



TRANSPARENCY REPORT

Issued March 2024

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1. Introduction

Capital Intelligence Ratings Ltd (hereinafter “**CI**” or the “**Company**”) is an international credit rating agency that provides credit analysis and independent rating opinions on financial institutions, corporates and governments located in Europe, the Middle East, Africa and Asia.

CI is registered as a credit rating agency in the European Union (hereinafter the “**EU**”) in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16th September 2009 on credit rating agencies, as amended (hereinafter collectively referred to as the “**EU Regulation**”).

This Transparency Report has been prepared by CI, so as to comply with the requirements set out in Article 12 of the EU Regulation and includes the information set out in part III of section E of Annex I, specifically:

- i. detailed information on CI’s legal structure and ownership;
- ii. a description of the internal control mechanisms which ensure the quality of CI’s credit rating activities;
- iii. statistics on the allocation of staff;
- iv. a description of CI’s record-keeping policy;
- v. the outcome of the annual internal review of CI’s independent compliance function, and
- vi. a description of CI’s management and analyst rotation policy.

Unless stated otherwise, this Transparency Report reflects the structure and operation of CI’s business and credit rating activities as of 31st December 2023.

2. Legal Structure and Ownership

CI is a private, limited liability company which was established in 1982. The Company's head office is located in the Republic of Cyprus and has members of staff in other countries, including the United Kingdom and India.

The shares of CI are held by three individuals: Afaf Adham, Amin Diab, Zafer Diab and by one company: Gulf Injifa Company for General Trading and Contracting. There are no entities rated by CI with an ownership interest in the Company and no rated entity is represented on the administrative board of Gulf Injifa.

As a private company, the shares of CI are not admitted to trading on a regulated market.

3. Internal Control Mechanisms Ensuring the Quality of CI's Credit Rating Activities

CI has put in place policies, processes and structures that, taken together, help to ensure the objectivity and integrity of the rating process and the reliability of CI's credit ratings in a manner consistent with the requirements of the EU Regulation. The main internal control mechanisms are: the Supervisory Committee; an independent compliance function; documented policies and procedures; controls on conflicts of interest; determination of all credit ratings by rating committee; surveillance and periodic review of rated entities; pre-publication review of credit ratings by the rated entity; and an independent review unit for assessing rating methodologies and rating performance.

3.1 Supervisory Committee

The Supervisory Committee is a committee of the Board of Directors which has been delegated certain powers and duties with regard to the monitoring of credit rating activities, related quality control systems, and internal compliance and governance processes. The Supervisory Committee identifies any weakness or deficiencies with the assistance of the Compliance Officer and Internal Review Unit (see below) and may make recommendations to the executive management or to the Board with respect to any measures deemed necessary to strengthen the credit rating process and reduce compliance risk (see section 9.9 for further details).

3.2 Compliance Function

The Compliance Officer is responsible for monitoring and reporting on the Company's compliance with the EU Regulation and on employees' adherence to the Company's policies and procedures. The Compliance Officer provides guidance to staff on regulatory matters and identifies and assesses compliance risks arising from significant changes in laws and regulations.

In an effort to avoid any conflicts of interest, the Compliance Officer is not directly involved in credit rating activities and may not perform any other role within the Company that may present a conflict with the compliance function. The compensation of the Compliance Officer is not linked to the business performance of the Company.

The Compliance Officer reports directly to the Managing Director and the other members of the Supervisory Committee. Compliance audits are carried out by the Compliance Officer on a quarterly basis and presented to the Supervisory Committee. The Managing Director does not receive or approve compliance audits prior to their submission to the Supervisory Committee.

The non-executive members of the Supervisory Committee are charged with undertaking an annual review of the compliance function and may propose changes to safeguard the independence and effectiveness of the function.

3.3 Documented Policies and Procedures

CI has adopted and implemented a wide range of policies and procedures that are consistent with the requirements of the EU Regulation and with the objectives of the International Organization of Securities Commissions' Code of Conduct Fundamentals for Credit Rating Agencies (the "IOSCO Code")."

Documented rules, procedures and responsibilities form a key control mechanism as they provide clear guidelines to members of staff and provide a framework for effective management. As part of the process of promoting a compliance culture in which staff act ethically and comply with applicable laws and Company rules, senior management and staff are required to read and certify periodically and at least annually that they have understood and are adhering to the key policies and procedures relevant to their position.

3.4 Controls on Conflicts of Interest

A number of policies and procedures have been designed to mitigate the risk of rating analysts developing conflicts of interest vis-à-vis the entities they rate, and to manage the potential trade-off between quality standards and profitability. For example:

- Rating analysts are prohibited from participating in fee negotiations or bringing in new business, and accounting and marketing staff are prohibited from discussing rating fees with analysts.
- Rating analysts are prohibited from soliciting or accepting money, gifts or favours from anyone with whom CI does business.
- Rating analysts and persons closely associated with them (such as their immediate family) are not permitted to trade in financial instruments issued or guaranteed by any rated entity within the analyst's area of primary analytical responsibility.
- Rating analysts who own financial instruments of the rated entity or related third party, or have recently been employed by the entity, may not participate in rating committee meetings or vote on any rating action related to that specific rated entity.
- The remuneration of a rating analyst is based on a fixed amount and is not dependent on the revenue generated from the rated entity.

At the corporate level, CI does not offer advisory or consultancy services to the entities it rates. As a further check against undue influence, CI is committed to disclosing publicly the names of the rated entities or related third parties from which it receives more than 5% of its annual revenue. This commitment is backed by the Company's Code of Business Conduct and Code of Ethics and is in accordance with the EU Regulation.

3.5 Determination of Credit Ratings by Rating Committee

CI's credit ratings are determined by the vote of the relevant rating committee and not by any individual analyst. There are currently four rating committees: (i) the Bank and Sovereign Rating Committee, (ii) the Corporate Rating Committee, (iii) the Insurance Rating Committee, and (iv) the Covered Bond Rating Committee. These determine credit ratings pursuant to a majority vote of the rating committees' voting members.

The responsibilities of the rating committees include:

- assigning credit ratings and other ratings, such as support ratings;
- assigning outlooks to credit ratings;
- reviewing credit ratings and rating outlooks and deciding upon the appropriate rating action;
- ensuring that CI's methodologies and criteria are applied consistently across each type of credit rating (bank, corporate, sovereign etc);
- determining whether there is sufficient information to assign or maintain a credit rating, and
- reviewing a rating action that has been appealed by the rated entity.

The rating committee is the main institutional mechanism for ensuring that CI's methodologies are applied and implemented consistently across credit ratings (within each type) and regions. The rating committee is attended by analysts with a range of experience, cutting across geographic regions and rating grades (from high investment grade to low speculative grade). This approach helps to mitigate the risk of differing criteria subsets evolving unintentionally (which would more likely be the case were the committee to be composed of analysts with exposure to the same country or region). This approach also facilitates peer analysis, which is an important element of the rating process.

Rating committees are composed of rating analysts only and exclude any persons involved in fee negotiations with rated entities. The quorum for rating committee meetings is three voting members, at least two of which must be rating analysts with a 'senior' designation (senior analysts typically have at least 10 years' experience in credit ratings or in a credit-related field). In addition, at least two of the voting members must not have direct analytical responsibility for the rated entity being discussed.

3.6 Periodic Review and Surveillance of Rated Entities

CI monitors credit ratings on an ongoing basis to ensure that they continue to provide a credible opinion of the rated entity's creditworthiness. All credit ratings are reviewed at least once every 12 months (at least every six months for sovereign ratings) and whenever the primary analyst becomes aware of any information that might reasonably be expected to result in a rating action, consistent with the applicable rating methodology. The rating committee ultimately decides whether the credit rating and rating outlook should be revised.

3.7 Pre-Publication Review of Ratings and Rating Rationale by the Issuer

In order to avoid issuing credit analyses that contain misrepresentations or are otherwise misleading as to the general creditworthiness of an issuer or issue, CI provides rated entities with advance notice of its rating decisions and of the rationale on which those decisions are based. Rated entities may appeal the rating committee's rating decision before it is published (irrespective of whether or not the

rating has been solicited) by providing CI with new information that was not previously available to the rating committee, or by providing CI with clear evidence that material information which had a significant bearing on the rating outcome was missed or misinterpreted by the rating committee. When issuing a credit rating, CI indicates whether or not the rating was amended after being reviewed by the rated entity.

3.8 Independent Review of Methodology and Rating Performance

CI is committed to using rating methodologies that are rigorous and systematic and, where possible, result in credit ratings that can be subjected to some form of objective validation based on historical experience (for example through back-testing). The validation of CI's credit ratings is carried out by the Internal Review Unit.

The Internal Review Unit conducts timely evaluations of the quality and applicability of CI's rating methodologies, recommends changes whenever necessary, and helps ensure that any identified weaknesses or shortcomings are remedied. As part of this process the Internal Review Unit calculates and periodically updates transition rates and default rates for each sector (financial institutions, corporate issuers and sovereigns) and produces rating performance assessments, focusing on relative accuracy, predictive power, and rating stability.

The Internal Review Unit is responsible for examining whether CI's rating methodologies are used consistently in practice by the members of the rating committee and monitors the Methodology Development Teams that prepare credit rating methodologies. No new methodology or material change to an existing methodology may be adopted unless it has been reviewed by the Internal Review Unit and approved by a majority vote of the non-executive members of the Supervisory Committee and the independent members of the Internal Review Unit.

In addition, the Internal Review Unit supports the Compliance Officer in assessing whether a credit rating should be formally reviewed when an actual or perceived conflict of interest is reported or discovered.

The Internal Review Unit works independently of rating analysts, but may consult with rating analysts during the validation process. Internal Review Officers report directly to the Supervisory Committee.

4. Allocation of Staff Statistics

Statistics on the allocation of CI staff to new credit ratings, credit rating reviews, methodology and model appraisal, and senior management are given below:

Allocation of rating analysts and other staff as of 31st December 2023:

New credit ratings and credit rating reviews:	8
Of which Corporates:	7
Of which Sovereigns:	1
Methodology appraisal:	2
Senior management:	5

Credit Ratings – Rating analysts are responsible for analysing the creditworthiness of a portfolio of rated entities, usually on a continuous basis. The primary analyst who prepares the first credit rating report on a rated entity is usually responsible for maintaining surveillance over that entity and for reviewing its ratings at least annually. There are no rating analysts assigned exclusively to new ratings.

Methodology or Model Appraisal – Rating methodologies are evaluated by the Internal Review Unit, which consists of two Internal Review Officers.

Senior Management – Senior management means the person or persons who effectively direct the business of the credit rating agency and the member or members of its administrative or supervisory board. CI's senior management consists of the members of its Board of Directors, of whom only the Managing Director is involved in the day-to-day running of the Company.

5. Record-Keeping Policy

CI's record-keeping processes are governed by the Credit Rating Document Retention Policy (hereinafter the "**DRP**"). The goals of the DRP are to:

- retain important documents for reference and future use;
- delete documents that are no longer necessary for the proper functioning of CI;
- organise important documents for efficient retrieval, and
- ensure that CI employees know which documents should be retained and the duration of their retention (at least five years, in most cases).

The DRP lists the types of documents which must be kept, who is responsible for retaining them, and indicates where they should be filed or saved electronically. Records retained include, but are not limited to, the following:

- credit rating decisions – including the names of the primary and secondary analysts, the names of the members of the rating committee, the name of the committee chair and the date of the meeting;
- information used by analysts to determine credit ratings – including correspondence with rated entities and records of conversations, as well as financial and other information received;
- credit rating reports and credit rating announcements;
- policies, procedures and methodologies;
- fee records;
- subscriber records, and
- letters of engagement with rated entities.

Access to sales, marketing and other commercial information is restricted to the Marketing and Production Department, the Accounting Department and the Managing Director.

6. Internal Review of Independent Compliance Function

The non-executive members of CI's Supervisory Committee are required under the Committee's Terms of Reference to undertake an annual review of the compliance function and, if necessary, to recommend changes to safeguard the independence and effectiveness of the function.

The thirteenth (13th) annual review covered the activities of the Compliance Officer in the calendar year of 2023.

The review considered the independence of the compliance function, the mandate and resources of the compliance function, the adequacy of monitoring arrangements, the adequacy of mechanisms for reporting actual or potential infringements of CI's codes, policies and procedures, staff awareness of key policies and procedures, and reports prepared by the Compliance Officer.

The review involved examination of the Compliance Officer's reports, adherence to policies and procedures, quarterly Compliance Audits, Conflicts of Interest checks and periodic submissions. It confirmed that the independent compliance function operates in a manner consistent with CI's policies and procedures; the Compliance Officer enhances audit procedures as needed and engages closely with staff to ensure that activities comply fully with CI's policies and procedures; and that management is implementing the recommendations made as part of the quarterly compliance audits.

The 2023 review found a high level of compliance with CI policies and procedures and noted that CI's record-keeping process appears to be functioning with integrity. The review also opined that the Compliance Officer's regular reporting of Compliance Audits and Conflicts of Interest checks appear to provide a comprehensive mechanism for identifying and managing risks. The review noted management's focus on ensuring adherence to the 12-monthly credit rating review cycle and safeguarding the independence of the rating process. The annual review made recommendations to management with regards to continuing to strengthen CI's IT infrastructure and security.

7. Description of Management and Analyst Rotation Policy

The Board of Directors is the Company's governing body and is assisted by the Supervisory Committee in fulfilling its responsibilities with respect to the oversight of the Company's credit rating activities and ensuring the Company's effective compliance with the requirements and objectives of the EU Regulation. Further information on the Board of Directors and the Supervisory Committee is provided in section 9 below.

The Company's Managing Director, Zafer Diab, is responsible and accountable to the Board of Directors for the daily management and operation of the Company. The Managing Director's role and duties, as stated in the Terms of Reference of the Board of Directors, include providing leadership in the Company's commitment to producing credit ratings that are independent, objective and of high quality, as well as to attaining high business standards in general.

CI has received an exemption from complying with the provisions of the EU Regulation requiring the establishment of a rotation mechanism for rating analysts and persons approving credit ratings, on the basis that the requirement is disproportionate in view of the nature, scale and complexity of the Company's operations. Despite CI's exemption of this regulatory requirement, CI has however, implemented a number of measures to minimise conflicts of interest and safeguard the objectivity of the rating process. These measures are referred to in section 3 above, and include the determination of credit ratings by a rating committee and the regular review by the Internal Review Unit of rating actions and the rationale behind those actions.

8. Financial Information on the Revenue of CI

All of CI's revenue in 2023 was derived from fees and payments for the sale of products and services relating to the credit rating process.

Rating fees were the single largest source of revenue and are paid by a large number of rated banks and corporate issuers. Subscription payments for credit ratings, credit rating reports and related research are the other main source of revenue.

CI does not provide any ancillary services, as the same are described in the EU Regulation¹.

Financial information on the revenue of CI for calendar year 2023 is provided below:²

Total Revenue	EUR 1.58mn
O/w Credit Rating Activities (percentage of total)	100.0
Financial Institutions and Corporates	100.0
Sovereigns	0.0
O/w Non-Rating Activities (percentage of total)	0.0
Clients of Credit Rating Services	0.0
Non-Clients of Credit Rating Services	0.0

In terms of geographical allocation, 5.23% of total revenue was generated in the EU in 2023, while 94.77% was generated in the rest of the world.

¹ Article 4 of Section B, Annex I of the EU Regulation describes ancillary services as those services that are not part of credit rating activities; they comprise market forecasts, estimates of economic trends, pricing analysis and other general data analysis as well as related distribution services.

² The revenue data have been audited at the time of publication.

9. Corporate Governance Statement

The Corporate Governance Statement which follows, is based on the requirements of Article 46(a)(1) of Council Directive 78/660/EEC on the annual accounts of certain types of companies, which requires that *“a company shall include a corporate governance statement in its annual report, which shall be included as a separate part of the annual report and shall contain at least a reference to the corporate governance code the company decided to apply or is subject to under the law of the Member State where it has its registered seat, accompanied by an indication, where the text of the applied corporate governance code is publicly available”*.

9.1 General Information

Corporate Governance is based on applicable laws, including the EU Regulation, as well as the Company's Memorandum and Articles of Association and the Company's Code of Business Conduct and Code of Ethics.

CI's Memorandum and Articles of Association includes provisions that are consistent with the organisational requirements of the EU Regulation. Specifically, the Memorandum of Association includes reference to credit rating activities being undertaken in accordance with the EU Regulation and provides that the Company will manage and be responsible for the credit rating services of its branches. In addition, the Articles of Association make the Board of Directors responsible for ensuring that the credit rating activities of the Company are independent from all political and economic influences or constraints, that conflicts of interest are properly identified, managed and disclosed, and that the Company complies with its obligations under all applicable laws and regulations.

Core corporate governance policies have been established to promote and facilitate sound corporate governance and regulatory compliance practices. These include: the Terms of Reference of the Board of Directors; the Terms of Reference of the Supervisory Committee, and the Capital Intelligence Code of Business Conduct and Code of Ethics.

9.2 Compliance with a Corporate Governance Code

CI is not subject to any corporate governance code in Cyprus as it is a private limited company and does not have any securities admitted to trading on a regulated market.

9.3 Voluntary Compliance with a Corporate Governance Code

CI has adopted its Code of Business Conduct and Code of Ethics based on the International Organization of Securities Commissions' Code of Conduct Fundamentals for Credit Rating Agencies (hereinafter the **“IOSCO Code”**), as amended. The IOSCO Code is internationally recognised and offers a set of robust, practical measures that increase transparency and provide guidance for the preservation of the integrity of the credit rating process. CI has adopted all of the provisions of the IOSCO Code, with the exception of those relating to structured finance instruments (which do not apply to the Company) and those that are superseded by the requirements of the EU Regulation.

CI's Code of Business Conduct and Code of Ethics, as well as various rating policies and general disclosures required by the EU Regulation on credit rating agencies, are available on the Company's website.

9.4 Internal Controls in relation to the Financial Reporting Process

CI's management and the Board of Directors are ultimately responsible for the ongoing assessment of the Company's financial reporting framework and for establishing the Company's risk management programme.

The Board of Directors performs periodic reviews of CI's financial performance and evaluates any findings. In addition, the Board of Directors must approve any policy that defines the financial reporting framework and the audited financial statements of the Company. CI's internal control system with respect to financial reporting rests on a centralized model of operation, where accounting staff report directly to the Managing Director, and on a clear segregation of duties between those carrying out the accounting procedures and those approving them.

9.5 Shareholdings and Voting Rights

The Company is a Limited Liability Company, owned directly by three individuals and one company. The Company has no significant direct or indirect shareholdings within the meaning of Article 85 of the Council Directive 2001/34/EC.

CI's share capital consists of ordinary shares. All shareholders have the right to receive notice of and to be present and vote at general meetings of the Company; there are no restrictions on their voting rights. CI has not issued any securities offering special rights, including control rights. None of the shareholders has majority or voting control.

9.6 Appointment of Board Members and Amendments to the Articles of Association

The shareholders of the Company may by ordinary resolution appoint up to five persons to be members of the Board of Directors, determine the period for which a person is to hold office and remove any director before the expiration of his or her period of office.

According to the Terms of Reference of the Board of Directors, the term of appointment of Board members is one year and may be renewed by shareholders at a general meeting. There is no limit on the number of terms a director may serve. Directors may be dismissed in the event of inadequate performance, structural incompatibility of interests, and other instances where resignation is deemed necessary at the discretion of Board.

In accordance with CI's Articles of Association, Directors must be of sufficiently good repute and sufficiently experienced to ensure the sound and prudent management of the Company, and in addition, the majority of whom, must have sufficient expertise in financial services.

A Director may, from time to time and with the approval of other directors, appoint a person to act as an alternate Director in his or her place. The Board is expected to take into account the experience and expertise of the proposed alternate director before approving any such appointment.

The Articles of Association of Capital Intelligence Ratings Ltd may be amended by a special resolution at a general meeting of Shareholders.

9.7 Powers of Board Members

The Board of Directors oversees the activities of the Company and may exercise all the powers of the Company in accordance with any directions given by the Company by passing a resolution at a general meeting and subject to Cypriot law and the articles of association.

The role and responsibilities of the Board of Directors are further described in the Board's Terms of Reference, approved by the Company which, inter alia, state that:

“The Board shall provide the entrepreneurial leadership of the Company within a framework of prudent and effective controls that enable risks to be assessed and managed. The Board shall set the Company's strategic aims, ensure that the necessary financial and human resources are in place for the Company to meet its objectives, and review management performance. The Board shall set the Company's values and standards and ensure that the Company adheres to the Capital Intelligence Code of Business Conduct and Code of Ethics, as well as to all relevant laws and regulations. The Board shall also ensure that the Company's obligations to its shareholders and others (including regulatory authorities, other stakeholders and the public) are understood and met. The role and responsibilities of the Board shall be carried out with respect to the Company, including any and all of its branches.”

The Board's responsibilities are laid out in the Terms of Reference under the following headings:

- general statutory responsibilities;
- credit rating activities;
- strategy determination;
- financial issues;
- managing risk;
- appointment of senior officers;
- governance, and
- reporting and communication.

The Board is also responsible for ensuring that CI's business interests do not impair the independence or accuracy of its credit rating activities.

The Board has the authority to appoint and delegate any of its powers to a committee or committees composed of directors but remains collectively responsible for decisions prepared by such committees.

Power to Issue or Buy Back Shares – The Company has the power to issue or buy back shares subject to its articles of association and the authorisation of shareholders. The Board of Directors is not authorised to issue new Company shares.

9.8 Shareholder Meetings

The operation of shareholder meetings, the key powers of shareholder meetings, shareholders' rights and how they can be exercised is provided for in Cyprus Company Law in addition to the Company's Articles of Association.

9.9 Composition and Operation of the Board of Directors and Supervisory Committee

The Board of Directors consists of five members appointed by virtue of a resolution of the General Meeting of the Company. The Board members are: Zafer Diab (Chairman), Hamad Al Wazzan (Deputy Chairman), Amin Diab (Member), Takis Taoushanis (Member) and Michael Zlotnik (Member).

The Board is required to meet at least once a year, or more if requested by any one of its members.

CI has also established a Supervisory Committee, which is a committee of directors who are more actively involved in overseeing the Company's credit rating activities. The Committee comprises of Zafer Diab, the Managing Director, and two non-executive directors Takis Taoushanis and Michael Zlotnik. The members of the Supervisory Committee are appointed by the Board of Directors and serve for such term as the Board determines. All members have expertise in financial services and no member is directly involved in the determination or approval of the credit ratings of rated entities (directors of the Company, including the Managing Director, may not participate in rating committee meetings). The Board of Directors remains collectively responsible for decisions taken by the Committee.

The Supervisory Committee is required to meet at least three times a year, or more if requested by one of its members.

The duties and responsibilities of the Committee as contained in its Terms of Reference include, inter alia:

- overseeing the establishment of policies, procedures and internal control mechanisms to ensure the Company complies with its obligations under the EU Regulation and adheres to its Code of Business Conduct and Code of Ethics;
- assessing the adequacy of resources, systems and procedures employed by the Company to ensure the integrity, transparency and reliability of its credit ratings and rating process;
- monitoring the development of the credit rating policies and methodologies used by the Company in its credit rating activities and participating in the approval process for both new and materially revised credit rating methodologies;
- monitoring the effectiveness of the Company's internal quality control system in relation to credit rating activities;
- monitoring the effectiveness of measures and procedures, including organisational and administrative arrangements, instituted to ensure that any conflicts of interest are identified, eliminated, or managed and disclosed;

- examining any actual or potential conflicts of interest identified by the Company and assessing whether such conflicts are adequately managed or have been eliminated;
- monitoring the effectiveness and efficiency of the Company's internal governance processes, including the compliance function and the internal review function;
- reviewing the Company's Code of Business Conduct and Code of Ethics, and
- reporting any material infringements of statutory regulations to the Board and ensuring that appropriate remedial action is taken.

According to the Terms of Reference the non-executive members of the Committee who are not involved in the daily management of the Company shall, in addition to the above responsibilities, have the task of:

- I. evaluating and reporting, where applicable on an annual basis, the Company's adherence to the Code of Conduct Fundamentals for Credit Rating Agencies issued by the IOSCO Code, as amended;
- II. conducting an annual review of the compliance function and recommending changes to safeguard the independence and effectiveness of the function. The outcome of the review shall be included in the Company's Transparency Report, which shall be published within three months of the end of the Company's financial year, and
- III. carrying out an annual review of the processes, procedures and arrangements for developing and reviewing rating methodologies, including the performance of the Internal Review Unit and the Methodology Development Teams.

The Committee shall also prepare annually a report on its functioning and activities, which shall be submitted to the Board within three months of the end of the Company's financial year.

CI was granted an exemption from complying with the requirements of point 2 of section A of Annex I of the EU Regulation relating to independent members of administrative or supervisory boards in view of the nature, scale and complexity of CI's business, as mentioned hereinabove. The monitoring tasks assigned to independent board members in the EU Regulation are instead, assigned to the Supervisory Committee and are performed to a large extent by the non-executive members of the Committee.