
FitchRatings

European Union and United Kingdom Transparency Report

March 2021

European Union (“EU”) and United Kingdom (“UK”) Transparency Report

This Transparency Report is published in accordance with Article 12 and Annex I, Section E.III of the EU Regulation on Credit Rating Agencies ((EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council of 11 May 2011 and as amended by Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May, 2013 (hereinafter referred to as the “EU Regulation”).

All information included herein pertains to the ratings operations of Fitch Ratings in the EU and UK registered with the European Securities and Markets Authority (“ESMA”) for the financial year ending 31 December 2020.

Fitch Ratings’ EU CRAs were subject to a reorganisation during the financial year ended 31 December 2020. Fitch France SAS, Fitch Deutschland GmbH, Fitch Italia S.P.A. and Fitch Polska S.A. were merged into Fitch Ratings Ireland Limited in May 2020, while Fitch Ratings España S.A.U. was merged into Fitch Ratings Ireland Limited (“FRIL”) in November 2020. All these Fitch Ratings’ EU CRAs subsequently became branches of Fitch Ratings Ireland Limited. Information in this document pertaining to these operations which relate to the full financial year ended 31 December 2020 have been presented on a notional pro forma basis reflecting the post-merger FRIL structure. Similarly, for the purposes of this document, references and definitions also reflect the post-merger FRIL structure.

On 31 December 2020, Fitch Ratings Ltd and Fitch Ratings CIS Ltd (“Fitch Ratings’ UK CRAs”) ceased to be regulated by ESMA and became regulated by the Financial Conduct Authority in accordance with the Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 (the “UK Regulation”). This document has been prepared with respect to the year ended 31 December 2020 when Fitch Ratings’ UK CRAs continued to be regulated by ESMA under the EU Regulation. As such, all references and definitions in this document reflect this position accordingly. It should be noted that the provisions of the UK Regulation reflect those of the EU Regulation and, as such, the disclosures in this transparency report would reflect those required under the UK Regulation in respect of Fitch Ratings’ UK CRAs.

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Definitions

Analysts means those individuals who perform Credit Rating Activities.

Analytical Group. See Global Analytical Group.

Boards refers to the boards of directors of FRI (the “FRI Board”) and FRL (the “FRL Board”) collectively.

Business and Relationship Management group (“BRM”) carries out ratings-related commercial and marketing activities independently of the Global Analytical Groups.

Chief Compliance Officer (“CCO”) reports jointly into the CRO of Fitch Group, and the Independent Directors of the Boards. The CCO is responsible for the goals, strategy and status of the Compliance Department, the compliance program, and certain other compliance processes and controls including those undertaken by the department’s four core teams.

Chief Credit Officer reports to the CRO and leads the Credit Policy Group.

Chief Criteria Officer reports to the CRO and is responsible for the Criteria Review and Approval Group.

Chief Information Security Officer (“CISO”) reports to the Chief Risk Officer, and oversees information security for all of Fitch Group's business units.

Chief Risk Officer (“CRO”) is responsible for the Group Risk function.

Compliance refers to the Compliance Department, led by the Chief Compliance Officer, and is responsible for advising on, supporting and overseeing compliance with the various laws, rules and regulations governing the issuance of credit ratings.

Conduct Policies are the Fitch Ratings’ Code of Conduct & Ethics and related policies regarding complaints, conflicts of interest and confidentiality.

CRA means Credit Rating Agency.

CRA Regulation refers to the various laws, rules and regulations governing the issuance of Credit Ratings.

Credit Policy Group (“CPG”) is independent of the Global Analytical Groups and operates in an oversight capacity with respect to Fitch Ratings’ analytical work. CPG also ensures new or developing credit issues are shared and addressed across Analytical Groups.

Credit Rating means a rating that assesses the creditworthiness of an issuer or an issuance.

Credit Rating Activities include data and information analysis and the evaluation, approval, issuance and review of credit ratings, including acting as the chairperson or voting member of a credit rating committee. Credit rating activities do not include general analytical management activities and oversight (including discussing issues with Analysts under direct supervision), attendance at management meetings or participating as an observer (i.e., non-voting member) in a credit rating committee.

Criteria Review and Approval Group (“CRAG”) reviews new methodologies or models, and amendments to existing methodologies or models that would have a material impact on a given set of ratings as required under Fitch Ratings’ policy.

Endorsed Ratings means an international scale public credit rating where the relevant primary Analyst is an endorsed rating analyst.

ESMA is the European Securities and Markets Authority.

EU Analyst means an analyst employed by Fitch Ratings Ltd (including its branch in Dubai), Fitch Ratings CIS Ltd (including its branch in Moscow) and Fitch Ratings Ireland Limited (including its branches in France, Germany, Italy, Poland, Spain and Sweden).

EU Fitch CRA means Fitch Ratings' credit rating subsidiaries located in the EU and UK and registered with ESMA (including any branches of these companies, wherever located). This means Fitch Ratings Ltd (including its branch in Dubai), Fitch Ratings CIS Ltd (including its branch in Moscow) and Fitch Ratings Ireland Limited (including its branches in France, Germany, Italy, Poland, Spain and Sweden).

Fitch Credit Academy is a training program providing a formal structure to develop and assess the knowledge and skills analysts need to be effective when evaluating credit.

Fitch Ratings means Fitch Ratings, Inc. and each of its credit rating affiliates that issues Ratings under the trade name "Fitch Ratings".

Fitch Ratings' Code of Conduct & Ethics means the document based upon the global best practices outlined in the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies, and, with respect to any given jurisdiction in which Fitch Ratings conducts Credit Rating Activities, is consistent with all laws, rules and regulations applicable to Fitch Ratings in such jurisdiction. All FitchRatings policies and procedures reflect Fitch Ratings' Code of Conduct & Ethics.

FRI means Fitch Ratings, Inc.

FRI Board means the Board of Directors of Fitch Ratings, Inc.

FRIL means Fitch Ratings Ireland Limited

FRL means Fitch Ratings Ltd

FRL Board means the Board of Directors of Fitch Ratings Ltd.

Global Analytical Head reports to the President of Fitch Ratings and is responsible for all Analytical Groups

Global Analytical Groups means any employee in the following Analytical Groups:

- Corporates
- Covered Bonds
- Fund and Asset Manager Group ("FAM")
- Financial Institutions
- Global Infrastructure
- Insurance Group
- International Public Finance
- Sovereigns & Supranationals
- Structured Finance
- US Public Finance

Group Risk develops, coordinates and reports on the risk management activities of Fitch Ratings.

Hearst Ratings II, Inc. is a single purpose subsidiary through which the Hearst Corporation retains its ownership interest in Fitch Group, Inc.

Independent Directors are outside members of the Boards.

Ratings Operations is responsible for developing, implementing and monitoring procedures and controls with respect to the Credit Rating process in response to regulation.

Ratings Process Manual (“RPM”) The RPM presents minimum policy and procedural requirements for Analysts globally and it details the procedures applicable to all ratings, rating outlooks, rating assessments, credit opinions and scores.

Senior Global Rating Group Heads are the senior-most managers of each Analytical Group and report to the Global Analytical Head.

Technology Risk is the group led by the CISO which provides oversight and governance over the Technology Risk program at Fitch.

1. Legal Structure and Ownership

Legal Structure

The Fitch Ratings group of companies established in the EU and UK are listed below. Each of these companies is incorporated in accordance with applicable national law and registered under the EU Regulation.

1. Fitch Ratings Ltd - established in England
2. Fitch Ratings CIS Ltd - established in England
3. Fitch Ratings Ireland Limited – established in Ireland

Fitch Ratings Ltd operates largely in the United Kingdom, although it has a branch in Dubai. Fitch Ratings CIS Ltd operates solely via a branch office in Moscow. Fitch Ratings Ireland Limited operates through an EU branch network, including France, Germany, Italy, Poland, Spain and Sweden.

Ownership

- a) Fitch Ratings Ltd: ownership – Fitch Ratings, Inc. 100%
- b) Fitch Ratings CIS Ltd: ownership – Fitch Ratings Ltd 100%
- c) Fitch Ratings Ireland Limited: ownership - Fitch Ratings Ltd. 99.37% and Fitch Ratings, Inc. 0.63%

Fitch Ratings, Inc. is 100% owned by Fitch Group, Inc., a holding company, which in turn is 100% indirectly owned by the Hearst Corporation of the US.

The Hearst Corporation is a privately held diversified media and information company with headquarters in the US. Its major interests in addition to owning 100% of Fitch Group, Inc., include ownership of magazines, newspapers, cable networks, television broadcasting, internet and marketing services businesses, TV production, newspaper features distribution, and real estate. It maintains significant holdings in automotive and medical/pharmaceutical business information companies. It retains its ownership interest in Fitch Group, Inc. through Hearst Ratings II, Inc., a single purpose subsidiary.

2. Endorsed Credit Ratings

Per ESMA's Final Report on the Guidelines on the application of the endorsement regime ("The Guidelines") published 18th July 2018 (report reference ESMA33-9-246) ESMA considers that an endorsing CRA has demonstrated to ESMA that the conduct of the credit rating activities by the third-country CRA resulting in the issuing of an endorsed credit rating fulfils requirements which are at least as stringent as those set out in Article 12 and Part III of Section E of Annex I of CRAR (Transparency Report), where the endorsing CRA includes information about the endorsed credit ratings in its own transparency report, ensuring that:

- i. the description of the internal control mechanisms ensuring quality of a CRA's credit rating activities includes control mechanisms applicable to endorsed credit ratings;
- iii. the description of the policy for recordkeeping and analyst rotation indicates whether such policies are global or only applied to EU ratings; and
- iv. the financial information on the revenue of the endorsing CRA, includes total turnover and the revenues derived in the EU.

From the perspective of its core business of determining credit ratings, Fitch Ratings operates as a single global business with a centralised cross-jurisdictional management structure and a global operating model irrespective of the location of staff and employing entity within the Fitch Group. As such the core body of policies and the associated controls that are applicable to the process of preparing and issuing a credit rating, are largely global in nature. There is limited jurisdictional variation to these policies and controls – such that they apply both to EU CRAs and third country CRAs that issue credit ratings that are endorsed for use in the EU, As a result, the policies and controls applied by these third party CRAs are as stringent as those applied by EU CRAs.

As a consequence of the group's global operating model Fitch Ratings records transfer pricing adjustments to ensure that the profits reported in each jurisdiction are consistent with the arm's length principle and the OECD Guidelines for Transfer Pricing.

3. Internal Control Structure Governing the Determination of Credit Ratings

1. Introduction

This section describes Fitch Ratings, Inc.'s ("FRI") and Fitch Ratings Ltd's ("FRL") internal controls related to the issuance of Credit Ratings (including any of FRI's and FRL's subsidiaries that issue credit ratings under the trade name of Fitch Ratings). The definition of Credit Ratings, along with both other capitalized terms that may be used in this document and other material information pertaining to Credit Ratings, are set forth on Fitch Ratings' publicly available website at <https://www.fitchratings.com/site/definitions>.

2. Board Oversight

The boards of directors of FRI (the "FRI Board") and FRL (the "FRL Board") (collectively, the "Boards"), act as the parent entities for all Fitch Ratings' companies undertaking credit rating activity. Each of the Boards performs its oversight activities on behalf of Fitch Ratings globally. In addition, where necessary pursuant to applicable local law, the local boards of directors of other Fitch Ratings credit rating subsidiaries may perform additional oversight activities.

Among other matters, the Boards are responsible for the oversight and management of FRI or FRL, as the case may be, in accordance with their fiduciary responsibilities and standards established by the laws of the jurisdictions in which FRI and FRL are organized. The Boards have delegated responsibility for the day-to-day running of FRI and FRL to a senior management team with sufficient skill and experience to ensure the sound and prudent management of FRI and FRL.

The Boards oversee, among other matters:

- a. The process for the issuance of Credit Ratings;
- b. The publishing of new and materially amended criteria and methodologies pertaining to determining Credit Ratings;
- c. The implementation of certain new and materially amended policies;
- d. The program designed to manage conflicts of interest;
- e. The maintenance of internal controls related to determining Credit Ratings;
- f. The compensation and promotion processes; and
- g. The compliance and governance processes, including the effectiveness of the Criteria Review and Approval Group ("CRAG")

3. Policy Framework

All Fitch Ratings' policies and procedures reflect Fitch Ratings' Code of Conduct & Ethics, which is based upon the global best practices outlined in the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies, and, with

respect to any given jurisdiction in which Fitch Ratings conducts Credit Rating activities, are consistent with all laws, rules and regulations applicable to Fitch Ratings in such jurisdiction.

During the policy development or amendment stage, input is gathered from relevant constituents within Fitch Ratings including, where appropriate, the senior management of the Global Analytical Groups, the Credit Policy Group (“CPG”), the Legal Group, Ratings Operations (including Regulatory Affairs, Policies and Procedures), the Business and Relationship Management Group (“BRM”), the Compliance Department (“Compliance”), and any others as may be appropriate. Once a new or amended policy is finalized, it is subject to review and approval in accordance with Fitch Ratings’ internal protocols. Certain of Fitch Ratings’ policies are also subject to review by the Boards.

4. Three Lines of Defense

Fitch Ratings’ internal control structure is designed to ensure that Fitch Ratings employees comply with Fitch Ratings’ policies and procedures relating to or associated with the issuance of Credit Ratings. This control structure consists of three lines of defense, and is ultimately overseen by the Boards:

- a. First Line of Defense: the Global Analytical Groups, BRM and Ratings Operations (see below in 5);
- b. Second Line of Defense: CPG, CRAG, the Compliance Department, and the Technology Risk (CISO) (see below in 6); and
- c. Third Line of Defense: Internal Audit (see below in 7) and external or outsourced third-party audits, as needed.

