

SES ESG - CODE OF CONDUCT

1. Introduction:

SES ESG Research Private Limited (hereinafter referred as “SES ESG”) firmly believes in honesty, integrity, diligence and competence. All employees and associates of SES ESG are expected to act in an ethical manner and uphold the highest standards of professionalism. Therefore, in addition to the regulatory and statutory standards and compliances that the organization is subject to, SES ESG has also adopted “SES ESG-Code of Conduct” which is an amalgamation of global best practices, regulatory requirements and ethical guidelines designed to achieve and deliver not just ethical behavior but establish the highest standards of corporate governance.

Further, the SES ESG Code of Conduct is in line with requirements of SEBI Regulations & Circulars for ESG Rating Providers.

2. Applicability:

This Policy shall apply to all Directors and employees (Includes Off-roll personnel) of SES ESG Research Private Limited.

3. Requirements:

Directors, Employees and SES ESG as an entity shall comply with the following:

- 3.1. Shall make all efforts to protect the interests of the investors.
- 3.2. In the conduct of its business, shall observe high standards of integrity, dignity and fairness in the conduct of its business.
- 3.3. Shall fulfil its obligations in a prompt, ethical and professional manner.
- 3.4. Shall, at all times, exercise due diligence, ensure proper care and exercise independent professional judgment in order to achieve and maintain objectivity and independence in the ESG rating process.
- 3.5. Shall maintain records to support its decisions.
- 3.6. Shall adopt and implement ESG rating processes that reflect consistent rating standards.
- 3.7. Shall not indulge in any unfair competition, nor shall it induce or induct the clients of any other ESG rating provider on assurance of higher or lower ESG rating.
- 3.8. Shall keep track of all-important changes relating to the issuers or securities it rates and shall develop efficient and responsive systems to yield timely and accurate ratings.
- 3.9. Shall also monitor closely all relevant factors that might affect the environmental, social or governance characteristics of the rated issuers or their securities.
- 3.10. Shall, wherever necessary, disclose to the client, all possible sources of conflict of duties and interests, which could impair its ability to make fair, objective and unbiased ratings.
- 3.11. Shall ensure that no conflict of interest exists between any member participating in the rating analysis, and that of the person who is being rated or whose securities are being rated.
- 3.12. Shall not make any exaggerated statement, whether oral or written, to the client either about its qualification or its capability to render any services or its achievements with regard to the services rendered to other clients.

SES ESG RESEARCH PRIVATE LIMITED

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- 3.13. Shall not make any untrue statement, suppress any material fact or make any misrepresentation in any documents, reports, papers or information furnished to the Securities and Exchange Board of India ('Board'), stock exchange or public at large.
- 3.14. Shall promptly inform the Board about any action, legal proceedings etc., initiated against it alleging any material breach or non-compliance by it, of any of the laws, rules, regulations to which it is subject, and of directions of the Board or of any other regulatory body.
- 3.15. Shall maintain an appropriate level of knowledge and competence and abide by the provisions of the Act, regulations and circulars, which may be applicable and relevant to the activities carried on by the ESG rating provider.
- 3.16. Shall ensure that there is no misuse of any privileged information including prior knowledge of ESG rating decisions or changes.
- 3.17. Shall not render, directly or indirectly any investment advice about any security being rated or about any rated person or the person whose securities are rated in publicly accessible media.
- 3.18. Shall ensure that any change in registration status or any material change in financials or in case of any penal action taken by the Board which may adversely affect the interests of clients or investors is promptly informed to the clients and any business remaining outstanding is transferred to another registered person in accordance with any instructions of the affected clients or investors.
- 3.19. Shall maintain an arm's length relationship between its ESG rating activity and any other activity.
- 3.20. Shall develop its own internal code of conduct for governing its internal operations and laying down its standards of appropriate conduct for its employees and officers in the carrying out of their duties within the ESG rating provider and as a part of the industry. Such a code shall provide for the maintenance of professional excellence and standards, integrity, confidentiality, objectivity, avoidance of conflict of interests, disclosure of shareholdings and interests, etc. Such a code shall also provide for procedures and guidelines in relation to the establishment and conduct of the officers and employees serving in the rating process.
- 3.21. Shall adequately empower its compliance officer to enable him or her to effectively discharge his duties.
- 3.22. Shall ensure that the senior management, particularly decision makers, have access to all relevant information about its business on a timely basis.
- 3.23. Shall ensure that good corporate policies and corporate governance are adopted and followed.
- 3.24. Shall not, generally and particularly, in respect of issuers or securities rated by it, be party to or instrumental for—
- (a) creation of false market;
 - (b) price rigging or manipulation; or
 - (c) dissemination of any unpublished price sensitive information in respect of securities which are listed and proposed to be listed in any stock exchange, unless required, as part of rationale for the rating accorded.

4. Independence and Objectivity:

All employees and professionals associated with SES ESG are expected to act in a manner to maintain their independence and objectivity. Any behavior which compromises their capacity to act independently and deal objectively is discouraged. This also includes any kind of corruption, bribery or unlawful practices which may initiate a disciplinary action.

Further, employees are encouraged to adopt and engage in practices so as to enhance their freedom to act ethically.

5. Conflict of Interest:

All the Directors and employees of SES ESG shall follow the Code of Conduct of Stakeholders Empowerment Services (Holding Company), and SES ESG specific Policy for dealing with Conflict of Interest in investment trading by SES ESG, Access Persons and other employees; and Policy on Disclosure and Managing Conflict of Interest.

6. Diligence and Due Process:

All the Directors and employees of SES ESG are expected to perform to the best of their skills and abilities and ensure a high level of diligence. They are expected to strictly adhere to and follow all internal processes and conduct thorough research before issuing any opinion, statement or recommendation in a professional capacity and in course of their employment.

7. Confidentiality:

Due to the nature of the industry and work that employees at SES ESG are engaged in, they are often privy to material information that may be both public and non-public in nature (from rated entity or from its clients). SES understands that such position entails a broader responsibility and thus confidentiality ought to be maintained in all professional matters. Accordingly, all the directors and employees are mandated to follow SES ESG - Confidentiality Policy.

8. Disciplinary Action:

Any violation of the above policy will be viewed very seriously and stern action may be taken, which may, inter-alia, include termination from the services of SES ESG.