



## **Additional Internal Policies and Processes Adopted by Shesh** **ESG Rating Provider (ERP)**

### **1. Purpose**

To outline all additional internal policies and procedures formulated and adopted by Shesh ESG Rating Provider to ensure robust analytical, compliance, and business development functions.

### **A. ANALYTICAL FUNCTION POLICIES**

#### **1. Internal Quality Review Policy**

- Every ESG rating undergoes a secondary review by a senior analyst not involved in the initial assessment.
- Ensures accuracy, consistency, and methodological alignment.
- Review checkpoints include data validation, model inputs, scoring logic, and draft reports.

#### **2. Data Verification and Validation Policy**

- Verification of submitted data through cross-checks, third-party reports, certifications, on-site assessments, and public disclosures.
- Validation flags inconsistencies and requires issuer clarification.

#### **3. Methodology Governance Policy**

- Methodology reviewed annually by an independent internal panel.
- Changes follow a documented approval cycle.
- Transparent change-log maintained.



#### **4. Analyst Training and Competency Policy**

- Mandatory onboarding training on ESG standards, risk assessment, analytics, and ethics.
- Annual skill evaluation through assessments and refresher sessions.
- Specialized training for sector-specific knowledge.

#### **5. Documentation and Record Retention Policy**

- Analytical working papers, data sheets, and correspondence maintained for minimum prescribed period.
- Ensures audit trail and regulatory compliance.

### **B. COMPLIANCE FUNCTION POLICIES**

#### **6. Code of Conduct Policy**

- Defines ethical behaviour, professional standards, and disciplinary actions.
- Mandatory acceptance by all employees.

#### **7. Whistleblower Protection Policy**

- Enables employees and stakeholders to report misconduct, data manipulation, or rating influence attempts.
- Ensures confidentiality and non-retaliation.

#### **8. Anti-Bribery and Anti-Corruption Policy**

- Zero tolerance for bribery, facilitation payments, or improper influence.
- Applies to all employees and third parties.



## **9. Cybersecurity and Data Protection Policy**

- Secure access, password control, encryption, and restricted sharing protocols.
- Mandatory reporting of cyber incidents and breaches.

## **10. Business Continuity and Disaster Recovery Policy**

- Defines backup systems, alternative communication workflows, and recovery procedures.
- Ensures uninterrupted operations during disruptions.

## **11. Insider Information Handling Policy**

- Controls access and sharing of non-public information.
- Prevents misuse or leakage of sensitive data internally or externally.

## **C. BUSINESS DEVELOPMENT FUNCTION POLICIES**

### **12. Client Engagement and Communication Policy**

- Defines permitted communication between BD teams and issuers.
- Prevents misrepresentation of rating benefits.
- Ensures BD teams cannot influence analytical outcomes.

### **13. Proposal and Contract Approval Policy**

- Standardized templates and approval hierarchy for proposals and contracts.
- Ensures fee integrity and proper documentation.



## **14. Market Conduct and Fair-Promotion Policy**

- Prohibits false claims, rating guarantees, or misleading promotions.
- Ensures all marketing materials are compliance-reviewed.

## **15. Vendor and Partner Management Policy**

- Screening, due diligence, onboarding, and evaluation of third-party vendors.
- Ensures vendors meet data security, competence, and conflict-free standards.

## **D. CROSS-FUNCTIONAL POLICIES**

### **16. Internal Audit and Compliance Review Policy**

- Periodic internal audits of analytical processes, reports, and documentation.
- Corrective action plans implemented for findings.

### **17. Risk Management Policy**

- Identifies enterprise risks (operational, reputational, compliance).
- Sets mitigation strategies and responsibilities.

### **18. Employee Access Control Policy**

- Role-based access to systems, analytical models, and documents.
- Prevents unauthorized viewing or editing of rating material.



## **19. Communication and Disclosure Control Policy**

- Controls release of rating announcements, reports, and public disclosures.
- Ensures accuracy and compliance review prior to publication.

## **20. Performance Evaluation Policy**

- Analyst performance not linked to rating outcomes or issuer relationships.
- Uses quality scores, timeliness, and adherence to methodology.

## **E. HR & ORGANIZATIONAL POLICIES (Supporting ERP Operations)**

### **21. Recruitment and Background Verification Policy**

- Ensures ethical hiring and checks for conflicts of interest.

### **22. Employee Grievance Redressal Policy**

- Mechanism to resolve employee issues with confidentiality.

### **23. Remote Work and Digital Workspace Policy**

- Standards for securing documents and conducting ratings remotely.

Approved by  
Dr. Umang Shah  
Board of Director

# **SHESH**

# **ESG RATINGS**

**SEBI APPROVED ERP**



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