



Make the Difference
We Prove It

CODE OF ETHICS

- + MFR complies with the Microfinance Rating Agencies' Code of Conduct and with local laws of countries where it operates
- + MFR is committed to constant delivery of high performance and state-of-the-art services
- + MFR's methodology is regularly updated, aligned to internationally recognized standards, and consistently implemented
- + MFR adopts a tailored and responsible approach to attend its clients along their development, proving to be a long-term reliable partner
- + MFR highly values its independence, monitors and minimizes any potential conflicts of interest that might arise from its operations
- + MFR commits not to compromise its opinions and judgments under any circumstances
- + MFR protects the confidentiality of clients' information
- + MFR's analysts are led by integrity and honesty while carrying out any assignments
- + MFR fosters an open dialogue with other stakeholders of the industry
- + MFR's staff are respectful toward clients and colleagues, and loyal toward the company's values
- + MFR has a non-discriminatory recruitment policy, commits to create a conducive and healthy environment for staff and encourages personal and professional development



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CODE OF CONDUCT

The present Code of Conduct (hereinafter the Code) is promulgated in order to promote behaviors that are in compliance with MFR's ethical values and in line with its mission and vision.

MFR's Code applies to all professionals working with MFR (employees, consultants, interns) as well as to directors and shareholders, who must strictly comply with the provisions contained therein as representatives of MFR in the exercise of their functions; this includes the mother company and all subsidiaries worldwide. Local subsidiaries can complement and detail this Code with locally applicable Codes of Conduct and Internal Regulations, provided that these are not in conflict with the present prevailing Code and that MFR's management has approved them.

MFR's values were determined as follows:

Quality Transparency Independence Responsibility Commitment Credibility

MFR's vision and mission are the following:

VISION

To contribute to a stronger and more transparent inclusive finance industry while being at the forefront of the most innovative trends with the ultimate goal to benefit the base of the pyramid.

MISSION

To provide the inclusive finance industry worldwide with independent ratings, certifications and high-quality information services, aiming at enhancing transparency, facilitating investments and promoting professionalism and responsible practices.

This Code, together with the policies and procedures governing the operations, should guide staff in developing their work and achieving set objectives, with the focus on quality, transparency, independence and compliance with established industry standards.

Furthermore, we abide to the guidelines that the International Organization of Securities Commissions (IOSCO) indicates about the role of rating agencies internationally, related to:

- 1 Transparency and market perception.
- 2 Independence to avoid conflicts of interest.
- 3 Competition between rating agencies and interaction in support for independence in the sector.

MFR adheres to the Code of Conduct signed September 2, 2011 (Annex 1), at an international level with other specialized rating agencies, promoting an internal culture of integrity, honesty and ethical behavior.

Failure to comply with the principles outlined in this Code may result in sanctions and disciplinary action, and even in the termination of the employment relationship. The Managing Director is responsible for compliance to this Code and delegates Regional Managers to perform an induction to new personnel. Regular (at least annual) refresher talks shall be held.

1. Our Relationship with Each Other

- 1.1. We respect each other and we respect our colleagues' efforts and work.
- 1.2. We listen to each other's opinion, we discuss openly and respectfully in order to reach a decision.
- 1.3. Whenever possible, decisions are made by consensus of the involved parties. We commit to facilitate dialogue and implementation of decisions. Once a decision is made, we commit to respect it.
- 1.4. We speak up, we ask questions openly. We promote and apply an open-door policy.
- 1.5. We cooperate when working in teams and respect roles. We strive to clearly and fairly distribute workload and responsibilities within a team. We contribute to a common assignment at the best of our possibilities.
- 1.6. We take responsibility. We do not blame the others. We discuss any problems directly with the person involved. Supervisors are responsible to mediate in case of conflicts.
- 1.7. Senior staff devote time to train and coach more junior staff. We help each other.
- 1.8. We celebrate all successes.
- 1.9. We commit to treat each other with discretion and honor each other's privacy.
- 1.10 We respect differences and we adopt an inclusive communication, among other things using a language everybody understands.

2. Our Relationship with the Company

- 2.1. We are committed to the mission and values of MFR and we behave consistently with them.
- 2.2. We are loyal to MFR and act in the interest of MFR, rather in our own or a third party's interest. No behavior that might be harmful to the image or interests of MFR can be tolerated (both inside and outside MFR).
- 2.3. We commit to comply with the tasks and responsibilities attributed to our position within MFR. We commit to allocate adequate time to fulfill our tasks and meet our assigned objectives. We commit to work with diligence and deliver the highest performance. We value timely execution of work and we commit to meet assigned deadlines.
- 2.4. We commit to seek for prior approval to the Managing Director for any paid or unpaid directorship or involvement in the business of a company, public office or provision of expert opinion to private individuals, companies or public authorities (referred to as involvement), if such involvement affects the area in which the employer operates. MFR reserves the right to prohibit such involvement if there is a conflict of interest. To this end, the employee is responsible to report its private directorships and secondary occupation to the Managing Director to seek express approval prior to such involvement. The approval of applicable forms of involvement must be documented in the personnel files.

