Annex D: Checklist for Singapore Code of Conduct for ESG Rating and Data Product Providers

With the implementation of the industry Code of Conduct for ESG Rating and Data Product Providers ("Code") on a “Comply or Explain” basis, ESG Rating and Data Product Providers¹ who adopt the Code are encouraged to provide a self-attestation on their compliance with the Code.

For this purpose, we have set out a Checklist for Code of Conduct for ESG Rating and Data Product Providers ("Checklist"). Providers can assess their own compliance with the principles and best practices by completing the Checklist. The Checklist guides the posture of, and progress on full compliance with the Code. Providers are encouraged to disclose in detail on their compliance to each best practice, publish the Checklist on their websites for their self-attestation, and inform ICMA via SingaporeESGCode@icmagroup.org. ICMA will host the list of Providers which have adopted the Code, on its website.

The Checklist clearly identifies (i) the good practices set out in the International Organisation of Securities Commissions’ (“IOSCO”) Call for Action paper², and (ii) the additional Singapore specific best practices (highlighted in yellow). This enables providers to use the Checklist for cross-jurisdictional comparison of standards for their operations, facilitating interoperability with the codes of conduct in other jurisdictions.

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<tr>
<th>Where the self-attestation has been verified for compliance to the Code by an independent external assessor, please indicate below:</th>
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<tbody>
<tr>
<td><strong>Name of Provider (Please indicate)</strong></td>
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<tr>
<td><strong>Type of Provider (Please select one)</strong></td>
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<tr>
<td><strong>Company Name of the Independent External Assessor</strong></td>
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<tr>
<td><strong>Date of Assessment</strong></td>
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<tr>
<td><strong>Remarks by Assessor, if any</strong></td>
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¹ As defined in the Code, “ESG Rating and Data Product Provider” means any ESG Rating Provider, any ESG Data Product Provider, or any provider of both ESG rating and ESG data product.

**Checklist for Singapore Code of Conduct for ESG Rating and Data Product Providers**

**Principle 1:** The ESG Rating and Data Product Provider should adopt and implement written policies and procedures designed to ensure the issuance of high quality ESG rating and data products based on publicly disclosed data sources where possible, and other information sources where necessary, using transparent and defined methodologies.

As an ESG Data Product Provider, our company has achieved compliance with the following standards and practices.

<table>
<thead>
<tr>
<th>Best Practice 1:</th>
<th>Complied?</th>
<th>If Yes, please disclose how this is complied with.</th>
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<tbody>
<tr>
<td>1. The ESG Rating and Data Product Provider should:</td>
<td>Yes</td>
<td>E.g. provide links to relevant policies and procedures.</td>
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<td></td>
<td>No</td>
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<td>NA</td>
<td>If No, please explain.</td>
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<td>E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.</td>
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<tr>
<td>a. adopt and implement written policies and procedures to ensure that the ESG rating and data products that it prepares are based on a thorough analysis of all relevant information available to it;</td>
<td>☑</td>
<td>Written Policies &amp; Steps</td>
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<td>1. Policy Development</td>
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<td>Objective Setting: Clearly define the objectives of ESG analysis, including the scope of ESG factors to be considered (environmental impact, social responsibility, governance practices) and the intended use of the ESG ratings or data products.</td>
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<td></td>
<td></td>
<td>Guiding Principles: Establish guiding principles for the analysis, such as integrity, objectivity, and independence, to ensure that the ESG ratings and data products are free from bias and reflect a true and fair view of the entities being rated.</td>
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<td>2. Data Collection Procedures</td>
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<td>Data Source Identification: Catalog all potential data sources, distinguishing between primary sources (direct from entities) and secondary sources (third-party databases, news reports, NGO publications).</td>
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<td></td>
<td>Data Collection Methods: Specify methods for data collection, including automated data scraping, surveys, and direct engagements with companies, ensuring a comprehensive approach that captures both quantitative and qualitative information.</td>
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<td>3. Analytical Frameworks</td>
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<td>Methodology Design: Develop a robust methodology that outlines how different ESG factors are evaluated, scored, and aggregated into an overall rating or data product. This should include the rationale behind the weighting of different factors.</td>
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<td>Benchmarking and Standards: Reference international standards and benchmarks for ESG performance to ensure consistency and comparability across ratings and data products.</td>
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<td>4. Quality Control</td>
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<td>Verification Processes: Implement processes for verifying the accuracy and reliability of data, such as cross-referencing information across multiple sources and conducting audits on data collection and analysis methods.</td>
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<td>Peer Review: Establish a peer review system where analyses and ratings are reviewed by multiple analysts to ensure consistency and to mitigate individual biases.</td>
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<td>5. Transparency and Disclosure Methodology Disclosure: Publicly disclose the methodologies used for ESG analysis, including any changes or updates, to provide stakeholders with a clear understanding of how ratings and data products are derived. Limitations and Assumptions: Clearly communicate any limitations in the data or assumptions made during the analysis process to provide context for the ratings and data products.</td>
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<tr>
<td>6. Training and Awareness Staff Training Programs: Develop comprehensive training programs for analysts and staff involved in ESG rating and data product preparation, focusing on methodologies, data collection techniques, and ethical considerations. Continuous Learning: Encourage continuous learning and professional development in the field of ESG analysis, including participation in industry forums and workshops.</td>
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<td>7. Stakeholder Engagement Feedback Mechanisms: Create mechanisms for receiving and incorporating feedback from rated entities, investors, and other stakeholders to continuously improve the quality and relevance of ESG ratings and data products. Engagement Strategies: Develop strategies for proactive engagement with companies and other data sources to enhance the accuracy and depth of ESG information collected.</td>
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<tr>
<td>8. Continuous Improvement Regular Reviews: Conduct regular reviews of policies, procedures, and methodologies to ensure they remain aligned with best practices and emerging trends in ESG analysis. Innovation and Adaptation: Stay abreast of technological advancements and innovative practices in ESG analysis to continually enhance the quality and utility of ESG ratings and data products.</td>
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b. adopt, implement and provide transparency around the methodologies for its ESG rating and data products that are rigorous, systematic, applied continuously, while maintaining a balance with respect to proprietary or confidential aspects of the methodologies; ✗

