

CRISIL Ratings Code of Conduct

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Introduction

CRISIL Ratings Limited (herein after referred as '**CRISIL Ratings**') mission is to provide high-quality, objective, independent credit ratings to the marketplace. In order to achieve its mission, CRISIL Ratings strives for analytical excellence at all times, evaluates its rating criteria, methodologies and procedures on a regular basis, and modifies or enhances them as necessary to respond to the needs of the Indian debt markets. CRISIL Ratings endeavours to conduct the rating and surveillance processes in a manner that is transparent and credible and that also ensures that the integrity and independence of such processes are not compromised by conflicts of interest, abuse of confidential information or other undue influences.

CRISIL Ratings has updated this Code of Conduct (the "Code") and amended it in order to align its policies and procedures with the amendments in Code of Conduct Fundamentals for Credit Rating Agencies (CRAs) published in December 2004, as amended in March 2015 (the "IOSCO Code"), by the International Organization of Securities Commissions ("IOSCO") and the provisions of the SEBI (Credit Ratings Agencies) Regulations, 1999 and circulars issued thereunder. As required under the IOSCO Code, exceptions to the IOSCO Code are set forth in Section 8 of this Code.

In order to disclose this Code to the public, this Code is available without charge to the public on our public website, <https://www.crisilratings.com/en/home/our-business/ratings/regulatory-disclosures/highlighted-policies.html>

However, by making this Code available to the public, CRISIL Ratings does not assume any responsibility or liability to any third party arising out of or relating to this Code. This Code shall not form a part of any contract with any third party and no third party shall have any right (contractual or otherwise) to enforce any of this Code's provisions, either directly or indirectly. CRISIL Ratings in its sole discretion may revise this Code to reflect changes in market, legal and regulatory circumstances and changes to CRISIL Ratings' controls, policies and procedures.

CRISIL Ratings expects all employees¹ to comply with this Code and the related policies, procedures, guidelines and applicable regulations. Any exceptions to this Code or the related policies, procedures, and guidelines should be approved in writing by the President / Equivalent in charge of CRISIL Ratings or her/his designee who shall be responsible for the interpretation of this Code and the related policies, procedures, and guidelines. Each year all CRISIL Ratings employees shall be required to read the Code and affirm their compliance with the Code and all related CRISIL Ratings policies and guidelines by signing an Affirmation Statement.

Failure to comply with this Code and the related policies, procedures, and guidelines could be sufficient reason for disciplinary action, including discharge and possible legal sanctions. Capitalised terms used herein are defined in Section 6 of this Code.

¹ Includes off roll personnel and Independent Rating Committee Members (IRCM)

CRISIL Ratings – Code of Conduct

What are Ratings?

Ratings are current assessments regarding the future creditworthiness of issuers/debt instruments/securities/facilities. Ratings are based on information supplied to CRISIL Ratings by the issuer or its agents and information obtained by CRISIL Ratings from other sources it considers reliable. CRISIL Ratings relies on the Issuer, its accountants, counsel, advisors and other experts for the accuracy, completeness and timeliness of the information submitted in connection with the rating and surveillance processes.

Ratings do not constitute investment, financial or other advice. Ratings are not recommendations to purchase, hold or sell a particular security / facility or to make any other investment / lending decision. Ratings and other assessments do not comment on the suitability of an investment / facility for a particular investor / lender and should not be the only factor that is relied on when making any investment / lending decision. CRISIL Ratings does not act as an investment, financial, or other advisor to, and does not have a fiduciary relationship with, an issuer, investor or any other person.

CRISIL Ratings is not obligated to perform any due diligence or independent verification of any information submitted to, or obtained by, CRISIL Ratings in connection with the rating and surveillance processes. CRISIL Ratings does not perform an audit and does not undertake to verify that the information submitted to, or obtained by CRISIL Ratings is complete. Ratings are not verifiable statements of fact. The assignment of a rating to an issuer or an issue by CRISIL Ratings should not be viewed as a guarantee of the accuracy, completeness, or timeliness of the information relied on in connection with the rating or the results obtained from the use of such information.

CRISIL Ratings reserves the right to modify, lower, raise, or withdraw a rating, place a rating on Rating Watch or change the outlook at any time, in accordance with its policies, guidelines, procedures and applicable regulations.

