

# Disclosure Requirements Policy

## Scope Ratings

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**The information contained herein is the sole property of Scope Ratings**

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

This Policy/Procedure reflects the way Scope CRAs comply with regulatory requirements. In case of questions about this Policy/Procedure or any doubt as to personal obligations under this Policy/Procedure, guidance should be sought from the Policy or Procedure Owner. In addition to the Policy / Procedure Owner, SRG Compliance should be contacted for any information regarding the interpretation of regulations via the [Compliance Service Portal](#). 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 the Policy/Procedure Owner. Any breaches or suspected breaches that can impact regulatory obligations need to be reported to Compliance without undue delay via the [Compliance Service Portal](#) or alternatively via email to [compliance@scoperatings.com](mailto:compliance@scoperatings.com).

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## 1. Introduction

### 1.1 Preamble

- [1] Scope Ratings GmbH and Scope Ratings UK Ltd. – hereinafter referred to as “Scope Ratings” – have adopted the Disclosure Requirements Policy to promote transparency in its announcements of Credit Rating Actions and Monitoring Notes. This Policy sets out the standards for information that must be included in all announcements of Credit Rating Actions and Monitoring Notes. This Policy does not apply to announcements that do not constitute a Credit Rating Action, such as research publications.
- [2] For defined terms used in this Policy, please see Scope Defined Terms Glossary available on Scope’s website and intranet.

## 2. Disclosure Requirements

### 2.1 Regulatory Disclosures

- [3] Scope Ratings provides on its website specific regulatory disclosures, including the Scope’s Services List, the annual Transparency Report and specific Compliance Policies such as Unsolicited Ratings Policy, Code of Conduct or Disclosures regarding potential Conflicts of Interests. Regulatory disclosures provided on Scope Ratings’ website are kept up to date and adjusted as necessary.

### 2.2 Presentation of Credit Ratings

- [4] The assignment, monitoring, change or withdrawal of a Credit Rating and its associated rating outlook, where applicable, collectively referred to as “Credit Rating Action”, shall be released by Scope Ratings in a timely manner and on a non-selective basis. All Credit Rating Action releases are subject to minimum information requirements, with additional requirements for certain asset classes. These requirements are outlined in the Disclosure Requirements Procedure
- [5] Scope Ratings issues its Credit Rating Action Releases on its free public website, or for subscription Credit Ratings, on its Scope Ratings’ subscription rating platform.
- [6] If a Credit Rating Action is issued with missing or incorrect disclosures or information, Scope Ratings will issue/correct the relevant disclosure(s) and/or Rating Action Release in a timely fashion upon discovery.

### 2.3 Monitoring Notes

- [7] Upon completion of a periodic review or upon a no action decision in a rating committee of a Credit Rating, Scope Ratings will prepare and release a Monitoring Note in a timely manner and on a non-selective basis.
- [8] Monitoring notes on public ratings are made available on Scope Ratings’ website, [www.scooperatings.com](http://www.scooperatings.com) and may be distributed through such wire services and other media as deemed appropriate. Monitoring Notes on subscription ratings are made available to the subscribers of such rating through Scope Ratings’ subscription rating platform.
- [9] Change of regulatory disclosure due to events which happened after the last Rating Action Release (e.g., change in solicitation nature of the rating, provision of new Ancillary Services, disclosure of new conflict of interest) are announced by a Monitoring Note.

## 3. Withdrawal of Ratings

- [10] This section covers the reasons for which a credit rating should be withdrawn. Based on the Regulatory Technical Standards (RTS) ESMA/2014/685 a credit rating can be withdrawn for several reasons:
- 1) In case of incorrect or insufficient information on issuer/issue,
  - 2) In case of bankruptcy of the rated entity or debt restructuring,
  - 3) In case of reorganization of rated entity (including the merger or acquisition of the rated entity) or
  - 4) In case of the end of maturity of the debt obligation, or in case the debt is redeemed, repaid in full, called, pre-funded, cancelled.
  - 5) in case of automatic invalidity of rating due to business model of CRA (such as expiry of ratings valid for a predetermined period)
  - 6) due to other reasons:

- a) in case of rating withdrawal due Scope own business reason,
- b) in case of rating withdrawal due Irrelevant rating category,
- c) in case of rating withdrawal due Administrative or analytical error,
- d) in case of rating withdrawal due Methodology change driven or
- e) in case of rating withdrawal due Regulatory.

7) In case the rating relates to 10% shareholding on an impacted entity

8) In case of client's request

[11] In addition, a preliminary (P) rating is withdrawn in case the debt issuance has not been completed after a certain amount of time or if the conditions necessary to assign a final rating are not met.

