



## **Code of Ethics**

21 March 2018



## 1. Introduction

Scope SE & Co. KGaA and its subsidiaries – hereinafter also referred to as “Scope Group” or “Scope” – have defined and adopted the below Code of Ethics (the “CoE”) which sets forth standards of business ethics at Scope Group.

Scope Group provides opinions in the form of Credit Ratings, alternative investment fund risk-return ratings and other related research about issuers of securities and their financial obligations. In order to enhance market understanding and confidence in Scope’s products and services, Scope Group has adopted the CoE to promote the objectivity and integrity of its business and the transparency of its operations. Those requirements emphasize Scope’s commitment to conducting its business in an ethical manner and with integrity.

## 2. Applicability

The CoE sets out standards of conduct to be followed by all Employees. Associated non-Employees must acknowledge to abide by the CoE.

The contents of the CoE and any future updates or changes are published on Scope’s website and are made available on Scope’s intranet.

### Note:

For defined terms used in the CoE please see Scope Defined Terms Glossary that is available on Scope’s intranet.

## 3. Scope Group’s Code of Ethics

### 3.1 Standards of Professional Conduct

High ethical standards are critical to maintaining the trust of the public, market participants and investors as well as the stakeholders of Scope.

### 3.2 Professionalism

Employees are requested to act with integrity, competence, diligence, and respect and in an ethical manner with the public, clients, prospective clients, employers, other Employees, and other market participants.

The below listed principles are representing standards of professional conduct at Scope Group:

#### Principles

- I. Use reasonable care and exercise independent professional judgment when conducting professional activities at Scope Group.
- II. Practice and encourage others to practice in a professional and ethical manner that will reflect on themselves, the Scope Group and the profession.
- III. Understand and comply with all applicable laws, rules, regulations and Scope Group’s internal policies and procedures.
- IV. Do not knowingly make any misrepresentations relating to analysis, actions or other professional activities at Scope Group.
- V. Do not engage in any professional conduct involving dishonesty, fraud and do not commit any act that reflects adversely on professional reputation, integrity or competence.

### 3.3 Duties to Clients

Employees must act with reasonable care and they must always exercise prudent judgement. The below listed principles represent standards of professional conduct at Scope Group:

#### Principles

- I. Employees must deal fairly and objectively with all clients when engaging in professional activities at Scope Group.
- II. Employees must consider and keep information about current, former and prospective clients confidential. As a general rule, this information is to be kept confidential unless disclosure is required by law, or the client permits disclosure of the information.
- III. Employees and their Family Members will be prohibited from engaging in transactions in securities (including derivatives) when in possession of Material Non-Public Information concerning the issuer of such securities.

### Note

- **Prohibition Against Trading While In Possession of Material Non-Public Information**



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Employees and their Family Members are prohibited from engaging in any insider dealing while in possession of Material Non-Public Information relating to the issuer of the security or the security itself. This prohibition remains in effect until three business days after the information has been widely disseminated to the public. This prohibition applies regardless of the source from which the Employee or Family Member came into possession of material non-public information.

### • Prohibition Against “Tipping”

It is illegal in many countries and a violation of the CoE for a person who is in possession of material non-public information about Scope Group or any other issuer to: (i) recommend that a third party trade in the issuer’s securities; or (ii) convey such material non-public information to a third party (“Tipping”). Tipping is prohibited regardless of whether or not the Employee or his or her Family Member who provides the tip receives any monetary or other benefit.

### 3.4 Duties to Employer

The below listed principles represent standards of professional conduct at Scope Group:

#### Principles

- I. Employees must act for the benefit of Scope Group and not deprive it of the advantage of their skills and abilities.
- II. Employees must not divulge confidential information or otherwise cause harm to Scope Group.
- III. Employees and their Family Members must not accept gifts, benefits compensation or consideration that might reasonably be expected to create a conflict of interest with Scope Group’s interests.

#### Confidential Information

- IV. Employees acknowledge that Scope is the exclusive owner of its Confidential Information.

#### Proprietary right

- V. Employees acknowledge that all Confidential Information constitutes a proprietary right which Scope Group and its affiliated organizations are entitled to protect.

#### Non-disclosure

- VI. Employees agree that during their employment with Scope Group or at any time thereafter, they will not disclose any Confidential Information to any person, including any competitor of Scope, or future employer.
- VII. Employees agree that during their employment with Scope Group or at any time thereafter, they will comply with all security precautions and measures of Scope Group that are intended to maintain the confidentiality of its Confidential Information and to limit its distribution to instances of a legitimate need-to-know basis that are intended to promote the best interests of Scope Group.
- VIII. Employees agree that during their employment with Scope Group or at any time thereafter, they will not make copies, summaries, or extracts of Confidential Information with the intention of using this information for private reasons, nor will they remove any Confidential Information from the place of business unless authorized by Scope Group.
- IX. Employees agree that during their employment with Scope Group or at any time thereafter, they will not disclose any Confidential Information concerning Scope which could adversely affect Scope’s image, reputation or value.

#### Former employer’s Confidential Information

- X. Employees agree that during their employment with Scope Group they will not improperly use or disclose any proprietary information of any former or concurrent employer or other person or entity and they will not bring onto the premises of Scope any unpublished document or proprietary information belonging to any such employer, person or entity unless consented to in writing by such employer, person or entity.

#### Return employer’s property

- XI. Employees agree that on termination of their employment with Scope Group or at any time Scope Group may request, to promptly deliver all memoranda, notes, records, reports, manuals, and any other hard copy documents or electronic data belonging to Scope, or containing Confidential Information, including all copies of materials they may possess or have under their control.

#### Additional Considerations

- XII. If an Employee becomes aware of a situation/activity at Scope that could be interpreted as creating a real or potential conflict of interest (likely to interfere with the Credit Rating processes and actions at Scope), such Employee has an obligation to report such unusual situation or suspicious activity to her/his manager.
- XIII. If an Employee identifies that someone (within or outside Scope) is showing an unusual interest in Credit Rating activity for a particular rated entity, and that individual has no legitimate business reason to be apprised of such information, such Employee has an obligation to report such unusual or suspicious activity to her/his manager.



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- XIV. If an Employee becomes aware of anyone (within or outside Scope) who is misusing Confidential Information, or is taking a cavalier attitude towards its safeguard, such Employee has an obligation to Scope Group and to the entity providing such information to notify her/his manager.
- XV. If an Employee becomes aware that another Employee or division of Scope is engaging, or has engaged, in conduct that is illegal, unethical, or contrary to Scope's policies and procedures, such Employee is required to report such information immediately, on either a disclosed or anonymous basis, to their supervisor, or department head so that the matter can be reviewed and appropriate action can be taken.

### **4. Violation of the Code of Ethics**

Employees must immediately report violations or suspected violations of the CoE (in cases not encompassed by 3.4- XII. – XV.) to their manager, and for Scope Ratings Employees to Compliance.

Any action by Scope or by any Employee which violates or might reasonably be expected to lead to or result in a violation of the provisions set forth in the CoE is strictly prohibited and can result in disciplinary action, up and including, termination of employment. Any potential infringements of these requirements will be investigated and reported to Senior Management to determine appropriate intervention.

Scope Management will be responsible for the implementation and the enforcement of the CoE.



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