

Code of Conduct

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Until 10 March 2021, Scope Hamburg GmbH was registered under the brand Euler Hermes Rating GmbH. Since 10 March 2021, Scope Hamburg GmbH is part of the Scope Group. [Read more](#)

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Introduction

This Code of Conduct of Euler Hermes Rating GmbH (hereinafter referred to as Euler Hermes Rating or Agency) is the implementation of the "Statement of Principles Regarding The Activities of Credit Rating Agencies" of the International Organisation of Securities Commissions (IOSCO)¹. The principles were developed by IOSCO to define the modalities under which rating agencies operate and how their opinions, expressed in rating notations, should be used by market participants. Euler Hermes Rating has made the principles of IOSCO its own organisational principles. These are:

- Quality and integrity of the credit rating process
- Independence of the Agency and avoidance of conflicts of interest
- Responsibility of the Agency towards the investing public, rated entities and issuers
- Governance, risk management and training
- Publications and communication with market participants

With regard to the implementation of the "IOSCO Principles" in rating agencies, the IOSCO published two documents under the title "Code of Conduct Fundamentals for Credit Rating Agencies"², on the basis of which this Euler Hermes Rating Code of Conduct was developed. The individual provisions of the IOSCO were directly adopted and significant deviations were justified in the respective provisions. Minor deviations from the IOSCO Code of Conduct do not affect the implementation of the principles.

Euler Hermes Rating has drawn up and implemented this Code of Conduct with responsibility towards the capital markets, investors and the business community. The central objective here is to protect investors by enabling them to validly assess the credit risk of their investments through transparent and independent ratings. This Euler Hermes Rating Code of Conduct is subject to continuous further development depending on internal and external circumstances. Euler Hermes Rating expects all employees to commit to this Code of Conduct at the start of their employment and at regular intervals thereafter. Violations of the Code of Conduct and the instructions contained herein will be sanctioned by disciplinary measures and may constitute a reason for termination of employment. In addition to Euler Hermes Rating's Code of Conduct, the Allianz Group's Code of Conduct is binding for employees of the Agency, as the Agency is part of the Allianz Group. It can be downloaded free of charge at www.allianz.de. In the event of conflicts between the codes, this Code of Conduct takes precedence over the one of the Allianz Group.

The Code of Conduct and the rating methodologies of Euler Hermes Rating, with which the Code of Conduct is united, are freely available on the company's website at www.eulerhermes-rating.com. Euler Hermes Rating does not accept any claims relating to the content of this Code of Conduct. The Code of Conduct may at no time be the subject of a contract and no one has the right to derive any direct or indirect claims from it. Euler Hermes Rating has the right to adapt the Code of Conduct to internal or external circumstances at any time in its sole discretion. For the purposes of this Code of Conduct, the following definitions shall apply.

¹ IOSCO: Statement of Principles Regarding the Activities of Credit Rating Agencies, September 2003; available at www.iosco.org

² IOSCO: Code of Conduct Fundamentals for Credit Rating Agencies, March 2015; available at www.iosco.org

Definitions:

