

May 2015, Frankfurt am Main

## COMPLIANCE OFFICER CODE OF ETHICS

Compliance function serves a critical role in helping to prevent and detect misconduct at and by organizations, and to promote ethical business environment. This helps to protect investors, consumers, the business community and the public at large.

Employee working as the Compliance officer of the Rating-Agentur Expert RA GmbH shall understand that the compliance services require the highest standards of professionalism, integrity and competence.

### Principles of Compliance Ethics

#### 1. Obligations to the Public

- 1.1. Compliance officer of the Rating-Agentur Expert RA GmbH shall promote compliance with the essence of the Regulations of the European Parliament and of the Council currently in force, and with internal company regulations and procedures of Rating-Agentur Expert RA GmbH.
- 1.2. Compliance officer shall follow the highest ethical standards in professional conduct in order to contribute to the public good.
- 1.3. Compliance officer shall not aid or participate in misconduct.
- 1.4. Compliance officer shall take the necessary steps to prevent misconduct by employing organization.
- 1.5. Compliance officer's actions to prevent misconduct must be legal and ethical.
- 1.6. If in the course of his work the Compliance officer becomes aware of any decision made by Rating-Agentur Expert RA GmbH which if implemented would constitute misconduct, he shall:
  - a) Refuse to consent to the decision;
  - b) Notify the senior management of the credit rating agency and the advisory board about the implications of such decision;
  - c) Report the decision to public officials when required by law.
- 1.7. The duty of the Compliance officer goes beyond a duty to the employing organization inasmuch as his duty to the public and to the profession includes prevention of organizational misconduct.

1.8. Compliance officer shall report to ESMA on any material breach of the policy or procedure which may result in a breach of the conditions of initial registration of the Agency as registered CRA.

## **2. Obligations to the Employing Organization - Rating-Agentur Expert RA GmbH**

2.1. Compliance officer shall serve his employing organization with the highest sense of integrity, exercise unprejudiced and unbiased judgment on its behalf and promote effective compliance and ethics.

2.2. Compliance officer shall serve Rating-Agentur Expert RA GmbH in a timely, competent and professional manner.

2.3. Compliance officer is not expected to be expert in every field of knowledge that might be related to the compliance activity. However, Compliance officer shall obtain additional expertise or additional education, training etc. if this is required for proper execution of his responsibilities.

2.4. Compliance officer shall have current and general knowledge of all relevant fields of knowledge that reasonably might be expected from his position and shall take steps to ensure that they remain current by pursuing opportunities for continuing education and professional development.

2.5. Compliance officer shall know all Regulations of the European Parliament and of the Council regulating activities of the credit rating agencies as well as any other regulations in this field valid in any countries in which the credit rating agency operates or has clients.

2.6. Compliance officer shall ensure to the best of his abilities that Rating-Agentur Expert RA GmbH complies with all relevant laws.

2.7. Compliance officer shall investigate with appropriate due diligence all issues, information, reports and codes of conduct which relate to actual or suspended misconduct, whether past, current or prospective.

2.8. Compliance officer shall monitor and, on a regular basis, assess the adequacy and effectiveness of the measures and procedures put in place to ensure compliance with Regulations governing credit rating activities.

2.9. Compliance officer shall advise and assist the managers, rating experts, other employees as well as any other natural person whose services are placed at the disposal or under the control of the credit rating agency or any person directly or indirectly linked to it by control who is responsible for carrying out credit rating

activities, to comply with the credit rating agency's obligations under relevant Regulations.

- 2.10. Compliance officer shall keep senior management of the Rating-Agentur Expert RA GmbH informed about the status of the compliance program, its implementation and the areas of compliance risk.
- 2.11. Compliance officer should report regularly on the carrying out of his duties to the senior management and the independent members of the advisory board of Rating-Agentur Expert RA GmbH.
- 2.12. Compliance officer shall not aid or encourage retaliation against any employee who reports actual, potential or suspected misconduct.
- 2.13. Compliance officer shall preserve to the best of his ability, consistent with other duties imposed on him, the anonymity of reporting employees if such employees request anonymity.
- 2.14. Compliance officer shall conduct the investigation of any actual, potential or suspected misconduct with utmost discretion, being careful to protect the reputations and identities of those being investigated.
- 2.15. Compliance officer shall carefully guard against disclosure of confidential information obtained in the course of his professional activities.
- 2.16. Compliance officer shall follow the Confidentiality Policy of the Rating-Agentur Expert RA GmbH.
- 2.17. Compliance officer shall follow the Identification of Conflicts of Interest Policy of the Rating-Agentur Expert RA GmbH.
- 2.18. Compliance officer shall ensure that any conflicts of interest relating to the persons placed at the disposal of the compliance function are properly identified and eliminated.
- 2.19. Compliance officer shall not be involved in the performance of credit rating activities of the Rating-Agentur Expert RA GmbH.

### **3. Obligations to the Profession**

- 3.1. Compliance officer should strive through his actions to uphold the integrity and dignity of the profession, to advance the effectiveness of compliance and ethics and to promote professionalism in compliance and ethics.
- 3.2. Compliance officer shall pursue his professional activities with honesty, fairness and diligence.

- 3.3. Compliance officer shall not disclose without compulsory legal process confidential information about the business affairs or technical processes of Rating-Agentur Expert RA GmbH.
- 3.4. Compliance officer shall not make misleading, deceptive or false statements or claims about his professional qualifications, experience or performance.
- 3.5. Compliance officer shall not attempt to falsely damage the professional reputation of other professionals.
- 3.6. Compliance officer shall maintain his competence with respect to developments within the profession, including knowledge of current theories, industry practices and laws.
- 3.7. Compliance officer shall pursue a reasonable and appropriate due course of continued education including but not limited to review of relevant professional and industry journals and publications, communication with professional colleagues and participation in open professional dialogues.