1. Quality and integrity of the Rating Process

A. Quality of the Credit Rating Process

- 1.1. CRISIL Ratings has established, maintained, documented, and enforced a credit rating methodology for each class of entity or obligation for which it issues credit ratings. Each credit rating methodology is rigorous, capable of being applied consistently, and, where possible, results in credit ratings when subjected to some form of objective validation based on historical experience.
- 1.2. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls to ensure that the credit ratings it disseminates are based on a thorough analysis of all information known and believed to be relevant and are consistent with the applicable credit rating methodology that is in effect.
- 1.3. CRISIL Ratings has adopted reasonable measures designed to ensure that it has the appropriate knowledge and expertise, and that the information it uses in credit ratings is of sufficient quality and obtained from reliable sources to support a high quality credit rating.
- 1.4. CRISIL Ratings avoids issuing credit ratings for entities or obligations for which it does not have appropriate knowledge or expertise and/or information unless required by regulations.
- 1.5. CRISIL Ratings ensures that the credit rating methodology is applied in a manner that is consistent across all entities or obligations for which that methodology is used.

- 1.6. CRISIL Ratings has defined the meaning of each category in its rating scales and applies those categories consistently across all classes of rated entities and obligations to which a given rating scale applies.
- 1.7. Credit ratings are assigned by CRISIL Ratings as an entity through rating committees and not by an analyst or other employee.
- 1.8. CRISIL Ratings assigns analysts who, individually or collectively have appropriate knowledge and experience for assessing the creditworthiness of the type of entity or obligation being rated.
- 1.9. CRISIL Ratings maintains internal records that are accurate and sufficiently detailed and comprehensive to reconstruct the credit rating process for a given credit rating action. The records are maintained as per requirements of Securities and Exchange Board of India (SEBI) Regulations. CRISIL Ratings has also established, maintained, documented, and enforced policies, procedures, and controls designed to ensure that its employees comply with such internal record maintenance, retention, and disposition requirements.
- 1.10. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls designed to avoid issuing credit ratings, analysis, or reports that contain misrepresentations or are otherwise misleading as to the general creditworthiness of a rated entity or obligation.
- 1.11. CRISIL Ratings ensures that it has and devotes sufficient resources to carry out and maintain high quality credit ratings.
- 1.12. CRISIL Ratings has established and maintained review functions made up of one or more senior managers with appropriate experience to review the feasibility of providing a credit rating for a type of entity or obligation that is materially different from the entities or obligations it currently rates.
- 1.13. CRISIL Ratings has formed a separate team which is responsible for conducting a rigorous, formal, and periodic review, on a regular basis pursuant to an established timeframe, of all aspects of its credit rating methodologies (including models and key assumptions) and significant changes to the credit rating methodologies.
- 1.14. CRISIL Ratings has procedures in place for selecting the analysts, who will participate in determining a credit rating, which ensures the balance between continuity and avoidance of bias in the credit rating process.
- 1.15. CRISIL Ratings ensures that sufficient employees and financial resources are allocated to monitoring and updating all its credit ratings, it monitors the credit rating on an ongoing basis by:
 - a. reviewing the creditworthiness of the rated entity or obligation regularly;
 - b. initiating a review of the status of the credit rating upon becoming aware of any information that might reasonably be expected to result in a credit rating action (including withdrawal of a credit rating), consistent with the applicable credit rating methodology;
 - c. reviewing the impact of and applying a change in the credit rating methodologies, models or key rating assumptions on the relevant credit ratings within a reasonable period of time;
 - d. updating the credit rating, as appropriate, on a timely basis and in line with regulatory requirements based on the results of such review; and
 - e. incorporating all cumulative experience obtained.
- 1.16. If CRISIL Ratings uses separate analytical teams for determining initial credit ratings and for subsequent monitoring of existing credit ratings, it will ensure that each team has the requisite level of expertise and resources to perform their respective functions in a timely manner.

- 1.17. CRISIL Ratings has established, maintained, documented, and enforced policies and procedures that clearly set forth guidelines for disseminating credit ratings that are the result or subject of credit rating actions and the related reports, and for when a credit rating will be withdrawn.