- “participation” means an entity which directly or indirectly controls, is controlled by or is jointly controlled with another entity.
- “analyst” or “rating analyst” means an employee of Euler Hermes Rating who performs analytical functions necessary for the issuance or monitoring of a rating or participates in the determination of ratings, including an employee who participates in a rating committee.
- “rating” or “credit rating” means an assessment of the creditworthiness of a company or of an obligation based on the rating methodologies.
- “rating action” or “credit rating action” means the determination of an initial rating, an upgrading of an existing rating, a downgrading of an existing rating (including into a default category), a confirmation of an existing rating, a withdrawal of a rating or a change in the outlook.
- “rating methodology” or “methodology” means the process by which Euler Hermes Rating issues credit ratings, including information to be taken into account or analysed to determine a rating and the analytical framework used to determine the rating, including, if applicable, models, financial ratios, assumptions, criteria or other quantitative or qualitative factors used to determine the rating.
- “rating process” means all steps taken in connection with a rating action, including, but not limited to, the selection and assignment of analysts by the Agency, the application of the credit rating methodology, decision-making activities (e.g. the activities of the credit rating committee), interaction with the rated entity or the debtor and, if applicable, the dissemination of the credit rating to the public or to the participants.
- “Employee” means any person working for the Agency on a full-time, part-time or temporary basis, including any individual acting as a contractor, provided that the latter is involved in the credit rating process.
- “Close family member” means a spouse or life partner, dependent children and other persons who live permanently in the household of the employee and are economically dependent on him.
- “(rated) entity” means the rating object. This may be an enterprise, a debt or financial obligation, a security, preference share or other financial instrument, or the issuer of such a liability or financial obligation, a security, preference share or another financial instrument.
- “financial instrument” means a security, finance market instrument, derivative or similar product.
- “debtor” means the enterprise that is required by law or by contract to make payments on a rated obligation.

1 Quality and integrity of the rating process

A Quality of the rating process

- 1.1 The Agency undertakes to adopt, implement and apply rating methodologies in writing on the basis of which ratings for companies and various asset classes are performed. Only rating methodologies are applied that are rigorous, systematic and - where possible - result in a rating that can be subjected to some form of objective validation based on historical experience.
- 1.2 The ratings reflect all information that the Agency considers relevant according to the published rating methods. The Agency has established guidelines and controls to ensure that all necessary information is taken into account.
- 1.3 Euler Hermes Rating ensures that the Agency has sufficient know-how and experience, that the information used for ratings is sufficient for the preparation of ratings and that it comes exclusively from reliable sources.

- 1.4 Euler Hermes Rating only issues ratings for entities for whose business sufficient information, knowledge and expertise is available. For example, if the complexity or structure of a security or the lack of robust data on the underlying assets of the security raise serious questions as to whether the Agency can provide a high quality rating for the security, the Agency will refrain from issuing a rating.
- 1.5 In assessing creditworthiness, the analysts involved in the credit rating measure shall apply the rating methodology established by the Agency for the type of entity that is the subject of the credit rating action. The rating methodology is applied in a consistent manner to all entities, as determined by the CRA.
- 1.6 Euler Hermes Rating has defined the rating scale as part of the rating methodology and the basic principles for ratings and applies it to all ratings without exception.
- 1.7 The ratings are assigned by the Agency and reflect the opinion of the Agency and not that of an individual analyst.
- 1.8 The Agency undertakes only to use analysts in rating processes who individually and collectively (especially in rating committees) have appropriate knowledge and experience to prepare a rating for the unit concerned.
- 1.9 The Agency shall keep internal records documenting the rating process of a specific credit rating and shall keep them for as long as is legally required. Details are documented in the internal guidelines of the agency, which ensure that the employees of the Agency fulfil the internal requirements regarding documentation and storage obligations.
- 1.10 The Agency shall avoid issuing ratings, analyses and credit opinions that may contain inaccurate statements or may be misleading regarding the creditworthiness of the rated entity. As a corresponding measure, the rating committee was established as the sole decision-making body for awarding the rating notation and as the function for monitoring the consistent implementation of the rating methodology in the rating process.
- 1.11 Before accepting a rating order or a follow-up rating, the Agency ensures that it has and devotes sufficient resources to carry out high-quality credit ratings of all entities that are currently being rated. This implies for each individual entity to be rated that a sufficient number of analysts with the skill sets necessary as well as sufficient information are available to determine a high-quality assessment.
- 1.12 The Agency has a review function, made up of several directors or senior analysts with appropriate experience, to review the feasibility of providing credit ratings for a type of entity or obligation that is materially different from the entities or obligations the Agency currently rates.
- 1.13 Euler Hermes Rating has implemented a formal review function, the Methodological Review Function. This function is responsible for regularly reviewing Euler Hermes Rating's credit rating methodologies and models as well as significant changes to these methodologies and models. The Methodological Review Function consists of external experts and is independent of the employees who are principally responsible for determining credit ratings.
- 1.14 The selection of analysts for initial and follow-up ratings and for subsequent monitoring is conducted in a way to seek to promote continuity but also to avoid bias in the credit rating process.
- 1.15 The Agency ensures that sufficient resources are available for monitoring and follow-up ratings. All published credit ratings are monitored on an ongoing basis by:
- a) reviewing the creditworthiness of the rated entity or obligation regularly;
 - b) initiating a review of the status of the credit rating upon becoming aware of any information that might reasonably be expected to result in a credit rating action;

