



Conflict of interest policy of the EuroRating credit rating agency

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I. General information

A. Introduction

- 1.1. This "Conflicts of interest policy of the EuroRating credit rating agency" (hereinafter: the policy) applies to the activities of the EuroRating rating agency in the field of issuing credit ratings and applies (to varying degrees) to all its employees, persons in close relations with them, shareholders of the agency and other persons associated with the EuroRating rating agency.
- 1.2. The basic principles followed by the EuroRating credit rating agency include ensuring independence, objectivity and the highest quality and reliability of credit ratings issued by the agency.
- 1.3. The EuroRating credit rating agency and its employees take all necessary measures to ensure that the issuance of credit ratings is not affected by any existing or potential conflict of interest or economic relationship involving the agency, its management, rating analysts, employees or other persons directly or indirectly associated with the agency.

For this purpose, EuroRating establishes detailed rules described in this policy, which are to ensure effective prevention of conflicts of interest, their mitigation and ensuring the independence of credit ratings assigned by the agency.

- 1.4. This policy sets out the detailed specification of the general principles and instructions included in the "Code of Conduct Code of Conduct of the EuroRating credit rating agency". It reflects the instructions included in the standard code ("Code of Conduct Fundamentals For Credit Rating Agencies") developed for credit rating agencies by the International Organisation of Securities Commissions (IOSCO).
- 1.5. This policy covers the following main areas related to the possibility of the existence (or the perception of the existence) or the creation of any eventual conflicts of interest:
 - a) confidential information procedures;
 - b) transactions in securities of rated entities;
 - c) receiving of gifts by agency employees;
 - d) independence of the agency and its employees, as well as other issues related to conflicts of interest.

Detailed principles and regulations related to these areas have been included in specific main points.

B. Definitions

The terms used in the present 'Conflict of Interest Policy' shall have the following meaning:

- 1.6. **"Rating"** or **"credit rating"** means an opinion (assessment) concerning the financial credibility (credit risk) of a given entity, issued by a specialised rating agency (including, in particular, EuroRating) pursuant to the methodology applied by the rating agency, according to an established risk scale (the rating nomenclature).
- 1.7. **"Public rating"** or **"rating of public nature"** means a rating which has been (or is intended to be) available to the public. Publication of a rating (providing information about the rating to the public) means, in particular, EuroRating providing relevant information on the agency's Internet website or sending press releases to news agencies or directly to the media.
- 1.8. **"Non-public rating"** means a credit rating which is not available to the public and which is made available only to a limited circle of recipients (e.g. to subscribers).
- 1.9. **"Private rating"** means a credit rating which is not available to the public and which is made available only to the rated entity or third parties related to it or to a non-related entity commissioning the issuance of such a rating.
- 1.10. **"Rating user"** or **"user"** means any market participant, as well as any person who in any way uses ratings, information about ratings, and reports or rating communications issued by the EuroRating credit rating agency or other rating agencies.
- 1.11. **"Rated entity"** means an undertaking or financial institution whose financial credibility (credit risk) is assessed by EuroRating and for whom the agency issues or intends to issue a credit rating.

If EuroRating issues separate ratings for the general credit risk of a rated entity or for particular types of its liabilities or securities issued by it, the term 'rated entity' refers also to those liabilities and securities.
- 1.12. **"Related third party"** means the originator, arranger, sponsor, servicer or any other party that interacts with a credit rating agency on behalf of a rated entity, including any person directly or indirectly linked to that rated entity by a control.
- 1.13. **"Rating process"** shall mean all the steps taken by EuroRating with respect to a rating action on public and private ratings including, but not limited to, the agency's selection and assignment of analysts to work on the given credit rating, application of the rating methodology, decision-making activities (e.g., the operation of a rating committee), interaction with the rated entity and a related third party, and as applicable, dissemination of the credit rating publicly or to subscribers. This shall also include approving such a rating or rating operation and monitoring it at a later date.

