Procurement Report

BID ADJUDICATION SUBMISSION (BAC)

REQUESTING DEPARTMENT:
FINANCE

TITLE:
APPOINTMENT OF MOODY'S UK LIMITED TO CONDUCT CREDIT RATING SERVICES FOR A PERIOD OF ONE (1) YEAR

TYPE OF SUBMISSION:
SINGLE SOURCE

June 2026

Bid Adjudication Committee Submission

SINGLE SOURCE- APPOINTMENT OF MOODY'S UK LIMITED TO CONDUCT CREDIT RATINGS FOR A PERIOD OF ONE (1) YEAR

1. PURPOSE

The Bid Adjudication Committee (BAC) is requested to approve the deviation from the competitive procurement process and to proceed with the appointment of Moody's UK Limited through a single-source procurement process for the provision of instrument-level credit ratings data. The services are as follows:

Name of Entity	Contract Type	Contract Duration	Estimated Contract Value (VAT Excl.)
Moody's Uk Limited	Credit Ratings (Option 1)	18 months	57,970.50 GBP
Moody's Uk Limited	Credit Ratings (Option 2)	12 months	55,210.00 GBP
Estimated Contract Value (VAT Excl.) **(55,210 GBP at GBP 22:1 is R 1 214 620)** • *Pricing with a 5% fluctuation in exchange rate (GBP 23.1)			***R1 275 351.00**

Moody's has provided two pricing options as outlined above. It is recommended that Sasria proceeds with Option 2 (12 months), as this provides sufficient time to finalise the onboarding of CareEdge while ensuring continuity of service.

<u>Option 1:</u> Includes 6 months of complimentary access (contract running through December 2027): This would essentially reflect the pricing you would be paying today had the contract not been cancelled last year, while also providing an additional 6 months of access at no charge.

Service - Department License	2026-2027
Instrument & Organization Files	£57,970.50
1 Delivery Channel	Complimentary
Total	£57,970.50
Moodys List Fees	£70,786.34
Total Discount (%)	-18%
Total Savings (€)	£12,815.84

Starting date receiving data (complimentary access): **29th June 2026 to 29th December 2026**
Effective Start date of the Contract: **29th of December 2026**
End Date of the Contract: **28th of December 2027**

<u>Option 2:</u> Option without free trial for 12 months:

Service - Department License	2026-2027
Instrument & Organization Files	£55,210.00
1 Delivery Channel	Complimentary
Total	£55,210.00
Moodys List Fees	£70,786.34
Total Discount (%)	-22%
Total Savings (€)	£15,576.34

Effective Start date of the Contract: **29th of June 2026**
End Date of the Contract: **28th of June 2027**

2. BACKGROUND INFORMATION

2.1 Business Case

Sasria has a critical dependency on instrument-level credit ratings data to support its financial reporting, valuation, actuarial and risk management processes. The organisation previously maintained a contractual relationship with Moody's for the provision of such services, which ended in December 2025. A new provider, CareEdge, has since been appointed through a competitive procurement process; however, onboarding and Service Level Agreement (SLA) finalisation process is still ongoing.

This has created an immediate service gap, particularly given upcoming financial reporting deadlines and audit requirements, which rely on the availability of accurate and up-to-date credit ratings data by the end of June 2026 to meet project and compliance deadlines.

In this context, Moody's is well positioned to provide continuity of service due to its existing knowledge of Sasria's portfolio, established data delivery frameworks, and proven ability to meet reporting requirements within the required timelines.

2.2 Detailed Scope

The scope of services includes the provision of instrument-level credit ratings data across Sasria's investment portfolio, covering approximately 700 instruments for the next 12 months.

The service will support financial reporting, valuation processes, and risk monitoring by providing accurate, timely, and comprehensive credit ratings across multiple asset classes. Moody's will provide both issuer-level and instrument-level ratings, including historical data where required.

The service will be delivered through Moody's established systems and data delivery frameworks, ensuring seamless integration and continuity with Sasria's existing processes.

3. MOTIVATION FOR SINGLE SOURCE

Given the highly specialised nature of credit rating services at an instrument level, the value lies in the provider's established methodologies, global credibility, data coverage, and ability to deliver consistent, high-quality ratings across a wide range of asset classes.

The reason for single-source procurement is based on the following:

- The requirement is highly specialised, with a limited number of globally recognised providers capable of delivering the required breadth and depth of credit ratings data.
- Moody's offers unique institutional knowledge of Sasria's investment portfolio, having previously provided the same services, enabling immediate mobilisation and minimal transition risk.
- The provider's existing system compatibility and established data integration ensures seamless continuity of reporting with no additional onboarding delays.
- There is an urgent and time-sensitive business requirement, with financial statements, regulatory reporting, and audit timelines dependent on the availability of reliable credit ratings data.
- Allowing CareEdge's unexpected onboarding and SLA finalisation process to run to completion would not align with Sasria's required timelines, thereby exposing the organisation to risks of reporting delays, adverse audit findings, and potential regulatory non-compliance.
- The 12-month period is based on market practice, as credit rating providers typically do not offer shorter service durations. This period will be managed in parallel with the CareEdge onboarding process to avoid any duplication of services or cost.

Accordingly, approaching Moody's on a single-source basis is argued to be justified as the most appropriate and effective mechanism to ensure business continuity, risk mitigation, and compliance with reporting obligations during this interim period

4. FINANCIAL IMPLICATIONS

The estimated financial impact will be based on the formal quotation to be received from Moody's UK Limited. Budget provision has been made within the Investment Department's approved budget for credit rating services.

The Moody's contract is GBP 55,210 per annum (approximately R1 275 251. 00 excluding VAT).

5. ATTACHMENTS

Annexure A: CFO Approval
Annexure B: PR Form

6. GOVERNANCE

Moodys UK Limited is a foreign company and not registered on the National Treasury CSD dated 22 June 2026.

Checks Conducted	Results
Central Supplier Database	The entity is an international supplier and not registered on the National Treasury CSD
Tax Compliance	N/A
National Treasury Database of Restricted Suppliers	International Supplier
Declaration of Interest	N/A
Black Shareholding %	International Supplier
Shareholders	International Supplier

7. RECOMMENDATION

The BAC is requested to approve the appointment of Moody's UK Limited to conduct credit ratings services for one (1) year, on a single source process at a contract value of **R1 275 351 VAT Excl.**

8. VERIFICATION AND SIGNATURE

The signatories below hereby declare that they have no interest in any of the bidders referenced in this report, which may raise a possible conflict of interest.

Signed by:Mabolatse Prudence Seabela
Signed at:2026-06-24 16:40:02 +02:00
Reason:Witnessing Mabolatse Prudence

Mabolatse Prudence Seabela

sasria SOC LTD

Prepared by: Prudence Seabela
Contract Administrator

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Kamal Mitha

Reviewed by: Kamal Mitha
Head of Investments

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Tebogo Prudence Ledwaba

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Recommended by: Pinky Hlungwani
Head of Procurement