- c) reviewing the impact of and applying a change in the credit rating methodologies or models on the relevant credit ratings within a reasonable period of time;
 - d) updating credit ratings on a timely basis, at least once a year; and
 - e) incorporating all cumulative experience obtained.
- 1.16 If Euler Hermes Rating uses separate analytical teams for determining initial credit ratings and subsequent monitoring of existing credit ratings, each team shall have the requisite level of qualification and experience to perform their respective functions, taking into account the size of the Agency.
- 1.17 The Agency has established and maintains policies and procedures that clearly set forth guidelines for disseminating credit ratings and related reports, and for when a credit rating will be withdrawn.

B. Integrity of the rating process

- 1.18 The Agency and its employees should deal fairly and honestly with rated entities, debtors and users of credit ratings.
- 1.19 Euler Hermes Rating's analysts are held to a high degree of integrity. Individuals with demonstrably compromised integrity shall not be employed by the Agency.
- 1.20 The Agency and its employees shall not, either implicitly or explicitly, give any assurance or guarantee to the rated entity, debtors or other users of the rating about the outcome of a particular rating action, prior to the rating committee's determination of the credit rating. This does not preclude the Agency from developing preliminary indications in a manner consistent with provisions 1.22 and 2.6(d) of this Code of Conduct.
- 1.21 The analysts of the Agency will neither make promises nor threats about potential credit rating actions to influence rated entities or other market participants to pay for credit ratings or other services.
- 1.22 Euler Hermes Rating prohibits its analysts from making proposals and recommendations regarding the activities of the entities rated by the Agency which may affect the credit rating of the rated entity, including proposals or recommendations regarding the corporate or legal structure, assets and liabilities, business operations, investment plans, lines of financing, business combinations, the design of structured finance products or similar.
- 1.23 The Agency and its employees undertake to comply with this Code of Conduct and the legislation in force in all countries in which they operate.
- a) The Agency's Compliance Officer shall monitor the compliance of the Agency and its employees with this Code of Conduct and with applicable laws and regulations.
 - b) The Compliance Officer also monitors the adequacy of the Agency's policies, processes and controls to ensure compliance with the Code of Conduct and with applicable laws and regulations.
 - c) Euler Hermes Rating appoints an employee with the requisite skill set to serve as the Compliance Officer in charge of the compliance function. The Compliance Officer reports to the Management Board and the Administrative Board. His/her remuneration is independent of the credit rating operations.
- 1.24 Upon becoming aware that another employee of the Agency is or has engaged in conduct that is illegal, unethical or contrary to the Agency's Code of Conduct, the employee who discovers this shall immediately report such information to the direct line manager or the Compliance Officer so that proper action may be taken. The employees of the Agency are not necessarily expected to be experts in the law. Nonetheless, every employee is expected to report activities that a reasonable person would question. Upon receiving such a report, the Agency will take appropriate action in accordance with the laws and regulations of the

jurisdiction and the policies laid down by the Agency. Violations of the Code of Conduct may result in a written warning. In the event of repeated or serious violations of this Code of Conduct, management shall consider terminating the employment of the employee concerned. The management of the Agency prohibits retaliation of employees of the Agency against any employees who, in good faith, make such reports.