- 1.14. "**Employee**" shall mean any individual who works for EuroRating on a full-time, part-time, or temporary basis, including any individual working as a contractor, provided that such a contractor is involved in the rating process.
- 1.15. "**Analyst**" or "**rating analyst**" means, in the context of the issuing of ratings by EuroRating to particular entities, an employee employed at the EuroRating credit rating agency, who takes part in the rating process (including in approval of ratings) or a person who takes part in the rating process but is not employed by the agency.
- 1.16. "**Rating Committee**" means a team of persons (or an official business meeting of such persons) appointed by EuroRating to approve credit ratings or other rating actions undertaken by the agency in relation to a rated entity or rated obligation.
- 1.17. "**Rating action**" shall mean to determine an initial credit rating, an upgrade of an existing credit rating, a downgrade of an existing credit rating (including to a default category), an affirmation of an existing credit rating, a withdrawal or a suspension of a credit rating, as well as assigning or changing a rating outlook or other attributes for a given rating.
- 1.18. "**Rating activities**" means the activities conducted by the EuroRating credit rating agency in terms of issuing credit ratings.
- 1.19. "**Ancillary services**" shall mean types of business activity in which the EuroRating credit rating agency is involved other than the credit rating business.
- 1.20. "**Confidential information**" or "**information of a confidential nature**" means information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Such information includes:
- a) unpublished credit ratings, rating outlook and related information;
 - b) information entrusted to EuroRating in confidence by the rated entity.
- 1.21. "**Restrictions list**" means the list, applicable at any given moment at the EuroRating credit rating agency, of rated entities and other issuers of securities to which the restrictions concerning transactions in securities specified in this policy apply.
- 1.22. "**Close family member**" means:
- a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
 - b) a dependent child, in accordance with national law;
 - c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or

d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point a), b) or c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

1.23. "**Shareholder**" in the context of the EuroRating credit rating agency means a natural or legal person holding or controlling at least 5% of shares (or votes at the shareholders' meeting) in EuroRating Sp. z o.o. with registered office in Warsaw.

1.24. "**Holds**" or "**held**", in the context of securities and securities accounts, means specification of the case in which the agency's employee (or his or her close family member) is the owner or co-owner of any security or securities account.

This term refers also to cases in which the employee gains direct benefits from concluded transactions, or securities kept in the accounts owned or co-owned by another person.

1.25. "**Security**" means any shares held by commercial entities, shares, bonds, short-term debt securities, or any other financial instrument commonly referred to as securities; as well as any derivatives (including future contracts and options) based on those securities.

1.26. "**Securities account**" means any account or register, through which it is possible to hold securities or conclude transactions in securities (irrespective of whether such transactions are actually concluded or whether there are or were any securities kept in the account).

The term "securities account" does not, however, include accounts (or records) through which it is possible only to acquire units in diversified collective investment programmes, managed funds (including pension funds) and life insurance.

1.27. "**Code of Conduct**" means the document named Code Of Conduct of the EuroRating credit rating agency, which includes the instructions and standards applicable at the EuroRating credit rating agency in terms of the conduct of rating activities.

1.28. "**Website of the EuroRating credit rating agency**" means the main website run (and held) by EuroRating, available at the following address: www.EuroRating.com.

II. Confidential information Procedures

2.1. All employees of the EuroRating rating agency who have (or may have) access to confidential information are obliged to comply with the rules described in this chapter.

2.2. EuroRating employees who are in possession of confidential information are obliged not to disclose it to unauthorized persons in any way.

