CareEdge GLOBAL RATINGS
A subsidiary of CARE Ratings Limited

CODE OF CONDUCT UNDER SCHEDULE II OF IFSCA CMI REGULATIONS

DOCUMENT CHANGE CONTROL

Version	Author / Owner	Date	Outline of changes
1.0	Compliance Officer	27-09-2024	As per the IFSCA (Capital Market Intermediaries) Regulations, 2021
1.1	Compliance Officer	08-07-2025	Amendment and aligned to IFSCA (Capital Market Intermediaries) Regulations, 2025

CareEdge
GLOBAL RATINGS
A subsidiary of CARE Ratings Limited

CODE OF CONDUCT UNDER SCHEDULE II OF IFSCA CMI REGULATIONS

1. Introduction

CareEdge Global IFSC Limited (“CGIL” or “the Company”) is a Public Limited Company incorporated under the Companies Act, 2013 and is a Capital Market Intermediary as a Credit Rating Agency (“CRA”) and as an ESG Ratings and Data Products Provider (ERDPP) registered with International Financial Services Centres Authority (“IFSCA”).

CGIL’s Code of Conduct is based on Schedule II of International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021 (“the IFSCA CMI Regulations as amended from time to time (“Code”).

The Board of Directors of CareEdge Global IFSC Limited (“the Company” or “CareEdge-Global”) has adopted this Code as required under the IFSCA CMI Regulations. The Code has been prepared to ensure compliance with legal and regulatory requirements as per IFSCA CMI Regulations to maintain high standard of business conduct and contains guidelines related to governing the appropriate conduct of employees and officers.

Failure to comply with this Code will constitute a ground for disciplinary action. This Code is intended for internal use and must not be distributed for any purpose, without the prior approval of the Compliance Officer.

2. Applicability

This Code of Conduct (“Code”) shall be applicable to all the employees (including contractual employees) of the Company including Executive/Managing Director/Whole Time Director/CEO.

3. Interpretations:

a) Words and expressions used and not defined in the Code but defined in the IFSCA Regulations or the Companies Act, 2013 and rules and regulations made there under shall have the meanings respectively assigned therein.
b) The use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Code to any Person or Persons or circumstances except as the context otherwise permits.
c) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
d) Reference to a statutory provision, rule, ordinance, legislation, or other law shall include any amendment, replacement, modification or reenactment thereof and any reference to this Code or any other agreement shall include any amendment, replacement, or modification, made in accordance with the terms thereof.
e) Wherever the word “includes”, “includes,” or “including” is used in this Code, it shall be deemed to be followed by the words “without limitation” and the ‘ejusdem generis’ rule shall be disregarded.

4. Mandatory principles to be adhered to by the Company (in the capacity of a capital market intermediary as per schedule II) and by the employees to the extent of applicability of such principles on the functioning of each employee, requiring demonstration of appropriate conduct in governing the internal operations

The Company and/or its employees, as the case may be, in the context of complying with the aforesaid principles shall:

1) make all efforts to protect the interest of investors and render the best possible advice to the clients having regard to the needs of the clients, environment and its own professional skills.
2) in the conduct of its business, observe high standards of integrity, dignity and fairness and fulfil its obligations in a prompt, ethical and professional manner.