2 Independence of the Agency and avoidance of conflicts of interest

A General

- 2.1 The Agency undertakes not to delay or refrain from taking a credit rating action based on the potential effect (economic, political or otherwise) of the rating action on the Agency, a rated entity, an investor or other market participants.
- 2.2 The Agency and its employees shall use care and professional judgment to maintain both the substance and appearance of their independence and objectivity.
- 2.3 The determination of a credit rating shall only be influenced by factors that are assessed by the respective rating committee as relevant for the creditworthiness of the rated entity.
- 2.4 The credit rating of an entity shall not be affected by whether there is an existing or potential business relationship between the Agency and the rated entity or any other party; nor by refraining from such a business relationship.
- 2.5 Euler Hermes Rating avoids conflicts of interest affecting credit rating operations caused by ancillary services by selecting its ancillary services properly and by implementing the necessary organizational measures. Analytics and sales operations are separated operationally and physically.

B Policies and principles of the Agency

- 2.6 Euler Hermes Rating is committed to implementing documented internal procedures and mechanisms to identify, eliminate and manage any actual and potential conflicts of interest that may influence the opinions and analyses of the Agency or the judgement and analyses of the analysts and to ensure the corresponding documentation. In its Conflicts of Interest Policy, the Agency addresses how the following conflicts of interest can potentially influence the Agency or analysts:
 - a) being paid to issue a credit rating by the rated entity or by the debtor of the rated obligation;
 - b) being paid by subscribers with a financial interest that could be affected by a credit rating action of the Agency;
 - c) being paid by rated entities, debtors or subscribers for services other than issuing credit ratings or access to credit ratings issued by the Agency;
 - d) providing a preliminary indication or similar indication of credit quality to a customer or debtor prior to being hired to determine the final credit rating for the entity or debtor; and

- e) having a direct or indirect ownership interest in a rated entity or having a rated entity a direct or indirect ownership interest in the Agency.
- 2.7 The Agency discloses actual and potential conflicts of interest in a complete, timely, clear, concise, specific and prominent manner. When the conflict of interest is unique or specific to a credit rating action with respect to a particular rated entity or a debtor, the information is disclosed in the same form as the original disclosure of the credit rating.
- 2.8 The Agency discloses the general nature of its compensation arrangements with rated entities on its homepage.
- a) No consulting services are offered to companies rated by Euler Hermes Rating GmbH, so that no conflicts of interest can arise within the framework of rating actions as a result of remuneration for consulting services.
 - b) If the Agency receives 10% or more of its annual revenue from a single rated entity, a debtor, originator, lead underwriter, arranger or subscriber, it will disclose this on its website.
- 2.9 When publishing a Structured Finance Product Rating, EHR will disclose whether the issuer of the product has publicly disclosed all relevant information for the rated product or whether this information remains non-public.
- 2.10 The Agency and its employees undertake not to trade in securities or derivatives which could result in conflicts of interest with the credit rating activities of the Agency.
- 2.11 The Agency undertakes to only let those analysts participate in the development of the rating methodology and in rating processes for public bodies or other institutions, which are simultaneously pursuing oversight functions related to the Agency, who are not responsible for interacting with the officials regarding supervisory matters.

C Independence of the Agency's analysts and employees

- 2.12 The reporting lines and compensation arrangements of the Agency's employees are structured to eliminate or effectively manage actual and potential conflicts of interest.
- a) Employees of the Agency who participate in or who might otherwise have an effect on a credit rating process with respect to a rated entity or obligation, are not compensated or evaluated on the basis of the amount of revenue the Agency derives from that entity or obligor.
 - b) Euler Hermes Rating conducts formal and periodic reviews of its compensation arrangements and practices for its analysts and other employees who participate or otherwise have an effect on a credit rating action to ensure that these arrangements and practices do not compromise the objectivity of Euler Hermes Rating's rating process.
- 2.13 Employees of the Agency who participate in or otherwise have an effect on rating processes do not initiate or participate in discussions regarding fees with potential or existing customers.
- 2.14 An Agency employee may not participate in or otherwise influence the rating process of a particular rated entity if the employee, a close family member or an entity managed by the employee
- a) holds financial instruments of the entity to be rated, with the exception of investments in diversified financial products (e.g. investment funds);