- 2.3. Disclosure by the agency's employees of any information of a confidential nature to other employees of the agency is permissible only if it is required for the performance of their professional obligations related to the activities in issuing credit ratings.
- 2.4. Unless otherwise specified in any agreements with the rated entities, EuroRating and its employees are obliged not to disclose any confidential information in the reports and press releases published by EuroRating, or during conferences and seminars, during talks with the users of ratings, to other rated entities, future employers or to any external entities.
- 2.5. The agency's employees are obliged to undertake all necessary actions aimed at the protection of all data, materials and documentation (in physical or electronic form), owned by or held by the EuroRating credit rating agency, against theft, fraud, corruption, disclosure to unauthorised persons or their misuse. This refers in particular to any type of data, materials and documentation of a confidential nature.
- 2.6. Employees shall not use or share information of a confidential nature for private purposes, including, in particular, for the purpose of gaining financial profit from such information.
- 2.7. Agency employees shall not disclose to third parties any information not published previously concerning the ratings issued by EuroRating and undertaken (or planned) rating actions, other than providing information to the rated entities (or related third parties) in advance, pursuant to the principles applied in that respect in the agency, concerning the rating actions undertaken with respect to such entities and about any communications or reports meant for publication.
- 2.8. The rated entities shall be informed about the necessity of maintaining the confidentiality of any information received in advance from the EuroRating credit rating agency concerning the rating actions undertaken by EuroRating (and contents of communications or reports), until its publication by EuroRating.
- 2.9. Confidential information ceases to be confidential upon its publication.
- 2.10. In special circumstances, the agency's management may determine detailed procedures with respect to some types of information or the range of access to such information by particular employees of the agency (or their teams) and any third parties.
- 2.11. All employees of the agency (in the case of starting work - immediately after the conclusion of the contract of employment), and other individuals and entities cooperating with the agency, which may have access to confidential information, are required to submit a written statement about maintaining the secrecy of confidential information.

III. Restrictions concerning transactions in securities

- 3.1. Due to the fact that particular rating analysts and other employees of the EuroRating credit rating agency may, in relation to their professional commitments, be in possession of or have access to confidential information concerning particular rated entities (which are often issuers of various types of securities) or related entities, EuroRating has introduced restrictions with respect to the possibility of the agency's employees concluding transactions in securities.

These restrictions aim to prevent any conflicts of interest which could be related to the misuse of confidential information, and at ensuring the independence and objectivity of the rating process, thereby maintaining the high quality and credibility of the ratings issued by EuroRating.

- 3.2. The restrictions concerning transactions in securities as specified in this policy apply to all agency employees who may have access to confidential information or who are involved in credit rating activities and their close family members.
- 3.3. Employees affected by such restrictions are required to inform their close family members that they are also affected. The responsible person for preparing, keeping, updating and providing access to the current restrictions list is the Compliance Officer.
- 3.4. The restrictions list includes entities for which EuroRating conducts or plans to conduct activities in the field of issuing public or non-public credit ratings. The Compliance Officer obtains information on such entities from the management of the EuroRating rating agency or from the Director of the Credit Ratings Department (or their deputy).
- 3.5. The entities with respect to which the prerequisites for entering them on the restrictions list expire or have expired (e.g. whose ratings are withdrawn by EuroRating, whose rating assessment ceases, and with respect to which EuroRating does not receive any new confidential information) are kept on the restrictions list for six months following the date on which the prerequisite expired (this does not refer to entities which cease to exist, e.g. due to bankruptcy or acquisition by another entity). In special circumstances the agency's management may extend the period referred to above.
- 3.6. The restrictions list is updated and made available to employees as soon as possible and without undue delay. Employees are informed about such a change via e-mail to their personal inboxes. In addition, the current list is available on the company's server in a public folder. Employees should inform their close family members covered by the restrictions contained in this chapter about changes in the restrictions list.

- 3.7. Agency employees who are subject to a restrictions list are required to regularly familiarize themselves with the content of the restrictions list.
- 3.8. The agency's employees and their close family members may not conclude transactions in financial instruments issued, guaranteed and otherwise supported by entities on the restrictions list or financial instruments of entities related to them, if the ownership of which may be generally perceived as causing a conflict of interest, apart from situations related to the closure of previously existing holdings (in situations referred to in points 3.13. and 3.14.). However, these restrictions do not apply to investing in diversified collective investment schemes, including managed funds.
- 3.9. Agency employees and their close family members should consider selling (closing holdings), and, in particular, should refrain from purchasing (opening or increasing holdings) of securities related to the entities which are not yet entered on the restrictions list, but which, with high probability, may be soon entered on the list (e.g. if EuroRating is in the course of talks or negotiations concerning rating such an entity), as well as in the situation where EuroRating has obtained, is obtaining or is soon to obtain any significant confidential information about such an entity.
- 3.10. New EuroRating employees are obliged to provide, as soon as possible, but not later than within 30 days of starting work:
- a) a statement on the securities accounts held by the employee and his or her close family members, containing a list of such accounts, the name of the institution that maintains the account and the number identifying the account;
 - b) extracts from the transaction systems of the accounts indicated in point a), containing a list of all securities held on them;
 - c) where the employee or his or her close family member do not currently have any securities accounts, the statement should contain such information.
- 3.11. The Compliance Officer is responsible for:
- a) completeness and correctness of the statements described in point 3.10.a);
 - b) verification of whether the instruments held by the new employee, indicated on the statements referred to in point 3.10. b) are on the current restrictions list.
- 3.12. The employees of the agency are obliged to immediately provide the Compliance Officer with relevant information about each case if the employees themselves or members of their close family:
- a) open or close a securities account (in this case, they are required to provide an updated statement on the securities accounts held, referred to in point 3.10 a);