B. Integrity of the Credit Rating Process

- 1.18. CRISIL Ratings and its employees shall deal fairly and honestly with rated entities, obligors, originators, underwriters, arrangers, and users of credit ratings.
- 1.19. Employees of CRISIL Ratings shall be held to the highest standards of integrity and ethical behaviour, and CRISIL Ratings has policies and procedures in place that are designed to ensure that individuals with demonstrably compromised integrity are not employed.
- 1.20. CRISIL Ratings and its employees shall not, either implicitly or explicitly, give any assurance or indicative rating or guarantee to an entity subject to a rating action, obligor, originator, underwriter, arranger, or user of its credit ratings about the outcome of a particular credit rating action.
- 1.21. CRISIL Ratings and its employees shall not make promises or threats about potential credit rating actions to influence rated entities, obligors, originators, underwriters, arrangers, or users of its credit ratings to pay for credit ratings or other services.
- 1.22. CRISIL Ratings and its employees shall not make proposals or recommendations regarding the activities of rated entities or obligors that could impact a credit rating of the rated entity or obligation.
- 1.23. CRISIL Ratings shall comply with all the Acts/ Regulations/ Circulars/Orders/Notifications/guidelines etc. prescribed by SEBI, RBI for rating agencies or by any other government, statutory, judicial, regulatory or other authority, as may be applicable from time to time.
- a. CRISIL Ratings has established a compliance function responsible for monitoring and reviewing the compliance of CRISIL Ratings and its employees with the provisions of the Code and with applicable laws and regulations.
 - b. The compliance function is also responsible for reviewing the adequacy of the policies, procedures, and controls designed to ensure compliance with the Code and applicable laws and regulations.
 - c. CRISIL Ratings has appointed a compliance officer who is in charge of the compliance function. The compliance officer's reporting lines and compensation are independent of the CRISIL Ratings' credit rating operations.
- 1.24. An employee shall, upon becoming aware that another employee of CRISIL Ratings is or has engaged in conduct that is illegal, unethical, or contrary to this code of conduct, report such information immediately to the compliance officer or another officer of CRISIL Ratings, as appropriate, so that proper action may be taken. Upon receiving such a report from an employee, CRISIL Ratings shall take appropriate action and prohibit any retaliation against any employees who, in good faith, make such reports.

2. Independence and Avoidance of Conflicts of Interest

A. General

- 2.1. CRISIL Ratings shall not delay or refrain from taking a credit rating action, if appropriate, based on the potential effect (economic, political, or otherwise) of the action on CRISIL Ratings, a rated entity, obligor, originator, underwriter, arranger, investor, or other market participant.
- 2.2. CRISIL Ratings and its employees shall use care and professional judgment to maintain both the substance and appearance of independence and objectivity.
- 2.3. The determination of a credit rating shall be influenced only by factors relevant to assessing the creditworthiness of the rated obligation.
- 2.4. The credit rating assigned by CRISIL Ratings to an entity or obligation should not be affected by whether there is an existing or potential business relationship between CRISIL Ratings and the rated entity, obligor, originator, underwriter, or arranger (or any of their affiliates), or any other party.
- 2.5. CRISIL Ratings is a separate legal entity involved only in activities that are approved by SEBI for credit rating agencies through its dedicated team of analysts.
- 2.6. CRISIL Ratings is also legally and operationally separated from CRISIL Limited (CRISIL) with respect to its credit rating activities, and avails certain shared services from CRISIL like Finance, Information Technology, Legal, Human Resources, etc. which however do not present any conflict of interest to its credit rating activity.

B. CRA Policies, Procedures, Controls and Disclosures

- 2.7. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls to identify and eliminate, or manage and disclose, as appropriate, any actual or potential conflicts of interest that may influence the credit rating methodologies, credit rating actions, or analyses of CRISIL Ratings or the judgment and analyses of its employees.
- 2.8. CRISIL Ratings discloses actual and potential conflicts of interest in a complete, timely, clear, concise, specific, and prominent manner. When the actual or potential conflict of interest is unique or specific to a credit rating action with respect to a particular rated entity, obligor, originator, lead underwriter, arranger, or obligation, such conflict of interest is disclosed in the same form and through the same means as the relevant credit rating action.
- 2.9. CRISIL Ratings discloses the general nature of its compensation arrangements with rated entities, obligors, lead underwriters, or arrangers on its website.
 - a. As required by SEBI, CRISIL Ratings discloses on its website unrelated compensation as a percentage of total annual compensation received from rated entity, obligor, lead underwriter, or arranger.
 - b. As required by SEBI, CRISIL Ratings discloses on its website if it receives 10 percent or more of its annual revenue from a single client.
- 2.10. CRISIL Ratings shall encourage structured finance issuers and originators of structured finance products to publicly disclose all relevant information regarding these products so that investors and other credit rating agencies can conduct their own analyses independently of ratings provided by CRISIL Ratings.