- b) holds financial instruments (other than diversified financial products) of entities which themselves hold an economic interest in the entity to be rated;
 - c) holds financial instruments of an affiliate of an entity to be rated the ownership of which may be perceived as causing a conflict of interest with respect to the employee or the Agency;
 - d) holds financial instruments of an identified lead underwriter or arranger of the debt to be rated the ownership of which may be perceived as causing a conflict of interest;
 - e) is currently employed by or had a recent employment or other significant business relationship with the entity to be rated or the issuer, the identified lead underwriter or arranger of the debt to be rated, that may be perceived as causing a conflict of interest; or is director of the entity to be rated, the issuer, the identified lead underwriter or arranger of the debt to be rated;
 - f) has, or had, another relationship with or interest in the entity to be rated, or the issuer, the identified lead underwriter or arranger of the debt to be rated, or any affiliated entity of these which may be perceived as causing a conflict of interest.
- 2.15 Analysts involved in the rating process are not permitted to hold or transact financial instruments issued by a rated entity in the analyst's primary analytical responsibility, except for investments in diversified financial products.
- 2.16 Agency employees may not accept or grant cash or cash equivalents from/to business partners. The same applies to gifts or other favours, provided that their value is not less than an reference amount of Euro 40 (within the EU). Gifts and other favours of higher monetary value that cannot be refused with regard to the business relationship must be made available to charities.
- Invitations to plain business lunches related to business activities (e.g. meals, canteen visits or joint lunches or dinners during a business visit) and the monetary value of which is below the reference value may generally be accepted.
- 2.17 An analyst of the Agency who becomes involved in a personal relationship that may be perceived as causing a conflict of interest (including, for example, with an employee of an entity to be rated or with an agent in whose analytical responsibility the rated entity is) shall disclose this to the Compliance Officer or the management.
- 2.18 Euler Hermes Rating has established rules and procedures for reviewing past work results of an analyst who leaves the employ of the Agency and joins an entity that the employee participated in rating, or joins a financial institution with which the analyst concerned has cooperated significantly within the scope of his duties at Euler Hermes Rating.

