

# VIS

Credit Rating Company Limited

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## POLICY FOR ANNOUNCEMENT OF RATINGS

## OBJECTIVE

VIS Credit Rating Company Limited's Policy for Announcement of Ratings sets out the standard operating procedures governing the public announcement and disclosure of all non-private rating actions. It covers both initial and subsequent rating reviews.

## RATING ANNOUNCEMENTS

VIS Credit Rating Company Limited announces ratings only when the client has opted for a public rating. The finalized ratings is disseminated on a non-selective and free of charge basis to the press and also on the VIS website, before any client disclosure. Clients are generally notified in advance of changes or withdrawals, though VIS reserves the right to act without prior notice. The announcement process includes:

- Sending a press release to Associated Press of Pakistan and All Pakistan Newspapers Society.
- Circulating the release to major English and Urdu newspapers, Pakistan Stock Exchange, State Bank of Pakistan, SECP, and relevant industry associations.
- Posting the press release on VIS's official website: <http://www.vis.com.pk>
- Uploading a comprehensive report on the website within five working days.

Since this is not a paid service, VIS cannot and does not ensure that its press releases are published by the newspapers.

### Announcements in case of 'Default' by a client

Upon occurrence of default of an entity/instrument rated by VIS, the Company will:

- prepare a descriptive default note
- disseminate the default note to Pakistan Stock Exchange, State Bank of Pakistan, Securities & Exchange Commission of Pakistan, Mutual Fund Association of Pakistan, Pakistan Banking Association, NBF1 and Modaraba Association of Pakistan; and
- publish the default note on its official website for public information.

In addition, VIS will also publish within one month of calendar year, an annual comprehensive default and transition study developed in line with methodologies practiced by credit rating agencies globally.

## DISCLOSURES

The nature and extent of disclosures vary by communication type and shall, at a minimum, include the information set out below.

### Press Release

Every press release will at least contain:

- Latest rating action
- Date of last rating
- Methodology used in determining the rating and where a description of the methodology can be found;

- Rating rationale supporting the rating
- Contact details
- A disclaimer, which should read as follows: “Information herein was obtained from sources believed to be accurate and reliable; however, VIS Credit Rating Company Limited (VIS) does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the rating(s)/ranking(s) mentioned in this report. VIS is paid a fee for most rating assignments. This rating/ranking is an opinion and is not a recommendation to buy or sell any securities. Copyright (insert *current year*) VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.”

## Rating Report

Every rating report will at least include:

- Latest & previous rating
- Purpose of the rating (rating type)
- Key assumptions and rationale for the rating assigned, the risk factors considered in the assessment and critical financial information of the entity (except for a public unlisted company or a private company which is not otherwise required to make such public disclosure under any other regulatory framework) covering at least paid-up capital, equity, revenue, profit/(loss) before tax, profit/(loss) after tax, cash flow position, debt to equity ratio and current ratio;
- Key financial data of the entity being rated
- Names and contact details of the analysts
- In case of secured instrument, quantum and nature of security, nature and book value of the assets backing the instrument
- In case of structured finance products, information about the originator like its name, its principal business, its brief financial and operating position for the last five years, nature of defaults and delay, if any, in repayment of any financial obligation during the last five years, nature and value of assets backing the instrument, detail of guarantee, if any, or any other additional security arrangement, transaction structure, collection mechanism etc.
- Where relevant, details of benchmarks used, any sensitivity analyses performed and its results, comparative analyses made with other industries or companies and credit enhancements
- A statement on probability of default
- History of ratings conducted by VIS for the last 5 years, if available
- In case of unsolicited ratings – the fact that it is unsolicited, the extent of participation by the entity/issuer, its management, its creditors and its auditors in the credit rating process and source of information used in arriving at the rating
- Methodology used in determining the rating and where a description of the methodology can be found; where the rating is based on more than one methodology, or where a review of only the principal methodology might cause investors to overlook other important aspects of the rating, an explanation on how the different methodologies and other important aspects are factored into the rating decision;
- A statement stating that the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit

quality only and is not a recommendation to buy or sell any securities. A disclaimer, which should read as follows: "Information herein was obtained from sources believed to be accurate and reliable; however, VIS Credit Rating Company Limited (VIS) does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the rating(s)/ranking(s) mentioned in this report. VIS is paid a fee for most rating assignments. This rating/ranking is an opinion and is not a recommendation to buy or sell any securities. Copyright (*insert current year*) VIS Credit Rating Company Limited. All rights reserved. Contents may be used by news media with credit to VIS.

### Default Disclosures

- The default notes disseminated on each occurrence of default by an entity/ instrument being rated by VIS will describe the definition of default, the reasons for the default, historical transitions and the factors overlooked, if any.
- The annual default and transition study will contain cumulative default rates (CDRs) and transitions for each rating grade for periods 1, 3 and 5 years.

## APPROVALS

This policy is to be approved by the Board of Directors of VIS Credit Rating Company Limited and has to be reviewed on annual basis by the competent authority and duly approved by the Board.

Policy	Date of Review	Authorized By
Policy for announcement of ratings	April 2026	Board of Director

