



**CORPORANCE**  
Asesores de Voto

# Code of Conduct

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Code of Conduct



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## ABOUT US

### CORPORANCE

Corporance Asesores de Voto S.L. (CORPORANCE), founded in Spain in March 2017, is an independent private company that provides analysis, advice and voting recommendation services for institutional investors and asset managers. It is a proxy advisor as defined by Law 5/2021 which amends the Spanish Companies Act (Ley de Sociedades de Capital) as well as other financial regulation. CORPORANCE is the only proxy advisor registered in Spain and supervised by the National Securities Market Commission (Comisión Nacional del Mercado de Valores, CNMV) under the Securities Market Act.

CORPORANCE is the partner for Spain and Portugal of an international network, formed by independent proxy advisors, local leaders in Germany (DSW), Switzerland (Ethos) and Italy (Frontis Governance). This alliance was created in 2001 under the name ECGS (European Corporate Governance Service) to harmonise corporate governance standards, as well as to develop voting policies and advise the largest European institutional investors, insurance companies, mutual and pension funds managers.

CORPORANCE's mission is to create long-term value for society and sustainability for the economy by promoting the best practices, responsible investment and the transparency of stock markets. Our goal is to improve corporate governance standards and to promote the involvement of shareholders in the management of companies, in an active and transparent manner. For this purpose, we provide independent and specialised services for investors, not for issuers, guaranteeing the independence of criteria in their analyses and avoiding conflicts of interest.

CORPORANCE follows guidelines and methodologies that provide transparency, quality and precision, applying best corporate governance practices in each country of operations, that are summarised in this Code of Conduct.



# PRINCIPLES

## of our Code of Conduct

- I.** It is based on the applicable regulations, in particular Law 5/2021 of the 12th of April, which amends the consolidated text of the Spanish Companies Act, and other financial regulations, such as the Securities Market Act, which aims to promote the long-term engagement of shareholders of listed companies.
- II.** Likewise, it follows the recommendations of the European Securities and Markets Authority (ESMA), our European partnership's guidelines as well as its own operating principles.
- III.** Rather than replacing, it complements the applicable legal and regulatory provisions. The objective is to provide an operations guide based on conduct principles and standards.
- IV.** It is compulsory for all of CORPORANCE's executives, directors and employees, as well as partners and service providers, notwithstanding their functions, to follow this Code. Non-compliance will be sanctioned by disciplinary action in accordance with the labour regime, in addition to any other responsibilities that may apply.
- V.** In accordance with Law 5/2021, this Code of Conduct is publicly accessible and can be consulted on the CORPORANCE website ([www.corporance.es](http://www.corporance.es)).
- VI.** The following principles serve as this Code's, including its working methodology as defined by the principle of Quality.



# PRINCIPLES

## of action and operation

### 1. INTEGRITY

CORPORANCE and all of its directors, executives, employees and collaborators will perform their activities in strict compliance with the regulation in force at any time.

In addition, CORPORANCE's operations will conform to generally accepted professional standards, the principles of this Code of Conduct, as well as the obligations assumed contractually with its clients.

CORPORANCE will apply sustainability, environmental, social and corporate governance (ESG) criteria in its business model, policies and protocols.

CORPORANCE will only provide services to institutional clients who act in accordance with the legal framework and good business practices.

CORPORANCE will compete in the market faithfully, promoting the free market on a level playing field. CORPORANCE aspires to consolidate its position as the leading Spanish proxy advisor by building a relationship of trust with each of its clients and by excellence in the provision of its services.

CORPORANCE will establish contracts in a fair, lawful and honourable manner. It will observe the best practices, and will not accept or offer favourable treatment, significant gifts or advantageous benefits, directly or indirectly.

CORPORANCE will respect the dignity of individuals and their fundamental rights.

CORPORANCE will not tolerate any form of violence, harassment, intimidation, abuse or discrimination in the workplace and will take the necessary measures to maximise the prevention of occupational hazards.



