumstances.

LuxFLAG employees that are aware of incidents of harassment within the organisation must report such incidents to the Human Resources department and/or the Chief Executive Officer ("CEO"). In the event that an employee has hindered or attempted to hinder victims from reporting the incident(s), they are in breach of their obligation under this Code.

3.3 Diversity and non-discrimination

At LuxFLAG, we value the diversity reflected in our backgrounds, experiences and ideas. Each of us plays a role in nurturing an inclusive workplace culture that promotes mutual respect among colleagues and towards our clients.

Consequently, we uphold a strict policy of non-discrimination, ensuring that no employee or job applicant faces any form of discrimination based on race, colour, age, religion, gender, sexual orientation, gender identity or expression, national origin, ancestry, physical or mental disability, marital or family status, pregnancy, or genetic information. This commitment encompasses all aspects of employment, spanning from recruitment, hiring, performance assessment, promotion, compensation, training, professional development, and termination procedures.

3.4 Duty to report

LuxFLAG employees shall report, without undue delay, any suspected or realised misconduct. For this purpose, misconduct is defined as the failure to comply with the LuxFLAG rules, policies and procedures (including the Code), as well as any unlawful act that could cause harm to the organisation's mission and/or reputation.

In the event of a suspected or realised misconduct, LuxFLAG employees shall seek support from or report the misconduct to the following persons:

Human Resources

The Human Resources department shall be informed of any suspected or committed misconduct, in order to act accordingly. Any case of misconduct will be treated with confidentiality unless otherwise required by law.

CEO

Our CEO maintains an “open door policy” and is thus available to discuss any concerns related to the Code. Any case of misconduct will be treated with confidentiality unless otherwise required by law.

4. EXTERNAL RELATIONS

LuxFLAG employees are expected to maintain an exemplary conduct in all their professional interactions with external parties. When engaging with the public, they should uphold the principles of courtesy, fairness, equality and loyalty to LuxFLAG. LuxFLAG employees must not misuse their authority in carrying out their responsibilities and should avoid any behaviour that could negatively impact LuxFLAG's reputation.

4.1 External communications

External communications refer to any written and oral communication and/or engagement that a LuxFLAG employee undertakes in their professional capacity on behalf of LuxFLAG. In this context, any external communication shall be characterised by accuracy, prudent language and behaviour, as well as loyalty.

LuxFLAG employees shall not make public statements and/or undertake public engagements on behalf of LuxFLAG unless explicitly authorised to do so by the management. Any significant media-related activities, such as interviews, opinion pieces, or media briefings, require prior consultation with and approval by the Communications department. This includes without limitation public engagements, such as presentations, giving lectures and panel discussions.

4.2 Use of the Internet

LuxFLAG employees shall use their professional email solely for professional purposes. The private use of the professional email is strictly prohibited.

Employees should not post on social networking websites confidential or proprietary information about LuxFLAG or fellow employees, unless explicitly allowed. Reposts and sharing of LuxFLAG's content are, on the other hand, encouraged. When reposting or sharing LuxFLAG's content, LuxFLAG employees shall refrain from expressing political statements or their own political views on social networking platforms. The tagging of LuxFLAG employees on LuxFLAG posts to social networking websites is subject to prior approval by the employees.

Both on personal and on LuxFLAG social media accounts, LuxFLAG employees are required to exercise prudence and discretion, demonstrating sound judgment and alignment with the organisation's core values in their posts and comments.

Employees are expected to use the internet responsibly and productively as a tool for business-related research and communication. Access to sites that contain obscene, hateful, pornographic, unlawful, violent or otherwise illegal material is strictly forbidden.

4.3 External activities

LuxFLAG acknowledges that employees may undertake activities outside of their professional duties at LuxFLAG. However, LuxFLAG employees shall not engage in any activity which may give rise to a remuneration and the exercise of which may impede the proper performance of their duties unless with prior written approval by LuxFLAG. The nature and scope of any secondary occupation or involvement in activities that may conflict with an employee's responsibilities at LuxFLAG or this Code must be reported in writing to the Human Resources and the Legal and Compliance departments, in order for the latter to assess the viability of such involvement and provide their written approval. To this end, LuxFLAG employees may seek advice from the Human Resources and the Legal and Compliance departments before taking into consideration such external activities.