Following and compliance to GHG Protocol, ISO14064-1 and ISO14064-2. Platform validated by 3rd party such as Bureau Veritas

c. for an ESG rating, conduct and publish on a regular basis, an evaluation of its methodologies against the outputs which they have been used to produce; ✗
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<tr>
<td><strong>d.</strong> subject the ESG rating and data products methodologies (including data sources) to regular review, and disclose sufficient information (including any material updates) made to the methodologies as well as its views on the potential impact of these changes to the ESG rating and data products;</td>
<td><strong>X</strong></td>
<td>Detailed version releases &amp; tracking to maintain a transparent view on all platform updates and changes.</td>
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<tr>
<td><strong>e.</strong> provide transparency, where reasonably possible, around the sources of data used in determining its ESG rating and data products, including the use of any industry averages, estimations or other methodologies when actual data is not accessible to it. This may include transparency around the timeliness of data used, the time period of the data used, as well as whether the data is publicly sourced or proprietary in nature, including through approximations;</td>
<td><strong>X</strong></td>
<td>Platform provide user to upload all evidences of their disclosure, and offer 3rd party digital verification services to review those evidences</td>
</tr>
<tr>
<td><strong>f.</strong> monitor on an ongoing basis, and regularly update the ESG rating and data products, except where specifically disclosed that the ESG rating is a point in time rating by –  • reviewing, on a regular basis, the ESG rating of the rated entity;</td>
<td><strong>X</strong></td>
<td>Detailed version releases &amp; tracking to maintain a transparent view on all platform updates and changes.</td>
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<td>• (Singapore) initiating a review of the ESG rating upon becoming aware of any public information that may reasonably be expected to result in a revision or termination of the ESG rating, consistent with the rating methodology; and  • (Singapore) updating on a timely basis the ESG rating, as appropriate, based on the results of such review;</td>
<td><strong>X</strong></td>
<td>Detailed version releases &amp; tracking to maintain a transparent view on all platform updates and changes.</td>
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<tr>
<td><strong>g.</strong> maintain records to support every ESG rating and data products that it issues.</td>
<td><strong>X</strong></td>
<td>A digital log is kept across all activity on the platform</td>
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<td>(Singapore) Such records can be kept for at least 6 years from the issue date of the relevant ESG rating and data products;</td>
<td>✗</td>
<td>All data are stored securing on Azure and will be kept for at least 6 years</td>
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<td>h. ensure that relevant personnel involved in preparing and deliberation of the ESG rating and data products are, professional, competent and persons of integrity;</td>
<td>✗</td>
<td>All personnel involved has been sent to ISO training and obtain Lead Verifier certificates</td>
</tr>
<tr>
<td>(Singapore) ensure that relevant personnel involved in preparing and deliberation of the ESG rating and data products are, <strong>individually</strong> or collectively where relevant, (for example when there are rating committees) professional, competent and persons of integrity;</td>
<td>✗</td>
<td>All personnel involved has been sent to ISO training and obtain Lead Verifier certificates</td>
</tr>
<tr>
<td>i. ensure that it has adequate resources to produce high-quality ESG rating and data products of the covered entity, including sufficient personnel and technological capabilities, to seek out information it needs in order to make an assessment, analyse all information relevant to its decision-making processes, and provide quality assurance (e.g. verification of data).</td>
<td>✗</td>
<td>Platform has been validated by 3rd party such as Bureau Veritas to follow GHG protocol and ISO standard</td>
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</table>
For an ESG rating, when deciding whether to rate or continue rating a rated entity, the ESG Rating Provider should assess whether it is able to devote sufficient personnel with the necessary skill sets to make a proper ESG rating assessment, and whether its personnel will likely have access to sufficient information needed in order to produce the ESG rating. It should adopt reasonable measures so that the information it uses in assigning an ESG rating is of sufficient quality to support a credible ESG rating. The ESG rating should also be based on publicly disclosed data sources, and other information sources where necessary, using transparent and defined methodologies. If the ESG rating is based on limited data, it should make clear, in a prominent place, the limitations of the ESG rating;

j. consider offering ESG rating and data products to clients in a machine-readable format; and

k. (Singapore) for an ESG rating, the ESG Rating Provider and its personnel should not, either implicitly or explicitly, give any assurance or guarantee of any particular ESG rating prior to the ESG rating assessment.

Principle 2: The ESG Rating and Data Product Provider should adopt and implement written policies and procedures designed to ensure its decisions are independent, free from political or economic interference, and appropriately address potential conflicts of interest that may arise from, among other things, its organisational structure, business or financial activities, financial interests, and personnel.

