



Rating Governance Policy

Scope Ratings GmbH
Scope Ratings UK Ltd.
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Rating Governance Policy

Scope CRAs

Applies to:	Entities
	<ul style="list-style-type: none"><input type="checkbox"/> Scope SE & Co. KGaA<input checked="" type="checkbox"/> Scope Ratings GmbH<input checked="" type="checkbox"/> Scope Ratings UK Ltd.<input type="checkbox"/> Scope Fund Analysis GmbH<input type="checkbox"/> Scope ESG Analysis GmbH<input type="checkbox"/> Scope Investor Services GmbH



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1. Introduction

1.1 Preamble

Scope Ratings GmbH and Scope Ratings UK Ltd. – both hereinafter referred to as “Scope Ratings”- assign long-and short-term credit ratings. It also provides several other analytical services defined as “ancillary services”. The list of ratings and services is available on Scope Ratings’ website. Unless stated otherwise, the Rating Governance Policy (the “Policy”) applies to all Credit Ratings, which includes Credit Rating Services and Ancillary Services. Ancillary Services may include market forecasts, estimates of economic trends, pricing analysis, or other general data analysis, as well as related distribution services (For more details, please refer to the Defined Terms Glossary available on Scope’s Website and Intranet)

Scope Ratings has adopted this Policy which sets forth standards for the Credit Rating process at Scope Ratings to promote the objectivity and integrity of its ratings and the transparency of its operations.

Covered employees under this policy must read this policy in conjunction with the internal procedures Methodology Process Manual (MPM) and Rating Process Manual (RPM).

1.2 Scope and Processing

1.2.1 Scope

This Policy and its requirements apply to all Covered Employees. Associated non-Employees must acknowledge to abide by this Policy. The contents of this Policy (definitive document) and any future updates or changes are published on Scope’s website and are made available on Scope’s intranet.

1.2.2 Processing

Initiating the Rating Process

The rating process is initiated when:

- Scope’s Markets Division requests Scope Ratings to perform a new rating (public, private or subscription), to provide Ancillary Services as defined in Section 1.1 or
- Scope Ratings’ analytical team requests a rating for analytical purposes.

Credit Rating Actions

Scope Ratings’ Credit Rating Actions are based on the application of the relevant published Credit Rating Methodology (-ies). These actions are determined through votes in a rating committee with exceptions notes in specific cases.

The rating committee’s decisions reflect a collective assessment and the opinion of its voting members rather than the view of individual Analysts.

Credit Rating Actions are defined in Scope’s rating definitions.

Rating Committee (RC)

A RC is convened to:

- Consider a potential Credit Rating Action or Rating Assessment Service.
- Consider the rating implications of credit relevant event, market or economic trends, change of circumstances, certain amendments to a transaction, or impact following a change of Scope Ratings’ Credit Rating Methodology, Model or Key Rating Assumption,
- Determine whether there is sufficient information to maintain a rating and monitor ratings.

RC participation is restricted to Analytical Personnel and Credit Policy (as non-voter) of Scope Ratings. Non-analytical personnel do not participate in RC deliberations, with the exception of Credit Policy, Compliance, the Review function or Legal department, which can participate and attend as observers (no voting rights).

Scope Ratings assigns or maintains a Credit Rating only if the available data is sufficient and of adequate quality to support a high standard of the analysis. Whenever a RC concludes that there is insufficient information to assign or maintain a Credit Rating, no preliminary or initial Credit Rating shall be assigned, or an existing Credit Rating shall be withdrawn.

For any Credit Rating Action including outlook changes, Scope Ratings will inform the rated entity or its agent of the Credit Rating Action as soon as practically possible. The notification to the rated entity or its agent shall occur during the working hours of the rated entity and at least a full working day before publication (or dissemination to subscribers) of the respective Credit Rating Action.

Once informed of the rating decision, the issuer may appeal to the Credit Rating Action based on new material or additional information that was not available to or considered by the RC.

Release of Credit Rating actions

All Credit Rating Actions are released by Scope Ratings by means of a Rating Action Release in a timely manner and on a non-selective basis. Until released, the Credit Rating Action shall be deemed to be inside information.

Credit Rating Actions on sovereign ratings are subject to specific actions. These actions can only be released on the dates set in the Sovereign rating calendar as disclosed on Scope's website. Credit Rating Actions on sovereign ratings can only be released after the close of business hours of regulated markets, and at least one hour before their reopening.

Monitoring of Credit Ratings

Scope Ratings monitors its outstanding ratings and rating outlooks, except for point-in time ratings, on an ongoing basis, and reviews them at least once within 12 months. Sovereign ratings (including sub-sovereign ratings) are reviewed at least every six months.

1.3 Application

This Policy and its requirements apply to all Covered Employees. Associated non-Employees must acknowledge to abide by this Policy. The contents of this Policy and any future updates or changes are published on Scope's website and are made available on Scope's intranet.

1.4 Consequences of Non-compliance

Covered Employees must immediately report violations or suspected violations of this Policy to Compliance.

Any action by Scope Ratings or by any Covered Employee which violates or might reasonably be expected to lead to or result in a violation of, the provisions set forth in this Policy 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.

Compliance along with Scope Ratings Management is responsible for the implementation and the enforcement of this Policy.

2. Stakeholders and Governance

2.1 Stakeholders

- Rating Committee, limited to Analytical Personnel and Credit Policy.
- Scope's Markets Division requests Scope Ratings to perform a new rating
- Compliance together with Credit Policy for the implementation and the enforcement of this Policy

2.2 Governance

Please refer to governance principles stipulated in section 1.2.2.

3. Regulatory Environment

3.1 Requirements imposed by ESMA

Regulation (EC) No 1060/2009, Article 6(2), in conjunction with point 7 of Section B of Annex I

3.2 Requirements imposed by FCA

No additional requirements imposed by FCA

3.3 Requirements imposed by FINMA

No additional requirements imposed by FINMA



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Scope CRAs

Compliance with this Policy / Procedure and requirements regarding breaches or suspected breaches

This [Policy / Procedure](#) reflect the way [Scope CRAs](#) comply with regulatory requirements.

If case of questions about this [Policy / Procedure](#) or any doubt as to personal obligations under this [Policy / Procedure](#), guidance should be sought from [Compliance](#) via the Jira Ticketing System.

A breach or suspected breach of this [Policy / Procedure](#) may lead to breach of regulatory obligations. As a result, any action by persons to whom this [Policy / Procedure](#) applies which breaches or might reasonably be expected to lead to or result in a breach, of the provisions set forth in this [Policy / Procedure](#), is prohibited and can result in disciplinary action, up and including, termination of employment or contract. Any potential infringements of these requirements will be investigated and might be reported to [Senior Management](#) to determine on intervention, if appropriate.

Any breaches or suspected breaches of this [Policy / Procedure](#) need to be reported to [Compliance](#) without undue delay via the Jira Ticketing System or alternatively via email to compliance@scoperatings.com.



Rating Governance Policy

Scope CRAs

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