

## RATINGS SUPERVISORY COMMITTEE

1. This committee oversees the issuance of final derived ratings at Level 3, above analyst and director level ratings at Level 1 and Level 2. This is a novel hierarchy created in terms of ratings process by the company to increase accuracy, precision and quality of final rating conveyed to a client. This client can be issuer itself, buyer or an intermediary.
2. This committee shall oversee, and report rating changes as triggered by ratings criteria and ensure that committee is satisfied with main rating assumptions, data analysis and rationale for the ratings given by analysts at Level 1 and business directors at Level 2 and final ratings panel at Level 3.
3. Further to monitoring rating change, committee ensures that final rating panel for every credit rating issued has minimum two panel members from ratings supervisory team and these members are independent and they have “No conflict of interest” with an entity whose rating is derived or finalised by them. Any existence or occurrence of “conflict of interest” of any rating panel member makes rating derived as ‘invalid’ and shall be allocated to another two members’ panel.
4. This committee shall authorise any rating change, rating monitoring, ratings outlook or ratings watch for any credit rating already issued or to be issued by the company. This committee shall be fully independent in their decision making to maintain the quality of credit ratings issued by the company.
5. This committee shall ensure that every rating is cross-checked at all Level 1, 2 and 3 and each rating is benched marked against general market sentiment and any severe deviation of more than 2 notches on the rating scale is strongly backed up by the accurate, precise and strong analysis of data and interpretation rationale which leads to the final rating.
6. This committee is allowed to override, to re-check, to re-assign the ratings derivation to analysts, directors and ratings panel members and to amend the rationale of a rating at any time when committee finds it much necessary to do so.
7. This committee shall be re-apply the rating rationale once applied to either same issuer or another issuer given there is no significant material change in the circumstances or information of the issuer client who is seeking solicited rating or given un-solicited rating.

### Composition

8. The composition of this committee is minimum three members: a chair and two expert panel members just like other committees of the board and the vote of a chair shall be counted for finalising any rating.

### Ratings decisions

9. This committee shall make a rating’s decision based on their rationale and relevant analyses of the information in addition to the results, rationale and recommendations submitted by directors (Level 2 rating) and analysts (Level 1 rating) and any industry expert included in the ratings process.

10. This committee shall assign a final rating which shall be conveyed to client before publishing and once client accepts a rating then it shall be published. In case client does not accept or refuses a rating then the level 3 committee who finalise that rating initially shall activate re-checking or re-assigning process. If committee finds that there were significant errors then committee shall reassign a new team of analyst, director and expert panel members to re-work on a rating to derive the rating again for a client.

## Voting

11. Each Level 3 rating committee shall have a chair and minimum two expert panel members selected from ratings supervisory committee members.
12. Analyst or director at level 1 and level 2 cannot be in the final level 3 rating committee however their level 2 director's rating recommendation can be counted in the voting to finalise a rating in case there is a decision lock at level 3 committee.
13. This supervisory committee shall allocate an entire rating team for every rating upon receipt of client information regarding type of rating sought, industry and client data and confirmation from the front of the house team of company that client has agreed, signed the contract and has paid all fees in advance so that team can start working further on the data collection and analyses.
14. If any industry experts are brought into ratings process, then committee shall make sure that they are not part of the voting process at Level 3 to finalise the rating for a client. Expert's recommendations shall be received by chair in such a manner in the strictest of confidence that it shall not influence ratings voting process at level 3 final rating committee.
15. This committee shall ensure that selection of rating team for every rating is 100% free of any type of conflict of interest or its possibility of conflict of interest at all. Such a member whether analyst, director or expert panel member cannot be part of the rating team at all.

## Data centre management

16. This committee shall ensure that rating team has sufficient information and quality data to start deriving a rating for any entity corporate or sovereign. This committee is under no obligation to chase data collection and shall clearly accept that data given or directed by client or issuer to the company is of good quality and accurate. Either company Strategic Ratings, this committee or rating team is under "no obligation" to determine the quality or sufficiency of the data given by client/ issuer. It is up to client to provide good and sufficient data about their respective entities.
17. In addition to client submitted data, this committee is to ensure that Strategic Ratings has reliable, valid and timely obtained data sourced from authentic avenues so that rating derived is accurate and precise.
18. This committee's oversight does not include role of detecting any anomaly or glitch in the client submitted data. This committee shall however work in conjunction with the service providers of data, internal or external auditors to ensure the accuracy of processes, procedures, methods, or ratings criteria implemented by the company to maintain the quality of ratings. This committee shall enable or support any due diligence or audit by auditors.