Principle 3: The ESG Rating and Data Product Provider should identify, avoid or appropriately manage, mitigate and disclose potential conflicts of interest that may compromise the independence and objectivity of its operations.

As an ESG Data Product Provider, our company has achieved compliance with the following standards and practices.
### Best Practice 2:

2. The ESG Rating and Data Product Provider should:

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<td>Yes</td>
<td>E.g. provide links to relevant disclosures.</td>
<td>E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.</td>
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<tr>
<td>No</td>
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**a. adopt written policies, procedures and mechanisms designed to (i) identify, and (ii) eliminate, or manage, mitigate and disclose, as appropriate, any actual or potential conflicts of interest related to its ESG rating and data products that may influence the opinions and analyses it makes or the judgment and analyses of the personnel it employs who have an influence on its decisions on the ESG rating and data products.**

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<td>Culture of Integrity: Foster a culture of integrity and transparency within the organization, emphasizing the importance of ethical conduct and the management of conflicts of interest.</td>
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<td>6. Monitoring and Enforcement Continuous Monitoring: Establish mechanisms for continuous monitoring of compliance with the conflicts of interest policy, including regular audits and reviews. Enforcement Measures: Define clear enforcement measures for non-compliance with the policy, ranging from disciplinary actions to termination of employment, as appropriate.</td>
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<td>7. Review and Update Periodic Review: Regularly review and update the conflicts of interest policy and procedures to reflect changes in the regulatory environment, industry best practices, and the organization's own experiences. Stakeholder Feedback: Incorporate feedback from stakeholders, including investors and rated entities, to improve the effectiveness of the conflicts of interest management framework.</td>
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(Singapore) Accordingly, for an ESG rating, it should adopt written policies, procedures and mechanisms designed to identify, manage, mitigate and disclose conflicts of interest between ESG rating services and other business lines which can reasonably be considered to give rise to actual or perceived conflicts of interest (e.g. ESG consulting or advisory businesses);

**b.** disclose its conflicts identification and management measures;  

By design, the platform follows ISO standard procedure and offers 3rd party verification function to avoid any potential conflicts.

**c.** take steps that are designed to ensure its ESG rating and data products would not be influenced by the existence of or potential for a business relationship between it (or its affiliates) and any entity or any other party for which it provides ESG rating and data products;

By design, the platform follows ISO standard procedure and offers 3rd party verification function to avoid any potential conflicts.

**d.** put in place measures to help ensure its personnel refrain from any securities or derivatives trading presenting inherent conflicts of interest with its ESG rating and data products;

Transparent digital logs, data sources evidence uploads, and 3rd party digital verification functions are put in place to mitigate
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<tr>
<td>e. structure reporting lines for its personnel and their compensation arrangements to eliminate or appropriately manage actual and potential conflicts of interest related to its ESG rating and data products;</td>
<td>×</td>
<td>Proper hierarchy of control are defined in the systems to mitigate potential conflicts</td>
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</table>
| f. not compensate or evaluate an individual research or analytical employee/agent on the basis of the amount of revenue derived from an entity that such employee/agent provides ESG rating and data products for, or with which such employee/agent regularly interacts regarding such ESG rating and data products; | × | 1. Compensation Policies  
Fixed Salaries: Establish fixed salaries for research and analytical staff that do not vary with the revenue generated from entities they assess. This minimizes the incentive to favor certain entities or outcomes in their analyses.  
Performance Evaluation Criteria:  
Develop clear criteria for evaluating the performance of research and analytical employees that focus on the quality, accuracy, and integrity of their work rather than the revenue generated. These criteria could include peer review feedback, adherence to methodological standards, and contributions to research innovation.  
2. Separation of Duties  
Independent Departments: Maintain a structural separation between the departments responsible for ESG rating and data product development and those responsible for sales or client relationships. This helps prevent any potential influence of business considerations on the rating process.  
Restricted Information Flow: Implement policies that restrict the flow of information about revenue or client relationships to research and analytical staff, ensuring that their focus remains on the quality of their analytical work.  
3. Transparency and Disclosure  
Public Disclosure: Publicly disclose the compensation policies for research and analytical staff, emphasizing the independence of their evaluation and compensation from revenue considerations.  
Client Communication: Clearly communicate to clients and rated entities that the compensation of research and analytical staff is not linked to the revenue they generate, reinforcing the objectivity of the ESG rating and data products. |
4. Training and Awareness
Ethics Training: Provide ongoing ethics training for all employees, highlighting the importance of impartiality and integrity in the development of ESG ratings and data products. This training should cover the organization’s policies on compensation and performance evaluation.
Whistleblower Protections: Establish and communicate whistleblower protections for employees who report unethical practices, including any attempts to influence ESG ratings through financial incentives.

5. Monitoring and Enforcement
Regular Audits: Conduct regular audits of compensation practices and performance evaluations to ensure compliance with policies that prevent revenue-based compensation for research and analytical staff.
Corrective Actions: Implement a clear process for taking corrective action if any violations of the compensation policy are discovered, including disciplinary measures and policy revisions as necessary.

9. where consistent with confidentiality, contractual and other business, legal and regulatory requirements, disclose the nature of the compensation arrangement or any other business or financial relationships that exist with an entity for which it provides ESG rating and data products.

1. Disclosure Policy Development
Comprehensive Guidelines: Develop and document comprehensive guidelines on what, how, and when to disclose regarding compensation arrangements and business relationships with rated entities. These guidelines should balance the need for transparency with confidentiality and legal obligations.
Scope of Disclosure: Clearly define the scope of the disclosure, including types of financial relationships, compensation arrangements, and any other business engagements that might influence the impartiality of ESG ratings and data products.

