Financial Superintendency of Colombia

Integrated Supervisory Framework

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INTEGRATED SUPERVISORY FRAMEWORK

This supervisory framework describes the mission principles and concepts used by the Financial Superintendency of Colombia (SFC) to guide its supervision of all supervised entities.

This Integrated supervisory framework is designed to assist the SFC in fulfilling its objectives, established in the Political Constitution of Colombia, the Organic Statute of the Financial System (EOSF) and Law 964 of 2005, among others.

These objectives are broad and general, and in order to meet them in practice, it is necessary to have detailed and consistent standards and criteria for carrying out the supervision of supervised entities.

The Integrated supervisory framework is a systematic, consistent methodology that allows the integration of risks that may affect supervised entities and the financial system. Therefore, the supervisory work is focused on the assessment of the risks of the supervised entities, which allows to determine the impact that, on their risk profile, contemporary and future events may have, both those that originate within them and those coming from the environment. in which they carry out their activities.

The purpose of the Integrated supervisory framework is to determine the Composite Risk (RC) of a supervised entity and/or a financial conglomerate (ES/CF), through a comprehensive assessment that incorporates exposure to inherent risks arising from the business model of the ES/CF, the correspondence and effectiveness of supervisory functions in carrying out their work, and the quality of capital, profitability and liquidity, in order to determine the priorities and intensity of the SFC's supervisory work on the ES/CF of the system, and in this way, meet the missionary objectives.

Consequently, the **risk-based Supervision (SBR**) methodology, the basis of this **MIS**, has a broad, dynamic and prospective scope to cover all supervised entities and respond adequately to changes in the national and international financial environment, now and in the future.

I. INTEGRATED SUPERVISORY FRAMEWORK APPROACH

Comprehensive and consolidated supervision

The supervision of the entities supervised by the SFC is carried out in a comprehensive and consolidated manner, which involves the assessment of all supervised entities that are part of financial conglomerates (FC), regardless of the jurisdiction in which they operate.

Focus on material risks

The risk assessment carried out by the SFC in its supervisory tasks focuses on the identification of material risks of an ES/CF, understood as those that if materialized have the potential to generate losses to depositors, insured parties and investors.

Principled supervision

The supervision of supervised entities is based on principles. This requires the application of informed judgment by supervisors to identify and assess risks and to determine, of the different supervisory and legal options (regulatory and sanctions) available to them, the most appropriate to ensure that the risks faced by supervised entities are properly managed.

Intensity of supervision and intervention

The intensity of supervision over ES/CF will depend on the nature, size, complexity, risk profile and the potential consequences that their disappearance would have on the financial system.

Where risks and areas of concern have been identified, the degree of intervention shall be commensurate with the risk assessment, and the legal powers granted to the SFC.

Risk Governance Structure Assessment

One of the main objectives of risk-based supervision is to assess the effectiveness of the **Risk Governance Structure.** This is, as an essential part of the Corporate Governance (GC) of an ES/CF, the structure through which the Board of Directors and Senior Management establish and make decisions on the strategy and approach to risk of the ES/CF; articulate and monitor adherence to risk appetite and risk limits vis-à-vis strategy; and identify, measure, manage and control risks.

An effective Risk Governance structure includes a strong risk culture, a well-developed Risk Appetite Framework articulated through the Risk Appetite Statement, and clearly defined responsibilities for the Risk Management function, in particular, and for the other supervisory functions.

Culture Assessment[1]

The analysis of the GC of the ES/CF, is complemented by the assessment of how

[1] For the SFC, Culture is the "*determinant factor of SE conduct, encompassing values, attitudes, behaviors and shared norms in an ES. A strong corporate culture is an effective way to build trust in the financial system and prevent potential behavior, as it is driven by hardware (policies and processes) and the "software" (beliefs and values) of the ES*". For this purpose, Conducts are understood as: Those behaviors and practices carried out by the ES, which materially impact or may cause harm to financial consumers o market integrity and transparency.

the JD and the AG of the entities establish the values, attitudes and behaviors expected by the people who make it up, including the dissemination and understanding in the organization of the same. This allows the SFC to identify the culture of the entity and how it impacts its business model, strategy, risk management and relationship with financial consumers, among others.

Directors' Responsibility

The Board of Directors and Senior Management of an ES/CF are responsible for its administration and are ultimately responsible for its economic soundness and compliance with the laws and regulations governing its operation.

