
MARC

MARC RATINGS BERHAD

PERSONAL INVESTMENT AND TRADING OF SECURITIES POLICY

Version 5.0

Effective Date: October 2024

DOCUMENT REVIEW HISTORY

The following table describes the history of reviews for this Personal Investment and Trading of Securities Policy:-

Version	Effective Date	Author	Reason for Update
4.0	17 January 2020	MARC Ratings Bhd	Revision Reviewed by CGRM
5.0	October 2024	MARC Ratings Bhd	Periodic Review – Minor amendment Para 7.2 Reviewed by CGRLM

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1. OBJECTIVE

This Policy serves to establish a standard of conduct for MARC Ratings Berhad's ("MARC Ratings") employees and non-employees on the dealings in personal investment and trading of securities. MARC Ratings employees shall exhibit honest and ethical conduct, including avoidance of potential or perceived conflict of personal and professional interests and insider trading.

As a part of MARC Ratings rating process, issuers and other parties often share material non- public information with MRB's employees. In addition, a rating action or other public announcement may have an effect on the price of an issuer's securities or securities not directly related to that issuer. Accordingly, this Policy is aimed to protect against any real or apparent conflicts of interest which may be used by MARC Ratings employees or non-employees for their own direct or indirect personal gain.

2. SCOPE

This Policy applies to employees and non-employees of MARC Ratings which includes all directors, company secretary, rating committee members, collectively referred as "person (s)" for the purpose of this Policy. It also applies, in the relevant circumstances, to the family members of the persons.

3. DEFINITION

- "Employees involved in the rating process" refers to the lead analyst, serving as the back-up analyst, serving on the rating committee, providing the approval to record and release a rating action, assisting in drafting the report being considered by the rating committee.
- "Blackout period" refers to a period during which any person is prohibited from investing and/trading in the securities of a specific issuer, i.e after the receipt of material non-public information until after the release of the rating information to the public.
- "CEO" refers to Chief Executive Officer
- "CGLRM" refers to Compliance, Governance, Legal and Risk Management Department
- "CRO" refers to Chief Rating Officer
- "Employee(s)" means any full-time, contract or part-time employee of MARC Ratings.

- “Family member” has the meaning ascribed to it in the SC’s Guidelines on the Registration of Credit Rating Agencies and includes (i) a spouse, (ii) parent, and (iii) child (including adopted or stepchild) or sibling of the individual or his/her spouse.
- “Insider trading” refers to trading in the securities market while employees are in possession of material non-public information.
- “Material non-public information” refers to all non-public information, whether price-sensitive or not, that is obtained from clients and potential clients or their advisers and not from public domain. It also includes any analyses, opinions and reports produced as a result of processing such information.
- “Personnel related to MARC Ratings” refers to any person other than employees of MARC Ratings which includes but not limited to directors, external rating committee members, MARC Ratings company secretary and any other person (to be determined from time to time) whom is exposed to MARC Ratings material non – public information.
- Rated entity(ies) means any entity rated by MARC Ratings or any entity that issues securities rated by MARC Ratings or any entity that is seeking a credit rating from MARC Ratings.
- “Related” entity is deemed to be related to another entity if the entity is the parent or subsidiary of the other.
- “Security” means any tradable securities of companies that are of existing clients of MRB and include but not limited to shares, bonds, warrants options and other similar instruments. This definition does not cover holdings in diversified collective investment schemes (e.g. ASB, ASN), equity investment abroad, broad market related instruments (e.g. ETF, bond funds, market index- related instruments) and REITs.
- “Trade or trading of securities” refers to any transaction by which a person acquires or divests himself/herself from an interest or position in a security, including but not limited to purchases, sales, repurchase agreements, and entering into derivative transactions, including put options, calls and equity swaps as well as liquidating such derivative positions through purchase, sale or exercise.
- “Tipping” shall mean the act of providing material non-public information to a person who is not authorized to have the information and who then trades (or discloses the information to another person who trades).