## 2. INDEPENDENCE

CORPORANCE will provide neutral and objective recommendations, without bias, through direct analysis of data and information statements, obtained from public and reliable sources with a variety of perspectives.

CORPORANCE will evaluate each of the listed companies' proposals at shareholders' meetings on an individual basis, without favouring any, taking into account the specific facts and circumstances of each company in comparison with:

- the corporate governance principles set out in the voting policies of CORPORANCE and its partners, based on generally accepted standards, such as those of the CNMV's Code of Good Governance for Listed Companies, the OECD's (Organisation for Economic Co-operation and Development) or the International Corporate Governance Network (ICGN);
- other international guidelines and practices in areas such as management diligence, sustainability and ESG criteria, remuneration of board members and executive compensation, independence of governance bodies, risk control, transparency and accountability;
- the practices of similar listed companies by activity, sector, maturity, size and results, in the European and Spanish / Portuguese markets; and
- the customs and habits of investors, issuers and intermediaries in the field.

CORPORANCE will not offer or provide services to, or act on behalf of, any issuer under its analytical coverage.



### 3. PREVENTION OF CONFLICTS OF INTEREST

CORPORANCE's services will be aimed at investors, in particular institutional investors and more specifically insurance companies, pension funds, investment funds, as well as their managers and advisors.

To prevent potential conflicts of interest that could impair the quality and independence of its analysis and services, as well as its reputation or that of its clients, CORPORANCE will not provide consultancy services to companies covered by its analysis or to its advisors.

All members of CORPORANCE, its employees and external collaborators will act with loyalty and in the best interest of CORPORANCE and its clients, refraining from participating in professional or personal activities that may appear to be or give rise to conflicts. They will be required to sign this Code at the time of recruitment and will subsequently receive specific training, and will be required to review and confirm their commitment annually.

The person responsible for compliance will be responsible for monitoring and identifying potential conflict situations and taking appropriate measures to address and mitigate them, including the reporting and declaration of its managers and employees.

CORPORANCE will promptly disclose to its clients any existing or potential conflicts of interest that may influence its analysis, advice or voting recommendations, as well as the actions and measures taken to eliminate, mitigate or manage them.

Potential conflicts of interest relating to a company under review will be clearly reflected in the relevant reports and voting recommendations. CORPORANCE will keep a record of situations where a conflict has arisen or may arise and the measures adopted to manage it.



## 4. CONFIDENTIALITY, PROTECTION OF PERSONAL DATA AND INTELLECTUAL PROPERTY RIGHTS

Any information to which CORPORANCE, by virtue of its functions, has access to, will be treated confidentially, including after it has been analysed, and procedures will be established for its safeguarding.

All information regarding clients, shareholders or investors will be considered confidential and treated as such. Only team members directly involved in the preparation of reports, recommendations or policies for each of CORPORANCE's clients, their voting policies or their activity at shareholder meetings will have access to information about that client.

The compilation and processing of personal data shall be carried out in accordance with the regulations in force, in a legitimate and transparent manner, only for specific purposes and with the prior unequivocal consent of the affected individuals, guaranteeing their right to privacy.

CORPORANCE will respect the intellectual property of its clients, suppliers and third parties. No employee of CORPORANCE shall use the information to which they may have access in the course of their work for purposes other than those established by law or contract.

Redistribution of all or part of CORPORANCE's reports and recommendations by clients or users is strictly prohibited without prior written consent. CORPORANCE is not responsible for unauthorised use or re-use of its materials.





## 5. TRANSPARENCY

CORPORANCE will publish this Code of Conduct on its website and will annually report on how it has been applied, explaining, where relevant, the reasons for not following some of its principles.

Likewise, CORPORANCE will publish an annual activity report, which will contain at least the following information related to its analysis, advice and voting recommendations:

- the important features of the methods and models applied;
- the main sources of information used;
- the procedures in place to ensure the quality of its voting recommendations and research, and the qualifications of the staff allocated to these functions;
- the manner and extent to which the market, legal, regulatory environment and the specific conditions of the listed companies are taken into account;
- the characteristics of the voting policies that apply to each market;
- the degree to which and the form in which communication channels are maintained with companies that are the subject of its research or voting recommendations and with other stakeholders in the company; and
- the policy on the prevention and management of conflicts of interest.

CORPORANCE will display this information on its website, free of charge, for a minimum period of three years from the date of publication.

CORPORANCE will provide its clients with full, clear and timely information about its identity and organisation, the nature and scope of its services, its protocols and methodologies, the terms and conditions of engagement, as well as the performance of the work entrusted to it. It will include any relevant information about the data sources used to develop its voting recommendations, as well as the discussions and engagement activities with issuers, shareholders and other stakeholders.



## 6. QUALITY

### **Nature and scope of services**

CORPORANCE's services are of a private nature, commissioned by its clients and provided under the terms and conditions contractually agreed in writing with each of them.

In order to provide reliable, up-to-date and relevant information, CORPORANCE's analysis and voting recommendations will follow rigorous and systematic methodologies, both its own policies and those based on the standards of the European alliance, published on its website.

Furthermore, the level of compliance with the methodology will be disclosed in the annual activity report indicated in the principle of Transparency, in compliance with Spanish regulation for proxy advisors.

Voting recommendations are produced by CORPORANCE's analysts in accordance with the best international standards of responsible investment and corporate governance, taking into account local practices. CORPORANCE's main purpose is to help investors make informed voting decisions, without being able to consider it as an investment advice or tool. The voting decision is therefore the sole responsibility of the investors, as CORPORANCE provides the voting recommendations.

### **Information sources**

CORPORANCE's analysis and recommendations will be based exclusively on publicly available, reliable and verified information available to the general market, including corporate documentation (articles of association, by-laws, reports, calls for shareholder's meetings and their proposals), regulation, academic literature, reports from other experts, conferences, articles and media reports, provided by issuers and third parties.



Despite multiple checks, the accuracy of the data cannot be guaranteed and CORPORANCE assumes no liability for it or for the consequences of the use of such information.

CORPORANCE, as the European partner for Spain and Portugal, is responsible for the provision of data and the preparation of reports on Spanish and Portuguese listed companies for the alliance's clients.

### **Team qualification**

CORPORANCE's research and voting recommendations will be developed only by people who, individually or collectively, have the appropriate qualifications, knowledge and experience.

Only analysts who have accredited sufficient training and knowledge may sign the voting recommendation reports, as the people responsible for them. This accreditation will be confirmed by CORPORANCE's management and the senior analysts of the European partners, validating the candidates' suitability to issue their recommendations to the alliance's clients.

Its team members will participate in training courses, seminars and discussions on corporate governance and sustainability, keeping up to date on legislative developments and relevant information for their analyses.

### **Organisational and technical support**

The CORPORANCE Advisory Committee, composed of members with extensive experience and prestige in capital markets, corporate governance and management, from different sectors and functions, will be consulted in the definition of voting principles and policies and the methodologies applied.

CORPORANCE's analysts will receive, in addition to their resources, technical support from Ethos, the Swiss partner, access to its databases and use of its analysis tools, in accordance with the agreements established between the partners for the preparation of reports and provision of services.



CORPORANCE will be supported by the experts' network of the European network, with practical and up-to-date knowledge of general and corporate governance regulation, shareholder meeting management and involvement in their respective jurisdictions, including current and trending best global practices with local insight.

## **Diligence**

CORPORANCE will agree beforehand with each of its clients the working plan and timetable for the delivery of its reports and recommendations, on the basis of the organisation, criteria and information required by each investor.

As a high priority, subject to the availability of data, the publication of the proposals and the deadlines for casting votes, CORPORANCE will provide its investor clients with research and voting recommendations sufficiently in time for them to review the information and make an informed decision on the direction of their vote, normally at least 10-14 days prior to the shareholders' meeting.

