



RATINGS

# POLICY

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## RATING DISSEMINATION AND PUBLICATION

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# RATING DISSEMINATION AND PUBLICATION POLICY

## INTRODUCTION

RAM Ratings' policies are designed to be consistent with RAM Ratings Code of Conduct, which incorporates the best practices outlined in the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies. RAM Ratings, as a registered credit rating agency under the Capital Markets and Services Act (2007), is obliged to provide timely updates to the market with respect to the rating decisions made for mandated rating assignments for bonds and sukuk.

Where required by regulation or where feasible and appropriate, RAM Ratings shall inform the issuer or rated entity, prior to the publication of the credit rating assigned. This is to afford the issuer or rated entity the opportunity to review and correct for any factual errors in RAM Ratings' published documents relating to the rating, as well as to present the opportunity for the issuer or rated entity to alert us on potential disclosures that may be sensitive or confidential in nature.

## POLICY STATEMENT

The purpose of this paper is to provide clarity to market participants with respect to RAM Ratings' policy on the dissemination of credit ratings and rating rationales. The policy focuses on the dissemination of the rating decision and the publication of the accompanying rating rationale and/or media releases for publicly disseminated credit ratings and RAM Ratings' editorial process. On occasion, RAM Ratings may issue and/or maintain coverage for entities if we deem there is market interest for us to do so. Where ratings are unsolicited, the rating will carry the suffix (pi) to indicate that the rating assessment was conducted based on publicly available information.

RAM Ratings' pre-publication notice generally involves:

1. *Form of communication.* Once a rating decision has been made, we will apprise the rated entity or sponsor of the rating decision, with the basis of the credit opinion reflected in our rating rationale or rating action commentary. A draft copy of the rating rationale will be provided to the entity to review for any factual errors and/or remove any material non-public information.
2. *Factual edits.* RAM Ratings will consider comments from the rated entity but is not obliged to make any changes. The draft rating rationale is meant to give the rated entity an opportunity to correct any factual error or prevent any confidential information from being inadvertently disseminated. Comments that reflect the rated entity's concerns or misunderstandings will be discussed, but any changes to the rating rationale will be at RAM Ratings' sole discretion. The rating publications reflect RAM Ratings' independent and objective credit opinion, and we maintain full discretion to disseminate it to the market in whatever form RAM Ratings, in its editorial judgement, determines to be the most appropriate.
3. *Right to publish.* First-time applicants can choose not to have their credit ratings published and opt to maintain a private rating if they wish. If the rated entity or issuer decides to publish its credit rating, RAM Ratings shall endeavour to provide a copy of the media release to the rated entity, at least one (1) day prior to publication. Where this is not possible, RAM Ratings will inform the rated entity as soon as practicable and will generally explain the reason for the delay.

4. *Unsolicited ratings.* The publication of unsolicited ratings will be based, among other factors, on our assessment of the usefulness of the ratings to the capital markets and our determination that sufficient information is available to allow us to assign and maintain the ratings.

RAM Ratings is committed to providing market players with objective, timely, independent and forward-looking credit opinions, and aims to publish rating actions on existing published credit ratings as soon as the rating decision is made by the rating committee. RAM Ratings' principal objective is to announce its rating actions as soon as possible to minimise the risk of leakage of market-sensitive information. In view of this, the pre-publication notice period is generally limited to 10 working days from the date RAM Ratings sends the draft rating rationale to the rated entity (save for unsolicited ratings) and considers the careful balance required between allowing the issuer or rated entity sufficient time to review the draft publication materials for factual correctness and providing timely and objective opinions, whilst maintaining confidentiality of information.

There may be exceptions where the exact timing of new credit announcements, or rating actions may be delayed or where the pre-publication notice may not apply due to other factors. Such exceptions include (but are not limited to):

1. Instances where RAM Ratings is unable to identify an appropriate contact at the rated entity or issuer, e.g., in cases where the entity is uncooperative and uncontactable (usually in financially distressed scenarios);
2. Event-driven or time-sensitive scenarios where the rating actions are triggered by sudden and unexpected announcements, e.g., mergers and acquisitions;
3. New debt issue rating where the rated entity and/or its advisors have requested to delay the publication until the issuance of the proposed debt issue is closer to the intended financial close.

All rating announcements will be disseminated via our website, [www.ram.com.my](http://www.ram.com.my), and the media. However, full rating rationales are only made available to paying subscribers.

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