2.5. We commit to consistently comply with MFR's rules, policies, procedures and methodologies and related updates.

2.6. We responsibly use MFR's budget when requesting/making purchases of whatsoever nature and during missions.

2.7. We must avoid situations which give rise to a conflict of interest. This includes conflicts between the employee's personal financial or other interests and the interest of MFR, its customers, business partners, their business relations, or with the employee's ability to carry out his/her duties in an impartial fashion. We commit to identify and disclose any potential conflict of interest that may affect decision making and honestly deal with it. In the event an employee is in doubt about any situation which might pose a conflict, he/she must inform his/her direct supervisor immediately. If any employee finds himself/herself in a conflict of interest, he/she is obliged to:

a. notify in writing the Management Board, accordingly;

b. disengage or abstain from involvement in the decision-making process if instructed to do so by the employer;

c. ensure that the matter is dealt with in 'an arm's-length' manner in accordance with the current policy if authorized to proceed by the employer.

2.8. We commit not to exploit or pass on to third parties confidential information learnt in the course of our employment by MFR including but not limited to, confidential information on MFR, its clients, business partners, and their business relations. Confidential information may only be noted and used in accordance with the purpose specified and approved by MFR.

We commit not to use or reveal to third parties' information and tools belonging to MFR, which we possess as a result of our working position, and commit to maintain all information confidential after the end of the employment relationship. We undertake to respect secrecy of any information acquired and not to use for our personal profit or that of a third party, documents or information that would not have been made public. All employees must strictly observe relevant local laws on data protection.

Any violation of this duty of confidentiality, data protection and impartiality represent a valid reason entitling MFR to dismiss the employee. Further, MFR reserves the right to instigate civil and criminal proceedings against the person in violation. We are obliged to observe confidentiality even after the termination of the employment relationship if this is necessary to safeguard the legitimate interests of MFR, its customers, business partners, and their business relations.

2.9. MFR protects its tools from unauthorized modification, interference and dissemination.

2.10. MFR has non-discriminatory approach to recruitment and professional growth. Recruitment and promotions intend to be based on the assessment of individual capacities and regulated by internal documents.

2.11. MFR adopts and encourages transparent and regular communication with its staff and promotes it among staff.

2.12. MFR commits to the professional development and values personal realization of its staff.

2.13. MFR commits to provide its staff with adequate resources to comply with their functions, including training, tools, infrastructure, budget, etc.

3. Our Relationship with Clients

3.1. We respect our clients and their work. We keep a positive approach oriented to problem solving under any circumstances.

3.2. We value transparency and fair communication with our clients in written and oral form. Our prices (and all other costs related to the service delivered) and contractual conditions are transparently disclosed to the clients. We value clients' feedback and use criticisms for internal improvement. MFR systematically collects clients' feedback through its Customer Care Service.

3.3. MFR has well-documented and updated methodologies that are consistently implemented. We strictly apply methodologies in implementing any assignment, ensuring a uniform quality, also thanks to centralized quality control systems, including a Rating Committee Unit. Implementation processes are duly regulated and documented. MFR oversees issued ratings and markets during the validity of the rating.

3.4. Our analysis and opinions are driven by facts, information is verified and data crosschecked. We express our opinion independently and we are not subject to any pressure, interest, external recommendation. It is not allowed for MFR's shareholders and employees to have personal/business relationships with clients, which could affect their objectivity and independence in carrying out assignments. Any such case should be disclosed to MFR management, in order to take appropriate measures.

3.5. MFR ensures an adequate and qualified composition of the team on each assignment, allowing for timely and high-quality service to clients.

3.6. We treat confidentially any information or document provided by the client. Information shall not be used for other purposes than that it was originally provided for. MFR commits to secure clients' information (soft and physical). We should be aware that we have access to confidential information in our capacity of rating analysts and should handle this information with care, in conversations with others, including clients' competitors.

3.7. MFR's analysts are aware that the current prevailing business model (rated institutions directly paying for the service) entails a risk of biased/diluted judgment and opinions and take measures to mitigate this risk. An independent Rating Committee made up of senior experts oversees each single report issue.

3.8. We challenge and test opinions expressed in previous ratings for repeat clients. MFR commits to change the leadership of rating teams for repeat clients after 3 maximum consecutive exercises. 3.9. In our capacity of rating analysts, we are not allowed to accept inappropriate gifts from clients that could/are meant to create improper influence. Analysts are invited to disclose with MFR's management any doubtful/critical case.

4. Our Relationship with other External Stakeholders

4.1. MFR values its reputation of trustworthy, accountable and independent and MFR's employees actively contribute to it.

4.2. MFR complies with local regulations of the countries where we operate.

4.3. MFR's methodology and processes and respective updates are publicly available. Reports are characterized by different level of confidentiality and MFR complies with it. MFR has a website for communication and outreach to the general public.

4.4. Employees are not allowed to render public declarations regarding specific assignments unless explicitly authorized to do so by the Regional Manager or the

Managing Director. On the contrary they need to refer the interested party to the RM or the Managing Director.

4.5. MFR always shows fair behavior with investors, regulators/supervisors, clients, competitors and other stakeholders.

4.6. MFR commits to inform subscribers about assignments in pipeline, dropped assignments, newly issued reports, monitoring results (if applicable), unless otherwise agreed in the contract with the client, which is always prevailing.

4.7. MFR minimizes any conflicts of interest potentially arising from the organizational structure and operations and their possible effects on MFR's and third parties' reputation.

4.8. MFR contributes to the development of industry norms and standards and to their dissemination. MFR publishes issues of interest for the sector.

The present Code is approved by MFR's BoD and signed by all employees.