CORPORANCE's reports will be firstly distributed to its clients, before third parties, according to its communication policy. Should, after the publication of a report, CORPORANCE detect any significant change in the information of the company analysed, it will immediately communicate it to its clients, implementing the appropriate corrections.

## **Complaints and claims management**

CORPORANCE will have an e-mail box ([info@corporance.es](mailto:info@corporance.es)) to receive comments, enquiries, complaints or suggestions about its reports, policies or voting recommendations. All complaints received will be registered to ensure their adequate treatment and follow-up.



## 7. COMMUNICATION POLICY

### Relationship with issuers

In the course of its research tasks, CORPORANCE may contact the analysed companies in order to clarify specific aspects of the publicly available information and to better understand the proposals submitted to the meetings. For this purpose, it will establish a database with the formal contact partners in the companies, drawing on those published on their websites or through direct contact with them.

In addition, CORPORANCE will accept the information that the issuers and their advisors wish to communicate, concerning proposals for meetings or other corporate matters. It will also accept invitations to meetings, video calls, telephone conferences, or other acts of communication that the companies, directly or via their advisors, organise for the same purpose.

These discussions between CORPORANCE and the listed companies will preferably take place outside the shareholders' meeting season (March to June), to avoid interference with the research activities and issuance of voting recommendations, due to the concentration of work during those months of the year.

After the relevant meeting, issuers, their advisors or other interested parties will be able to send their comments to CORPORANCE's reports, through the mailbox [info@corporance.es](mailto:info@corporance.es) or directly to its analysts or directors, for their consideration.

In addition, CORPORANCE will submit its voting policies for consultation, taking into account comments received from market participants, including issuers, their advisors, consultants, academics, regulators and other institutions, for annual review of both its own policies and those of the other proxy advisors in the European alliance.



## Communication with third parties

CORPORANCE will establish a transparent dialogue with all stakeholders, including clients and other institutional investors, issuers, institutions and experts in corporate governance and responsible investment.

CORPORANCE will do its utmost to respond to requests for information and opinions, respecting at all times its obligations to its clients.

As part of their objective, transparency and training, CORPORANCE's authorised representatives may participate in activities to disseminate good corporate governance practices or explain its voting policies and recommendations (seminars, conferences and forums), organised by associations, issuers or other market institutions and entities.

CORPORANCE's reports, and in particular its voting recommendations, will be available for purchase by the companies analysed, their advisors or any other interested party, once they have been distributed to investor clients, the primary recipients of the reports, either directly or via its website. CORPORANCE also reserves the right to make these reports available free of charge for promotional or informational purposes on a case-by-case basis.

With regard to the media, CORPORANCE will maintain a policy of open and transparent communication, responding to requests for information on both general topics of its activity and on specific issues concerning the issuers, their boards and proposals, assessing in each case the most appropriate scope and format for dialogue with the media.

CORPORANCE will respond to requests for information from regulators, supervisors and other authorities and will actively participate in consultations on the industry regulation, codes and procedures, contributing its local and international knowledge and experience in its efforts to improve good governance and sustainable investment practices.



# COMPLIANCE

## Of the Code of Conduct

It is the responsibility of all members, employees and collaborators of CORPORANCE to comply with and enforce the current legislation on corporate governance, as well as the values and principles of this Code. If irregularities or potential breaches were to be observed, they will be reported immediately to their hierarchical superior or to the person responsible for compliance, and confidential and anonymous means of such reporting will be established.

The person responsible for compliance will monitor adherence to the principles illustrated in the Code of Conduct and report on them for publication in the annual report on the accuracy and reliability of its activities on the CORPORANCE website.

This Code of Conduct has been drawn up by CORPORANCE and includes the highest standards of professional conduct contained in other codes, as well as greater demands for rigour and transparency. This Code has been reviewed by the management and advisory bodies of CORPORANCE, published on its website, and will be revised and updated periodically, with the CNMV having been informed of all the above.

In Madrid, 10 January 2023.



# CORPORANCE

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