General Nature of Compensation Arrangements with rated entities

CareEdge Global IFSC Limited (CGIL) follows a transparent pricing mechanism for undertaking the rating of various products. The fee structure is usually linked to the amount of debt being rated.

The general nature of compensation arrangements that CGIL has with rated entities is as follows:

1. Before crystallising any rating agreement, the applicable fees are finalised with the entity to be rated.
2. The credit rating fees generally have two components: an Initial Fee (one-time fee) and a Review Fee (Annual Fee). The Initial fee is charged at the time of assignment of the initial rating, and the Review Fee is charged annually until the rating remains outstanding.
3. While the fees are generally correlated to the amount of debt to be rated, it also depends upon the nature of the debt to be rated, the type of rating and the complexity of the assignment, among other things.
4. Only the business development team is involved in the finalisation of the fees for the rating assignments, and these officials are not part of the rating operations/rating committees.
5. Rating analysts are not part of the mandate origination and fee discussions. Thus, the fees charged for the rating assignments are not disclosed to the rating analysts.
6. The amount of rating fees is not a determinant of rating analysis or rating outcome by CGIL in any manner whatsoever.
7. CGIL reserves the right to charge the rating fees within the general nature of compensation arrangements with rated clients.

All applicable taxes are generally charged over and above the fees quoted for the rating assignment. Out-of-pocket expenses, if any, are generally charged to the client on an actual basis and are in addition to the fees charged. CGIL is not obliged to disclose details of such expenses.

Notes:

- Rating fees are generally computed separately on each instrument issued.
- Issuers are liable to pay rating fees, regardless of whether they accept the rating assigned by CGIL or not. All fees are non-refundable.
- CGIL may consider an alternative fee structure for large volume borrowers, instituting note programmes, group structures and such other entities.

- CGIL reserves the right to make changes in the fee structure at any time.
- CGIL does not charge any fees to its clients or investors for disseminating / publishing ratings and Press Releases on its website www.careedgeglobal.com.

[Issued on September 25, 2025]

CareEdge Global IFSC Limited

(subsidiary of CARE Ratings Ltd.)
Unit No. 06, 11 T-2, Block-11, GIFT SEZ, Gift City, Gandhi Nagar, Gujarat – 382355
CIN-U66190GJ2024PLC151103

About Us:
CareEdge Global IFSC Limited (CareEdge Global) is a full-service Credit Rating Agency (CRA) with a mission of Empowering Global Capital Market Participants Through Unrivalled Insights and Expertise. As the first CRA registered and authorized by the International Financial Services Centres Authority (India), we are uniquely positioned to provide comprehensive ratings on a global scale. A part of the CareEdge Group – we are a knowledge-based analytical organisation offering a wide range of services in Credit Ratings, Analytics, Consulting, and Sustainability. Established in 1993, our parent company, CARE Ratings Limited (CareEdge Ratings), stands as India's second-largest rating agency.