

## **Institutional Shareholder Services Inc.**

### **Slavery and Human Trafficking Statement**

#### **Introduction**

At Institutional Shareholder Services Inc. (“ISS”) our aspiration is to serve our clients with their full trust and confidence. Ultimately, we are guided by this most basic tenet: Do the right thing.

That value applies both within the organisation and in our dealings with suppliers. We do not and will not tolerate any breaches, whether due to conscious action, complacency, indifference, or lapse of ethical judgment.

In that way, we adopt a “zero-tolerance” approach to slavery and human trafficking. We are committed to taking all reasonably practicable steps to ensure that slavery and human trafficking is not present either in our operations or supply chains. ISS is committed to working with our suppliers to ensure that slavery and human trafficking risks are identified and managed proactively.

#### **Our Business**

ISS is a global business currently operating in 13 countries. It provides corporate governance and responsible investment solutions for asset owners, asset managers, hedge funds, and asset service providers.

ISS has two wholly owned UK subsidiaries:

- (1) Research, Recommendations and Electronic Voting Limited – which offers corporate governance and proxy voting services for institutional investors.
  
- (2) ISS Europe Limited – which also offers corporate governance and proxy voting services for institutional investors

Further information about our business can be found at: <https://www.issgovernance.com/>

The two wholly owned UK subsidiaries do not meet the annual turnover threshold test in the Modern Slavery Act 2015 (“MSA 2015”). However, they are part of the ISS group of companies and therefore ISS has produced this statement that has been approved by the ISS parent company board.

We have assessed that there is a low risk of slavery and human trafficking within our business.

## **Our Supply Chains**

We do not sub contract the client services we provide and therefore do not operate a large supply chain. Goods and services provided to the business typically include office supplies and equipment, financial data and certain IT services.

As a result of our compact supply chain, we have assessed that there is a low risk of slavery and human trafficking within our supply chain. We have taken a proportionate response to that risk, the details of which are set out below.

## **Compliance**

ISS has an existing compliance program which is reflected, in part, in our Regulatory Code of Ethics which governs the conduct of our employees. Details about our program and a copy of the Regulatory Code of Ethics can be found here: <https://www.issgovernance.com/compliance/due-diligence-materials/>

In direct response to the risk of slavery and human trafficking, we have built on our existing compliance framework by:

- Taking external legal advice on the application of the MSA to our business;
- Conducting a high-level assessment of our business and our supply chains;
- Holding discussions within the firm to ensure compliance;
- Identifying Rachel Nejad as the person within ISS' UK operations with day-to-day responsibility for anti-slavery and human trafficking compliance; AND
- Committing to periodically review our position on slavery and human trafficking issues.

## **Due Diligence in Our Supply Chains**

If we identify suppliers to be “at risk” of slavery and human trafficking we will communicate to them our commitment to complying with the requirements of the MSA 2015 and our responsibility to ensure, as far as possible, that slavery and human trafficking is not occurring in any part of our supply chains. We will ask such “at risk” suppliers to confirm the steps they have taken both internally and in their supply chains to ensure that slavery and human trafficking is not occurring. As of the date of this statement, we have not identified any “at risk” suppliers. We will monitor that on an ongoing basis

## **Key Performance Indicators**

We will use the following Key Performance Indicators to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

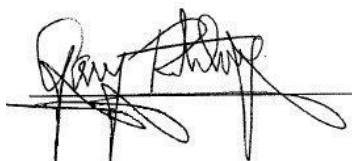
- Any and all incidents of modern slavery and human trafficking reported to the ISS responsible person are investigated within 24 business hours.
- We will track the response of “at risk” suppliers (if any) to our request to advise us on the steps they have taken to ensure slavery and human trafficking is not occurring.

### **Future Steps**

We will continue to monitor the effectiveness of our compliance regime and take necessary steps to address any instances of slavery and human trafficking on an ongoing basis. We will publish an updated statement in each financial year.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 2016.

Institutional Shareholder Services Inc.

A handwritten signature in black ink, appearing to read "Gary Retelny", written over a horizontal line.

By: Gary Retelny, President, CEO and Board member  
Date: July 26, 2017