Each of the three lines of defense is further supported by the Information Technology group (“IT”) (see below in 8).

5. First Line of Defense

The overall responsibility to ensure that Fitch Ratings’ policies and procedures relating to or associated with the issuance of Credit Ratings are followed rests with the senior managers and all members of the first line of defense.

Global Analytical Group

The senior managers of the Global Analytical Group are: (i) the Senior Global Group Heads; (ii) the Global Group Heads, each covering the analytical groups; and (iii) the Regional Group Heads covering certain geographical areas.

The Senior Global Rating Group Heads report to the Global Analytical Head.

Business Relationship Management

Fitch Ratings maintains a separate BRM Group which carries out ratings-related commercial and marketing activities independently of the Global Analytical Groups. This separation helps ensure that analytical staff are not influenced by business considerations. All discussions with an issuer, originator, arranger, sponsor, servicer or any other party that interacts with Fitch Ratings on behalf of the issuer concerning rating fees, fee arrangements or billings are handled by BRM, finance and accounting staff, members of the Legal Department, or others, outside the Global Analytical Groups, who are employed by Fitch Ratings to handle billing or fee related matters. BRM staff also follow policies and procedures designed to ensure compliance with credit rating agency regulation, as well as anti-money laundering laws, international sanctions and anti-bribery and corruption laws.

Ratings Operations

Ratings Operations is responsible for developing, implementing and monitoring procedures and controls with respect to the Credit Rating process in response to regulation, Fitch Ratings policy, and senior management guidance. Ratings Operations works with members of the Global Analytical Groups, BRM, Compliance, CPG, Human Resources, Legal and IT to identify risks and implement procedural, training and/or technical solutions in support of Fitch Ratings’ control framework and analysts’ compliance with the firm’s policies and procedures. Ratings Operations also produces

management reports and analysis to support the Global Analytical Groups' compliance with the various procedures outlined in the Ratings Process Manual.

6. Second Line of Defense

Fitch Ratings' core control functions of the Credit Policy Group (CPG), the Criteria Review and Approval Group (CRAG), Compliance and Technology Risk comprise the Second Line of Defense. These functions operate at a global, rather than local level, with staff based in Fitch Ratings' New York, Chicago, UK, Hong Kong, Singapore, and certain EU and Middle Eastern offices, amongst others, providing support and oversight to all Fitch Ratings offices globally.

The Credit Policy Group

CPG is independent of the Global Analytical Groups. CPG is led by the Chief Credit Officer and comprises Group Credit Officers, Regional Credit Officers, (collectively, Credit Officers), an Evaluating Committee Robustness function and 'Fitch Wire' (which provides intra-day commentary on topical credit issues). The Chief Credit Officer reports to the Chief Risk Officer of Fitch Group ("CRO"). Credit Officers leverage participation in various committees and discussions to ensure new or developing credit issues are shared and addressed across Analytical Groups. CPG therefore operates in an oversight capacity with respect to Fitch Ratings' analytical work. In fulfilling these responsibilities, CPG conducts the following activities, among others:

- Aggregates risks across ratings by focusing on risk identification and coordination across sectors and regions;
- Conducts reviews for assessing ratings performance and ratings comparability;
- Links rating trends with current fundamentals, macro-economic developments and analytically defined expectations by industry or sector;
- Monitors that Analytical Groups are addressing new developments with an appropriate sense of urgency and rigor, and reports on and makes recommendations in certain cases;
- Develops and nominates areas of topical research that can be used to frame credit priorities or identify new material credit market developments
- Reviews and reports on analytical exceptions, incidents and complaints; and
- Carries out reviews of Committee Papers as part of the Evaluating Committee Robustness program.

Criteria Review and Approval Group

CRAG is independent of the Global Analytical Groups, is led by the Chief Criteria Officer and is comprised of Criteria Officers, the Model Validation Group, and the Ratings Performance Analytics team.

The Chief Criteria Officer reports to the Chief Risk Officer ("CRO") of Fitch Group. CRAG oversees Fitch Ratings' ratings criteria and related models.

In fulfilling its oversight obligations, CRAG conducts the following activities, among others:

- Oversees the rating criteria (and related models and key assumptions) review and approval process ;
- Conducts regular transition and default studies to monitor the performance of Fitch Ratings' ratings over time and across analytical sectors and geographical regions;
- Utilizes a database of criteria and models to measure compliance with the requirements to review such criteria and models;
- Reviews criteria back-testing and model validation; and

- Maintains a log of analytical errors.

In addition to oversight responsibilities, CPG and CRAG contribute to the development of the 'Fitch Credit Academy' which is a training program providing a formal structure to develop and assess the knowledge and skills analysts need to be effective when evaluating credit.

The Compliance Department

Compliance is responsible for advising on, supporting and overseeing compliance with the various laws, rules and regulations governing the issuance of Credit Ratings ("CRA Regulation") applicable in the jurisdictions in which Fitch Ratings operates, along with further provisions set forth in Fitch Ratings' Code of Conduct & Ethics and related policies regarding complaints, conflicts of interest and confidentiality (collectively, "Conduct Policies").

Compliance supports Fitch Ratings' compliance with CRA Regulation and the Conduct Policies on an on-going basis through the functions described below, as well as by analyzing information obtained via Fitch Ratings' Ethics Hotline and internal incident reporting systems.

Compliance is led by the Global Chief Compliance Officer (the "CCO"), who reports jointly into the Chief Risk Officer of Fitch Group, and the Independent Directors of the Boards (the "Independent Directors"). In addition to its New York and UK-based staff, Compliance has local Compliance Officers based in Fitch Ratings' Chicago office, Brazil, Chile, Colombia, Germany, Hong Kong, Japan, Mexico, Russia, Singapore, Spain, and the United Arab Emirates. The CCO periodically reports to the Independent Directors and the CRO on the work of the Compliance Department, the compliance workplan, and certain other Compliance processes and controls including those undertaken by the Department's four core teams, which are as follows:

Regulatory Compliance: Regulatory Compliance is responsible for maintaining Fitch Ratings' license or registration in all jurisdictions where Fitch Ratings is licensed or registered as a credit rating agency. This includes making regular (e.g. monthly, annual, etc.) reporting and filings; ad hoc reporting; and, any issue or event-driven public or regulatory disclosures. This team manages all regulatory exams and other requests by regulatory authorities or agencies for documents and information. Further, the team tracks and monitors Fitch Ratings' completion of agreed management actions arising from regulatory exams and recommendations. The team regularly liaises with regulators through in-person visits or conference calls. Regulatory Compliance is also responsible for oversight of the processes regarding the handling and resolution of Conduct-related complaints, and for undertaking certain Conduct-related internal investigations. Regulatory Compliance also conducts outreach to Fitch Ratings' offices without a local Compliance Officer through either on-site visits or teleconferences. Regulatory Compliance is structured by geographic region covering the Americas, APAC and EMEA. Each region is led by a Regional Head of Compliance.

Personal Conflicts Monitoring: The Personal Conflicts Monitoring team ("PCM") administers Fitch Ratings' Global Securities Trading and Conflicts of Interest Policy ("Bulletin 13"). Bulletin 13 is designed to minimize actual and potential conflicts that may arise from employees' personal trading activity, outside interests and external relationships. The bulletin also addresses the gift policy and guidance in relation to business events and entertainment. In order to administer the program, PCM utilizes a third party compliance surveillance system which is used to monitor employee trade activity, administer certifications and manage employee disclosures. Employees must complete an initial compliance certification prior to their start date and attest on an ongoing basis during the annual compliance certification to their securities accounts, holdings and other potential conflicts. Further, PCM is responsible for managing employee's requests for exceptions and/or the need to implement recusals related to potential conflicts related to Bulletin 13.

Compliance Testing & Monitoring: The Compliance Testing & Monitoring team ("CTM") conducts testing throughout Fitch Ratings to assess compliance with policies and procedures, and the effectiveness of internal controls implemented with respect to its Credit Rating and related activities. CTM develops annually a risk-based compliance testing plan, which details the testing schedule for the following calendar year. The annual compliance testing plan prioritizes the compliance testing universe using a risk-based approach that considers, among other factors, outcomes of the compliance risk assessment,

prior compliance testing, regulatory findings, and other identified issues or trends. Findings from compliance testing are documented in written reports, which are distributed to management and include details of corrective action plans. CTM also monitors the ageing of corrective action plans and validates their closure. Additionally, CTM conducts monitoring of email communications sent or received by Fitch Ratings employees. Emails are flagged by dedicated software when the content of the email indicates a potential violation of policies and procedures. All flagged emails are reviewed by CTM to determine whether a violation occurred and, where appropriate, follow up investigation and remedial action is carried out.

Compliance Policies and Internal Communications::

The Compliance Policies and Internal Communications team (“Compliance Communications”) is responsible for managing Fitch Ratings’ policy, procedure and internal communications framework globally. It manages the process by which certain policies or procedures are kept current and maintained, doing so in consultation with key stakeholders. Compliance Communications prepares and presents training and other Compliance communications for employees within Fitch Group, and coordinates and manages other Compliance communications to the firm including information housed on the intranet and communicated through Webex, MS Teams, Zoom and via email and in person. Compliance Communications works across functions within Compliance to identify current objectives, requirements and trends and to disseminate relevant information both within the Compliance team and to the broader employee base where appropriate.

Technology Risk

Technology Risk (“Tech Risk”) is responsible for enabling the firm to deliver against its strategic goals by reducing the risk of significant security incidents and data breaches. The team is focused on understanding the risk environment so that measures can be taken to eliminate the risk or to reduce the likelihood and potential impact when an incident arises from a risk. Led by the Chief Information Security Officer (CISO), Tech Risk works with the Fitch IT team to drive increased security and resiliency across the Fitch Ratings environment, manage data security and access control for files, folders and applications in compliance with confidentiality and conflict of interest policies, and manage risk and enable secure business collaboration and customer engagement. Tech Risk also works closely with other risk stakeholders, including Legal, Compliance, Operational Risk and Human Resources to improve awareness and understanding of the risk environment.

7. Internal Audit (Third Line of Defense)

Internal Audit (“IA”) provides independent and objective assurance as to the adequacy and effectiveness of Fitch Ratings’ risk framework, controls and governance processes. The Head of IA reports to the Independent Directors and the CRO. At least annually, the Head of IA submits to the Independent Directors and the CRO an internal audit plan for review and approval. The plan consists of the IA work schedule for the upcoming financial year. It is developed using a risk-based methodology and includes input from the Independent Directors, the CRO and other members of Fitch Ratings’ senior management. On an ongoing basis, thereafter, the Head of IA reviews and adjusts the plan, as necessary, in response to changes in Fitch Ratings’ business, risks, operations, programs, systems and controls. Any significant deviation from the approved internal audit plan is communicated to the Independent Directors and the CRO. After the conclusion of each internal audit engagement, IA issues and distributes a written report to relevant management and the Board. The report details audit findings and recommendations together with management’s corrective actions and their timeframes for completion. Subsequently, IA is responsible for monitoring and approving completion of corrective actions. The Head of IA reports quarterly to the Independent Directors and the CRO on the progress and performance regarding the audit plan.

8. Global IT Structure and Systems

Fitch IT manages the technology infrastructure, application development and first line IT information security for Fitch Ratings globally. Fitch IT also undertakes the following:

- Maintains and monitors infrastructure including desktops, networks and data centres required for ongoing operations;
- Manages disaster recovery plans and performs quarterly system recovery tests;
- Develops and maintains custom applications required to support core rating activities, such as workflow systems, analysis and surveillance systems, and publishing and document management systems

4. Information on Allocation of Staff

The tables below detail the total number of employees for Fitch's UK and EU entities, as at the end of the financial year ending December 31, 2020, identifying:

- a) The number of analytical staff employed within the ratings groups who work on new credit ratings and credit rating reviews (including supervisors).
- b) The total number of analytical staff employed within the Credit Policy and Criteria Review and Approval Groups including those responsible for methodology or model appraisal.
- c) The total number of analytical supervisors (defined below) within both the ratings groups and the Credit Policy Group.
- d) The total number of global group heads – the senior-most managers of each analytical group, including the Global Analytical Head that these individuals report into.
- e) The total number of support staff.

| Fitch Ratings Ltd (incl. Branches) | | |
|---|----|------------|
| Analytical Staff in Corporates | 72 | |
| Analytical Staff in Financial Institutions | 58 | |
| Analytical Staff in Structured Finance | 60 | |
| Analytical Staff in Sovereign & International Public Finance | 21 | |
| Analytical staff employed within rating groups | | 211 |
| Analytical staff employed within CPG | | 4 |
| Total Analytical Staff | | 215 |
| Of which analytical supervisors (i.e. Senior Director or above) | 58 | |
| Of which global group heads | 3 | |
| Total Support Staff | | 391 |
| Total Staff | | 606 |

| Fitch Ratings CIS Limited (Russia) | | |
|---|----|-----------|
| Analytical Staff in Corporates | 13 | |
| Analytical Staff in Financial Institutions | 11 | |
| Analytical Staff in Structured Finance | 0 | |
| Analytical Staff in Sovereign & International Public Finance | 4 | |
| Analytical staff employed within rating groups | | 28 |
| Analytical staff employed within CPG | | 0 |
| Total Analytical Staff | | 28 |
| Of which analytical supervisors (i.e. Senior Director or above) | 7 | |
| Of which global group heads | 0 | |
| Total Support Staff | | 20 |
| Total Staff | | 48 |

| Fitch Ratings Ireland Ltd | | |
|---|----|------------|
| Analytical Staff in Corporates | 49 | |
| Analytical Staff in Financial Institutions | 43 | |
| Analytical Staff in Structured Finance | 53 | |
| Analytical Staff in Sovereign & International Public Finance | 32 | |
| Analytical staff employed within rating groups | | 177 |
| Analytical staff employed within CPG | | 1 |
| Total Analytical Staff | | 178 |
| Of which analytical supervisors (i.e. Senior Director or above) | 37 | |
| Of which global group heads | 0 | |
| Total Support Staff | | 89 |
| Total Staff | | 267 |

Further information on senior management can be found in section 7 of this report.