Among the control and surveillance powers that have been granted to the SFC is to communicate to the ES/CF about situations involving material risks identified during its supervisory work, and to recommend or require appropriate corrective actions. The SFC expects the Boards of Directors and Senior Management of the ES/CF to be proactive in providing the SFC with timely notification of important matters that may affect them.

Risk Tolerance

The constitutional principles of economic freedom and freedom of enterprise imply that the ES/CF can assume risks in the development of its activity, which if materialized can lead to the insolvency of the ES/CF.

Therefore, the main responsible parties for ensuring that the activities carried out by the ES/CF are carried out in terms of security for their depositors, investors, policyholders, affiliates and pensioners, are the administrators that make up the GA and the JD, and the shareholders who appoint them.

External auditors' opinion

The SFC relies on the opinion of the external auditors of the ES/CF on the reasonableness of the ES/CF's financial statements. The SFC's assessment of the financial performance of ES/CF depends, inter alia, on the audited financial statements of the ES/CF, and the external auditors are therefore expected to exercise their highest professional judgment in carrying out their functions.

Use of the work of third parties

The SFC uses, when it deems appropriate, work done by third parties to reduce the scope of its oversight work and minimize duplication of effort. This increases both the efficiency and effectiveness of supervision.

External sources that may be used by the SFC in oversight activities include the work of the external auditor, the supervisory functions of ES/CF, including internal governance, risk management, actuary, financial analysis, compliance, senior management and board of directors. Other external sources include foreign rating agencies and supervisory agencies.

International Standards

For the elaboration of the Integrated supervisory framework, the SFC has adopted international standards on supervision. In this way, the SFC has embraced the supervisory standards established by the Basel Committee on Banking Supervision (BCBS), the International Association of Insurance Supervisors (IAIS), the International

Organization of Securities Commissions (IOSCO) and the International Organization of Pension Supervisors (IOPS). The SFC is a member of IAIS, IOSCO and IOPS.

II. ESSENTIAL PRINCIPLES IN RISK ASSESSMENT

Risk assessment – a core activity of supervision – shall be guided by the following essential principles:

Prospective supervision and early intervention

The SFC conducts a prospective risk assessment. This approach facilitates early identification of problems and corrective action.

Adequately supported criterion

The prospective risk assessment is based on the well-supported criteria of supervisors. For these purposes, the SFC requires that the opinions of supervisors be clear, based on valid reasoning and duly substantiated.

Understanding the determinants of risk

Risk assessment requires understanding the determinants of material risks that may affect an ES/CF.

For this, it is necessary to have a broad and sufficient knowledge of the business model (e.g. products, significant activities, strategic plan, risk appetite) and the environment in which an ES/CF carries out its activities. Understanding how risks and their potential impacts on ES/CF may evolve is the main factor for early identification of problems.

Differentiate between inherent risks and risk management

The supervisory work requires differentiating between the **inherent risk** of the activities carried out by an ES/CF and their management. This differentiation is essential to set expectations for risk management and to determine the necessary corrective actions.

Dynamic tuning

The risk assessment is continuous and dynamic in order to update, in a timely manner, the risk profile according to changes in the ES/CF or its environment. The SFC's oversight process is flexible, allowing changes in the risk profile of ES/CF to result in an adjustment of priorities in supervisory work.

III. MAIN CONCEPTS OF RISK ASSESSMENT

The MIS uses different concepts that articulate the risk assessment of the different ES/CF. The main ones are described below.

1. Significant activities

The assessment of the ES/CF starts with the knowledge and understanding of the business model and their strategy by the SFC. Thus, for the assessment of the ES/CF, the business model and strategy are translated into the set of Significant Activities (SA).

The fundamental concept of risk assessment within the MIS is that of AS. An AS is a line or business unit, or process that is fundamental for the ES/CF to carry out its business model and to achieve its main objectives. SAs represent the subset of the total activities of an ES/CF on which oversight work focuses, since inadequate management of these activities can generate material risks.

For the identification of the AS, the SFC uses quantitative and qualitative elements among which may be the business plan, the organizational structure of the entity and the strategic importance of the activity, among others. This allows the SFC's ES/CF assessment to be aligned with how the SFC organizes and manages its risks, while allowing the SFC to use the information and analysis of the ES/CF in its risk assessment.