- 2.11. CRISIL Ratings or its employee shall not hold or transact in securities presenting a conflict of interest with its credit rating activities.
- 2.12. In instances where rated entities or obligors (e.g., sovereign nations or states) have, or are simultaneously pursuing, oversight functions related to the CRISIL Ratings, the employees responsible for interacting with the officials of the rated entity or the obligor (e.g., government regulators) regarding supervisory matters are separate from the employees that participate in taking credit rating actions or developing or modifying credit rating methodologies that apply to such rated entity or obligor.

C. Employee Independence

- 2.13. Reporting lines for CRISIL Ratings employees and their compensation arrangements are structured to eliminate or effectively manage actual and potential conflicts of interest.
- a. CRISIL Ratings employees who participate in or who might otherwise have an effect on a credit rating action with respect to an entity or obligation are not compensated or evaluated on the basis of the amount of revenue that CRISIL Ratings derives from that entity or obligor.
 - b. CRISIL Ratings conducts formal and periodic reviews of its compensation policies, procedures, and practices for its employees who participate in or who might otherwise have an effect on a credit rating action to ensure that these policies, procedures, and practices have not compromised and do not compromise the objectivity of the credit rating process.
- 2.14. CRISIL Ratings' employees who participate in or who might otherwise have an effect on a credit rating action shall not initiate or participate in discussions with rated entities, obligors, arrangers, or subscribers regarding fees or payments charged to such rated entity, obligor, arranger, or subscriber.
- 2.15. CRISIL Ratings employees shall not participate in or otherwise influence credit rating action with respect to an entity or obligation if the employee, an immediate relative of the employee, or an entity managed by the employee (e.g., a trust):
- a. Holds or transacts in a security issued by the rated entity or obligor;
 - b. Holds or transacts in a security that itself owns an interest in the rated entity or obligor, or is a derivative based on a security issued by the rated entity or obligor;
 - c. Holds or transacts in a security issued by a lead underwriter or arranger of the rated obligation, the ownership of which may cause or may be perceived as causing a conflict of interest with respect to the employee or CRISIL Ratings;
 - d. Is currently employed by, or had a recent employment or other significant business relationship with the rated entity or obligor or a lead underwriter or arranger of the rated obligation that may cause or may be perceived as causing a conflict of interest;
 - e. Is a director of the rated entity or obligor, or lead underwriter or arranger of the rated obligation; or
 - f. Has, or had, another relationship with or interest in the rated entity, obligor, or the lead underwriter or arranger of the rated obligation (or any of their affiliates) that may cause or may be perceived as causing a conflict of interest.

- 2.16. CRISIL Ratings analysts shall not hold or transact in a security issued by a rated entity or obligor in the analysts' area of primary analytical responsibility, except as permitted under CRISIL Ratings' internal securities trading policy.
- 2.17. CRISIL Ratings employees are prohibited from soliciting money, gifts, or favours from anyone with whom it does business and are prohibited from accepting gifts offered in the form of cash or cash equivalents or any gifts exceeding a minimal monetary value.
- 2.18. CRISIL Ratings employees who become involved in a personal relationship that creates an actual or potential conflict of interest shall be required to disclose the relationship to the compliance officer or another officer of CRISIL Ratings, as appropriate.
- 2.19. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls for reviewing without unnecessary delay the past work of an employee including analyst who leaves the employment of CRISIL Ratings and joins an entity that the employee participated in rating, an obligor whose obligation the employee participated in rating, an originator, underwriter, or arranger with which the employee had significant dealings as part of his or her duties at CRISIL Ratings, or any of their affiliates.

3. Responsibilities to the Investing Public Rated Entities, Obligors, Originators, Underwriters, and Arrangers

A. Transparency and Timeliness of Credit Ratings Disclosure

- 3.1. CRISIL Ratings assists investors and other users of credit ratings in developing a greater understanding of credit ratings by disclosing in plain language, among other things, the nature and limitations of credit ratings and the risks of unduly relying on them to make investment or other financial decisions. In addition CRISIL Ratings and its employee shall not state that SEBI endorses its credit ratings or use their registration status to advertise the quality of its credit ratings.
- 3.2. CRISIL Ratings has disclosed sufficient information about its credit rating process and its credit rating methodologies, so that investors and other users of credit ratings can understand how a credit rating was determined.
- 3.3. CRISIL Ratings discloses any material modification, in a non-selective manner, to a credit rating methodology prior to the modification taking effect unless doing so would negatively impact the integrity of a credit rating by unduly delaying the taking of a credit rating action.
- 3.4. CRISIL Ratings does not assign unsolicited credit ratings, i.e. ratings that are arrived at without the participation of issuers/lenders in the rating process.
- 3.5. CRISIL Ratings has disclosed its policies and procedures for distributing credit ratings and reports, and for when a credit rating will be withdrawn.
- 3.6. CRISIL Ratings has disclosed clear definitions of the meaning of each category in its rating scales, including the definition of default.
- 3.7. CRISIL Ratings has differentiated credit ratings of structured finance obligations from credit ratings of other types of entities or obligations, through a different credit rating identifier.
- 3.8. CRISIL Ratings shall be transparent with investors, rated entities, obligors, originators, underwriters, and arrangers about how the relevant entity or obligation is rated.