Notes to the Tables:

1. Analytical supervisors are defined as those analytical employees holding a title of Senior Director or above. Quorum requirements for ratings committees require at least one analyst with a title of Senior Director or above to be present.
2. Fitch does not maintain separate surveillance teams with respect to its corporate, public finance or structured finance groups in Europe. Thus, the analytical staff in these areas work on both assigning new ratings and monitoring existing ones.
3. New methodologies or models, and amendments to existing methodologies or models that would have a material impact on a given set of ratings are required under Fitch policy to be reviewed by a Criteria Review Committee. While senior analysts from across the analytical groups participate in this process, only staff drawn from the Criteria Review and Approval Group are permitted to vote on the final outcome.
4. Fitch has four senior global rating group heads worldwide that report to the global analytical head. Each of these individuals has global responsibility for one or more rating product areas as follows: 1) corporate finance; 2) global infrastructure, United States public finance and international public finance; 3) banks, non-bank Financial Institutions, insurance and fund and asset management; and 4) structured finance and covered bonds.¹

¹ Another group head with responsibility for Sovereign Ratings, based in Hong Kong, reports directly to the Global Analytical Head.

5. Record Keeping Policy

Fitch Ratings has global file maintenance and record-keeping policies and practices that are designed, collectively, to ensure that it maintains adequate records in accordance with all applicable laws and regulations including, but not limited to, the EU Regulation. There are two main record-keeping policies that apply: the File Maintenance and Recordkeeping Policy for Analysts, and the File Maintenance and Recordkeeping Policy for the Business and Relationship Management Group.

Additional details regarding the exact content of the information that must be included in certain documents referenced in the File Maintenance and Recordkeeping Policy for Analysts (such as rating committee minutes) are contained in internal manuals that provide detailed procedural guidance on the rating process. Other non-analytical groups, such as the Accounts Group, maintain separate internal recordkeeping policies.

Collectively, these policies and procedures require that, among other things, Fitch Ratings maintains records for a period of at least five years that cover:

- (a) documents including internal records and working papers used or created in support of determining and assigning any type of credit rating, assessment, opinion, score or other Fitch Ratings credit product;
- (b) electronic or written communications received or sent by Fitch Ratings and its employees concerning fee negotiations;
- (c) records of the solicited and unsolicited status of each credit rating;
- (d) records documenting the established procedures and methodologies used by Fitch Ratings to determine credit ratings;
- (e) records of the procedures and measures implemented by Fitch Ratings to comply with any applicable regulation; and
- (f) external and internal communications, including emails received and sent by Fitch Ratings and its employees that relates to initiating determining, maintaining, monitoring, changing or withdrawing a credit rating.

6. Outcome of the Annual Internal Review of the Compliance Function

Internal Audit is conducting an audit of the Annual Compliance Certification process as its annual audit of the Global Compliance Group. To align the audit with the 2021 Certification timetable, the audit report identifying any control issues requiring management actions will be completed by the end of Second Quarter 2021.

7. Management and Rating Analyst Rotation Policy

Management

Fitch Ratings maintains separate legal entities in the EU and UK largely for financial reasons. In maintaining separate legal entities, Fitch Ratings complies with all local corporate law requirements as well as the applicable corporate governance requirements of EU and UK Regulations. Thus, each of Fitch Ratings Ltd, Fitch Ratings CIS Ltd, and Fitch Ratings Ireland Limited is set up in a manner consistent with applicable local corporate law. The individual board members of each of our EU and UK companies are identified within the tables provided as part of Section 9 of this report.

Separate from the board members, each branch of Fitch Ratings Ltd, Fitch Ratings CIS Ltd and Fitch Ratings Ireland Limited has an Operations Manager who has day-to-day responsibility for the smooth functioning of the office. All of the Operations Managers report into the Regional Operations Head, who is based in Frankfurt. None of these Operational Managers has any analytical responsibilities.

The organisation of Fitch's analytical management is not structured around our corporate organisation. Each of the analytical staff employed within Fitch's EU and UK subsidiaries reports to a regional group head, in some cases through a series of line managers. The regional rating group heads report ultimately to a global group head. Currently one of Fitch's four global rating group heads are based in London, and three are based in the United States of America. All four analytical global group heads report to a Global Analytical Head who is based in New York. This individual reports to the President of Fitch Ratings, Ian Linnell, who is based in London.

Analyst Rotation

The analyst Rotation Policy in effect with respect to Fitch's EU and UK operations, as well as those in Third Countries that issue credit ratings that Fitch endorses the for use in the EU, was developed to be consistent with EU Regulations and ESMA's guidance on the endorsement of Third Country credit ratings. It establishes, with respect to any EU or third country credit rating agency that issues endorsed ratings, with 50 or more staff, maximum permissible time periods for covering a rated entity.

Extracts from the current version of Fitch's analyst Rotation Policy that are applicable to Fitch's EU and UK operations and to Endorsed ratings at 31 December 2020 are reproduced in full below.

Rotation Policy

EXECUTIVE SUMMARY

Objective: To communicate Fitch Ratings' policy governing Analyst rotation

Application: Fitch Ratings Analysts participating in the assignment of Credit (and in some cases, Non-Credit) Ratings by Fitch Ratings' subsidiaries operating in the UK, Russia, the EU, Japan, Mexico, Costa Rica, Honduras, Panama and El Salvador, as well as Analysts located in certain other jurisdictions, as set forth below

Effective Date: 11 December 2020²

Version: 18, replacing Bulletin 34: Rotation Policy, Policy Version 17.

OVERVIEW

Fitch Ratings has established this Policy, which governs Analyst rotation, pursuant to certain jurisdictional regulatory requirements.

This policy only applies to Analysts performing Credit Rating Activities, except in respect of the Costa Rican, Salvadoran and Mexican rotation requirements, where it also applies to Analysts performing Non-Credit Rating Activities.

The type and nature of the rotation requirements differ depending on the Rating group to which the Analyst belongs, the role of the Analyst (i.e., primary, secondary, rating committee chair or voting member), or the relevant jurisdiction, as is set forth in further detail in the country-specific sections below and in Appendix B. Note that, for purposes of this Policy, covered bond ratings are not considered to be structured finance ratings.

NB: Extraterritorial Reach. With respect to the following countries, rotation requirements apply not just to the Analysts located in the relevant country, but also to Analysts located outside of the country where the Analyst is rating a Rated Entity located within the relevant country, as described below. Analysts are encouraged to review the following table when conducting ratings issued by Fitch Ratings affiliates located outside of their own jurisdiction.

| Country with Extraterritorial Requirements | Extraterritorial Requirements |
|--|---|
| Costa Rica | Rotation requirements apply to National Scale Public Ratings (both Credit Ratings and Non-Credit Ratings) with respect to any Costa Rica-domiciled Rated Entity (and/or its securities), regardless of where the Analyst is located |
| El Salvador | Rotation requirements apply to National Scale Public Ratings and Private Ratings (both Credit Ratings and Non-Credit Ratings) with respect to any El Salvador- |

² UK CRA Regulation requirements contained in this Bulletin do not take effect until the completion of the implementation period regarding the exit of the UK from the EU, scheduled for 31 December 2020. Prior to the completion of the implementation period entities defined as UK CRAs must be treated as EU CRAs.

| | |
|-----------------|---|
| | domiciled Rated Entity (and/or its securities) requested in a fee agreement entered into by Fitch Central America, regardless of where the Analyst is located |
| Honduras | Rotation requirements apply to National Scale Public Credit Ratings with respect to any Honduras-domiciled Rated Entity (and/or its securities), regardless of where the Analyst is located |
| Japan | Rotation requirements apply to international scale Public Credit Ratings endorsed by FRJ ³ , regardless of the where the Analyst is located. |
| Mexico | Rotation requirements apply to National Scale Public Ratings (both Credit Ratings and Non-Credit Ratings) (i) requested in a fee agreement entered into by Fitch Mexico (regardless of the location of the counterparty) or (ii) with respect to any Mexico-domiciled Rated Entity (and/or its securities), regardless of where the Analyst is located. |
| Panama | Rotation requirements apply to National Scale Public Credit Ratings and Private Credit Ratings with respect to any Panama-domiciled banking institution (and/or its securities), regardless of where the Analyst is located. |

DEFINITIONS

Analysts means those individuals who perform Credit Rating Activities; however, individuals who perform Non-Credit Rating Activities are also included within the definition of “Analysts” under the Mexican rotation requirements. Analysts can include primary Analysts, secondary Analysts, rating committee chairs and persons who vote in committees, based on which roles are subject to local law rotation requirements, as set forth in further detail in the jurisdiction-specific sections below and in **Appendix B**.

Consecutively Participating Analyst is a term used exclusively for purposes of the Japan rotation requirements. It pertains to international scale Public Credit Ratings of insurance companies and non-financial corporates (and their securities) assigned or endorsed by FRJ. A Consecutively Participating Analyst is a voting committee member who voted in all rating committees held during the prior FRJ fiscal year (which is currently the calendar year) with respect to such an entity (and, if applicable, its securities), where the rating committee assigned new international scale Public Credit Ratings, or affirmed, reviewed (i.e., reviewed – no action, downgraded, upgraded) or withdrew existing international scale Public Credit Ratings.⁴ An Analyst who did not vote in all committees held with respect to the relevant Rated Entity (and, if applicable, its securities) during the prior financial year of FRJ is not considered a Consecutively Participating Analyst.

Cooling Off Period means the time period during which the relevant Analyst is prohibited from engaging in specified Credit Rating Activities (or Non-Credit Rating Activities, in the case of Mexico), as set forth in **Appendix B**.

Credit Rating means a Rating that assesses the creditworthiness of an issuer or an issuance.

³ A Credit Rating is deemed “endorsed” by FRJ if it has formally progressed through the internal FRJ endorsement process and actually been endorsed.

⁴ For purposes of determining a Consecutively Participating Analyst, rating committees where a Rated Entity was placed on Rating Watch with no other rating action taken are not included.

Credit Rating Activities include data and information analysis and the evaluation, approval, issuance and review of Credit Ratings, including acting as the chairperson or voting member of a Credit Rating committee. Credit Rating Activities do not include general analytical management activities and oversight (including discussing issues with Analysts under direct supervision), attendance at management meetings or participating as an observer (i.e., non-voting member) in a credit rating committee.

Endorsed CRA means any of Fitch Ratings, Inc., Fitch Australia Pty Ltd., Fitch Ratings Brasil Ltda., Fitch (Hong Kong) Ltd., Fitch Mexico S.A. de C.V. or Fitch Singapore Pte. Ltd. (or any branch of one of these entities, wherever located).⁵⁶

Endorsed Rating means an international scale Public Credit Rating where the relevant primary Analyst is an Endorsed Rating Analyst.

Endorsed Rating Analyst means an Analyst employed by an Endorsed CRA.

EU Analyst means an Analyst employed by an EU CRA.

EU CRA means means Fitch Ratings Ireland Limited (including any of its branches (wherever located)).

EU CRA Regulation means Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (as amended from time to time).

European CRA means an EU CRA or a UK CRA.

European CRA Analyst means an Analyst based in a European CRA.

Fitch Central America means Fitch Centroamerica S.A.

Fitch Ratings means Fitch Ratings, Inc. and each of its credit rating affiliates that issues Ratings under the trade name "Fitch Ratings".

FRJ means Fitch Ratings Japan Limited.

Fitch Mexico means Fitch Mexico S.A. de C.V.

IPF means International Public Finance.

National Scale means, when used to describe a Rating, that that Rating is assigned or maintained using a national rating scale, as set forth in Fitch Ratings' Ratings Definitions on its public website, www.fitchratings.com.

Non-Credit Rating means a Rating which assesses attributes other than or in addition to the creditworthiness of an entity (e.g., Investment Management Quality Ratings, Servicer Ratings, etc.).

Non-Credit Rating Activities include data and information analysis and the evaluation, approval, issuance and review of Non-Credit Ratings, including acting as the chairperson of a committee. Non-Credit Rating Activities do not include general analytical management activities and oversight (including discussing issues with Analysts under direct supervision), attendance at management meetings or participating as an observer (i.e., non-voting member) in a committee.

⁵ Although international scale Public Credit Ratings where the relevant primary Analyst is employed by Fitch Ratings Japan Ltd. are also endorsed, they are not included in this definition given that there are separate Japanese rotation requirements.

⁶ Subsequent to 31 December 2020, international public Credit Ratings where the relevant primary Analyst is employed by an EU CRA or a UK CRA will also be endorsed for the purposes of the UK CRA Regulation and EU CRA Regulation respectively. However, such ratings are not defined as Endorsed Ratings for the purpose of this Bulletin because the EU rotation requirements will be replicated in the UK CRA Regulation.

Private Credit Ratings are Credit Ratings that have not been published by Fitch Ratings on its public website, www.fitchratings.com.