2. Legal and Regulatory Compliance
Review Legal Obligations: Regularly review and understand legal and regulatory requirements related to disclosure in all jurisdictions where the ESG rating and data products are offered. This ensures compliance with laws governing financial disclosures, confidentiality, and data protection.
Contractual Agreements: Ensure that contracts with rated entities include provisions that allow for the necessary level of transparency about the business relationship, within the bounds of confidentiality agreements.

3. Confidentiality Considerations
   Confidential Information Protection: Implement measures to protect confidential information while making disclosures. This might involve anonymizing certain details or providing disclosures in a way that respects the confidentiality agreements but still offers transparency about potential conflicts of interest.
   Stakeholder Communication: Communicate with rated entities and other stakeholders about the importance of transparency for the integrity of the ESG rating process and seek their agreement or cooperation in making appropriate disclosures.

4. Transparency and Reporting
   Public Disclosures: Make disclosures about compensation arrangements and business relationships publicly available, such as through the provider's website or annual transparency reports, where this does not violate confidentiality or contractual obligations.
   Detail Level: Provide details on the nature of the compensation arrangement (e.g., fixed fee, performance-based) and the nature of any other business or financial relationships, to the extent possible without breaching confidentiality or legal constraints.

5. Regular Review and Update
   Periodic Review: Regularly review and update disclosure practices to reflect changes in business relationships, legal requirements, and industry best practices.
   Feedback Mechanism: Establish mechanisms for receiving feedback from users of ESG ratings and data products and other stakeholders on the adequacy and clarity of disclosures, using this feedback to improve transparency practices.

6. Training and Awareness
   Internal Training: Conduct regular training for employees on the importance
of transparency and how to manage disclosures in line with confidentiality and contractual obligations. Awareness Campaigns: Engage in awareness campaigns to educate stakeholders about the provider's commitment to transparency and the steps taken to ensure disclosures are made appropriately.

Principle 4: The ESG Rating and Data Product Provider should make adequate levels of public disclosure and transparency a priority for its ESG rating and data products, including their methodologies and processes to enable the users of the ESG rating and data products to understand what the product entails and how it is produced, while maintaining a balance with respect to proprietary or confidential information, data and methodologies.

As an ESG Data Product Provider, our company has achieved compliance with the following standards and practices.

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3. (Singapore) For an ESG rating that is prepared on an issuer-paid basis, the ESG Rating Provider should not enter into any contingent fee arrangement for providing ESG rating services. For the purpose of this paragraph, a contingent fee is a fee where the amount of which is determined by reference to the outcome of a transaction or the result of services provided by the ESG Rating Provider.

Best Practice 4:

4. The ESG Rating and Data Product Provider should:

a. make adequate levels of public disclosure and transparency a priority for its ESG rating and data products, subject to commercial sensitivity considerations;

   The following are the implementation.

   1. Define Disclosure Objectives
   2. Identify Key Information for Disclosure

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<tr>
<th>Complied?</th>
<th>If Yes, please disclose how this is complied with. E.g. provide links to relevant disclosures.</th>
<th>If No, please explain. E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.</th>
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<tr>
<td>Yes</td>
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   The following are the implementation.

   1. Define Disclosure Objectives
   2. Identify Key Information for Disclosure
Methodologies and Criteria: Disclose the methodologies, criteria, and indicators used in ESG assessments, providing stakeholders with a clear understanding of how ratings are determined.

Data Sources: Share information about the types of data sources utilized in the assessment process, including both public information and data obtained directly from covered entities.

Assessment Process: Outline the steps involved in the ESG assessment process, from data collection to final rating or product development, ensuring transparency about how decisions are made.

3. Balance Transparency with Commercial Sensitivity

Protecting Proprietary Information: Identify which aspects of the ESG assessment process are proprietary and critical to maintaining competitive advantage. Develop strategies to share useful information without compromising these elements.

Confidentiality Agreements: Respect confidentiality agreements with covered entities, ensuring that any disclosed information does not violate these agreements or compromise sensitive company information.

4. Engage with Stakeholders

Feedback Mechanisms: Implement mechanisms for stakeholders to provide feedback on disclosed information and transparency practices. Use this feedback to improve and refine disclosure strategies.

Stakeholder Communication: Regularly communicate with stakeholders, including investors, covered entities, and the public, about updates to ESG methodologies, criteria, and ratings.

5. Regularly Review and Update Disclosure Practices

Adapt to Changes: Regularly review and update disclosure practices to reflect changes in ESG assessment methodologies, stakeholder expectations, and regulatory requirements.

Continuous Improvement: Commit to continuous improvement of disclosure practices, aiming to increase transparency over time while managing commercial sensitivity.

6. Use of Technology and Platforms

Digital Platforms: Utilize digital platforms and tools to facilitate the disclosure of ESG rating methodologies and outcomes. Ensure these platforms are accessible and user-friendly.

Interactive Tools: Consider developing interactive tools that allow stakeholders to explore how different ESG factors influence ratings, providing insights without revealing proprietary methodologies.

7. Reporting and Documentation

Transparency Reports: Publish annual transparency reports that detail the organization's approach to ESG assessment, including methodologies, data sources, and stakeholder engagement practices.
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<th>Documentation Accessibility: Ensure that all disclosed information is easily accessible to stakeholders, using clear language and formats that facilitate understanding.</th>
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<tr>
<td>b. clearly label its ESG rating and data products to enable the user to understand the ESG rating’s or ESG data product’s intended purpose including its measurement objective;</td>
<td>×</td>
<td>Specifically follows GHG Protocol and ISO14064</td>
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<tr>
<td>c. make adequate levels of public disclosure, where reasonably possible, around the sources of data (e.g. publicly or privately sourced data or information) it relies on in offering ESG rating and data products, including the use of industry averages, estimations or other methodologies when actual data is not available (e.g. unavailability of publicly reported data if it is used for the product);</td>
<td>×</td>
<td>When available, 3rd party validated statements will be provided</td>
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<tr>
<td>d. make adequate levels of public disclosures on procedures and methodologies underlying its ESG rating and data products to enable the users of these products to understand how their outputs were determined; and</td>
<td>×</td>
<td>Specifically follows GHG Protocol and ISO14064 and when available, 3rd party validated statements will be provided</td>
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e. make adequate levels of public disclosure on ESG rating and data products methodologies that include, but not limited to:
   • the measurement objective of the ESG rating and data products;
   • the criteria used to assess the covered entity;
   • the Key Performance Indicators used to assess the covered entity against each criterion;
   • the relative weighting of these criteria to that assessment;
   • the scope of business activities and group entities included in the assessment;
   • the principal sources of qualitative and quantitative information used in the assessment as well as information on how the absence of information was treated;
   • the time horizon of the assessment;
   • the meaning of each assessment category (where relevant);

| X | X |

- (Singapore) the measurement objective of the ESG rating and data products (e.g. measuring impact of the covered entity on the external environment and society, and/or measuring risk exposure and resilience of the covered entity to physical and transition ESG risks); and

| X |

- (Singapore) the Key Performance Indicators used to assess the covered entity against each criterion (e.g.):

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<tr>
<th>Measurement Objective of ESG Data Products</th>
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<td>The measurement objective in ESG rating and data products typically revolves around two main areas:</td>
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<td>Impact Measurement: This involves assessing the extent to which a covered entity affects the external environment and society. It looks at the positive and negative contributions of the entity to environmental sustainability, social welfare, and governance practices. The goal is to understand the entity's overall impact on its stakeholders, including the environment, local communities, employees, and customers.</td>
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<td>Risk Exposure and Resilience Measurement: This focuses on evaluating the covered entity's exposure to and resilience against physical and transition ESG risks. Physical risks include those...</td>
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related to climate change, such as extreme weather events and natural disasters, which can directly impact the entity's operations and financial performance. Transition risks refer to the challenges that entities might face as economies shift towards lower-carbon and more sustainable practices, including policy changes, technological shifts, market dynamics, and changing consumer preferences.

Key Performance Indicators (KPIs) KPIs are used to quantitatively assess the covered entity against each criterion related to impact and risk/resilience. These indicators are tailored to the specific aspects of ESG being measured and include:

Environmental Impact KPIs: These might include carbon footprint, energy efficiency, waste management practices, water usage, and biodiversity impacts. Thresholds can be set to measure the entity's performance against environmental sustainability goals.

Social Impact KPIs: These could cover employee diversity and inclusion, labor practices, community engagement, customer satisfaction, and human rights practices. Metrics might measure the extent of community investments, diversity ratios, or employee engagement scores.

Governance KPIs: These assess the quality of governance practices, including board diversity, executive compensation alignment with long-term goals, anti-corruption practices, and shareholder rights. Thresholds may involve the proportion of independent directors or the ratio of executive pay to average employee pay.

Risk Exposure and Resilience KPIs: For physical risks, KPIs might include the entity's preparedness for natural disasters or its investment in resilient infrastructure. For transition risks, indicators could measure the entity's
adaptability to regulatory changes, its investment in clean technologies, or its ability to capture market opportunities in a low-carbon economy.

Forward-Looking KPIs: These involve assessing the entity's strategic plans and targets related to ESG, such as commitments to carbon neutrality, sustainability goals, or social impact initiatives. They evaluate the entity's roadmap and its alignment with long-term sustainability trends and regulations.

thresholds used to measure the ESG impacts and/or ESG risks, and related mitigation and adaptation measures, including the use of forward-looking strategic plans and targets of the covered entity in the assessment.
**Principle 5:** The ESG Rating and Data Product Provider should adopt and implement written policies and procedures designed to address and protect all non-public information received from or communicated to it by any entity, or its agents, related to its ESG rating and data products, where appropriate in the circumstances.

As an ESG Data Product Provider, our company has achieved compliance with the following standards and practices.

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### Best Practice 5:

**5A. The ESG Rating and Data Product Provider should:**

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<th>Complied?</th>
<th>If Yes, please disclose how this is complied with.</th>
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<tr>
<td>Yes</td>
<td>E.g. provide links to relevant disclosures.</td>
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<tr>
<td>No</td>
<td>If No, please explain. E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.</td>
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</table>

a. adopt and implement written policies, procedures and mechanisms related to its ESG rating and data products, designed to address and protect the non-public nature of information which is shared with it by entities under the terms of a confidentiality agreement or otherwise, under a mutual understanding that the information is shared confidentially.

1. Policy Development for Confidential Information Handling
   - Comprehensive Confidentiality Policies: Develop comprehensive policies that define confidential information and outline the standards for handling such information throughout its lifecycle, from collection to destruction.
   - Scope and Application: Ensure the policy clearly identifies all parties to whom the policy applies, including employees, contractors, and third-party service providers.

2. Procedures for Handling Confidential Information
   - Access Control: Implement strict access controls to ensure that only authorized personnel have access to confidential information. This includes physical access to premises where such information is stored, as well as digital access controls and encryption for electronic data.
   - Data Collection and Storage: Establish secure procedures for the collection, storage, and transmission of confidential information. Utilize secure, encrypted storage solutions and ensure that data transmission occurs over secure channels.
   - Use and Disclosure: Define strict guidelines for the use and disclosure of confidential information, ensuring it is used solely for the purpose for which it was shared and disclosed only as permitted under the terms of the confidentiality agreement or mutual understanding.

3. Training and Awareness
   - Regular Training: Conduct regular training sessions for all relevant personnel on the importance of confidentiality and the specific procedures for handling confidential information.
   - Awareness Programs: Implement ongoing awareness programs to keep the importance of
confidentiality top of mind among all employees and stakeholders.

4. Mechanisms for Ensuring Compliance

Monitoring and Auditing: Establish mechanisms for the regular monitoring and auditing of compliance with confidentiality policies and procedures. This could include both internal audits and, where appropriate, external audits.

Breach Response Plan: Develop and document a comprehensive response plan for potential breaches of confidentiality, including immediate steps to mitigate the impact, investigation procedures, and notification processes in line with legal and contractual obligations.

5. Documentation and Record Keeping

Document Management: Maintain detailed records of all confidential information received, including the terms under which it was shared, how it has been used, and when and how it was disposed of or returned to the provider.

Review and Update: Regularly review and update confidentiality policies and procedures to reflect changes in legal requirements, industry best practices, and the operational environment.

6. Legal and Regulatory Compliance

Legal Review: Ensure that confidentiality policies and procedures are reviewed by legal counsel to confirm they are in compliance with relevant laws and regulations, including data protection and privacy laws.

Contractual Agreements: Review and, if necessary, update contractual agreements with entities sharing confidential information to ensure they align with the organization's confidentiality policies and procedures.

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For an ESG rating, unless otherwise permitted by the confidentiality agreement and consistent with applicable law and regulations, the ESG Rating Provider and its personnel should not disclose non-public information in press releases, through research conferences, to future employers, or in conversations with investors, other issuers, other persons, or otherwise;

b. adopt and implement written policies and procedures designed to address the use of non-public information only for purposes related to its ESG rating and data products or otherwise in accordance with its confidentiality arrangements with the entity; and

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Development of Policies and Procedures

Policy Framework: Establish a clear policy framework that defines non-public information, outlines the permissible uses of such information, and sets forth procedures for its protection. This framework should explicitly state that non-public
c. include information on data confidentiality management and on the protection of non-public information to the extent terms of engagement are published.

Information can only be used for purposes directly related to ESG rating and data products or as allowed under confidentiality agreements.

Confidentiality Agreements: Ensure that the terms of confidentiality agreements with entities are fully integrated into the policy framework, clarifying how non-public information provided by these entities will be used, stored, and protected.

Data Confidentiality Management:
Incorporate detailed guidelines on data confidentiality management, including data access controls, encryption of sensitive information, secure data storage solutions, and secure data transmission protocols.

Procedures for Handling Non-Public Information
Access Control: Implement strict access control measures to ensure that only authorized personnel can access non-public information. This includes physical security measures for on-site data storage and cybersecurity measures for digital data.

Use Limitation: Establish procedures that limit the use of non-public information to specified ESG rating and data product-related activities. These procedures should prevent the use of information for any unauthorized purpose.

Data Minimization and Retention: Adopt data minimization principles to ensure that only the necessary amount of non-public information is collected and stored. Define clear data retention policies that comply with legal requirements and confidentiality agreements.

Training and Awareness
Employee Training: Conduct comprehensive training for all employees on the importance of data confidentiality, the specific policies and
procedures for handling non-public information, and the consequences of policy violations.

Continuous Awareness: Maintain ongoing awareness programs to reinforce the significance of data confidentiality and the protection of non-public information among staff.

Monitoring and Compliance Audit and Review: Regularly audit internal processes and procedures for compliance with the established policies. Use the findings to review and update policies and procedures as necessary.

Breach Response Protocol: Develop and document a breach response protocol that outlines the steps to be taken in the event of a data breach, including immediate containment actions, investigation procedures, and notification processes.

Publication of Terms of Engagement Transparency in Engagement Terms: When publishing terms of engagement, include a section that describes the organization's commitment to data confidentiality and the protection of non-public information. This should outline the general principles of data handling without compromising specific security measures or confidentiality agreements.

Public Commitment: Make a public commitment to uphold the confidentiality and security of non-public information, reinforcing trust with entities and stakeholders.
5B. (Singapore) For an ESG rating prepared on an issuer-paid basis, the ESG Rating Provider should ensure that its personnel do not selectively disclose any information that are not publicly available about the ESG rating or possible future issues or revisions of any ESG rating by it, except to the issuer of the capital markets products or its designated agents.

**Principle 6:** The ESG Rating and Data Product Provider should ensure that information gathering processes with the covered entity, where relevant, is done in a manner that leads to efficient information procurement for it and these entities.

**Principle 7:** Where feasible and appropriate, the ESG Rating and Data Product Provider should respond to and address issues raised by the covered entity while maintaining the objectivity of these products.