- b) make any transactions in securities related to entities on the restriction list;
- c) hold securities related to the new entities entered on the restrictions list.

3.13. If at the moment:

- a) the employee starts work at the EuroRating credit rating agency; or
- b) a new entity is entered on the restrictions list;

the agency's employee or his or her close family member holds any securities which are or have been entered on the restrictions list, they are obliged to sell (close their holdings of) these securities within 30 calendar days at the latest.

3.14. In special circumstances, when fulfilment of the requirement specified in point 3.13 is impossible, very difficult or if it may significantly affect the market price of a given financial instrument (e.g. due to very low liquidity), at the request of the agency's employee, the Compliance Officer may allow:

- a) for an extension of the period referred to in point 3.13., or
- b) may permit the agency's employee or his or her close family member to hold securities related to the entities in the restrictions list.

3.15. The agency's employees shall immediately inform the Compliance Officer about each case in which they or their close family members violate the principles regarding the restrictions related to the conclusion of transactions in securities referred to in section 3.

3.16. The principles regarding the restrictions related to the conclusion of transactions in securities do not refer to acquiring, keeping or selling/redeeming participation units in diversified collective investment programmes or managed funds (including pension funds) and life insurance.

3.17. All the principles regarding the restrictions related to the conclusion of transactions in securities referred to in this section, which may concern a legal person, also concern the EuroRating credit rating agency as an undertaking.

IV. Restrictions concerning receiving gifts

4.1. Restrictions on receiving gifts set out in this policy apply to all of employees of EuroRating.

4.2. Employees of the agency and their close family members may not demand receive (directly or indirectly) money, material gifts, provision of services or favours in any form (henceforth referred to jointly as 'gifts') from any person or entity with which the EuroRating credit rating agency has established or plans to establish business relations (the restriction refers also to entities to which the agency issues unsolicited ratings).

- 4.3. If an employee receives a gift, such an employee (or team manager – in the case of a gift to a team) is obliged to return it to the person who gave (or sent) it.

Should the return of the gift be impossible or impractical (e.g. due to the high cost of returning it), the gift should be given to charity or destroyed.

Irrespective of whether the gift was returned, given to charity, or destroyed, the employee (or the team manager) should notify the donor about the policy regarding the restrictions as to receiving gifts applicable at the EuroRating credit rating agency and request that no other gifts be given in future.

- 4.4. If an employee (or a team of employees) receives an invitation or a ticket to any conference, training, sports or cultural event (e.g., a concert, theatre performance, film screening, etc.), or other event, entry to which is free (of charge) for all participants, the employee (or the team manager) is obliged to obtain consent for his or her participation in such an event from the Compliance Officer.
- 4.5. If an employee (or a team of employees) receives an invitation or a ticket to an event entry to which is not free of charge for all participants, the employee (or the team manager) is obliged to obtain consent for his/her participation in such an event from the Compliance Officer.

Participation of agency employees in events to which entry is payable is possible only on condition that the employee himself/herself, or the agency, covers all costs of participation.

- 4.6. The necessity of obtaining a consent each time in the cases specified in points 4.4 and 4.5 does not refer to press conferences, meetings with analysts, working meetings, negotiations or other meetings of a business nature, organised or arranged by EuroRating, rated entities or related third parties with which the agency cooperates, as long as participation in such events is free of charge.
- 4.7. At business meetings, employees may accept customary snacks, as long as their approximate value does not exceed 50 PLN. Otherwise, the employee may accept snacks provided that the employee or the agency covers their cost.