Private Ratings are Ratings that have not been published by Fitch Ratings on its public website, www.fitchratings.com.

Public Credit Ratings are Credit Ratings that have been published by Fitch Ratings on its public website, www.fitchratings.com.

Public Ratings are Ratings that have been published by Fitch Ratings on its public website, www.fitchratings.com.

Rated Entity means (i) the issuer or obligor with respect to any Security that has received a Credit Rating (or as applicable, a Non-Credit Rating) from Fitch Ratings or (ii) an entity to which Fitch Ratings has assigned a Credit Rating (or as applicable, a Non-Credit Rating).

Rating shall have the meaning set forth in *Bulletin 7: Credit Products – Defined; Ratings, Assessment, Opinions and Scores*.

Rotation Clock Start Date, with respect to an Analyst, is the date on which the Rotation Period for that Analyst is deemed to start, based on the jurisdictional requirements and the Rating group to which the Analyst belongs, as set forth in **Appendix B**.

Rotation Party is the entity or entities around which Analysts must rotate, as set forth in **Appendix B**.

Rotation Period is the period of time that an Analyst is permitted to be involved in Credit Rating Activities (or, as applicable, Non-Credit Rating Activities) with respect to the relevant Rotation Party before rotation is required.

Security means any security, programme or other financial instrument.

SF Rotation Party means the following (which includes related third parties⁷):

- (i) For sole originator⁸ structured finance transactions, the originator of the transaction; or
- (ii) For multi-originator structured finance transactions, the arranger/sponsor⁹ of the transaction;

provided, that, if the same originator and arranger participate together on three different sole-originator transactions with respect to new Public Credit Ratings in a twelve-month period for which the same EU Analyst has been assigned as either primary Analyst or secondary Analyst, that Analyst must be rotated away from such originator (unless the originator and the arranger are the same entity), regardless of whether the Rotation Period has expired. In such cases, this EU Analyst is not permitted to participate in Credit Rating Activities with respect to transactions involving the originator for a minimum of two consecutive years.

UK Analyst means an Analyst employed by a UK CRA.

UK CRA means each of Fitch Ratings Ltd. and Fitch Ratings CIS Ltd. (including any of their branches (wherever located)). **UK CRA Regulation** means Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019 (as amended from time to time).

⁷ The definition of a “related third party” is “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 control”.

⁸ For any structured credit transaction that does not have an originator – for example, managed CLOs and CDOs – the originator for purposes of this definition is the asset manager.

⁹ For sake of clarity, the terms “arranger” and “sponsor” used in this definition each refer to the lead structurer of the relevant transaction. If there is more than one structurer of a transaction, the structurer that has the most interaction with Fitch Ratings will be deemed the lead structurer for purposes of this definition.

EU AND UK ROTATION REQUIREMENTS

The EU and UK rotation requirements, as set forth in detail in Appendix B and detailed in the EU CRA Regulation and the UK CRA Regulation, apply only to European CRA Analysts performing Credit Rating Activities in respect of international scale Public Credit Ratings.

For the avoidance of doubt:

- or Analysts formerly employed by Fitch Deutschland GmbH, Fitch France S.A.S., Fitch Italia S.p.A., Fitch Ratings España, S.A.U (including its branch in Stockholm) and Fitch Polska S.A. to whom the EU rotation requirements applied immediately prior to their transfer to Fitch Ratings Ireland Limited, rotation clocks applicable to primary Analysts, secondary Analysts or Rating committee chairs (as the case may be) with respect to the same Rotation Party will continue.
- for Analysts who continue to be employed by a UK CRA after 31 December 2020 to whom the EU rotation requirements applied immediately prior to this date, rotation clocks applicable to primary Analysts, secondary Analysts or Rating committee chairs (as the case may be) with respect to the same Rotation Party will continue. Similarly, for UK Analysts who transfer to an EU CRA and EU Analysts who transfer to a UK CRA, rotation clocks applicable to primary Analysts, secondary Analysts or Rating committee chairs (as the case may be) with respect to the same Rotation Party will continue.

Additionally, the following principles apply in respect of the EU and UK, and override the rules set forth in Appendix B. European CRA Analysts should therefore consult Appendix B first, and then determine whether any of the following principles apply.

- **Multiple Roles.** If a European CRA Analyst serves as more than one of the primary Analyst, secondary Analyst and Rating committee chair for the same Rotation Party, without taking a consecutive two-year break between each of these roles, the Rotation Period shall be counted from the first role held by that European CRA Analyst, and shall be for the shortest period applicable (of four or five years) of the roles undertaken, aggregating all time spent in each of the roles. For example, if a European CRA Analyst served as a secondary Analyst for two years, and then became the primary Analyst for the same Rotation Party, he/she may only serve for an additional two years as the primary Analyst. Likewise, if an EU Analyst served for three years as a Rating committee chair for a Rotation Party and then became the primary Analyst, he/she would be able to serve as primary Analyst for only one year.
- **Rating Switches Between Public and Private.** Where a European CRA Analyst is subject to EU or UK rotation requirements with respect to an international scale Public Credit Rating which is then converted into a Private Credit Rating (**1st Conversion**), time spent by that European CRA Analyst on Credit Rating Activities on that Private Credit Rating after the date of the 1st Conversion will not count towards the Rotation Periods in Appendix B, but will count towards the Cooling Off Periods in Appendix B. If that Private Credit Rating is later converted back into an international scale Public Credit Rating (**2nd Conversion**) before the relevant Cooling Off Period has expired, then all the time spent by that European CRA Analyst on Credit Rating Activities after the 2nd Conversion must be added to the time spent on Credit Rating Activities on that Public Credit Rating prior to the 1st Conversion when calculating that European CRA Analyst's Rotation Period. If a Credit Rating that has always been a Private Credit Rating is converted into an international scale Public Credit Rating that is subject to EU or UK rotation requirements, the Rotation Clock Start Date will be the date this Public Credit Rating is published.
- **European CRA Analyst Moves Between European CRA and Endorsed CRA.** When a European CRA Analyst transfers between a European CRA and an Endorsed CRA, she or he carries her/his rotation clock to the new location, subject to the following principles:
 - (i) Where a European CRA Analyst is employed by a European CRA subject to the EU or UK rotation requirements and is transferred, prior to 1 January 2019, to become an employee of an Endorsed CRA (**Transfer 1A**), any time spent on an international scale Public Credit Rating after Transfer 1A but prior to 1 January 2019 does not count towards:
 - o the Rotation Period with respect to the relevant Rotation Party;

- the Cooling Off Period, unless and until the Analyst ceases Credit Rating Activities with respect to that Rotation Party for the time period specified under the rules applicable in that Endorsed CRA; and
 - unless this Analyst has successfully completed such a Cooling Off Period prior to 1 January 2019, that Analyst's rotation clock restarts on 1 January 2019 with respect to that Public Credit Rating (with time on the rotation clock equal to the time at Transfer 1A), and the rotation rules of that Endorsed CRA apply.
- (ii) Where a European CRA Analyst is employed by a European CRA subject to the EU or UK rotation requirements and is transferred, on or after 1 January 2019, to become an employee of an Endorsed CRA (**Transfer 1B**), and continues Credit Rating Activities on an international scale Public Credit Rating she/he was working on prior to Transfer 1B, her/his clock continues but is now subject to the rotation rules applicable to the Endorsed CRA.

If the Analyst subsequently transfers to become an employee of a European CRA subject to EU or UK rotation requirements (**Transfer 2**), the EU or UK rotation rules again apply with respect to that Public Credit Rating. The Analyst carries her/his rotation clock to the European CRA, unless the Analyst ceased Credit Rating activities with respect to the relevant Rotation Party for two continuous years – which would reset the rotation clock to zero. If that is not the case, the Analyst may be subject to immediate rotation at the time of Transfer 2.

- **Early Start to Cooling Off Period.** If, at any time prior to the start of the applicable Cooling Off Period, a European CRA Analyst ceases Credit Rating Activities with respect to a Rotation Party, for a consecutive period of two or more years, his or her rotation clock with respect to that Rotation Party will be reset to zero. For example, because serving as a chair of a Rating committee, or voting in a Rating committee, is a point-in-time event, if on the day following such service, and for two years thereafter, the European CRA Analyst undertakes no other Credit Rating Activity with respect to that Rotation Party, his/her rotation clock for that Rotation Party is reset to zero. Conversely, if the European CRA Analyst does engage in any Credit Rating Activity with respect to that Rotation Party at any time after such service but before the two years have elapsed, he/she loses any accrued "cooling off" time, and his/her rotation clock continues uninterrupted.
- **Long-Term Leave.** In the event a European CRA Analyst takes long-term leave – e.g., maternity leave or sick leave – his/her rotation clock(s) will continue. Should such a European CRA Analyst return to work at Fitch Ratings two or more years after starting long-term leave, his/her rotation clock(s) will be reset to zero.
- **Employee Leaves and then is Re-hired by Fitch Ratings¹⁰.** Where a European CRA Analyst leaves the employment of a European CRA (**prior employment**) and then, after a period of time, returns to the employment of a European CRA and is asked to perform Credit Rating Activities with respect to an entity which was a Rotation Party for that European CRA Analyst in his/her prior employment (and subject also to the principle above with respect to moving between offices, if applicable):
 - (i) if during their absence that European CRA Analyst has refrained from any Credit Rating Activities with respect to that Rotation Party for a period exceeding two years, their Rotation Period is reset with respect to that Rotation Party and will commence running again if and when they commence Credit Rating Activities with respect to that Rotation Party;
 - (ii) if during their absence that European CRA Analyst has refrained from any Credit Rating Activities with respect to that Rotation Party for a period of less than two years, their Rotation Period is paused with respect to that Rotation Party and will continue to run if and when they commence Credit Rating Activities with respect to that Rotation Party; and

¹⁰ In each such case, Human Resources shall promptly contact Core Operations, who will in turn contact the relevant employee to obtain the information necessary to implement this principle. Core Operations will then provide the relevant information to IT for incorporation into the applicable systems.

- (iii) if that European CRA Analyst specifies that during their absence they conducted Credit Rating Activities with respect to that Rotation Party (albeit at another credit rating agency), the time spent on such Credit Rating Activities (as indicated by that European CRA Analyst) during their absence will be counted in assessing how much of their Rotation Period remains under section 3 of this Policy.
- **Sale or Merger Involving Rated Entity¹¹**
 - (i) **In the context of a share acquisition:** if the shares of a Rated Entity are transferred to a new parent company, the Rated Entity remains the same and therefore the Rotation Period(s) continue to run and will not restart for that Rated Entity.
 - (ii) **In the context of a business/asset transfer:**
 - o if all or part of the business of a Rated Entity is transferred to a different entity (the **Purchasing Entity**), the Purchasing Entity is not the same legal person as the Rated Entity and therefore there is no continuity or connection between the Rotation Period(s) which apply to the Rated Entity and any Rotation Period(s) which apply to the Rating of the Purchasing Entity. The rotation periods for the Rated Entity and the Purchasing Entity remain separate.
 - o notwithstanding the sub-paragraph immediately above, if all, or substantially all of the business of a Rated Entity is transferred to a different entity (the **Purchasing Entity**) and the business or assets transferred become all or substantially all of the Purchasing Entity's business (i.e. the Purchasing Entity was a shell or had nominal assets and liabilities prior to the transfer), for the purposes of this Policy, the Purchasing Entity will be considered the same as the Rated Entity and the Rotation Period(s) which applied to the Rated Entity should continue with respect to the Purchasing Entity.
 - (iii) **In the context of a merger:** Where a Rated Entity merges with another entity (the **Merger Partner**), the Rotation Period(s) which apply to the resultant entity of the merger (the **Merger Entity**) are separate from any Rotation Periods which applied to either the Rated Entity or the Merger Partner, unless the business of the Rated Entity which has transferred to the Merger Entity now forms all or substantially all of the business of the Merger Entity (i.e. the Merger Partner was a shell or had nominal assets and liabilities prior to the merger), in which case the Rotation Period(s) applicable to the Rated Entity continue to apply with respect to the Merger Entity.
- **Switching Solicitation Status.** If a Rotation Party switches between solicited and unsolicited status, the relevant rules applicable to the new status, as set forth in **Appendix B**, shall apply.
- **Analyst Changes Rating Groups.** In the event a European CRA Analyst changes rating groups, and continues to perform Credit Rating Activities with respect to any Rotation Party from the prior rating group, he/she carries his/her rotation clock to the new rating group.
- **Withdrawn Rating Re-Assigned.** If an international scale Public Credit Rating that is subject to European CRA rotation requirements is withdrawn, the Rotation Period(s) related to that Public Credit Rating will pause for so long as that Public Credit Rating is withdrawn. If an international scale Public Credit Rating is assigned again to the relevant Rated Entity or securities, as the case may be, within two years of the withdrawal, these Rotation Period(s) will continue to run. If an international scale Public Credit Rating is assigned again to that Rated Entity or securities, as the case may be, after two years or more since the withdrawal, then these Rotation Period(s) reset and start again.

ROTATION REQUIREMENTS FOR ENDORSED RATINGS

¹¹ If, as a result of a sale or merger involving a Rated Entity, there is a change in the Rotation Party or any other aspect of the rotation-related information stored in Fitch Ratings' systems, the relevant European CRA Analyst must email Core Operations with any such changes. Any European CRA Analyst who needs guidance with respect to the application of this section should contact the Legal Department.

Primary Analysts, secondary Analysts and Rating committee chairs with respect to Endorsed Ratings are subject to the rotation requirements set out in Appendix B.