3 Responsibility of the Agency to the investing public, rated entities and issuers

A Transparency and timeliness of ratings disclosure

- 3.1 Euler Hermes Rating assists investors in developing a greater understanding of credit ratings and the restrictions to which a credit rating may be exposed, e.g. if it is used for a specific type of financial product that Euler Hermes Rating also assesses (e.g. the transfer of issuer ratings to issuances). Euler Hermes Rating does not use the name of the supervisory authority to emphasise the quality of its own ratings.
- 3.2 Euler Hermes Rating discloses sufficient information about its rating process and rating methodologies so that investors and other users of ratings can understand how a credit rating was determined.
- 3.3 The Agency shall disclose a material modification to a rating methodologies prior to the modification taking effect unless doing so would negatively impact the integrity of a rating by unduly delaying the taking of a rating action. In either case, the Agency discloses the material modification in a non-selective manner.
- 3.4 In the "Basic Principles for Assigning Credit Ratings and Other Services" (available at https://www.ehrg.de/seiten/Principles_2017.pdf), the Agency discloses its policies and procedures that address the issuance of unsolicited credit ratings.
- 3.5 In the "Basic Principles for Assigning Credit Ratings and Other Services" (available at https://www.ehrg.de/seiten/Principles_200701.pdf), Euler Hermes Rating discloses its policies and procedures for distributing credit ratings and rating reports, and for when a rating will be withdrawn.
- 3.6. The Agency discloses clear definitions of the meaning of each category in its rating scales, including the definition of default.
- 3.7 Euler Hermes differentiates credit ratings of structured finance products from credit ratings of other types of entities or obligations through a different identifier.
- 3.8 Euler Hermes Rating discloses a rating either publicly on the Agency's website or by subscription via its rating portal to subscribers, with the exception of private ratings.
- 3.9 Where feasible and appropriate, the Agency shall inform the relevant entity about the critical information and principal considerations upon which a credit rating will be based prior to disseminating a credit rating that is the result or subject of the rating action, and afford such rated entity to clarify any factual errors, factual omissions or factual misperceptions that would have a material effect on the credit rating. The Agency shall duly evaluate any response from such rated entity.
- 3.10 The Agency publicly discloses or distributes to its subscribers via its rating portal a credit rating that is the result or subject of the rating action as soon as practicable after taking such rating action.
- 3.11 When Euler Hermes Rating publicly discloses or distributes to its subscribers via its rating portal a credit rating that is the result or subject of a rating action, this is done on a non-selective basis.
- 3.12 Euler Hermes Rating discloses with a credit rating that is the result or subject of a rating action whether the rated entity or issuer participated in the rating process. Each rating not initiated at the request of the rated entity or a related third party is identified as unsolicited rating.
- 3.13 The Agency shall clearly indicate the attributes and limitations of each rating, and the extent to which the Agency has verified information provided by the rated entity or issuer. For example, if the credit rating involves a type of entity or obligation for which there is limited historical data, Euler Hermes Rating discloses this fact and how it may limit the credit rating.
- 3.14 Euler Hermes Rating indicates in the announcement of a credit rating when it was last updated or reviewed. The credit rating report indicates the principal rating methodology and the version thereof that was used in determining the credit rating and where obtained description of that rating methodology can be found. Where a credit rating is based on more than one methodology, or where a review of only the principal methodology might cause investors to overlook important aspects of a rating, Euler Hermes Rating will explain this in the rating report. The Agency also provides an Internet link to the document discussing how the different methodologies and other important aspects factored into the rating decision.

- 3.15 The Agency shall encourage issuers of structured finance products to publicly disclose sufficient information about these financial products so that investors and other credit rating agencies can carry out their own independent analysis. Euler Hermes Rating discloses sufficient information about its loss and cash flow analysis with the rating report.
The Agency shall also publicly disclose or distribute information about the degree to which it analyses how sensitive a rating of a structured finance product is to changes in the basic assumptions underlying the applicable rating methodology.
- 3.16 When issuing or revising a rating, the Agency explains in its rating report information on procedures, methodologies and assumptions that are necessary to understand how the Agency determined the rating, including financial statement adjustments that deviate materially from the information contained in the published financial statements of the rated entity.
- 3.17 If the Agency discontinues monitoring a rating for a rated entity or obligation, it withdraws the rating and informs the public or the subscribers as soon as possible. This information indicates the date the credit rating was last updated, the reason the rating is no longer monitored and the fact that the rating is no longer updated.
- 3.18 To promote transparency and to enable market participants to compare the performance of different rating agencies, Euler Hermes Rating discloses sufficient information about the historical transition and default rates of its rating categories with respect to the classes of entities and obligations it rates. Such information includes verifiable, quantifiable historical information, organized over a period of time, and, where possible, standardized in such a way to assist investors in comparing different credit rating agencies. If the nature of the rated entity or other specific circumstances make such historical transition or default rates inappropriate or otherwise likely to mislead the user of a rating, the Agency will disclose why this is the case.