19. This committee shall aim to have clear and concise ratings process, ratings team and ratings data and to avoid any breach or glitch in the ratings derivation process, the committee shall implement internal evaluation process.
20. Strategic ratings as a rating agency does not allow use of any other credit ratings agency's rating or data; however, committee can cross check or compare the company's rating with other competing agencies ratings and performance in similar domains.
21. This committee shall ensure that multiple perspectives and multiple data sources and multiple analysis such as statistical or qualitative interpretation are applied accurately to maintain the quality of ratings.
22. It is data and analysis dependent business operations and therefore, this committee shall ensure that "no editing" or "no deletion" of any data or document happens at any stage in the entire ratings process. Company supports this aim and system has been designed with no access at any level to edit, delete or overwrite anything except keep adding the data and documents.
23. This committee is allowed to withdraw or cancel any rating when they receive information that there was any error, conflict, anomaly or technical glitch was occurred during the ratings process.

#### Rating assignment

24. Upon assessing the data or information of client, Strategic Ratings reserves the right to decline to provide or to issue any kind of rating to any client or issuer, or company reserves its sole authority through this committee and executive team to withdraw a rating which is already issued in the form of solicited or unsolicited rating.
25. Company does not guarantee continuous credit rating availability; however in countries where company has active CRA trading licences, company will aim to provide solicited or unsolicited ratings and strategic ratings UK will be the pivotal agency of the parent company CEO24X7 Limited and this committee shall provide, issue, monitor or amend rating wherever and whenever possible to clients whilst adhering all time to credit ratings regulations in respective countries.
26. The company also reserves all rights to amend a rating or its rating's status, outlook, monitoring between solicited to unsolicited, public, published to confidential or private ratings, or, vice-versa and in doing so this committee shall ensure that well defined processes and regulations are adhered in making these changes. This committee shall not only consider or assess company's data but also competitors, industry, trade, geo-political, economic, legal, environmental, social, technical data shall be considered to derive a rating. For example, micro and macro-economic data and their quantitative or qualitative analysis shall be embedded in the ratings process.
27. This committee shall ensure that each credit rating is accompanied by its rationale when published or given to client or issuer and in doing so, regulation of particular country is adhered to including any terms and threshold conditions for continue to have an active CRA licence for the company.
28. If the company thinks there is enough public interest to rate the entire main trading index of the country, then company may publish unsolicited ratings of entire index constituent companies commensurate with and as applicable by the regulation in the respective countries.

29. The company reserves its right to convert, amend, withdraw, suspend or discontinue any rating according to regulations and legal requirements whether rating is solicited or unsolicited and this committee will make a decision to do so and will also decide the right time to take such an action for any entity. These changes will be mentioned or published on the company's main portal and database of ratings as soon as possible so market participants know any such changes. If it is a private rating issued in the first instance, then any such change will be communicated to the client or issuer confidentially.
30. This committee shall oversee the publication, amendments, or correction of ratings and ensure that all these changes are published on the portal in ratings database with rationale. The committee shall ensure that corrections are minimal, and ratings rationale are concise, legible, understandable and helpful to market intermediaries. The committee shall ensure that company's reputation is intact and maintained with dignity and the committee's actions shall reflect innovations, integrity, independence, accuracy and precision with ratings having unbiased quality and reliability.
31. As a ratings process rule, company allows all issuers or clients to appeal or refute their rating when first communicated or notified to them before publishing or finalising through this committee. This is called ratings appeal process. This committee shall ensure to either activate internal process of checking ratings or request client or issuer more non-public or detailed information which can potentially affect their rating to be changed. This committee shall give an issuer or client an opportunity to give more data and accurate data which can change their rating after rating is derived first time. An issuer or client is allowed through this committee to request not only modification in rating but also in the ratings rationale content.
32. This committee reserves the right to accept or reject any ratings appeal in case committee and their level 3 panel attached to particular rating are fully satisfied with rating derived and communicated to client or issuer. It is not an automatic right of the client, but this is company's policy as a goodwill to offer appeal process to clients or issuers.
33. This committee may decide to change or convert rating after issuing and agreed by client or issuer and in such cases where committee will have to decide the rating amendment, then there will be no appeal offered to client or issuer.
34. This committee shall make a clear distinction between an appeal or a complaint received from any client or issuer regarding rating communicated or notified.
35. This committee shall ensure that ratings derived and published are commensurate with each other in terms of type of rating, rating scale and rationale.