4. DISCLOSURE OF INVESTMENT HOLDING AND TRADING OF SECURITIES

- All new employees shall provide a list of their investments in securities to Human Capital Department upon commencement of employment with MARC Ratings within 7 working days from the joining date.
- All employees and personnel related to MARC Ratings are required to declare their securities holdings and trades whether direct or indirect via "Declaration on Securities Ownership Form" (the Declaration Form). This declaration shall also include their family members' securities holdings and trades. The declaration shall be in accordance with the following categories and frequency:

Category		Submit to	Reporting Period (Frequency)
A	Employees involved in the rating process	CGLRM	Quarterly
B	Other employees (Non Analyst) and personnel related to MARC Ratings	CGLRM	Half-yearly

* The Form is attached as Appendix I. It shall be updated and reported as and when there are changes from the last declaration.

- Category A employees and their spouses are required to attach the CDS/online transaction statement together with the Declaration Form to CGLRM within the reporting period to support the information declared.
- All declarations are to be made within 15 days after end of each reporting period.
- Where there is no investment securities being held, a NIL reporting is required to be submitted according to the applicable frequency.

5. TRADING PROHIBITION

- All employees and personnel related to MARC Ratings; and their family members are prohibited from trading of a security as soon as they are in possession of material non-public information relating to the rated entity or related entity of the security or the security itself.
- This prohibition remains in effect until the day of the information has been widely disseminated to the public.
- All employees and personnel related to MARC Ratings are also prohibited from tipping any individual while in possession of material non-public information about a security or the issuer of a security.

- For external rating committee members and their family members, they are required to observe a "blackout period" during which no transactions involving the purchase or sales of the securities of a rated entity or its related entities may be conducted. The "blackout" period begins on the day the external member receives a report or other rating-related material for the committee's deliberation and ends on the day a public release of the corresponding rating announcement is made.

6. BREACH OF POLICY

- Any person who is proven to have violated this Policy may be subject to discipline up to and including termination of employment in accordance with applicable law and reporting of such breach to Securities Commission.
- Any suspected violations of this Policy is to be reported to CGLRM and CEO in writing immediately.
- For any suspected violation, the MARC shall have the right to gain full access to the person's securities and trading records; and documents to facilitate the investigation

7. REVIEW AND AMENDMENTS

- 7.1 MARC reserves the right to amend, update, vary, revise or replace this Policy or any part of it from time to time to ensure full compliance.
- 7.2 The Policy will be reviewed and updated at least once every 3 years or as and when necessary

DECLARATION ON SECURITIES OWNERSHIP

For the period from _____ to _____

I, (please provide full name) have read and understood MRB's Personal Investment and Trading of Securities Policy (the Policy) and agree to abide by the Policy.

I hereby declare that the list of securities set forth below is a complete list of the securities (excluding holding through collective investment scheme, i.e., unit trust, Amanah Saham Bumiputra, Amanah Saham Nasional) I or my family member(s) own, or in which I or my family member(s) have a direct or indirect beneficial ownership, to the *best of my knowledge.

I will update this list on an immediate basis should there be any changes (e.g. acquisitions or disposals) from this declaration.

Applicable to only 'Employees Involved in the Rating Process':

I further declare that neither myself nor my family member(s) is holding any securities of a rated entity or its related entity which I am involved in its rating process.

No	List of Securities	No of Units Held
	<u>Personal:</u>	
	<u>Family member(s):</u>	

(Please indicate "NIL" if you do not have any).

Signature :

Department :

Date :

Note:

1. Family member(s) as defined under Securities Commission Guidelines on Registration of Credit Rating Agencies comprise spouse, parent, child including an adopted child and step child, brother or sister and spouse of child including adopted child and step-child, brother or sister.
2. Securities disclosed on a 'best of knowledge' basis is not applicable to employee and his/her spouse.