*As an ESG Data Product Provider, our company has achieved compliance with the following standards and practices.*
**Best Practice 6:**

6. Where the ESG Rating and Data Product Provider collects information from covered entity on a bilateral basis, or through questionnaires, it should consider:

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<th>Complied?</th>
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<th>No</th>
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If Yes, please disclose how this is complied with. E.g. provide links to relevant disclosures.

If No, please explain. E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.

**a. communicating sufficiently in advance when it expects to request information for the purposes of preparing the ESG rating and data products; and**

- **X**
  - A boundary setting exercise is conducted prior to any data collection

**b. including in its requests, pre-inputted information either from publicly available sources or from the covered entity’s previous submissions, where reasonably possible, for the covered entity’s review or confirmation.**

- **X**
  - The implementation breakdown:
    1. Data Collection and Pre-Processing
       Automated Data Aggregation: Utilize automated tools and software to aggregate publicly available information related to the covered entities. This can include financial reports, sustainability reports, press releases, and other relevant documents that are publicly disclosed.
       Historical Data Review: Regularly review and update the database with information from the covered entity’s previous submissions. This ensures that the most current and relevant data is used for pre-inputting in new requests.
       Data Verification: Implement a preliminary verification process to ensure the accuracy and relevance of the pre-inputted information. This step is crucial to maintain the integrity of the data used in the assessment.
    2. Integration into Requests
       Customized Requests: Customize data requests to include pre-inputted information, clearly highlighting the data that has been pre-filled. This allows covered entities to quickly verify the accuracy of the information or provide updates where necessary.
       Clear Instructions: Provide clear instructions to covered entities on how to review, confirm, or correct the pre-inputted information. This may include step-by-step guides or dedicated support for queries related to the pre-filled data.
    3. Facilitating Review and Confirmation
       User-Friendly Interfaces: Develop user-friendly interfaces for covered entities to review and interact with the pre-inputted information. This could be through a secure online portal where entities can easily confirm the accuracy of data or make necessary corrections.
       Feedback Mechanism: Include a mechanism for covered entities to provide feedback on the pre-inputted information, including any difficulties encountered during the review process. This
feedback can be invaluable for improving the data collection process.

4. Continuous Improvement
Data Accuracy Monitoring: Continuously monitor the accuracy of the pre-inputted information based on the feedback and corrections received from covered entities. Use this data to refine the automated data aggregation and verification processes.
Process Review and Updates: Regularly review the entire process of including pre-inputted information in requests, making necessary adjustments to improve efficiency, user experience, and data accuracy.

5. Transparency and Communication
Transparent Communication: Maintain transparent communication with covered entities about the sources of pre-inputted information and the importance of their review and confirmation. This helps to build trust and encourages more accurate and timely responses.
Training and Support: Offer training sessions or support materials to covered entities to familiarize them with the process of reviewing and confirming pre-inputted information. Providing dedicated support channels can also help resolve any issues promptly.

Best Practice 7:

7. The ESG Rating and Data Product Provider should:

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<th>Complied?</th>
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- a. provide a clear and consistent contact point with whom the covered entity can interact to address any queries relating to the assessment provided by the ESG Rating and Data Product Provider;

× Establishing a Contact Point
Designation of Roles: Assign specific roles within the organization responsible for acting as contact points for covered entities. This could be a dedicated team or individual(s) within the customer service, client relations, or a specific ESG assessment team.

Training and Expertise: Ensure that the designated contact point(s) have thorough knowledge of the ESG assessment processes, criteria, and outcomes. They should be well-trained in communication skills and equipped to handle queries, provide clarifications, and address any concerns that covered entities might have.

Accessibility: Make the contact information of the designated point(s) of contact readily available to all covered entities. This information should include email addresses, phone numbers, and, if applicable, a direct messaging service on the provider's platform.

If Yes, please disclose how this is complied with.
E.g. provide links to relevant disclosures.

If No, please explain.
E.g. indicate reason for non-compliance, whether it targets to comply and if so, provide target date of compliance.
Managing Interactions

Clear Communication Channels: Establish clear and efficient communication channels for covered entities to reach out to their contact point. Consider implementing a ticketing system for queries to ensure they are tracked, addressed, and resolved in a timely manner.

Responsiveness: Set expectations for response times and strive to meet them consistently. Providing prompt and informative responses to queries can significantly enhance trust and satisfaction among covered entities.

Feedback Loop: Implement a feedback loop where covered entities can provide input or express concerns about the assessment process or outcomes. Use this feedback to improve services and address any systemic issues that may arise.

Documentation and Follow-Up

Record Keeping: Maintain detailed records of all interactions with covered entities, including the nature of the query, the response provided, and any follow-up actions taken. This documentation can be invaluable for internal reviews, improving the assessment process, and resolving any disputes that may arise.

Continuous Improvement: Regularly review the queries and feedback received from covered entities to identify patterns or recurring issues. Use this insight to refine the ESG assessment process, improve communication strategies, and enhance overall service quality.

Transparency Reports: Consider publishing periodic transparency reports that summarize the types of queries received, general feedback from covered entities, and any steps taken by the provider to address common concerns. This can further demonstrate the provider’s commitment to transparency and continuous improvement.

b. expeditiously inform the covered entity of the principal grounds on which the: 

i. ESG rating is based, before or after the publication of the ESG rating; and

The implementation are as follows:

1. Development of Communication Protocols
   Clear Protocols: Establish clear protocols for communicating the principal grounds of ESG assessments to covered entities. These protocols should specify the timing, format, and channels for communication.
   Pre-Publication Briefings: Where practicable, arrange pre-publication briefings with covered entities to discuss the findings of the ESG assessment and the principal grounds for the data product’s conclusions. This allows entities to understand the assessment context before it becomes public.