2. Inherent Risk

In the MIS, inherent risks are assessed for each AS of the ES/CF. The definition of inherent risk is directly related to the primary objective of supervision: to ensure public confidence in the financial system, preserving its stability and security, as well as to promote, organize and develop the Colombian securities market and the protection of investors, savers and insured parties.

Inherent Risk (RI) is the probability that an ES/CF may incur a material loss as a result of its exposure to, and uncertainty arising from, potential future adverse events. A material loss is a loss or combination of losses that may damage/impair the financial condition of an ES/CF, so that it has the potential to generate losses for depositors, policyholders and investors.

The RI is intrinsic to each AS and is assessed without taking into consideration **<u>the size</u>** of the same in relation to that of the ES/CF and before assessing the quality of the risk management that it performs. To identify and assess the RI to which an ES/CF is exposed, it is essential to have a thorough knowledge of both the nature of the activities it carries out and the environment in which it operates.

The SFC will use seven categories of RI within which the main risks to be assessed in an ES/CF are framed, these are: **credit risk, market risk, operational risk, insurance risk, money laundering risk, regulatory compliance risk, strategic risk and conduct risk**. The rating scale of the RI exposures for each AS are **"High",**

"Medium High", "Medium Low" and "Low."[2]

In the MIS, reputational risk, which is not assessed in an independent category, is considered as (i) a consequence of the possible materialization of any of the RI, or (ii) the possibility of loss incurred by an entity due to discredit, bad image, negative publicity (true or not) that causes loss of customers, decrease in income or judicial processes.

Additionally, the MIS contemplates the interest rate risks of the bank book and the country risk, to which their management and their impact on capital and profitability are evaluated.

Based on the identification of the main RIs and their level, supervisors set their expectations regarding the quality of risk management. The higher the level of RI, the more rigorous both routine checks and the work performed by the Supervisory Functions (FS) of the ES/CF must be.

3. Risk Governance Structure (EGR)

As mentioned in the first part of this document "*I. Integrated Supervisory framework Approach*", one of the main objectives of risk-based supervision is to assess the effectiveness of the **Risk Governance Structure.**

The proper management of the RI of the ES/CF requires the existence of a strong risk governance structure, which starts from a good corporate governance where the JD establishes the strategic direction and the GA in conjunction with the FS works on the implementation that is reflected in the GO in charge of the processes related to the business.

Likewise, using the principle of proportionality in supervision, depending on the nature, size and complexity of the ES/CF, the definition of corporate responsibilities for risk management may vary. The SFC assesses the effectiveness of the Risk Governance Structure run by ES/CF at two levels of supervision.

3.1. Operational Management (GO)

The Operational Management of an AS is responsible, on a day-to-day basis, for the controls used to manage the different risks inherent in the AS.

Operational Management ensures that the *front office* of the ES/CF has a clear understanding of the risks faced by the activity and their obligation to manage them, and that policies, processes, controls and personnel are sufficient and effective to manage such risks.

In the assessment of the GO, the SFC will verify if it is able to identify the potential losses that the AS may face and if it has sufficient resources and controls to carry out its work.

In general terms, the degree to which the SFC needs to assess the effectiveness of the GO in each ES will depend, in turn, on the effectiveness of the management of the Supervisory Functions (FS) of the ES/CF. An ES/CF with sufficient and effective FS

[2] These categories and scales are described in more detail in Annex 1 to this document.

can expect the SFC to assess its GO using the work of the FSs. However, this approach does not exclude the need for the SFC to validate the effectiveness of day-to-day controls.

For each AS, the SFC will rate the work of Operational Management using the following scale: "**Strong**", "**Fit for**", "**Needs Improvement", **and **"Weak".**

3.2. Supervisory Functions

The Supervisory Units are responsible for independent and **corporate-level** oversight of GO.

The SFC in its oversight work will assess seven Supervisory Units: **financial analysis, compliance, risk management**, **actuary, audit and internal audit**, **senior management and board of directors**. The existence and characteristics of these functions will depend on the nature, size and complexity of each ES/CF.

In situations where the ES/CF has not conducted independent reviews of the work of the GO or where there are no independent FSs, the SFC will recommend or direct that appropriate work be carried out so that these deficiencies are corrected or remedied.