- 3.9. Where feasible and appropriate, CRISIL Ratings informs the rated entity, or the obligor or arranger of the rated obligation about the critical information and principal considerations upon which a credit rating will be based prior to disseminating a credit rating that is the result or subject of the credit rating action and afford such rated entity, obligor, or arranger an adequate opportunity to clarify any factual errors, factual omissions, or factual misperceptions that would have a material effect on the credit rating. CRISIL Ratings duly evaluates any response from such rated entity, obligor, or arranger. Where in particular circumstances CRISIL Ratings has not informed such rated entity, obligor, or arranger prior to disseminating a credit rating action, it informs such rated entity, obligor, or arranger as soon as practical thereafter and, generally, explains why it did not inform such rated entity, obligor, or arranger prior to disseminating the credit rating action.
- 3.10. CRISIL Ratings publicly discloses a credit rating that is the result or subject of the credit rating action as soon as practicable.
- 3.11. CRISIL Ratings publicly discloses a credit rating that is the result or subject of the credit rating action on a non-selective basis.
- 3.12. CRISIL Ratings discloses with a credit rating that is the result or subject of a credit rating action whether the rated entity, obligor, or originator, or the underwriter or arranger of the rated obligation participated in the credit rating process. CRISIL Ratings does not assign unsolicited credit ratings. In instances where the rated entity is non co-operative, the aspect of non-co-operation is captured in the report through a symbol 'Issuer not cooperating'.
- 3.13. CRISIL Ratings clearly indicates the attributes and limitations of each credit rating, and the extent to which CRISIL Ratings verifies information provided to it by the rated entity, obligor, or originator, or the underwriter or arranger of the rated obligation.
- 3.14. CRISIL Ratings discloses when the credit rating was last updated or revised in its rating rationale / credit rating report of a credit rating that is the result or the subject of a credit rating action. CRISIL Ratings' credit rating disclosure also mentions where the credit rating criteria that was used in determining the credit rating are available to the public without charge.
- 3.15. When rating a structured finance product, CRISIL Ratings publicly discloses sufficient information about its loss and cash-flow analysis with the credit rating, so that investors in the product, other users of credit ratings, and/or subscribers can understand the basis for the credit rating. CRISIL Ratings also publicly discloses information about the degree to which it analyses how sensitive a credit rating of a structured finance obligation is to changes in the assumptions underlying the applicable credit rating methodology.
- 3.16. When issuing or revising a credit rating, CRISIL Ratings explains in its announcement and/or report the key assumptions and data underlying the credit rating, including financial statement adjustments that deviate materially from those contained in the published financial statements of the relevant rated entity or obligor.
- 3.17. If CRISIL Ratings discontinues monitoring a credit rating for a rated entity or obligation, it either withdraws the credit rating or discloses such discontinuation to the public as soon as practicable subject to applicable regulations. A publication by CRISIL Ratings of a credit rating that is no longer being monitored in its credit rating report indicates the date the credit rating was last updated or reviewed, the reason the credit rating is no longer monitored, and the fact that the credit rating is no longer being updated.
- 3.18. To promote transparency and to enable investors and other users of credit ratings to compare the performance of different CRAs, CRISIL Ratings discloses sufficient information about the historical transition and default rates of its credit rating categories with respect to the classes of entities and obligations it rates.

This information is verifiable, quantifiable historical information, organized over a period of time, and, where possible, standardized in such a way to assist investors and other users of credit ratings in comparing different CRAs. If the nature of the rated entity or obligation or other circumstances make such historical transition or default rates inappropriate, statistically invalid, or otherwise likely to mislead investors or other users of credit ratings, CRISIL Ratings shall disclose why this is the case.