Social Engagement

LuxFLAG employees are encouraged to contribute to social engagements, such as voluntary work and charity, during their free time. To this purpose, LuxFLAG employees will be supported in such activities to the extent possible.

Teaching and Research

LuxFLAG employees may engage in teaching or research, including without limitation the publication of articles and books, engagement in academic conferences and the delivery of lectures. Teaching or research may be conducted by LuxFLAG employees either on behalf of LuxFLAG in the context of their professional duties or in their individual capacity. In the event of engaging in teaching or research on behalf of LuxFLAG, LuxFLAG employees cannot accept any form of external remuneration, whilst any remuneration is transferred to LuxFLAG. LuxFLAG undertakes to cover the travel, accommodation and/or meal expenses for LuxFLAG employees, unless these are covered by the inviting party.

Engaging in teaching or research on an individual basis is allowed, provided that LuxFLAG is duly informed and that such engagement does not negatively impact LuxFLAG, including cases of conflict of interest or reputational risk. In the event that a LuxFLAG employee foresees such a risk, they shall report it in writing to the Human Resources and the Legal and Compliance departments. Moreover, in the event that such engagement may give rise to a remuneration, employees shall seek the prior written approval of LuxFLAG. LuxFLAG employees shall clarify in their contributions that the latter do not represent the views of LuxFLAG but are made in an individual capacity.

Political Engagement

LuxFLAG employees shall report in writing to the Human Resources and the Legal and Compliance departments before seeking election or appointment to a public office. LuxFLAG will assess their level of involvement and potential conflicts of interest. Depending on this evaluation, LuxFLAG employees may be allowed to continue their duties, work part-time, or request a leave of absence. LuxFLAG employees must declare their political activities as private and refrain from engaging in them during working hours. Membership in political parties is not considered an external activity, but any paid

position within a party requires LuxFLAG's clearance. Unpaid positions need clearance only if conflicts of interest may arise.

4.4 Gifts, Favours and Advantages

LuxFLAG employees shall not solicit, accept, receive or offer any unjustified gifts of more than 30 euros, hospitality, favours, gratuities, honours, entertainment, awards, benefits, payments or any advantages in connection with their professional duties at LuxFLAG, either directly or indirectly, that could be construed as potentially influencing an employee's actions due to their value, nature or frequency.

LuxFLAG employees may accept meals, refreshments and attendance at events during business meetings or similar professional gatherings, provided that these have not been solicited, they are held at reasonable expenses and frequency, they are strictly for business purposes, and they do not involve cash or equivalents.

In the event that a LuxFLAG employee finds herself/himself as the subject to a potential gift offering, whether by hint, direct proposition, orally, in writing, or in another manner, they shall immediately withdraw from the particular situation using any excuse which can be conceived of at the time. Moreover, they shall report the incident without due delay to the Human Resources department and the CEO who have the duty to a) take all possible actions to protect employees and ensure they are extracted from contact with the counterparty in a safe way, b) instruct the employee of the next steps to take, and c) ensure within the team working on the potential business relationship that precautionary measures are taken in further dealings with the counterparty, and, depending on the seriousness of the offence, to signal LuxFLAG's unwillingness to pursue further business with this counterparty, or to engage legal support.

For the protection of its employees, LuxFLAG insists that any such reports be immediate, complete, and without involving any other parties than those indicated above, notably the Human Resources department and its CEO.

5. FINAL PROVISIONS

5.1 Data Protection

LuxFLAG and its employees have a duty to safeguard the personal data they are entrusted with. This obligation captures data pertaining to clients, suppliers, as well as personal information of current and former employees, regardless of whether the data were acquired or generated by the organisation.

This commitment to data protection also encompasses participants to conferences, events and webinars organised by LuxFLAG. All individuals' personal data involved in such activities must be treated with the same level of care and confidentiality. LuxFLAG ensures that those personal data are processed in accordance with the EU General Data Protection Regulation.

LuxFLAG employees are encouraged to report any concerns or issues related to data protection to the Legal and Compliance department for proper handling and resolution.

5.2 Administration

The Human Resources department is responsible for the implementation and interpretation of the Code and should be consulted in advance in the event of the adoption or amendment of any internal LuxFLAG provision relating to the Code.

Any amendment and supplement to the Code can be proposed by the Human Resources department, after consultation with the relevant departments when necessary.

5.3 Entry into force

The Code shall be adopted by the LuxFLAG CEO and enter into force on the day following its publication on the LuxFLAG website.