Additionally, the following principles apply in respect of Endorsed Ratings, and override the rules set forth in Appendix B. Endorsed Rating Analysts should therefore consult Appendix B first, and then determine whether any of the following principles apply.

- **Multiple Roles.** If an Endorsed Rating Analyst serves as more than one of the primary Analyst, secondary Analyst and Rating committee chair for the same Rotation Party in the course of 2019, the Rotation Period shall be counted from the first role held by that Endorsed Rating Analyst, and shall be for the period applicable to that first role (of seven, eight or nine years).
- **Rating Switches Between Public and Private.** Where an Endorsed Rating Analyst is subject to rotation requirements with respect to an Endorsed Rating which is then converted into a Private Credit Rating (**1st Conversion**), time spent by that Endorsed Rating Analyst on Credit Rating Activities on that Private Credit Rating after the date of the 1st Conversion will not count towards the Rotation Periods in Appendix B, but will count towards the Cooling Off Periods in Appendix B. If that Private Credit Rating is later converted back into an Endorsed Rating (**2nd Conversion**) before the relevant Cooling Off Period has expired, then all the time spent by that Endorsed Rating Analyst on Credit Rating Activities after the 2nd Conversion must be added to the time spent on Credit Rating Activities on that Endorsed Rating prior to the 1st Conversion when calculating that Endorsed Analyst's Rotation Period. If a Credit Rating that has always been a Private Credit Rating is converted into an Endorsed Rating, the Rotation Clock Start Date will be the date this Endorsed Rating is published.
- **Endorsed Rating Analyst Moves Between Offices Applying Rotation with respect to Endorsed Ratings.** When an Endorsed Rating Analyst transfers between Endorsed CRAs, he or she carries his/her rotation clock to the new location.
- **Endorsed Rating Analyst Moves Between Endorsed CRA and European CRA.** When an Endorsed Rating Analyst transfers, on or after 1 January 2019, between an Endorsed CRA and a European CRA, she or he carries her/his rotation clock to the new location and will be subject to the rules applicable to that European CRA, subject to the following principles:
 - (i) If that European CRA is exempt from rotation (**Transfer 1A**), any time spent on an international scale Public Credit Rating after Transfer does not count towards:
 - o the Rotation Period with respect to the relevant Rotation Party; and
 - o the Cooling Off Period, unless and until the Analyst ceases Credit Rating Activities with respect to that Rotation Party for the time period specified under the rules applicable in that Endorsed CRA, however
 - o note that all European CRAs are subject to rotation requirements with respect to Rating committee chairs, therefore Rating committee chair rotation clocks with respect to the same Rotation Party would continue in the event of any transfer to a European CRA.
 - (i) If the European CRA is subject to rotation (**Transfer 1B**), and the Analyst continues Credit Rating Activities on an international scale Public Credit Rating she/he was working on prior to Transfer 1B, her/his clock continues but is now subject to the rotation rules applicable to the European CRA. Note that, given the shorter Rotation Periods applicable in the EU and the UK, the Analyst may be subject to immediate rotation at the time of Transfer 1B.

If the Analyst subsequently transfers to become an employee of an Endorsed CRA (**Transfer 2**), the rotation rules applicable to that Endorsed CRA again apply with respect to that Public Credit Rating. The Analyst carries her/his rotation clock to the Endorsed CRA, unless the Analyst ceased Credit

Rating activities with respect to the relevant Rotation Party for 12 continuous months – which would reset the rotation clock to zero.

- **Early Start to Cooling Off Period.** If, at any time prior to the start of the applicable Cooling Off Period, an Endorsed Rating Analyst ceases Credit Rating Activities with respect to a Rotation Party, for a consecutive period of 12 months or more, his or her rotation clock with respect to that Rotation Party will be reset to zero. For example, because serving as a chair of a Rating committee, or voting in a Rating committee, is a point-in-time event, if on the day following such service, and for 12 months thereafter, the Endorsed Rating Analyst undertakes no other Credit Rating Activity with respect to that Rotation Party, his/her rotation clock for that Rotation Party is reset to zero. Conversely, if the Endorsed Rating Analyst does engage in any Credit Rating Activity with respect to that Rotation Party at any time after such service but before the 12 months have elapsed, he/she loses any accrued “cooling off” time, and his/her rotation clock continues uninterrupted.
- **Long-Term Leave.** In the event an Endorsed Rating Analyst takes long-term leave – e.g., maternity leave or sick leave – his/her rotation clock(s) will continue. Should such an Endorsed Rating Analyst return to work at Fitch Ratings 12 or more months after starting long-term leave, his/her rotation clock(s) will be reset to zero.
- **Employee Leaves and then is Re-hired by Fitch Ratings¹².** Where an Endorsed Rating Analyst subject to rotation leaves the employment of an Endorsed CRA (**prior employment**) and then, after a period of time, returns to the employment of an Endorsed CRA and is asked to perform Credit Rating Activities with respect to an entity which was a Rotation Party for that Endorsed Rating Analyst in his/her prior employment (and subject also to the principle above with respect to moving between offices, if applicable):
 - (i) if during their absence that Endorsed Rating Analyst has refrained from any Credit Rating Activities with respect to that Rotation Party for a period exceeding 12 months, their Rotation Period is reset with respect to that Rotation Party and will commence running again if and when they commence Credit Rating Activities with respect to that Rotation Party;
 - (ii) if during their absence that Endorsed Rating Analyst has refrained from any Credit Rating Activities with respect to that Rotation Party for a period of less than 12 months, their Rotation Period is paused with respect to that Rotation Party and will continue to run if and when they commence Credit Rating Activities with respect to that Rotation Party; and
 - (iii) if that Endorsed Rating Analyst specifies that during their absence they conducted Credit Rating Activities with respect to that Rotation Party (albeit at another credit rating agency), the time spent on such Credit Rating Activities (as indicated by that Endorsed Rating Analyst) during their absence will be counted in assessing how much of their Rotation Period remains under section 4 of this Policy.
- **Sale or Merger Involving Rated Entity¹³.**
 - (i) **In the context of a share acquisition:** if the shares of a Rated Entity are transferred to a new parent company, the Rated Entity remains the same and therefore the Rotation Period(s) continue to run and will not restart for that Rated Entity.
 - (ii) **In the context of a business/asset transfer:**
 - o if all or part of the business of a Rated Entity is transferred to a different entity (the **Purchasing Entity**), the Purchasing Entity is not the same legal person as the Rated

¹² In each such case, Human Resources shall promptly contact Core Operations, who will in turn contact the relevant employee to obtain the information necessary to implement this principle. Core Operations will then provide the relevant information to IT for incorporation into the applicable systems.

¹³ If, as a result of a sale or merger involving a Rated Entity, there is a change in the Rotation Party or any other aspect of the rotation-related information stored in Fitch’s systems, the relevant Endorsed Rating Analyst must email Core Operations with any such changes. Any Endorsed Rating Analyst who needs guidance with respect to the application of this section should contact the Legal Department.

Entity and therefore there is no continuity or connection between the Rotation Period(s) which apply to the Rated Entity and any Rotation Period(s) which apply to the Rating of the Purchasing Entity. The rotation periods for the Rated Entity and the Purchasing Entity remain separate.

- notwithstanding the sub-paragraph immediately above, if all, or substantially all of the business of a Rated Entity is transferred to a different entity (the **Purchasing Entity**) and the business or assets transferred become all or substantially all of the Purchasing Entity's business (i.e. the Purchasing Entity was a shell or had nominal assets and liabilities prior to the transfer), for the purposes of this Policy, the Purchasing Entity will be considered the same as the Rated Entity and the Rotation Period(s) which applied to the Rated Entity should continue with respect to the Purchasing Entity.
- (iii) **In the context of a merger:** Where a Rated Entity merges with another entity (the **Merger Partner**), the Rotation Period(s) which apply to the resultant entity of the merger (the **Merger Entity**) are separate from any Rotation Periods which applied to either the Rated Entity or the Merger Partner, unless the business of the Rated Entity which has transferred to the Merger Entity now forms all or substantially all of the business of the Merger Entity (i.e. the Merger Partner was a shell or had nominal assets and liabilities prior to the merger), in which case the Rotation Period(s) applicable to the Rated Entity continue to apply with respect to the Merger Entity.
- **Switching Solicitation Status.** This has no impact on the Rotation Periods set forth in **Appendix B**.
 - **Analyst Changes Rating Groups.** In the event an Endorsed Rating Analyst changes rating groups, and continues to perform Credit Rating Activities with respect to any Rotation Party from the prior rating group, he/she carries his/her rotation clock to the new rating group.
 - **Withdrawn Rating Re-Assigned.** If an Endorsed Rating is withdrawn, the Rotation Period(s) related to that Endorsed Rating will pause for so long as that Endorsed Rating is withdrawn. If an international scale Public Credit Rating is assigned again by an Endorsed CRA to the relevant Rated Entity or securities, as the case may be, within 12 months of the withdrawal, these Rotation Period(s) will continue to run. If an international scale Public Credit Rating is assigned again by an Endorsed CRA to that Rated Entity or securities, as the case may be, after 12 months or more since the withdrawal, then these Rotation Period(s) reset and start again.

JAPANESE ROTATION REQUIREMENTS

The Japanese rotation requirements apply to international scale Public Credit Ratings assigned or endorsed by FRJ,¹⁴ which means that these requirements apply not only to Analysts employed by FRJ, but also to Analysts located outside Japan if they work on Ratings endorsed by FRJ¹⁵. These rotation requirements also differ between international scale Public Credit Ratings of insurance companies, non-financial corporates (and their securities) and structured finance transactions, and all other international scale Public Credit Ratings. See Appendix B for the details.

MEXICAN ROTATION REQUIREMENTS

The Mexican rotation requirements apply only to National Scale Public Ratings (both Credit Ratings and Non-Credit Ratings) (i) requested in a fee agreement entered into by Fitch Mexico (regardless of the location of the counterparty)

¹⁴ A Credit Rating is deemed "assigned" by FRJ when the primary Analyst is an employee of FRJ. A Credit Rating is deemed "endorsed" by FRJ if it has formally progressed through the internal FRJ endorsement process and actually been endorsed.

¹⁵ Currently, FRJ endorses only certain Japanese insurance companies and non-financial corporates. If FRJ actually endorses any issuer (and/or their securities) other than insurance companies or non-financial corporates (and/or their securities), local Compliance will contact the relevant lead Analyst and discuss the related rotation requirements.

or (ii) with respect to any Mexico-domiciled Rated Entity (and/or its securities), regardless of Analyst location. See Appendix B for the details.

COSTA RICAN ROTATION REQUIREMENTS

The rotation requirements under the laws of Costa Rica apply to National Scale Public Ratings (both Credit Ratings and Non-Credit Ratings) with respect to Rated Entities (and/or their securities) domiciled in Costa Rica, regardless of where the Analyst is located. See Appendix B for the details.

HONDURAN ROTATION REQUIREMENTS

The rotation requirements under the laws of Honduras apply to National Scale Public Credit Ratings with respect to Rated Entities (and/or their securities) domiciled in Honduras, regardless of where the Analyst is located. See Appendix B for the details.

PANAMANIAN ROTATION REQUIREMENTS

The rotation requirements under the laws of Panama apply to National Scale Public Credit Ratings and Private Credit Ratings with respect to any Panama-domiciled banking institutions (and/or their securities), regardless of where the Analyst is located. See Appendix B for the details.

EL SALVADORAN ROTATION REQUIREMENTS

The rotation requirements under the laws of El Salvador apply to National Scale Public Ratings and Private Ratings (both Credit Ratings and Non-Credit Ratings) with respect to any El Salvador-domiciled Rated Entities (and/or their securities), requested in a fee agreement entered into by Fitch Central America, regardless of where the Analyst is located. See Appendix B for the details.

8. Information on Revenue

Description of Rating Activities

Fitch Ratings' European business activities are based on the provision of independent analysis and rating opinions regarding a variety of risks in the financial markets. Such rating activities include the development and provision of analytical opinions using a number of rating scales, ratings-related data and peer analysis tools, rating models, surveillance products, research products and other analytical services. These scales, products and services all reflect Fitch Ratings' independent risk analysis.

Fitch Ratings' rating opinions do not comment on the suitability of any particular type of investment or the appropriate level of risk for any user of these rating opinions. In preparing its rating opinions, Fitch Ratings is indifferent to the rating or assessment levels achieved and neither suggests nor cautions against individual 'target' levels of rating or assessment. Consequently, Fitch Ratings does not provide advisory or consulting services to any entity.

None of Fitch Ratings Ltd, Fitch Ratings CIS Ltd, or Fitch Ratings Ireland Limited provides any ancillary services as defined by the EU Regulations. Thus, all revenue received by Fitch Ratings within the EU and UK is derived from rating activities.

Fitch Ratings revenue is allocated depending on the jurisdiction from which it is invoiced, subject to adjustments made pursuant to Fitch Ratings transfer pricing methodology. Fitch Ratings does not make any charges (internal or external) or revenue adjustments under its transfer pricing methodology in relation to the endorsement of third country ratings for use in the EU.

Revenue

The table below provides, for each of Fitch's EU registered companies, the revenue derived from rating activities during the 12 month financial period ended 31 December 2020.

| Total Revenue | Total | Corporate Finance | Sovereign/IPF | Structured Finance |
|---|---------|-------------------|---------------|--------------------|
| Fitch Ratings Ltd (incl. branches) (GBP, 000) | 135,590 | 93,625 | 18,570 | 23,395 |
| Fitch Ratings CIS Ltd (GBP, 000) | 14,735 | 11,169 | 1,324 | 2,243 |
| Fitch Ratings Ireland Limited* (EUR, 000) | 118,889 | 76,300 | 24,957 | 17,632 |

| Revenue Per Statutory Accounts | Revenue derived in the EU | Total Revenue |
|--|---------------------------|---------------|
| Fitch Ratings Ltd* (GBP, 000) | 93,247 | 135,590 |
| Fitch Ratings CIS Ltd (GBP, 000) | 120 | 14,735 |
| Fitch Ratings Ireland Limited (EUR, 000) | 113,937 | 118,889 |

*Pro forma only included in statutory accounts

9. Governance Statement

Corporate Governance Code

Each of Fitch Ratings Ltd, Fitch Ratings CIS Ltd, and Fitch Ratings Ireland Limited, is set up in a manner consistent with applicable local corporate law. The individual board members of each of our EU and UK companies are identified in the tables that follow as part of the Appendix of this report.

Fitch Ratings Ltd, Fitch Ratings CIS Ltd, and Fitch Ratings Ireland Limited, operate in accordance with their by-laws and all applicable laws and regulations, including the EU Regulations.

The independent directors on the Fitch Ratings Ltd board undertake their oversight responsibilities with respect to Fitch's entire UK and EU operations. To ensure that any entity-specific issues are adequately considered, joint board discussions in which the board members of Fitch's UK and EU companies participate, are held ahead of each Fitch Ratings Ltd, Fitch Ratings CIS Ltd, and Fitch Ratings Ireland Limited, board meeting. These discussions cover the topics scheduled for discussion within the board procedures.

Fitch Ratings is not aware of any external corporate governance code that applies to its UK or EU companies. However, in 2011 Fitch Ratings Ltd, the senior-most Fitch credit rating agency within the EU at that time, adopted the Fitch Ratings Ltd Governance Charter, along with supplemental procedures for implementing the responsibilities of the board of directors under the EU Regulation as set forth in the Governance Charter, and a schedule for the implementation of such procedures.

During May 2018 the Board of Directors of FRI (the "FRI Board") and FRL (the "FRL Board") (collectively, the "Boards"), made a decision to retire the FRL Governance Charter. The boards determined that their oversight responsibilities as documented and reviewed in the Board Procedures made the Governance Charter superfluous. A summary of the board oversight responsibilities is detailed below.

The Boards, which are the most senior credit rating agencies within Fitch Group, Inc. ("Fitch Group"), operate under structured procedures. Each of the Boards performs its oversight activities on behalf of Fitch Ratings globally. The procedures under which oversight activities are conducted also apply to the FRIL Board.

Among other matters, the Boards are responsible for the oversight and management of FRI, FRL or FRIL, as the case may be, in accordance with their fiduciary responsibilities and standards established by the laws of the jurisdictions in which FRI, FRL and FRIL are organized. The Boards have delegated responsibility for the day-to-day running of FRI, FRL and FRIL to a senior management team with sufficient skill and experience to ensure the sound and prudent management of FRI, FRL and FRIL.

The Boards oversee, among other matters :

- a. The process for the issuance of Credit Ratings;
- b. The publishing of new and materially amended criteria and methodologies pertaining to determining Credit Ratings;
- c. The implementation of new and materially amended policies pertaining to determining Credit Ratings;
- d. The program designed to manage conflicts of interest;
- e. The maintenance of internal controls related to determining Credit Ratings;
- f. The compensation and promotion processes; and
- g. The compliance and governance processes, including the efficiency of the criteria review and approval group.

Internal Controls and Risk Management Pertaining to Financial Reporting

The Finance Group, headed by the Controller reporting to the Chief Accounting Officer of the Fitch Group, is responsible on a day-to-day basis for ensuring that the production of all relevant financial reports and accounts of Fitch

Ratings Ltd is in accordance with all statutory requirements and that controls are in place to ensure operational risks – such as error and fraud – are addressed appropriately.

The adequacy and operation of controls over financial reporting are reviewed on an on-going basis by the senior Finance staff. These controls are further considered by Fitch's external auditors during the annual external audit process and formally considered by the Directors as part of their approval of the audited financial statements. In addition, the adequacy and operation of controls is considered through an internal audit function, carried out by the parent entity Internal Audit function and an external global firm.

Information Pertaining to Voting Rights, Shareholders Meetings, Powers and Rights and the Composition on the administrative, Management and Supervisory Bodies

Please refer to the appendix tables that follow for this information with respect to each of Fitch Ratings Ltd, Fitch Ratings CIS Ltd, and Fitch Ratings Ireland Limited.

9.A Appendix Tables to Governance Statement

Fitch Ratings Ireland Limited (the “Company”)

Note: A reference in the fourth column of this table to an “Article” is to an Article of the Constitution of the Company, as of 16 November 2018

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|--|---|--|
| | | The following information shall be included in the Transparency Report: | |
| (a) | Fourth Council Directive 78/660/EEC of 25 July 1978 (“ 78/660/EEC ”), Article 46(a)(1)(d) | The information required by Article 10(1), points (c), (d), (f), (h) and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (“ 2004/25/EC ”), where the Company is subject to that Directive. | See sections 2 to 6 below. |
| (b) | 2004/25/EC, Article 10(1)(c) | Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC (“ 2001/34/EC ”). | Not applicable. The Company does not fall within the scope of Article 85 of Directive 2001/34/EC as it does not have shares which are officially listed on a stock exchange or exchanges situated or operating within one or more Member States. |
| (c) | 2004/25/EC, Article 10(1)(d) | The holders of any securities with special control rights and a description of those rights. | None. |
| (d) | 2004/25/EC, Article 10(1)(f) | Any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company’s cooperation, the financial rights attaching to securities are separated from the holding of securities. | None. |
| (e) | 2004/25/EC, Article 10(1)(h) | The rules governing the appointment and replacement of board members and the amendment of the articles of | <i>Article 13.2</i> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|-------------------------|-----------------|--|
| | | association. | <p>Any Director who serves on any committee or who devotes special attention to the business of the Company or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.</p> <p>Article 13.3</p> <p>The Directors shall have the power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the number fixed in accordance with this Constitution (if any). A Director so appointed shall not require re-election at the next following annual general meeting and Section 144(3)(c) of the Act shall be modified accordingly.</p> <p>Article 13.4</p> <p>The Directors may establish and maintain or procure the establishment and maintenance of any non-contributory or contributory pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary or who are or were at any time Directors or officers of the Company or of any such other company aforesaid and hold or have at any time held any salaried employment or office in the Company or such other company and the wives, widows, families and dependents of any such persons and also establish and subsidise or subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well-being of the Company or any such other company as aforesaid or of any such persons as aforesaid and make payments for or towards the insurance of any such persons as aforesaid and subscribe or guarantee money for any charitable or benevolent objects or for any exhibition or for any public general or useful object and do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid. Any Director who holds or has held any such employment or office shall be entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument to the extent and upon such terms as may for the time being be permitted or required by law.</p> <p>NOTICES</p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|-------------------------|-----------------|--|
| | | | <p>Article 15.1</p> <p>Every person who, by operation of law, transfer, or other means shall become entitled to any share shall be bound by every notice or other document which, previous to his name and address being entered on the register in respect of such share, shall have been given to the person in whose name the share shall have been previously registered.</p> <p>Article 15.2</p> <p>Any notice or document sent by post to the registered address of any member in pursuance of these presents shall, notwithstanding that such member be then deceased, and whether or not the Company have notice of his decease, be deemed to have been duly served in respect of any share held by such member (whether solely or jointly with other person or persons) until some other person or persons be registered in his stead as the holder or joint holders thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her executors or administrators, and all persons (if any) jointly interested with him or her in any such share.</p> <p>Article 15.3</p> <p>Any notice may be served on a member or returned by a member by use of electronic means in accordance with Section 218(3) of the Act.</p> <p>Article 15.4</p> <p>The signature to any notice to be given by the Company may be written or printed.</p> <p>Article 16</p> <p>INDEMNITY</p> <p>Subject to the Act, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto.</p> <p>Article 17</p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|------------------------------|---|---|
| | | | <p>SECRECY</p> <p>No member shall be entitled to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process which may relate to the conduct of the business of the Company, and which, in the opinion of the Directors, it would be inexpedient in the interests of the members of the Company to communicate to the public.</p> |
| | | | |
| (f) | 2004/25/EC, Article 10(1)(i) | The powers of board members, and in particular the power to issue or buy back shares. | <p>ALLOTMENT OF SHARES</p> <p>Article 7.1</p> <p>The Directors are generally, indefinitely and unconditionally authorised to exercise all powers of the Company to allot relevant shares (as defined for the purpose of Section 69 of the Act) to such persons, at such times and on such terms as they think proper.</p> <p>Article 7.2</p> <p>The pre-emption provisions of sub-Section (6) of Section 69 of the Act shall not apply to any allotment by the Company of shares to which Section 69 of the Act applies.</p> <p>PURCHASE/ACQUISITION OF OWN SHARES</p> <p>Article 8.1</p> <p>Subject to the provisions of and to the extent permitted by the Act, to any rights conferred on the holders of any class of shares and to the following paragraphs of this Regulation, the Company may purchase any of its shares of any class and may cancel any shares so purchased and hold them as treasury shares (within the meaning of Section 106 of the Act) with liberty to re-issue any such share or shares as shares of any class or classes.</p> <p>Article 8.2</p> <p>The Company shall not be required to select the shares to be purchased on a pro rata basis or in any particular manner as between the holder of the shares of the</p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|---------------------------------|---|--|
| | | | <p>same class or as between the holders of shares of different classes.</p> <p>Article 8.3</p> <p>Subject to the provisions of and to the extent permitted by the Act and to any rights conferred on the holders of any class of shares the Company may acquire any of its shares of any class by transfer or surrender to the Company otherwise than for valuable consideration pursuant to Section 102 of the Act and will cancel any shares so acquired and such shares shall not constitute treasury shares (within the meaning of the Act).</p> <p>TRANSFER OF SHARES</p> <p>Article 11.1</p> <p>No transfer of any share in the capital of the Company (whether on a sale of such shares or transmission thereof by operation of law or otherwise howsoever) shall be registered unless such transfer is approved by resolution of the Directors. Section 95 of the Act shall be modified accordingly.</p> |
| (g) | 78/660/EEC, Article 46(a)(1)(e) | Unless the information is already fully provided for in national laws or regulations, the operation of the shareholder meeting and its key powers, and a description of shareholders' rights and how they can be exercised. | <p><i>Article 12.1</i></p> <p>GENERAL MEETING</p> <p>In Section 189(2)(b) the words "one Member" shall be substituted for the words "three Members".</p> <p><i>Article 12.2</i></p> <p>It shall not be necessary to give any notice of any adjourned meeting and Section 187(6) shall be modified accordingly.</p> <p><i>Article 12.3</i></p> <p>The lodgement of a proxy (and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority) shall be deposited at the Company's registered office, or at such other place within the state specified in the notice, at any time prior to the commencement of the meeting detailed on the notice and Section 183(6) of the Act shall be modified accordingly.</p> <p><i>Article 12.4</i></p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|---------------------------------|--|---|
| | | | <p>Where any meeting of the Company is held at short notice pursuant to Section 181 (2)</p> <p>Article 13.1</p> <p>A Director present at a meeting of the Directors shall in addition to his own vote be entitled to one vote in respect of each other Director not present at the meeting who shall have authorised him in respect of such meeting to vote for such other Director in his absence. Any such authority may relate generally to all meetings of the Directors or to any specified meeting or meetings and must be in writing which must be presented to the Secretary for filing prior to or be produced at the first meeting at which a vote is to be cast pursuant thereto.</p> |
| (h) | 78/660/EEC, Article 46(a)(1)(f) | The composition and operation of the administrative, management and supervisory bodies and their committees. | <p>The directors of the Company are David Samuel, Ian Linnell, Lisa Haag (Independent Director) and Charles Prescott (Independent Director).</p> <p>Article 14.1</p> <p>A meeting of the Directors or of a committee of Directors may consist of a conference between some of all of the Directors or, as the case may be, members of the committee who are not all in one place, but each of whom is able to speak to each other and to be heard by each of the others and a director or member of the committee taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in the quorum accordingly and such a meeting shall be deemed, subject to Regulation 14.2, to take place (i) where the largest group of participating Directors is physically assembled at the same location or (ii) where there is no such group, where the chairperson is.</p> <p>Article 14.2</p> <p>Notwithstanding Regulation 14.1 the Directors, at any meeting of the Board, shall have absolute discretion to determine the location of that meeting of the Directors subject only to the requirement that at least one of that number should be physically at that location.</p> |

Fitch Ratings CIS Ltd (the “Company”)

Note: References in the fourth column of this table to:

- (i) “**Article**” is to an Article of Association of the Company as adopted by a Special Resolution dated 3 November 2011;
- (ii) “**Regulation**” is to a Regulation that is binding upon the Company and is contained within the Companies (Tables A to F) Regulations 1985 as amended by SI 2007/2541 and SI 2007/2826;
- (iii) the “**Act**” is to the Companies Act 1985 or the Companies Act 2006 (in both cases as amended) as applicable in the context at the relevant time; and
- (iv) the “**1985 Act**” is to the Companies Act 1985, as amended.