B. The Treatment of Confidential Information

- 3.19. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls to protect confidential and/or material non-public information, including confidential information received from a rated entity, obligor, or originator, or the underwriter or arranger of a rated obligation, and non-public information about a credit rating action.
- a. The policies, procedures, and controls prohibit CRISIL Ratings and its employees from using or disclosing confidential and/or material non-public information for any purpose unrelated to its credit rating activities, including disclosing such information to other employees where the disclosure is not necessary in connection with the credit rating activities, unless disclosure is required by applicable law or regulation.
 - b. The policies, procedures, and controls require CRISIL Ratings and its employees to take reasonable steps to protect confidential and/or material non-public information from fraud, theft, misuse, or inadvertent disclosure.
 - c. With respect to confidential information received from a rated entity, obligor, originator, underwriter, or arranger, the policies, procedures, and controls prohibit CRISIL Ratings and its employees from using or disclosing such information in violation of the terms of any applicable agreement or mutual understanding that it will keep the information confidential, unless disclosure is required by applicable law or regulation.
 - d. With respect to a pending credit rating action, the policies, procedures, and controls prohibit CRISIL Ratings and its employees from selectively disclosing information about the pending credit rating action, except to the rated entity, obligor, arranger, or their designated agents, or as required by applicable law or regulation.
- 3.20. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls designed to prevent violations of applicable laws and regulations governing the treatment and use of confidential and/or material non-public information.
- 3.21. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls that prohibit employees that possess confidential and/or material non-public information concerning a security, from engaging in a transaction in the security, or using the information to advise or otherwise advantage another person in transacting in the security.

4. Governance, Risk Management and Employee Training

- 4.1. CRISIL Ratings Limited's Board shall have ultimate responsibility for ensuring that CRISIL Ratings establishes, maintains, documents, and enforces a code of conduct that gives full effect to the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies.

- 4.2. CRISIL Ratings has established process to manage risk and such activity is overseen by one or more senior managers or employees with the appropriate level of experience responsible for identifying, assessing, monitoring, and reporting the risks arising from its activities, including, but not limited to legal risk, reputational risk, operational risk, and strategic risk. This activity is independent of the internal audit activity and also entails making periodic reports to the board and senior management to assist them in assessing the adequacy of the policies, procedures and controls CRISIL Ratings has established, maintained, documented, and enforced to manage risk, including the policies, procedures, and controls specified in the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies.
- 4.3. CRISIL Ratings has established, maintained, documented, and enforced policies, procedures, and controls requiring employees to undergo formal ongoing training at reasonably regular time intervals. The subject matter covered by the training should be relevant to the employee's responsibilities and should cover, as applicable, this code of conduct, the credit rating processes, the laws governing the credit rating activities, the policies, procedures, and controls for managing conflicts of interest and governing the holding and transacting in securities, and the policies and procedures for handling confidential and/or material non-public information. The policies, procedures, and controls also include measures designed to verify that employees undergo required training.

5. Disclosure and Communication with Market Participants

- 5.1. CRISIL Ratings disclosures, including those specified in the provisions of this Code, shall be complete, fair, accurate, timely, and understandable to investors and other users of credit ratings.
- 5.2. CRISIL Ratings implements and enforces its code of conduct by requiring all its employees to read the Code and affirm their compliance with the Code and all related CRISIL Ratings policies and guidelines by signing an Affirmation Statement periodically.
- 5.3. CRISIL Ratings has established and maintained a function within its organization charged with receiving, retaining, and handling complaints from market participants and the public. The function has established, maintained, documented, and enforces policies, procedures, and controls for receiving, retaining, and handling complaints, including those that are provided on a confidential basis. The policies, procedures, and controls also specifies the circumstances under which a complaint must be reported to senior management and/or the board.
- 5.4. CRISIL Ratings publishes in a prominent position on its public website, web page links to (1) the Code, (2) a description of the methodologies that CRISIL Ratings uses, and (3) CRISIL Ratings performance studies on its ratings and (4) any other disclosures specified in the provisions of the IOSCO Code as applicable. Any changes to any of the mentioned documents is immediately updated.

6. Definitions

For purposes of this Code, the terms set forth below shall have the following meanings:

"Analyst" shall mean a CRA employee who performs analytical functions that are necessary for the issuing or monitoring of a credit rating or participates in determining credit ratings, including an employee involved in a credit rating committee.

"Code" shall have the meaning set forth in the Introduction.

"Confidential Information" shall mean information received by CRISIL Ratings from an issuer or its accountants, attorneys, or other agents which has been marked "Proprietary and Confidential" or in respect of which CRISIL Ratings has received from the issuer specific written notice of its proprietary and confidential nature.