For each AS, the SFC will assess the effectiveness of the relevant Supervisory Functions such as "Strong", "Adequate", "Needs Improvement" or "Weak". The rating awarded is the result of an analysis that compares the nature of the Supervisory Functions and the expectations that were formed on it in the analysis of the levels of the main RI.

For each FS in the ES/CF, the SFC will determine a rating of "**Strong", **"**Fit for**", "**Needs Improvement**", and **"Weak**", which will reflect the **effectiveness of the function** in its supervisory work at the corporate level. [3]

4. Net Risk (RN)

Net Risk is the result of the mitigation of **Inherent Risks** by **Operational Management** and **Supervisory Functions**.

For each AS, the RN rating is the result of an analysis that considers the ratings of the main Inherent Risks and Supervisory Functions relevant to each activity.

The expectations of the SFC are based on the ES/CF having adequate controls and supervision for the main Inherent Risks, so that the Net Risk is located at levels considered as adequate. When Net Risk levels are deemed inadequate, the SFC expects the situation to be corrected either by improving controls and oversight in Operational Management and Supervisory Functions, or by reducing Inherent Risk.

The rating scale of the RN is "**High**", "**Medium High**", "**Medium Low**" and "**Low**". Likewise, this analysis must be accompanied by a rating of the direction of the RN that each AS can have, whose scale

[3] The Assessment guides for Supervisory Functions and the rating scales are described in more detail in Annex 2 of this document.

is "**Increasing**", "**Stable**" and "**Decreasing**".

4.1. Importance and Global Net Risk (GGI)

The importance of the RN of a significant activity is the result of the analysis that assesses its contribution to the risk profile of the ES/CF. The importance is assessed "**High**", "**Medium**" or "**Low**". Those AS (whose RN are rated as high) that are considered of high importance, will be determinants of the risk profile of the ES/CF.

The net risk of each significant activity is combined, considering its relative importance, to obtain the Global Net Risk of an ES/CF. Global Net Risk is the result of the assessment of the potential adverse impacts that the significant activities of an ES/CF, collectively considered, may have on its profitability, capital and liquidity, and, therefore, on depositors, insured parties and investors.

The Global Net Risk will be rated as "**High**", "**Medium High**", "**Medium Low**" and "**Low**" and its direction as "**increasing**", "**stable**" and "**decreasing**".

Once the RNG of the ES/CF has been determined, the assessment of Capital, Profitability and Liquidity is carried out, components responsible for mitigating the RNG of the Significant Activities of the entity, consequently, because the Capital protects the ES/CF from unexpected losses (security and solidity), profitability provides resources to absorb normal and expected losses, and liquidity protects the entity in meeting its obligations when necessary.

Once these three elements have been qualified, the Composite Risk rating is made.

5. Capital

Capital is a fundamental element for the economic stability of ES/CF. The SFC will assess its current and future level and quality in relation to the **RNG** of the entity, under normal and stressed conditions.

The SFC expects ES/CF to have an Internal Effective Capital Assessment Process that will enable them to determine appropriate levels of capital in relation to the risks assumed in the various significant activities. Therefore, the SFC expects ES/CF with higher levels of RNG to maintain higher levels of high-quality capital and strong capital assessment processes.

The capital of an ES/CF is rated as "**Strong**", "**Adequate**", "**Needs improvement**" and "**Weak**", and its direction as "**Increasing**", "**Stable**" and "**Decreasing**".

6. Profitability

The profits of an ES/CF contribute to its long-term sustainability. The SFC will assess its quality, level and consistency given its potential for internal capital generation. This assessment will take into account both the historical trend and the future outlook, under normal and stressed conditions. The assessment of the profitability of an ES/CF will be made in relation to the level of RNG.

The profitability of an ES/CF is rated as "**Strong**", "**Adequate**", "**Needs Improvement**" and "**Weak**", and its direction as "**Increasing**", "**Stable**" and "**Decreasing**".

7. Liquidity

An adequate level of liquidity is essential for the soundness and viability of the ES/CF. The SFC will assess liquidity considering the exposure to liquidity risk and the quality of its management by the ES/CF. Liquidity risk arises from the potential inability to acquire the necessary resources, or from the potential to liquidate positions that allow it to have resources available to meet its on- and off-balance sheet obligations.