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
|-----|--|---|--|
| | | The following information shall be included in the Transparency Report: | |
| 1. | Fourth Council Directive 78/660/EEC of 25 July 1978 (“ 78/660/EEC ”), Article 46(a)(1)(d) | The information required by Article 10(1), points (c), (d), (f), (h) and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (“ 2004/25/EC ”), where the company is subject to that Directive. | See sections 2 to 6 below. |
| 2. | 2004/25/EC, Article 10(1)(c) | Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC (“ 2001/34/EC ”). | Not applicable. The Company does not fall within the scope of Article 85 of Directive 2001/34/EC as it does not have shares which are officially listed on a stock exchange or exchanges situated or operating within one or more Member States. |
| 3. | 2004/25/EC, Article 10(1)(d) | The holders of any securities with special control rights and a description of those rights. | <p>Majority Shareholder’s Rights</p> <p><i>Article 14.1</i></p> <p>Any person or persons for the time being holding a majority of the issued shares may from time to time by notice to the Company remove from office any or all of the directors and may in like manner appoint any person or persons as a director or directors of the Company. Any such notice shall be in writing and signed by or on behalf of the holder or holders of such majority and shall take effect on and from the time at which it is received at the office or handed to the chairman of any meeting of the directors.</p> <p><i>Article 14.2</i></p> <p>The directors have no power to refuse to register any transfer of a fully paid share</p> |

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| | | | where such transfer has been approved by notice in writing to the Company signed by or on behalf of any person or persons for the time being holding a majority of the issued shares and the directors shall be bound to, and shall, register such a transfer without delay. |
| 4. | 2004/25/EC, Article 10(1)(f) | Any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities. | <p>Restriction on voting rights</p> <p><i>Regulation 57</i></p> <p>No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.</p> |
| 5. | 2004/25/EC, Article 10(1)(h) | The rules governing the appointment and replacement of board members and the amendment of the articles of association. | <p>Appointment and Removal of Directors</p> <p><i>Article 9.1</i></p> <p>The Company may by ordinary resolution, and the directors may, appoint a person who is willing to act to be a director, in any case either to fill a vacancy or as an additional director.</p> <p><i>Article 9.2</i></p> <p>The office of a director shall be vacated if:</p> <ul style="list-style-type: none"> (a) he resigns by notice delivered to the secretary at the office or tendered at a board meeting; (b) he ceases to be a director by virtue of any provision of the Act, is removed from office pursuant to these Articles or becomes prohibited by law from being a director; (c) he becomes bankrupt or makes any arrangement or compounds with his creditors generally; (d) he becomes, in the opinion of all his co-directors, incapable by reason of illness (including, without limitation, mental illness or disorder) or injury of managing or administering any property or affairs of his own or of the |

| | | | |
|----|------------------------------|---|---|
| | | | <p>Company and the directors resolve that his office be vacated;</p> <p>(e) he is removed from office in accordance with Article 14¹; and/or</p> <p>(f) he is an executive director and his appointment to the relevant office or employment is terminated or expires and the directors resolve that his office be vacated.</p> <p><i>Article 9.3</i></p> <p>A resolution of the directors declaring a director to have vacated office under the terms of this Article 9 is conclusive as to the fact and grounds of vacation stated in the resolution.</p> <p>Amendment of the Articles of Association</p> <p>Section 21(1) of the Companies Act 2006</p> <p>The Company may amend its Articles by special resolution².</p> |
| 6. | 2004/25/EC, Article 10(1)(i) | The powers of board members, and in particular the power to issue or buy back shares. | <p>Powers of Directors</p> <p><i>Article 11.1</i></p> <p>The directors may exercise all the powers of the Company to borrow or raise money without limit and to mortgage or charge its undertaking, property and uncalled capital and, subject to section 80 of the Companies Act 1985 (or its equivalent under the Companies Act 2006, if any), to issue debentures, loan stock and other securities for any debt, liability or obligation of the Company or of any third party.</p> <p><i>Article 11.2</i></p> <p>Subject to the Act, the directors may at any time, without any sanction or approval given by the members of the Company in general meeting, declare and pay dividends, including interim and final dividends, in accordance with the respective rights of the members. Regulation 103³ is modified accordingly.</p> |

¹ Please see section 3 above for the text of Article 14.1.

² A special resolution is a resolution which requires a majority agreement of not less than 75% of the shareholders of a company.

³ See Annex for the full text of this Regulation.

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| | | | <p>1. <i>Regulation 70</i></p> <p>Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.</p> <p><i>Regulation 71</i></p> <p>The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.</p> <p>Issuance of Shares</p> <p><i>Article 3.2</i></p> <p>All unissued shares comprised in the authorised share capital of the Company at the date and time of the adoption of the Articles are at the disposal of the directors, who are generally and unconditionally authorised, including for the purpose of section 80 of the Companies Act 1985 while that section remains in force, to exercise all powers of the Company to allot relevant securities of the Company to such persons, at such times and generally on such terms and conditions as they think fit except that this general authority:</p> <ul style="list-style-type: none"> (a) does not permit the directors to allot relevant securities in an amount which is in excess of the unissued share capital of the Company at the date of adoption of the articles; and (b) unless previously renewed, varied or revoked by the Company in general meeting, will expire on the date which is one year from the date of adoption of the articles, save that the directors may, after this authority expires, allot relevant securities pursuant to an offer or agreement made by the Company before such authority expired; |
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| | | | <p>Except as provided in this Article 3.2 or by the Company in general meeting, the directors shall not otherwise be authorised to allot relevant securities of the Company.</p> <p><i>Article 3.3</i></p> <p>The pre-emption provisions of section 89(1) and sections 90(1) to 90(6) of the Companies Act 1985 (or the equivalent provisions of the Companies Act 2006, if any) shall not apply to any allotment of the Company's equity securities made under Article 3.2.</p> <p><i>Article 3.4</i></p> <p>The lien conferred by Regulation 8⁴ shall also attach to fully paid shares and to all shares registered in the name of any person indebted or under any liability to the Company, whether he is the sole holder of such shares or one of several joint holders, and shall extend to all moneys presently payable by him or his estate to the Company.</p> <p>Purchase of own Shares</p> <p><i>Regulation 35</i></p> <p>Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.</p> |
| 7. | 78/660/EEC, Article 46(a)(1)(e) | Unless the information is already fully provided for in national laws or regulations, the operation of the shareholder meeting and its key powers, and a description of shareholders' rights and how they can be exercised. | <p>In addition to Regulations:</p> <p>General Meetings</p> <p><i>Article 5.1</i></p> <p>The directors may call general meetings whenever they think fit and, if requested by the members pursuant to the Companies Act 2006, shall forthwith proceed to convene a general meeting for a date not later than 28 days after receipt of the request.</p> |

⁴ See Annex for the full text of this Regulation.

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| | | | <p><i>Article 5.2</i></p> <p>Notice of any general meeting need not be given to the directors in their capacity as such and Regulation 38⁵ is modified accordingly.</p> <p><i>Article 5.3</i></p> <p>Subject to the Companies Act 2006, if and for so long as the Company has only one member, and that member takes any decision which is required to be taken in general meeting, that decision shall be as valid and effective as if agreed by the Company in general meeting. Any decision taken by a sole member shall be recorded in writing and delivered by that member to the Company and such record shall be entered in the minute book of the Company.</p> <p>Proceedings at General Meetings</p> <p><i>Article 6.1</i></p> <p>No business shall be transacted at any meeting unless a quorum is present at the time the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman of the meeting which shall not be treated as part of the business of the meeting. If and for so long as the Company has one member, that member, or a proxy for that member, or a duly authorised representative of that member if it is a corporation, shall be a quorum. If and for so long as the Company has more than one member, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.</p> <p><i>Article 6.2</i></p> <p>If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the directors may determine. If at any adjourned meeting a quorum is not present within half an hour from the time appointed for that meeting, the meeting shall be dissolved.</p> <p><i>Article 6.3</i></p> <p>A member present at a meeting by proxy has the right to speak at any general</p> |
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⁵ See Annex for the full text of this Regulation.

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| | | | <p>meeting of the Company and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one member he shall on a show of hands have as many votes as the number of members for whom he is proxy. A member present at a meeting by proxy also has the right to demand or join in demanding a poll.</p> <p>Regulation 54⁶ is modified accordingly.</p> <p><i>Article 6.4</i></p> <p>A written instrument of a proxy (together with any relevant authority or copy authority as referred to in Regulation 62⁷) may be deposited at any place specified in such Regulation not less than 24 hours before the time of the relevant meeting or may be delivered at the meeting to the secretary or the chairman or to any other director. An appointment of a proxy contained in an electronic communication may be received at any address referred to in such Regulation not less than 24 hours before the time of the relevant meeting. Regulation 62 is amended accordingly.</p> <p><i>Article 6.5</i></p> <p>Any member or proxy for a member, or duly authorised representative of a corporate member, may participate in a general meeting or a meeting of a class of members by means of conference telephone or similar communications equipment which enables all persons participating in the meeting to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting, may be counted in the quorum and is entitled to vote. Subject to the Act, all business transacted in this way by the members or class of members is for the purposes of these Articles deemed to be validly and effectively transacted at a general meeting or a meeting of a class of members (as the case may be). The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.</p> <p>Majority Shareholders' Rights</p> |
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⁶ See Annex for the full text of this Regulation.

⁷ See Annex for the full text of this Regulation.

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| | | | <p>Articles 14.1 to 14.2</p> <p>See section 3 above.</p> |
| 8. | 78/660/EEC, Article 46(a)(1)(f) | The composition and operation of the administrative, management and supervisory bodies and their committees. | <p>The directors of the Company are David Samuel, Ian Linnell, Lisa Haag (Independent Director) and Charles Prescott(Independent Director).⁸</p> <p>The Company will comply with its obligations under all applicable law including, without limitation, Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. See sections 5 and 6 above for additional information regarding the composition and operation of the board of directors.</p> <p>The Company has set up a management committee⁹ to direct the day-to-day activities of the Company. The members of the management committee are David Samuel and Ian Linnell.</p> <p>Proceedings of Directors</p> <p><i>Article 13.1</i></p> <p>Subject to these Articles, the directors may regulate their proceedings as they think fit. A director at any time may, and the secretary (if any) at the request of a director shall, call a meeting of the directors. A director absent or intending to be absent from the UK may request the directors during his absence to send notices of meetings of the directors to him at an address within the UK given by him to the Company for such purposes but, in the absence of such a request, it shall not be necessary to give notice of a meeting to a director who is absent from the UK. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively.</p> <p><i>Article 13.2</i></p> |

⁸ Article 8 provides as follows: “There is no maximum number of directors and the minimum number of directors is one. A sole director has authority to exercise all the powers and discretions vested in the directors generally under these Articles, Table A or otherwise.”

⁹ Article 12 provides as follows: “The directors may delegate any of their powers, authorities and discretions (with power to sub delegate) to committees consisting of such persons (whether directors or not) as they think fit. References in these Articles to any committee of the directors shall include a committee of such persons and references to a director as a member of such a committee shall include such a person. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee. Regulation 72 is modified accordingly.” (See Annex for full text of Regulation 72).

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| | | | <p>Notice of a meeting of the directors, or of any committee of the directors, shall be deemed to be to duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him to the Company for this purpose or by giving it using electronic communications to an address for the time being notified to the Company by the director.</p> <p><i>Article 13.3</i></p> <p>Whilst there is only one director of the Company, he shall constitute a quorum for all meetings of the directors. In any other case the quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number is two. A meeting of the directors at which a quorum is present is competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Board. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.</p> <p><i>Article 13.4</i></p> <p>Questions arising at any meeting of the directors shall be decided by a majority of votes. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.</p> <p><i>Article 13.5</i></p> <p>Any director may participate in a meeting of directors or a committee of directors by means of conference telephone or similar communications equipment which enables all persons participating in the meeting to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting, may be counted in the quorum and is entitled to vote. Subject to the 1985 Act, all business transacted in this way by the directors or a committee of directors is for the purposes of these Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors, even though fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.</p> <p><i>Article 13.6</i></p> <p>Without prejudice to the obligation of a director to disclose his interest in accordance with sections 177 and/or 182 of the 2006 Act, a director may vote at any meeting of</p> |
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| | | | <p>directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. Such a director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted. Such a director may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him in connection with any such matter.</p> <p><i>Article 13.7</i></p> <p>Any written resolution as referred to in Regulation 93¹⁰ may consist of several documents in like form, each signed or approved by letter, facsimile or email transmission or transmission by any other form of electronic communication agreed by the board, by one or more directors entitled at the relevant time to receive notice of the relevant meeting.</p> |
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¹⁰ See Annex for the full text of this Regulation.

ANNEX

A. Regulations as referred to in section 6 above

Regulation 8

The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.

Regulation 103

Subject to the provisions of the Act¹¹, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

B. Regulations as referred to in section 7 above

Regulation 38

General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

Regulation 54

Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

Regulation 62

The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

¹¹ "Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force.

- (a) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (aa) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting, or
 - (ii) in any instrument of proxy sent out by the company in relation to the meeting, or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- (b) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (c) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

C. Regulation as referred to in section 8 above

Regulation 72

The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

Regulation 93

A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

Fitch Ratings Ltd (the “Company”)

Note: References in the fourth column of this table to:

- (v) “**Article**” is to an Article of Association of the Company as adopted by a Special Resolution dated 2 March 2012;
- (vi) “**Regulation**” is to a Regulation that is binding upon the Company and is contained within the Companies (Tables A to F) Regulations 1985 as amended by SI 2007/2541 and SI 2007/2826;
- (vii) the “**Act**” is to the Companies Act 1985 or the Companies Act 2006 (in both cases as amended) as applicable in the context at the relevant time; and
- (viii) the “**1985 Act**” is to the Companies Act 1985, as amended.