2. Documentation of Principal Grounds
   Comprehensive Documentation: Prepare comprehensive documentation of the principal grounds for the ESG data product’s conclusions. This should include methodologies used, key
3. Timely Communication

Notification Prior to Publication: Where feasible, notify covered entities of the upcoming publication of the ESG data product and offer to provide them with the principal grounds of the assessment in advance.

Post-Publication Follow-Up: In cases where pre-publication briefing is not practicable, ensure to follow up promptly after publication to provide covered entities with the principal grounds and to offer an opportunity for dialogue.

4. Feedback Mechanism

Feedback Opportunities: Provide covered entities with the opportunity to give feedback on the principal grounds communicated to them. This could include clarifications, corrections of factual inaccuracies, or additional context.

Responsive Engagement: Establish a process for responding to feedback from covered entities in a constructive and timely manner. Where appropriate, adjustments to the ESG data product may be considered based on valid feedback.

5. Continuous Improvement

Review and Adaptation: Regularly review the process of informing covered entities about the principal grounds of ESG data products. Adapt communication strategies based on feedback from covered entities and evolving best practices in the field.

Transparency and Disclosure: Maintain a commitment to transparency by publicly disclosing the general approach to informing covered entities about the basis of ESG assessments, while respecting confidentiality agreements.

6. Legal and Ethical Considerations

Compliance: Ensure that all communications with covered entities comply with relevant legal, regulatory, and ethical standards, particularly concerning confidentiality and data protection.

Ethical Standards: Uphold high ethical standards in all communications, ensuring that the information provided is accurate, unbiased, and respectful of the covered entity’s right to review and respond.

ii. ESG data product is based, before or after the publication of the ESG data product, where practicable;
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<th>c. allow the covered entity time to draw attention to any factual errors, including the data and information underlying the:</th>
<th>X</th>
<th>The platform provides automated alerts and procedure to draw user attention on the issues</th>
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<tr>
<td>i. ESG rating; and</td>
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<td>ii. ESG data product, where practicable;</td>
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<td>d. publish terms of engagement describing how and when it will typically engage with the covered entity, including when information is likely to be requested and the opportunities available to the covered entity for review.</td>
<td>X</td>
<td>Terms of Engagement Template:</td>
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<tr>
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<td></td>
<td>Introduction</td>
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<td>This document outlines the Terms of Engagement between [Data Product Provider] (&quot;Provider&quot;) and the entities covered by our ESG data products (&quot;Covered Entities&quot;). Our commitment is to ensure transparency, fairness, and collaboration throughout the ESG assessment process.</td>
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<td>Engagement Process</td>
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<td>Initial Contact: The Provider will initiate contact with the Covered Entity to inform them of their inclusion in our ESG assessment process. This contact will typically occur at least [number] weeks before the data collection process begins.</td>
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<td>Data Collection:</td>
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<td>a. Information Requests: The Provider will request specific information relevant to the ESG assessment. Requests will be sent via [email/portal/other communication channels], outlining the information needed and the submission deadline.</td>
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<td>b. Use of Pre-inputted Information: Where possible, the Provider will pre-populate the information request with data from publicly available sources or previous submissions for review and confirmation by the Covered Entity.</td>
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<td>Review and Feedback:</td>
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<td>a. Preliminary Findings: The Covered Entity will be given the opportunity to review preliminary findings and provide feedback or additional information. This</td>
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review period will typically last [number] weeks.
b. Final Assessment: Feedback from the Covered Entity will be considered in the final assessment. The Provider will communicate the final ESG rating or data product outcome to the Covered Entity before publication.

Publication: The final ESG rating or data product will be published on [publication date]. The Covered Entity will be notified [number] days in advance of the publication.

Communication Channels

The Provider designates [Contact Name/Department] as the primary contact point for Covered Entities. Contact details: [Email Address/Phone Number]

Review Opportunities

Covered Entities have the right to request a review of their ESG rating or data product outcome if they believe there has been an error in the assessment process. Requests for review must be submitted within [number] days of receiving the final assessment.

Dispute Resolution

In the event of a dispute, the Provider commits to engaging in good faith negotiations to resolve the issue. Disputes should be escalated to [Designated Officer/Department], who will oversee the resolution process.

Updates and Amendments

The Provider reserves the right to update these Terms of Engagement periodically. Covered Entities will be notified of significant changes that may affect the engagement process.

Compliance and Ethics

The Provider is committed to conducting its ESG assessments in compliance with applicable laws and regulations and adhering to the highest ethical standards.

Contact Information
For any inquiries or further clarification regarding these Terms of Engagement, please contact:
[Contact Name/Department]
[Email Address]
[Phone Number]

Document is approved by the Director of the ESG Ratings Provider, ESG Data Products Provider or ESG Rating and Data Product Provider:

<table>
<thead>
<tr>
<th>Company</th>
<th>Evercomm Singapore Pte Ltd</th>
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<tbody>
<tr>
<td>Name of Director</td>
<td>Chen Chiu Hao</td>
</tr>
<tr>
<td>Date of Approval</td>
<td>16 Feb 2024</td>
</tr>
</tbody>
</table>