Thus, the level of liquidity risk of an ES/CF will depend on the composition of its balance sheet, its sources of funding, its liquidity strategy, and market conditions and events. Therefore, ES/CF are expected to maintain a prudent liquidity risk level and adequate processes for their management, both under normal and stressed conditions.

The assessment of the liquidity of an ES/CF will be made in relation to the level of RNG.

The liquidity of an ES/CF is rated as "**Strong**", "**Adequate**", "**Needs improvement**" and "**Weak**", and its direction as "**Increasing**", "**Stable**" and "**Decreasing**".

8. Compound Risk (RC)

The RC is an assessment of the risk profile of an ES/CF, after considering its capital, profitability and liquidity in relation to the RNG from its significant activities. Compound Risk is the SFC's assessment of the economic strength of ES/CF vis-à-vis depositors, insured parties and investors.

The RC will be used by the SFC to determine the **Intensity of Supervision** over an ES/CF in a given time horizon, depending on the changes that have occurred internally and in the environment in which it operates.

The RC is qualified as "**High**", "**Medium High**", "**Medium Low**" or "**Low**" and is complemented by an assessment of its Management, which can be "**Increasing**", "**Stable**", "**Decreasing**".

9. Risk Matrix (MR)

The risk matrix allows to synthesize the entire analysis described above. [4]

The purpose of this tool is to facilitate a holistic risk assessment of an ES/CF. Although the Risk Matrix is a tool for summarizing the SFC's risk assessment, each of the sections that compose it is supported by detailed documentation of the analysis carried out to reach these conclusions.

[4] The graphical representation of the risk matrix is contained in Annex 3 of this document.

ANNEXES

Annex 1: Risks associated with ES business models – Rating categories and scales

To analyze the risk profile of an ES/CF, the SFC defined the following categories of RI:

Inherent Risks

Credit/Counterparty Risk

Arises from the potential inability, unwillingness, or impairment in a counterparty's ability or willingness to pay to fully meet its contractual obligations – on- or off-balance-sheet. Exposure to this type of risk occurs at the time funds have been disbursed, committed or invested through contractual arrangements.

Credit risk components include: loan loss/ principal risk, pre-settlement/replacement risk, and settlement risk.

Counterparties include: issuers, debtors, brokers or agents, policyholders, reinsurers and guarantors.

Market Risk

Potential changes in market interest rates, prices or liquidity are urgently needed in different markets, such as credits, currencies, stocks and commodities. Exposure to this risk results from trading, investments, and other business activities, and other activities which generate on- and off-balance sheet positions.

Positions include: traded instruments, investments, open positions (on and off balance sheet), assets and liabilities, and derivative instruments.

Operational Risk

Arises from potential problems due to, inadequate or failed internal processes, people, fraud and systems, or external events.

Operational risk includes legal risk e.g. potentially unfavorable legal proceedings. Operational risk exposures result from normal day-to-day operations (as well as deficiencies or failures with respect to transactional processes, fraud, physical security, information security, information technology systems, models, outsourcing, etc.) or a specific unanticipated event (such as, litigation, court interpretations of a contract, natural disasters, loss of key personnel, etc.).

Insurance Risk

There is an urgent need for the likelihood that potential claims made by policyholders or their beneficiaries will exceed the value of the insurance company's reserves after reinsurance clearing. Exposure to this risk results from adverse events occurring, under specific hazards and under conditions covered under the terms of an insurance policy. Typical insured party risks include: accidents, injuries, liability, catastrophes, mortality, longevity, and morbidity, among others.

Insurance risk includes uncertainty regarding:

- The final amount of cash flows from premiums, commissions, claims, payments, and related settlement expenses,
- The timing of receipt and payment of cash flows, and,
- Behavior of the insured parties (e.g. compensation periods).

Although insurance activity contributes to an insurer's investment portfolio, the returns on those investments are not part of insurance risk.

Risk of Money Laundering

It is the probability of loss or damage that an ES/CF may suffer due to its propensity to be used directly or through its operations as an instrument for money laundering and/or channeling of resources towards the carrying out of terrorist activities, or when the concealment of assets derived from such activities is intended.

Regulatory Compliance Risk

An ES/CF's potential non-compliance with internal or external laws, rules, regulations, practices, or ethical standards in the jurisdictions in which it operates.