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | The following information shall be included in the Transparency Report: | |
| 9. | Fourth Council Directive 78/660/EEC of 25 July 1978 (“ 78/660/EEC ”), Article 46(a)(1)(d) | The information required by Article 10(1), points (c), (d), (f), (h) and (i) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (“ 2004/25/EC ”), where the company is subject to that Directive. | See sections 2 to 6 below. |
| 10. | 2004/25/EC, Article 10(1)(c) | Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC (“ 2001/34/EC ”). | Not applicable. The Company does not fall within the scope of Article 85 of Directive 2001/34/EC as it does not have shares which are officially listed on a stock exchange or exchanges situated or operating within one or more Member States. |
| 11. | 2004/25/EC, Article 10(1)(d) | The holders of any securities with special control rights and a description of those rights. | <p>Majority Shareholder’s Rights</p> <p><i>Article 14.1</i> Any person or persons for the time being holding a majority of the issued shares may from time to time by notice to the Company remove from office any or all of the directors and may in like manner appoint any person or persons as a director or directors of the Company. Any such notice shall be in writing and signed by or on behalf of the holder or holders of such majority and shall take effect on and from the time at which it is received at the office or handed to the chairman of any meeting of the directors.</p> <p><i>Article 14.2</i> The directors have no power to refuse to register any transfer</p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | of a fully paid share where such transfer has been approved by notice in writing to the Company signed by or on behalf of any person or persons for the time being holding a majority of the issued shares and the directors shall be bound to, and shall, register such a transfer without delay. |
| 12. | 2004/25/EC, Article 10(1)(f) | Any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities. | <p>Restriction on voting rights</p> <p><i>Regulation 57</i></p> <p>No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid.</p> |
| 13. | 2004/25/EC, Article 10(1)(h) | The rules governing the appointment and replacement of board members and the amendment of the articles of association. | <p>Appointment and Removal of Directors</p> <p><i>Article 9.1</i></p> <p>The Company may by ordinary resolution, and the directors may, appoint a person who is willing to act to be a director, in any case either to fill a vacancy or as an additional director.</p> <p><i>Article 9.2</i></p> <p>The office of a director shall be vacated if:</p> <ul style="list-style-type: none"> (a) he resigns by notice delivered to the secretary at the office or tendered at a board meeting; (b) he ceases to be a director by virtue of any provision of the Act, is removed from office pursuant to these Articles or becomes prohibited by law from being a director; (c) he becomes bankrupt or makes any arrangement or compounds with his creditors generally; (d) he becomes, in the opinion of all his co-directors, incapable by reason of illness (including, without |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | <p>limitation, mental illness or disorder) or injury of managing or administering any property or affairs of his own or of the Company and the directors resolve that his office be vacated;</p> <p>(e) he is removed from office in accordance with Article 14¹; and/or</p> <p>(f) he is an executive director and his appointment to the relevant office or employment is terminated or expires and the directors resolve that his office be vacated.</p> <p><i>Article 9.3</i></p> <p>A resolution of the directors declaring a director to have vacated office under the terms of this Article 9 is conclusive as to the fact and grounds of vacation stated in the resolution.</p> <p>Amendment of the Articles of Association</p> <p>Section 21(1) of the Companies Act 2006</p> <p>The Company may amend its Articles by special resolution².</p> |
| 14. | 2004/25/EC, Article 10(1)(i) | The powers of board members, and in particular the power to issue or buy back shares. | <p>Powers of Directors</p> <p><i>Article 11.1</i></p> <p>The directors may exercise all the powers of the Company to borrow or raise money without limit and to mortgage or charge its undertaking, property and uncalled capital and, subject to section 80 of the 1985 Act (or its equivalent under the 2006 Act, if any), to issue debentures, loan stock and other securities for any debt, liability or obligation of the Company or of any third party.</p> |

¹ Please see section 3 above for the text of Article 14.1.

² A special resolution is a resolution which requires a majority agreement of not less than 75% of the shareholders of a company.

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | <p><i>Article 11.2</i></p> <p>Subject to the Act, the directors may at any time, without any sanction or approval given by the members of the Company in general meeting, declare and pay dividends, including interim and final dividends, in accordance with the respective rights of the members. Regulation 103³ is modified accordingly.</p> <p><i>Regulation 70</i></p> <p>Subject to the provisions of the Act, the memorandum and the articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this regulation shall not be limited by any special power given to the directors by the articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.</p> <p><i>Regulation 71</i></p> <p>The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.</p> <p>Issuance of Shares</p> <p><i>Article 3.2</i></p> <p>All unissued shares comprised in the authorised share capital of the Company at the date and time of the adoption of the Articles are at the disposal of the directors, who are generally</p> |

³ See Annex for the full text of this Regulation.

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | <p>and unconditionally authorised, including for the purpose of section 80 of the Companies Act 1985 while that section remains in force, to exercise all powers of the Company to allot relevant securities of the Company to such persons, at such times and generally on such terms and conditions as they think fit except that this general authority:</p> <p>(a) does not permit the directors to allot relevant securities in an amount which is in excess of the unissued share capital of the Company at the date of adoption of the Articles; and</p> <p>(b) unless previously renewed, varied or revoked by the Company in general meeting, will expire on the date which is one year from the date of adoption of the Articles, save that the directors may, after this authority expires, allot relevant securities pursuant to an offer or agreement made by the Company before such authority expired.</p> <p>Except as provided in this Article 3.2 or by the Company in general meeting, the directors shall not otherwise be authorised to allot relevant securities of the Company.</p> <p><i>Article 3.3</i></p> <p>The pre-emption provisions of section 89(1) and sections 90(1) to 90(6) of the Companies Act 1985 (or the equivalent provisions of the Companies Act 2006, if any) shall not apply to any allotment of the Company's equity securities made under Article 3.2.</p> <p><i>Article 3.4</i></p> <p>The lien conferred by Regulation 8⁴ shall also attach to fully paid shares and to all shares registered in the name of any</p> |

⁴ See Annex for the full text of this Regulation.

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | <p>person indebted or under any liability to the Company, whether he is the sole holder of such shares or one of several joint holders, and shall extend to all moneys presently payable by him or his estate to the Company.</p> <p>Purchase of own Shares</p> <p><i>Regulation 35</i></p> <p>Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and, if it is a private company, make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares.</p> |
| 15. | 78/660/EEC, Article 46(a)(1)(e) | Unless the information is already fully provided for in national laws or regulations, the operation of the shareholder meeting and its key powers, and a description of shareholders' rights and how they can be exercised. | <p>In addition to Regulations:</p> <p><i>Article 6.2</i></p> <p>If a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the directors may determine. If at any adjourned meeting a quorum is not present within half an hour from the time appointed for that meeting, the meeting shall be dissolved.</p> <p><i>Article 6.3</i></p> <p>A member present at a meeting by proxy has the right to speak at any general meeting of the Company and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one member he shall on a show of hands have as many votes as the number of members for whom he is proxy. A member</p> |

| NO. | DIRECTIVE & ARTICLE NO. | ARTICLE WORDING | PROVISION FROM CONSTITUTIONAL DOCUMENTS AND/OR RESOLUTIONS (IF APPROPRIATE) |
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| | | | <p>present at a meeting by proxy also has the right to demand or join in demanding a poll. Regulation 54⁵ is modified accordingly.</p> <p><i>Article 6.4</i></p> <p>A written instrument of a proxy (together with any relevant authority or copy authority as referred to in Regulation 62⁶) may be deposited at any place specified in such Regulation not less than 24 hours before the time of the relevant meeting or may be delivered at the meeting to the secretary or the chairman or to any other director. An appointment of a proxy contained in an electronic communication may be received at any address referred to in such Regulation not less than 24 hours before the time of the relevant meeting. Regulation 62 is amended accordingly.</p> <p><i>Article 6.5</i></p> <p>Any member or proxy for a member, or duly authorised representative of a corporate member, may participate in a general meeting or a meeting of a class of members by means of conference telephone or similar communications equipment which enables all persons participating in the meeting to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting, may be counted in the quorum and is entitled to vote.</p> <p>Subject to the Act, all business transacted in this way by the members or class of members is for the purposes of these Articles deemed to be validly and effectively transacted at a general meeting or a meeting of a class of members (as the case may be). The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.</p> |

⁵ See Annex for the full text of this Regulation.

⁶ See Annex for the full text of this Regulation.

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| | | | <p>Majority Shareholders' Rights</p> <p><i>Articles 14.1 to 14.2</i></p> <p>See section 3 above.</p> |
| 16. | 78/660/EEC, Article 46(a)(1)(f) | The composition and operation of the administrative, management and supervisory bodies and their committees. | <p>The directors of the Company are David Samuel, Ian Linnell, Sanjeev Handa (Independent Director) and Dominique Netter (Independent Director).⁷</p> <p>The Company will comply with its obligations under all applicable law including, without limitation, Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies. See sections 5 and 6 above for additional information regarding the composition and operation of the board of directors.</p> <p>The Company has set up a management committee⁸ to direct the day-to-day activities of the Company. The members of the management committee are David Samuel and Ian Linnell.</p> |
| | | | <p>Proceedings of Directors</p> <p><i>Article 13.1</i></p> <p>Subject to these Articles, the directors may regulate their proceedings as they think fit. A director at any time may, and the secretary (if any) at the request of a director shall, call a meeting of the directors. A director absent or intending to be absent from the UK may request the directors during his absence to send notices of meetings of the directors to him at an address within the UK given by him to the Company for</p> |

⁷ Article 8 provides as follows: “There is no maximum number of directors and the minimum number of directors is one. A sole director has authority to exercise all the powers and discretions vested in the directors generally under these Articles, Table A or otherwise.”

⁸ Article 12 provides as follows: “The directors may delegate any of their powers, authorities and discretions (with power to sub delegate) to committees consisting of such persons (whether directors or not) as they think fit. References in these Articles to any committee of the directors shall include a committee of such persons and references to a director as a member of such a committee shall include such a person. Where a provision of the Articles refers to the exercise of a power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of the power, authority or discretion by the committee. Regulation 72 is modified accordingly.” (See Annex for full text of Regulation 72).

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| | | | <p>such purposes but, in the absence of such a request, it shall not be necessary to give notice of a meeting to a director who is absent from the UK. A director may waive the requirement that notice be given to him of a board meeting, either prospectively or retrospectively.</p> <p><i>Article 13.2</i></p> <p>Notice of a meeting of the directors, or of any committee of the directors, shall be deemed to be to duly given to a director if it is given to him personally or by word of mouth or sent in writing to him at his last known address or any other address given by him at his last known address or any other address given by him to the Company for this purpose or by giving it using electronic communications to an address for the time being notified to the Company by the director.</p> <p><i>Article 13.3</i></p> <p>Whilst there is only one director of the Company, he shall constitute a quorum for all meetings of the directors. In any other case the quorum for the transaction of the business of the directors may be fixed by the directors and unless so fixed at any other number is two. A meeting of the directors at which a quorum is present is competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Board. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum.</p> <p><i>Article 13.4</i></p> <p>Questions arising at any meeting of the directors shall be decided by a majority of votes. A director who is also an alternate director shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote.</p> <p><i>Article 13.5</i></p> <p>Any director may participate in a meeting of directors or a</p> |

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| | | | <p>committee of directors by means of conference telephone or similar communications equipment which enables all persons participating in the meeting to hear and speak to each other throughout the meeting. A person participating in this way is deemed to be present in person at the meeting, may be counted in the quorum and is entitled to vote. Subject to the 1985 Act, all business transacted in this way by the directors or a committee of directors is for the purposes of these Articles deemed to be validly and effectively transacted at a meeting of the directors or of a committee of directors, even though fewer than two directors or alternate directors are physically present at the same place. The meeting is deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.</p> <p><i>Article 13.6</i></p> <p>Without prejudice to the obligation of a director to disclose his interest in accordance with sections 177 and/or 182 of the 2006 Act, a director may vote at any meeting of directors or of a committee of directors on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty. Such a director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted. Such a director may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him in connection with any such matter.</p> <p><i>Article 13.7</i></p> <p>Any written resolution as referred to in Regulation 93⁹ may consist of several documents in like form, each signed or approved by letter, facsimile or email transmission or transmission by any other form of electronic communication</p> |

⁹ See Annex for the full text of this Regulation.

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| | | | agreed by the board, by one or more directors entitled at the relevant time to receive notice of the relevant meeting. |

ANNEX

D. Regulations as referred to in section 6 above

Regulation 8

The company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this regulation. The company's lien on a share shall extend to any amount payable in respect of it.

Regulation 103

Subject to the provisions of the Act¹⁰, the directors may pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

E. Regulations as referred to in section 7 above

Regulation 38

General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right.

The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

Subject to the provisions of the articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors and auditors.

¹⁰ "Act" means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force and any provisions of the Companies Act 2006 for the time being in force.

Regulation 54

Subject to any rights or restrictions attached to any shares, on a show of hands every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, unless the proxy (in either case) or the representative is himself a member entitled to vote, shall have one vote and on a poll every member shall have one vote for every share of which he is the holder.

Regulation 62

The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may:

- (d) in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the company in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - (bb) in the case of an appointment contained in an electronic communication, where an address has been specified for the purpose of receiving electronic communications:
 - (i) in the notice convening the meeting, or
 - (ii) in any instrument of proxy sent out by the company in relation to the meeting, or
 - (iii) in any invitation contained in an electronic communication to appoint a proxy issued by the company in relation to the meeting,
be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
- (e) in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- (f) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

In this regulation and the next, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications.

F. Regulation as referred to in section 8 above

Regulation 72

The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

Regulation 93

A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

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