

FAQs for ESG Rating

1. What is an ESG Rating?

As per SEBI Regulations for ESG Rating Providers “environmental, social, and governance ratings”, or “ESG ratings” means the rating products that are marketed as opinions about an issuer or a security, regarding its ESG profile or characteristics or exposure to ESG risk, governance risk, social risk, climatic or environmental risks, or impact on society, climate and the environment, that are issued using a defined ranking system of rating categories, whether or not these are explicitly labelled as “ESG ratings”

2. What is the category under which Resurgent ESG is registered with SEBI?

Resurgent ESG is registered with SEBI as an ‘Category II’ ESG Rating Provider. SEBI Registration Number: IN/ERP/Category-II/0012

3. How does an ESG rating differ from a credit rating?

ESG ratings assess a company's performance on Environmental, Social, and Governance factors, focusing on sustainability and ethical impact. Credit ratings, on the other hand, measure a company's ability to repay debt, focusing on financial risk and creditworthiness.

4. Is an ESG rating a recommendation to invest in the rated entity?

No, an ESG rating is not a direct recommendation to invest. It provides insights into a company's sustainability and ethical practices, helping investors assess non-financial risks and helps investors make informed decisions.

5. Where can I find the methodology used for assigning an ESG rating?

The methodology is published by Resurgent ESG on its website. The issuer/ ratee companies can access it to understand the rating approach.

6. Who pays for an ESG Rating?

In Issuer pays model, the issuer/ratee company pays for the ESG rating.

7. What are the benefits of having an ESG rating?

ESG rating enhance a company’s reputation, attract responsible investors, and drive positive change in business practices.

8. How is ESG Rating determined?

At **Resurgent ESG Services Pvt. Ltd.**, our ESG ratings are determined through a comprehensive, sector-agnostic approach that allows for meaningful comparisons across industries. This methodology acknowledges that different sectors may face unique challenges, potentially placing some at a disadvantage in terms of rating outcomes. However, by focusing on relative performance, we provide users with a clearer understanding of the spectrum of ESG practices, highlighting the differences between the ‘best’ and ‘worst’ performers.

Key Steps in Our Rating Process:

1. **Engagement and Data Collection:**
 - Companies engage Resurgent to conduct ESG evaluations.

- We gather data from questionnaires, public disclosures, and reputable third-party sources.
- 2. Evaluation Framework:**
 - Our methodology assesses qualitative and quantitative indicators, including potential adverse news or developments in environmental, social, and governance areas, as well as any regulatory fines or penalties.
- 3. Scoring and Weighting:**
 - Each pillar—Environmental, Social, and Governance—is scored based on industry-specific metrics, allowing for objective benchmarking and peer comparisons.
- 4. Collective Judgement:**
 - While we utilize data-driven methodologies, our ratings are not solely mechanistic. They involve the expert judgement of our rating committee members, ensuring a balanced and nuanced assessment.
- 5. Continuous Monitoring and Disclosure:**
 - We regularly update our ratings to reflect changes in company’s performance and ensure transparency in our processes.

By adopting this robust framework, **Resurgent ESG Services Pvt. Ltd.** aims to deliver credible and insightful ESG ratings, helping stakeholders make informed decisions in line with best practices.