Notwithstanding the foregoing, information disclosed by the issuer or its accountants, attorneys, or other agents shall not be deemed to be Confidential Information if such information (i) was substantially known by CRISIL Ratings at the time of such disclosure, (ii) was known to the public at the time of such disclosure, (iii) becomes known to the public (other than by CRISIL Ratings' act) subsequent to such disclosure, (iv) is disclosed lawfully to CRISIL Ratings by a third party subsequent to such disclosure, (v) is developed independently by CRISIL Ratings without reference to the Confidential Information, (vi) is approved in writing by the issuer for public disclosure, or (vii) is required to be disclosed by any law, rule or regulation or is disclosed at the request of any governmental agency or authority. **"Employee"** shall mean any individual who is involved in the credit rating process for CRISIL Ratings on a full-time, part-time, or temporary basis, including any individual working as a contractor, provided that such contractor is involved in the credit rating process and includes employees who are associated directly or indirectly with the rating business.

"Facility" shall mean a bank facility

"Immediate Relative" shall mean an employee's spouse. It also includes parents, siblings, and children of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities

"IOSCO" shall have the meaning set forth in the Introduction.

"IOSCO Code" shall have the meaning set forth in the Introduction.

"Issue" shall mean the securities, facilities or equivalent of the Issuer to whom a credit rating is assigned by CRISIL Ratings

"Issuer" shall mean the entity whose securities, facilities or equivalent are assigned a credit rating by CRISIL Ratings. On occasions the Issuer itself may be assigned a credit rating by CRISIL Ratings

"Rating Action" shall mean any initial rating, any change, withdrawal of an existing rating, any Rating Watch action or the assignment of a new Outlook or any other action as may be permitted by regulations.

"Security" has the meaning assigned to it in Section 2 of the Indian Securities Contracts Regulation Act, 1956. .

7. Code of Conduct contained in SEBI (Credit Rating Agencies) Regulations, 1999

CRISIL Ratings employees shall abide by the following Code of Conduct of CRISIL Ratings. CRISIL Ratings supports and actively works towards fulfilment of the objectives of the SEBI Code.

1. CRISIL Ratings shall make all efforts to protect the interests of investors.
2. CRISIL Ratings, shall observe high standards of integrity, dignity and fairness in the conduct of its business.
3. CRISIL Ratings shall fulfil its obligations in a prompt, ethical and professional manner.
4. CRISIL Ratings 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 rating process.

5. CRISIL Ratings shall have a reasonable and adequate basis for performing rating evaluations, with the support of appropriate and in depth rating researches. It shall also maintain records to support its decisions.
6. CRISIL Ratings shall have in place a rating process that reflects consistent and international rating standards.
7. CRISIL Ratings shall not indulge in any unfair competition nor shall it wean away the clients of any other rating agency on assurance of higher rating.
8. CRISIL Ratings shall keep track of all important changes relating to the client companies and shall develop efficient and responsive systems to yield timely and accurate ratings. Further, CRISIL Ratings shall also monitor closely all relevant factors that might affect the creditworthiness of the issuers.
9. CRISIL Ratings shall disclose its rating methodology to clients, users and the public.
10. CRISIL Ratings shall, wherever necessary, disclose to the clients, possible sources of conflict of duties and interests, which could impair its ability to make fair, objective and unbiased ratings. Further, it shall ensure that no conflict of interest exists between any member of its rating committee participating in the rating analysis, and that of its client.
11. CRISIL Ratings shall not make any exaggerated statement, whether oral or written, to the client either about its qualification or its capability to render certain services or its achievements with regard to the services rendered to other clients.
12. CRISIL Ratings shall not make any untrue statement, suppress any material fact or make any misrepresentation in any documents, reports, papers or information furnished to SEBI, stock exchange or public at large.
13. CRISIL Ratings shall ensure that SEBI is promptly informed about any action, legal proceedings etc., initiated against it alleging any material breach or non-compliance by it, of any law, rules, regulations and directions of SEBI or of any other regulatory body.
14. CRISIL Ratings 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 credit rating agency. CRISIL Ratings shall also comply with award of the Ombudsman passed under the SEBI (Ombudsman) Regulations, 2003.
15. CRISIL Ratings shall ensure that there is no misuse of any privileged information including prior knowledge of rating decisions or changes.
16. (a) CRISIL Ratings or any of his employees shall not render, directly or indirectly any investment advice about any security in the publicly accessible media.

