



Policy: Separation of Analytical Personnel from Commercial Operations and Information

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Issued by	: SAR Compliance Function
Applicable to	: All SAR Employees and relevant Employees supporting the SAR rating process
Scope	: All Credit Rating Actions and all Other Rating Actions

Approved documents are held by the Compliance Officer of Sovereign Africa Ratings (Proprietary) Limited.

¹ Date on which the approved document takes effect.



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1 Policy Statement

SAR mandates that its credit rating and commercial activities be physically and operationally separated to avoid commercial concerns from undermining the independence and integrity of its credit ratings and rating process.

The following information cannot be given to Credit Rating Personnel:

- a) Fee or pricing information;
- b) Prohibited sales and marketing information; and
- c) Feedback or opinions on Credit Ratings or Rating Services relayed by non-Credit Rating Personnel that would reasonably be expected to influence either the analysis or rating outcome for any particular Credit Rating or Rating Service.

2 Approval of Policy

This Policy was approved by the board, and it will be reviewed annually.

Pertia Divhani Ravhuhali

Board Meeting, 2 August 2022

Approved by the board

Date

Chairperson of the board

3 Annexures

3.1 Procedure: Separation of Analytical Personnel from Commercial Operations and Information

The policy statements are implemented by this Procedure.

Analysts are not permitted to participate in commercial negotiations or receive information about terms, billings, or fees that are unique to a given engagement.

Each request for Rating services must be priced by commercial persons, and only commercial personnel are allowed to discuss fees, billings, and other commercial terms with a Rated Entity or Related Third Party.

All fee-related data must be collected, recorded, and entered into the proper systems by commercial employees. Commercial employees is in charge of notifying the appropriate Analyst(s) that the Rating process may begin once the commercial terms are agreed upon.

Analysts should wait until they obtain such confirmation from the commercial unit before starting work on a Rating. Commercial persons are not permitted to provide Analysts with information about specific costs or billings for Rating services by email or any other means.

Before and after the signing of a fee letter, joint meetings with commercial staff, analysts, rated entities, and/or related third parties are allowed, provided that discussions about commercial issues or fee structures do not involve analysts, and commercial staff must also stay out of discussions about sensitive information related to the conduct of analytical activities.