V. Avoiding, disclosing, eliminating and managing conflicts of interest

A. Independence of the EuroRating credit rating agency

- 5.1. EuroRating and employees of the agency involved in the rating process, are obliged to act in a professional manner, in compliance with the principles of full independence and objectivity.

5.2. Only factors related to the assessment of the financial credibility of particular rated entities influence the specific credit rating levels issued by EuroRating.

5.3. None of the existing or potential business relations of the EuroRating credit rating agency may influence the rating level issued by EuroRating to a rated entity.

The EuroRating credit rating agency, as well as its shareholders and any third parties related to the agency, are not related in a formal or informal manner to any rated entities (or any related third parties), to any state or local authorities, or any business or political organisations.

5.4. EuroRating ensures that receiving remuneration from the rated entities or related third parties does not affect the independence and objectivity of ratings issued to particular entities and rating activities undertaken. For this purpose, EuroRating establishes a set of detailed pricing rules for rating services, which are included in a separate pricing policy.

5.5. The credit rating level issued by EuroRating does not, in any circumstances, depend on the form or the value of remuneration received by EuroRating.

5.6. Neither EuroRating nor the agency's employees provide (either directly or through suggestion) any assurances or guarantees as to the particular rating level prior to the credit rating assessment or prior to credit rating approval by a relevant Rating Committee, pursuant to the methodology applied at the agency.

It does not, however, exclude the possibility that EuroRating will make preliminary credit rating estimates of the financial credibility assessment (which are not ratings), based on assumed future scenarios or a limited range of information, for the needs of the rated entity or the related third parties.

5.7. Neither EuroRating nor any person holding at least 5 % of either the capital or voting rights of the agency or being otherwise in a position to exercise significant influence on the business activities of the agency shall provide consultancy or advisory services to the rated entity or a related third party regarding the corporate or legal structure, assets, liabilities or activities of that rated entity or related third party.

5.8. The EuroRating credit rating agency ensures that ancillary services provided for the rated entity or related third parties do not result in a conflict of interest by:

- a) legal or organizational separation of ancillary services from rating activities;
- b) disclosing in reports on issued ratings any ancillary services provided to the rated entity or a related third party;

- c) each time obtaining an opinion on the lack of contraindications from the Compliance Officer for the provision of particular types of ancillary services for the rated entity or a related third party, before the commencement of these services.

5.9. The EuroRating credit rating agency should not refrain from or cease any rating actions due to any possible consequences (economic, political or other) of such actions for the agency, rated entities, investors or other market participants.

B. Independence of analysts and employees of the EuroRating credit rating agency

5.10. The organisational structure of the EuroRating credit rating agency, the chain of command, as well as the rules related to remuneration of the agency's employees are developed in a manner enabling the elimination and efficient management of existing or potential conflicts of interest.

5.11. The remuneration of rating analysts and persons participating in ratings approval employed at the EuroRating credit rating agency does not depend on and is not determined by the revenues generated by EuroRating from rated entities in whose credit rating such persons participate or with whom they cooperate on a regular basis.

5.12. The employees employed at the EuroRating credit rating agency who are engaged in the process of issuing or approving ratings do not participate in the process of determining the remuneration received by EuroRating from the rated entities or related third parties.

5.13. Shareholders of the EuroRating credit rating agency may hold management positions at the agency and may be personally engaged in the agency's operational activities – including the process of determining the remuneration received by EuroRating from the rated entity or a related third party. However, they shall not be involved in the rating process.

5.14. No rating analyst (nor person participating in the approval of ratings) shall participate in the rating process or influence the process of issuing credit rating for a given rated entity, if such an analyst:

- a) is a holder of securities issued by the rated entity or derivatives of such securities, except for participation units in diversified collective investment programmes;
- b) is a holder of securities issued by any entity related to the rated entity, if it may result or may be perceived as potentially resulting in a conflict of interest, except for participation units in diversified collective investment programmes;

- c) within the period of six months prior to the date the Rating Committee approved the credit rating of the rated entity, had been in an economic employment or other relationship which may result or may be perceived as potentially resulting in a conflict of interest;
- d) is a close family member of a person who, at that time, works for the rated entity;
- e) is, or within the period of six months prior to the date the Rating Committee approved the credit rating of the rated entity, had been related to the rated entity or to a related entity, which may result or may be perceived as potentially resulting in a conflict of interest.