[12] Guidelines on the withdrawal reasons are detailed in the Rating Process Manual (Analytical driven - points 1 to 4, 6b and 6d) and in the Ratings Withdrawal Procedure (Non-analytical driven - points 5, 6a, 6c, 6e, 7 and 8).

### 3.1 Identification of default post rating withdrawal

[13] As required by the performance monitoring in the Eurosystem Credit Assessment Framework (ECAAF), the debtor in question must be reviewed until the end of the reporting period to track whether it has defaulted as part of the regulatory report.

## 4. Private Credit Ratings

[14] Private Credit Ratings (Private Ratings) are ratings which status is not published on any Scope website or portal, those are provided to the Client for internal purposes only and cannot be used for regulatory purposes.

[15] In accordance with Article 2(2)(a) of the CRA Regulation and with the requirements set in 80-196-6345 ESMA Guidelines, Scope incorporates these requirements into Section D of its General Terms and Conditions (GTCs). These requirements include but not limited to, explicit request, formal written agreement, confidentiality requirements.

### 4.1 Distribution of Private Ratings

Recipients of private ratings may share them with a limited number of third parties strictly on a confidential basis. The maximum number of recipients shall be 150 natural and legal persons combined.

## 5. Application & Consequences of Non-Compliance

[16] This Policy applies to Covered employees.

### 5.1 Consequences of Non-Compliance

[17] All applicable employees must immediately report violations, breaches or suspected violations of this Policy to Compliance.

[18] Any action by Scope Ratings employees which violates or is likely to result in a violation of the provisions set forth in this Policy is strictly prohibited. Such violations may result in disciplinary actions, up to and including termination of employment. Any potential infringements of these requirements will be investigated and reported to Senior Management to determine appropriate intervention.

## 6. Stakeholders and Governance

### 6.1 Roles and Responsibilities

[19] It is the responsibility of SRG and SRUK directors to oversee the effective implementation of the Policy

[20] It is the responsibility of CRA Compliance to implement the policy, prepare and deliver adequate and monitor the effectiveness of the policy.

[21] It is the responsibility of employees to observe and comply with the terms and conditions of the policy.

## 6.2 Governance

[22] The Boards of SRG and SRUK hold ultimate responsibility on the effectiveness of the Disclosure Requirements Policy and its implementation, including approval of the Policy and all related Procedures as well as any significant amendments. The Boards of SRG and SRUK receive regular reports by CRA Compliance on monitoring results, resolutions and effectiveness as well as any significant issues or risks identified.

## 7. Regulatory Environment

### 7.1 Requirements imposed by ESMA

[23] The following texts constitute the legal basis of this Policy:

- Article 10 in conjunction with Annex I Section D and Section E of Regulation (EU) 1060/2009.
- Article 10(1), Annex I, Section B, point 3, and Annex III, Section III, point 5 of Regulation (EU) 1060/2009. Regulatory Technical Standards (RTS) ESMA/2014/685
- Article 2(2)(a) of Regulation (EU) 1060/2009.
- ESMA 80-196-6345 Guidelines on the Scope of the CRA regulation

### 7.2 Requirements imposed by FCA

[24] No additional requirements imposed by FCA

## Glossary

Term	Definition
<b>Credit Rating Action</b>	A Credit Rating Action is the issuance or change of a Credit Rating, Outlook and Under Review. For further information see Rating Definitions posted on Scope's Website.
<b>Covered Employees</b>	Covered Employees means all Employees of Scope CRAs, all Employees of Scope KGaA, management of Scope Group exercising executive tasks over Scope CRAs, and all student or interns, freelancers, consultants, and counsels (and any other service provider) who provide services to Scope CRAs.
<b>Monitoring Notes</b>	Monitoring Notes are communications related to current Restricted Subscription, Subscription and Public Credit Ratings, which are not announcements of Credit Rating Actions.
<b>Rating Action Release</b>	Rating Action Release means the publication of a Credit Rating Action in a form which meets all necessary regulatory requirements. The Rating Action Release determines the date of the issuance, change or withdrawal of a Credit Rating, Outlook or Under Review.
<b>Private Credit Rating</b>	A Private Credit Rating refers to a Credit Rating and, where relevant, Outlook or Under Review status which is not published on any Scope website or portal, is provided to the Client for internal purposes only and may not be shared with more than a limited number of individuals. Private Credit Ratings cannot be used for regulatory purposes. They can be point-in-time or monitored.