(b) CRISIL Ratings shall not offer fee-based services to the rated entities, beyond credit ratings and research.
17. CRISIL Ratings shall ensure that any change in registration status/any penal action taken by SEBI or any material change in financials which may adversely affect the interests of clients/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/investors.
18. CRISIL Ratings shall maintain an arm's length relationship between its credit rating activity and any other activity.
19. CRISIL Ratings 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 credit rating agency and as a part of the industry. Such a code may extend to 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 rating committees and duties of the officers and employees serving on such committees.

20. CRISIL Ratings shall provide adequate freedom and powers to its compliance officer for the effective discharge of his/her duties.
21. CRISIL Ratings shall ensure that the senior management, particularly decision makers, have access to all relevant information about the business on a timely basis.
22. CRISIL Ratings shall ensure that good corporate policies and corporate governance are in place.
23. CRISIL Ratings shall not, generally and particularly in respect of issue of 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.

8. IOSCO Code of Conduct Fundamentals for Credit Rating Agencies

CRISIL Ratings fully supports the essential purpose of the IOSCO Code, which is to promote investor protection by safeguarding the integrity of the rating process. CRISIL Ratings believes that the Code is consistent with the IOSCO Code and appropriately implements IOSCO's Statement of Principles Regarding the Activities of Credit Rating Agencies published in September 2003. There are two areas in which the provisions of the Code differ from the provision of the IOSCO Code: i) Disclosure by Issuers and ii) Employee independence. Notwithstanding these differences, CRISIL Ratings believes that the independence, integrity, credibility and objectivity of the rating and surveillance processes are not affected and, therefore, the IOSCO Code's essential purpose will be achieved.

CRISIL Ratings also wants to highlight that it is legally and operationally separated from CRISIL with respect to its credit rating activities, and avails certain shared services from CRISIL like Finance, Information Technology, Legal, Human Resources, Admin etc., which however do not present any conflict of interest to its credit rating activity. CRISIL Ratings has also put in place a policy on firewalls between CRISIL Ratings and other group entities in line with the regulatory requirement.

Disclosure by Issuers

CRISIL Ratings agrees with IOSCO's guiding principle that a CRA should be transparent in providing as much information to the public as feasible regarding the issues and issuers that it rates. However, CRISIL Ratings does not believe it should be responsible for disclosing whether the issuer of a structured finance product has publicly disclosed all relevant information about the product being rated or if such information remains non-public. This requirement by IOSCO is not consistent with the laws and regulations that place the legal requirement to disclose relevant information to the public on the issuer, and not on credit rating agencies. In addition, this requirement could place a burden on CRISIL Ratings to conduct due diligence regarding whether the issuer's statement is truthful or not. CRISIL Ratings believes that its role as a credit rating agency is to issue opinions on the

creditworthiness of issues or issuers and not to be involved in the disclosure process in the sale of securities or in due diligence on the veracity of issuers' statements. (See Section 2.9 of the IOSCO Code).

Employee Independence

CRISIL Ratings agrees with the IOSCO's guiding principle that there should be independence and avoidance of conflict of interest. As per applicable regulations and in order to avoid conflict of interest, employees are not allowed to participate or otherwise influence the credit rating action with respect to rated entities or obligations. (See Section 2.14 (c) and (g) of the IOSCO Code).

REVIEW HISTORY

Version No	Date of review	Effective Date
V.01.2024	October 18, 2024	October 18, 2024
V.01.2023	November 24, 2023	November 24, 2023
V.01.2022	October 19, 2022	November 1, 2022
V.01.2021	October 26, 2021	November 17, 2021
V.01.2020	December 21, 2020	December 31, 2020
1.2	November 05, 2018	November 19, 2018

About CRISIL Ratings Limited (A subsidiary of CRISIL Limited, an S&P Global Company)

CRISIL Ratings pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we set the standards in the credit rating business. We rate the entire range of debt instruments, such as, bank loans, certificates of deposit, commercial paper, non-convertible / convertible / partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 35,000 large and mid-scale corporates and financial institutions. We have also instituted several innovations in India in the rating business, including rating municipal bonds, partially guaranteed instruments and infrastructure investment trusts (InvITs). CRISIL Ratings Limited ("CRISIL Ratings") is a wholly-owned subsidiary of CRISIL Limited ("CRISIL"). CRISIL

Ratings Limited is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI").

For more information, visit www.crisilratings.com.

About CRISIL Limited

CRISIL is a leading, agile and innovative global analytics company driven by its mission of making markets function better.

It is India's foremost provider of ratings, data, research, analytics and solutions with a strong track record of growth, culture of innovation, and global footprint.

It has delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers through businesses that operate from India, the US, the UK, Argentina, Poland, China, Hong Kong and Singapore.

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