5.15. An analyst who is engaged or is engaging in any personal relationship which may result or be perceived as potentially resulting in a conflict of interest (e.g., in a personal relationship with an employee of the rated entity) is obliged to inform the Compliance Officer about this.

5.16. If a rating analyst terminates his/her employment relationship and starts work at a rated entity in whose credit rating he/she participated, or at a financial undertaking for which the rating analyst provided services as a part of his/her obligations at the agency, EuroRating reviews the rating analyst's work performed within the two years preceding his or her departure.

5.17. The rating analysts may not hold any key managerial positions in a rated entity nor in any related third party (if such persons directly participated in the rating process of such entities) within six months from the date of issuing the credit rating. Detailed restrictions on taking up work in the rated entities or third parties related to them are included in a separate procedure.

C. Restrictions on investments in credit rating agencies

5.18. A shareholder or a member of EuroRating holding at least 5 % of either the capital or the voting rights in the agency or in a company which has the power to exercise control or a dominant influence over the agency, shall be prohibited from:

- a) holding 5 % or more of the capital of any other credit rating agency;
- b) having the right or the power to exercise 5 % or more of the voting rights in any other credit rating agency;
- c) having the right or the power to appoint or remove members of the administrative or supervisory board of any other credit rating agency;
- d) being a member of the administrative or supervisory board of any other credit rating agency;

- e) exercising or having the power to exercise control or a dominant influence over any other credit rating agency.

This prohibition does not apply to diversified collective investment schemes, provided that the holdings in such schemes do not put the shareholder or member of the agency in a position to exercise significant influence on the business activities of those schemes.

- 5.19. Each shareholder or partner referred to in point 5.18, is obliged to submit a written statement to the person performing the function of the Compliance Officer, in which he declares his knowledge of the prohibitions described in the point above.

D. Disclosure of conflicts of interest

- 5.20. The EuroRating credit rating agency discloses and publishes information about conflicts of interest, either existing or perceived, regarding the rating activities, on a publicly available part of its website, in an easily accessible section entitled 'Code of Conduct'.

- 5.21. EuroRating publishes the names of rated entities if at least 5% of the agency's revenues for the last financial year was obtained from one of the rated entities, a subscriber or other type of client (including any possible remuneration received from the related entities).

- 5.22. In the following circumstances, the EuroRating credit rating agency does not issue a credit rating, and if a credit rating already exists, the agency immediately declares that it may be not credible:

- a) EuroRating or the rating analysts or other persons who participate in the rating process (including credit rating approval) are, directly or indirectly, holders of financial instruments of the rated entity or any related third party, or have any direct or indirect share in the ownership of such an entity or third party, other than participation units in diversified collective investment programmes;
- b) a shareholder or member holding at least 10 % of either the capital or the voting rights of EuroRating or being otherwise in a position to exercise influence on the business activities of EuroRating, holds 10 % or more of either the capital or the voting rights of the rated entity or of a related third party, or of any other ownership excluding holdings in diversified collective investment schemes and managed funds;
- c) a credit rating is issued for an entity or a related third party directly or indirectly related to the EuroRating credit rating agency in a supervisory manner;
- d) the credit rating is issued with respect to a rated entity or a related third party which holds 10 % or more of either the capital or the voting rights of that credit rating agency;

- e) the rating analyst or another person who participates in the rating process (including rating approval) is a member of the management board or the supervisory board of the rated entity or a related third party, or otherwise controls the rated entity or a related third party; or
- f) a shareholder or member of EuroRating holding 10 % or more of either the capital or the voting rights or being otherwise in a position to exercise significant influence on the business activities of EuroRating, is a member of the administrative or supervisory board of the rated entity or a related third party;
- g) the rating analyst or another person who participates in the rating process (including approval of ratings) regarding the rated entity was in any relationship with the rated entity or a related third party that could result in a conflict of interest.

5.23. If there are any reasons for re-rating or for withdrawal of an existing credit rating due to any possible or existing conflicts of interest, EuroRating shall immediately verify that rating.

5.24. A credit rating agency shall disclose where an existing credit rating or rating outlook is potentially affected by either of the following:

- a) a shareholder or member holding at least 5 % of either the capital or the voting rights of EuroRating or being otherwise in a position to exercise influence on the business activities of EuroRating, holds 5 % or more of either the capital or the voting rights of the rated entity or of a related third party, or of any other ownership excluding holdings in diversified collective investment schemes and managed funds;
- b) a shareholder or member of EuroRating holding 5 % or more of either the capital or the voting rights or being otherwise in a position to exercise significant influence on the business activities of EuroRating, is a member of the administrative or supervisory board of the rated entity or a related third party.

5.25. EuroRating keeps a register of all material threats to the independence of credit rating activities, including threats to the principles described in point 5 section B.

VI. Compliance with the principles of the "Conflict of interest policy"

6.1. The person responsible in the EuroRating credit rating agency for conflict of interest risk management is the Compliance Officer.

6.2. Agency employees (and other persons associated with the agency) should know and strictly comply with the principles contained in this policy.

- 6.3. All employees of the agency are responsible for identifying situations that may give rise to a conflict of interest. In case of doubts whether a given situation may cause such a conflict or how to manage it, EuroRating employees should consult on it with the Compliance Officer.
- 6.4. Agency employees (and other persons related to the agency) shall immediately inform the Compliance Officer about any cases of (unintentional or intentional) violation by them or by a close family member of the principles included in this policy.
- 6.5. If an employee of the EuroRating credit rating agency (or other person related to the agency) believes that any other person is engaged in an activity which, in the opinion of that person, is inconsistent with the law or internal regulations of the agency (including activities which may result in a conflict of interest), this person shall immediately inform the Compliance Officer, without any negative consequences for the person providing the information.

The agency's employees do not need to be experts in the provisions of the law. It is, however, expected that they inform about any actions which would raise the suspicions of a reasonable person as to their compliance with the provisions of law and other regulations.

- 6.6. It is forbidden for EuroRating or other employees of the agency to undertake or apply any retaliatory actions towards any persons who, acting in good faith, report information about violation of the provisions of the law or the internal regulations of the agency.
- 6.7. The Compliance Officer should diligently assess the significance of the information referred to in points 6.4. and 6.5. and, if necessary and justified, immediately undertake appropriate actions and precautionary measures, pursuant to the applicable provisions of the law and internal regulations applicable at the EuroRating credit rating agency.
- 6.8. The Compliance Officer provides the senior management of the agency with regular reports concerning any violations of the principles included in this policy (and in the Code of Conduct).

In the case of particularly serious violations or violations which require the agency to take appropriate precautionary measures, information about such violations should be provided to the senior management of the agency within the shortest possible time from its receipt.

VII. Organizational provisions

- 7.1. The Management Board of the EuroRating credit rating agency is responsible for approving, implementing and supervising compliance with this policy.
- 7.2. In case of doubt, the Compliance Officer is responsible for interpretation of the content of this policy.

- 7.3. This policy is subject to regular reviews, but not less frequently than once every two years, and is updated based on their results.

VIII. Disclaimer

- 8.1. This "Conflict of interest policy" is a set of principles and instructions with respect to avoiding, disclosing, eliminating and managing conflicts of interest that may be related to the rating activities conducted by the EuroRating credit rating agency. Its provisions do not, however, constitute and may not constitute any part of an agreement concluded with any third party. No third party is entitled (under any agreement or otherwise) to demand (indirectly or directly) fulfilment or application, by EuroRating or other entities specified in this policy, of all or part of its provisions.
- 8.2. This "Conflict of interest policy" is made publicly available by the EuroRating credit rating agency on the agency's website. Through publication of this policy, EuroRating does not express any responsibility or liabilities towards any third parties that could be related to its provisions.
- 8.3. The EuroRating credit rating agency may, at its sole discretion, amend the contents of this policy, in order to take into account legal and regulatory amendments, or any amendments in the activities or other internal regulations of the agency.