B Treatment of confidential information

- 3.19 The Agency has established policies, procedures and controls to protect confidential information and/or material non-public information, including confidential information received from a rated entity for the credit rating process and non-public information about a credit rating action.
- a) Euler Hermes Rating's policies, procedures and controls prohibit the Agency and its employees from using or disclosing confidential and/or material non-public information for any purpose unrelated to the Agency's credit rating activities, including disclosing such information to other employees of the Agency where the disclosure is not necessary in connection with the Agency's credit rating activities, unless disclosure is required by applicable law or regulation.
Agency employees may not use confidential information for the purpose of securities trading or for any other purpose other than to conduct Euler Hermes Rating's business.
 - b) Euler Hermes Rating's policies, procedures and controls protect confidential and/or material non-public information from fraud, theft, misuse, or inadvertent disclosure.
 - c) The Agency's policies, procedures and controls prevent Euler Hermes Rating and its employees from using or disclosing information received from a rated entity on the basis of a confidentiality agreement or in mutual understanding of confidential treatment by Euler Hermes Rating in violation of such agreement or mutual understanding, unless disclosure is required by applicable law or regulation.
 - d) Euler Hermes Rating's policies, procedures and controls prohibit the Agency and its employees from disclosing information about a pending credit rating action to unauthorised third parties. The employees of the Agency are prohibited from selectively disclosing non-public information about determining credit rating results or about potential future credit rating activities of the Agency, except to the rated entity and its

representatives. The aforementioned prohibitions do not apply to disclosure in accordance with legal regulations.

- 3.20 The Agency has established policies, procedures and controls designed to prevent its employees' violations of applicable laws and regulations governing the treatment and use of confidential and/or material non-public information.
- 3.21 The Agency has established policies, procedures and controls that prohibit employees that possess confidential and/or material non-public information concerning a financial instrument from engaging in a transaction in the financial instrument or using the information to advise or otherwise advantage another person in transacting in the financial instrument. Employees of the Agency are prohibited from engaging in transactions in securities if they have confidential information concerning the issuer of the corresponding securities.

4 Governance, risk management and employee training

- 4.1 The management of Euler Hermes Rating has ultimate responsibility for ensuring that the Agency implements this Code of Conduct.
- 4.2 Euler Hermes Rating has established a risk management function which is appropriate in view of the size of the company responsible for identifying, assessing, monitoring, and reporting the risks arising from its activities on the basis of appropriate experience. These risks include legal risk, reputational risk, operational risk, and strategic risk. The risk management function will report regularly to the Administrative Board and the management to assist them in assessing the adequacy of the established policies, procedures and controls.
- 4.3 The Agency has guidelines and/or procedures requiring employees to undergo formal ongoing training at reasonably regular intervals. The subject matter covered by the training should either relate to the employee's area of responsibility or to fundamental topics such as the Code of Conduct, the Agency's policies on conflicts of interest, securities transactions and confidential information.

5 Disclosure and communication with market participants

- 5.1 All Euler Hermes Rating disclosures are complete, fair, accurate, timely and understandable to investors and other users of credit ratings.
- 5.2 The management of Euler Hermes Rating GmbH has ultimate responsibility for ensuring that the Agency implements this Code of Conduct. This Code of Conduct is derived from the IOSCO Code of Conduct Fundamentals for Credit Rating Agencies and the IOSCO Principles Regarding the Activities of Rating Agencies. If this Code of Conduct deviates from the IOSCO Code of Conduct, they have been explained together with the respective reason within the relevant provision. The objectives of the IOSCO guidelines are achieved through the Euler Hermes Rating Code of Conduct. The Agency will adapt the Code of Conduct to future internal and external circumstances. The changes to the Code of Conduct will be disclosed as soon as practicable on the Agency's website.

- 5.3 The Agency's Compliance Officer is in charge of communicating on all complaints from market participants and the public and of monitoring their handling within the Agency. Complaints must be reported to the management.
- 5.4 Euler Hermes Rating publicly and prominently discloses free of charge on its primary website:
- a) the Agency's Code of Conduct,
 - b) a description of the Agency's rating methodologies,
 - c) information about the Agency's historic performance data; and
 - d) any other disclosures specified in the provisions of this Code of Conduct.