Strategic Risk

Arises from the potential inability of an ES/CF to properly implement its business and strategic plan, make decisions, allocate resources, or adapt to changes in its business environment.

Conduct Risk

It consists of the possibility of affecting the rights of the financial consumer or the market, derived from a practice of an ES. This possibility of affectation may arise from factors such as product design, sales and marketing, and after-sales, as well as from the non-observance by the ES of the regulation that applies to them.[5][6][7]

Bank Book Interest Rate Risk[8]

It is defined as the potential reduction of the profits or capital of a credit institution derived from changes in the reference interest rates to which the positions in its bank book are associated.

The 3 most important subtypes of this risk are:

- Gap risk: arises from differences in the term structure of bank ledger instruments and the effects of both parallel and pivot movements (steepening/flattening) of the yield curve on these instruments.
- Base risk: arises from differences in the interest rates at which the instruments of an entity's bank book are indexed.
- Option risk: arises when within the characteristics of the instruments of the bank book, it is possible to alter the periodicity of the cash flows or the term of these instruments.

Country Risk[9]

The possibility of an entity incurring losses under financial operations abroad because of a detriment to the economic

[5] Defined in Law 1328 of 2009.
[6] For purposes of this definition, the term "market" is understood as the financial system in general.
[7] Action, omission or inability to fulfill the promise of value to financial consumers, among others.
[8] Its management and impact on the capital and profitability of credit institutions are evaluated.
[9] Its management is assessed within the Risk Management Function of the ES/CF.

and/or socio-political conditions of the host country, because of problems with foreign currency transfers from that country or because of factors not attributable to the commercial and financial condition of the country receiving the operation. This definition includes, among others, Sovereign Risk (RS) and Transfer Risk (RT), associated with such factors. For these purposes, a financial operation is understood as investments made in subordinated companies abroad.

Rating scales

The RI rating scales for each AS are "High", "**Medium High**", "**Medium Low**" and "**Low**" and reflect the level of probability of occurrence of material losses given the exposure of an ES/CF to current and future events related to each of the risks and the uncertainty of their occurrence. Therefore:

Low RI

RI is Low when the probability of occurrence of an event is less than the average probability of having a material loss due to exposure to, and/or uncertainty arising from, current and/or future events.

Medium Low RI

RI is Medium Low when the probability of occurrence of an event is within the average probability of having a material loss due to exposure to, and/or uncertainty arising from, current and/or future events.

Medium High RI

RI is Medium High when the probability of occurrence of an event is above the average probability of having a material loss due to exposure to, and/or uncertainty arising from, current and/or future events.

RI High

RI is High when the probability of occurrence of an event is much higher than the average probability of having a material loss due to exposure to, and/or uncertainty arising from, current and/or future events.

Annex 2: Supervisory Functions

The Supervisory Functions defined by the SFC are:

- Financial analysis
- Compliance
- Risk Management
- Internal Audit
- Actuary
- Senior Management
- Board of Directors

Below are **Guidelines for the Assessment of Supervisory Functions**, which, in addition to being a complement to the Integrated Supervisory Framework, incorporate the supervisor's expectations regarding the characteristics and performance of each of the functions. In addition to these are the guidelines for assessing capital, profitability and liquidity.

Annex 3: The Risk Matrix

1. Risk Matrix

	Inherent Risk								Governance Structure								Net Risk		
									1st Line	2nd Line				3rd Line	Direction	Governance			
Significant Activities	Credit	Market	Operational	Insurance	Money Laundering	Regulatory Compliance	Conduct	Strategic	Operational Management	Financial Analysis	Compliance	Risk Management	Actuary	Internal Audit	Senior Management	Board of Directors	Rating	Direction	Importance
AS1																			
AS2																			
AS3																			
etc.																			
General Rating																			

	Rating	Direction
Capital		
Profitability		
Liquidity		
Composite Risk		

2. Risk Matrix Rating Scales

2.1 Inherent Risk, Net Risk, Global Net Risk and Composite Risk

High	A	
Medium High	MA	
Medium Low	MB	
Low	B	

2.2 Supervisory Functions, Capital, Profitability and Liquidity

Strong	F	
Adequate	A	
Needs Improvement	NM	
Weak	D	

2.3 Direction

Increasing	A
Stable	E
Decreasing	D

2.4 Importance

High	A
Medium	M
Low	B