3) at all times exercise due diligence, ensure proper care and exercise independent professional judgment in order to achieve and maintain objectivity and independence in the rating process.
4) have a reasonable and adequate basis for performing rating evaluations, with the support of appropriate and in-depth rating researches along with maintaining records to support its decisions.
5) have in place a rating process that reflects consistent and international rating standards.
6) not indulge in any unfair competition nor shall it wean away the clients of any other rating agency on assurance of higher rating.
7) keep track of all important changes relating to the client companies and shall develop efficient and responsive systems to yield timely and accurate ratings. Further a credit rating agency shall also monitor closely all relevant factors that might affect the creditworthiness of the issuers.
8) disclose its rating methodology to clients, users and the public.
9) wherever necessary, disclose to the clients, possible sources of conflict of duties and interests, which could impair its ability to make fair, objective and unbiased ratings.
10) ensure that no conflict of interest exists between any member of its rating committee participating in the rating analysis, and that of its client.
11) not make any exaggerated statement either oral or in written form to the client about its capability, qualification and achievement in regard to services rendered to the client.
12) not make untrue statement or suppress any material fact or make any misrepresentation in any documents, reports, papers or information furnished to the Authority.
13) ensure that the regulatory authority is informed about any action, legal proceedings etc. initiated against it alleging any material breach or non-compliance by it, of any law, rules, regulations and directions of the Authority.
14) maintain an appropriate level of knowledge and competence and abide by the provisions of the Act, regulations and circulars which maybe applicable and relevant to the activities carried on by the Company.
15) ensure that there is no misuse of any privileged information including prior knowledge of rating decisions or changes.
16) ensure that it and any of its employees shall not render, directly or indirectly any investment advice about any security in the publicly accessible media, unless a disclosure of its interest in the said security has been made while rendering such advice and shall not offer fee-based services to the rated entities, beyond credit ratings and research.
17) ensure that any change in registration status/any penal action taken by Authority or any material change in financials which may adversely affect the interests of clients/investors is promptly informed to the clients and any business remaining outstanding is transferred to another registered person in accordance with any instructions of the affected clients/investors.
18) maintain an arm’s length relationship between its credit rating activity and other activities.
19) ensure that the compliance officer has adequate freedom and power for effective discharge of his duties.
20) Has an own internal code of conduct for governing internal operations and conduct of its employees.
21) Has an internal policy for outsourcing of its activities from outside of IFSC and ensure compliance at all times.
22) ensure that the senior management, particularly decision makers have access to all the relevant information about the business on a timely basis.
23) ensure that good corporate policies and corporate governance are in place.
24) not be a party to or instrumental for:
    i. creation of false market;
    ii. price rigging or manipulation;
    iii. passing of unpublished price sensitive information to any other intermediary or any person, in respect of any securities which are listed and proposed to be listed in any stock exchange.
25) not indulge in manipulative, fraudulent or deceptive transactions or schemes or spread rumours with a view to distorting market equilibrium or making personal gains.

26) not create false market either singly or in collusion with other intermediaries or the issuer in a manner that is detrimental to the interests of investors, or which leads to interference with the fair and smooth functioning of the market.
27) endeavour to ensure that inquires and grievances of the investors are dealt with in a timely and appropriate manner.
28) maintain confidentiality with respect to the information about its clients, except where such disclosures are required to be made in compliance with any law for the time being in force.
29) CMI shall avoid conflict of interest and make adequate disclosure of its possible conflict of interest and duties and shall put in place a mechanism to resolve any conflict of interest situation..
30) not indulge in any unfair competition, which is likely to harm the interests of other capital market intermediaries and investors.
31) not discriminate amongst its clients, save and except on ethical and commercial considerations.
32) inform the Authority promptly about any action initiated against it in respect of material breach or non-compliance of any law, regulations and direction issued by the Authority or any other regulatory body.
33) ensure that it or any of its principal officers, directors, or employees having power of management shall not either on its own account or through their relatives or friends indulge in insider trading.
34) have and employ effectively appropriate resources and procedures which are needed for the efficient performance of its business activities.
35) have internal control procedures and financial and operational capabilities adequate enough to protect the clients and investors from financial loss arising from theft, fraud, omissions and professional misconduct.
36) ensure that any person it employs or appoints is a fit and proper person and otherwise qualified to act in the capacity so employed or appointed.
37) ensure that senior management of a capital market intermediary shall bear primary responsibility for ensuring the maintenance of appropriate standards of conduct and adherence to proper procedures by the intermediary.
38) not make a recommendation to any client or investor who may be expected to rely thereon to acquire, dispose of or retain any securities unless he has reasonable grounds to believe that the recommendation is suitable.

5. REVIEW AND AMENDMENTS

All provisions of this Code would be subject to revision or amendment in accordance with the applicable law as may be issued by relevant statutory, governmental or regulatory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities are not consistent with the provisions laid down under this Code, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder.