

Capital
Requirements
Directive/
Regulation

Capital Requirements Directive/Regulation

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Chapter 3

Commission Implementing Regulation (EU) 2016/1799

Preamble

THE EUROPEAN COMMISSION,
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Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, and in particular the third subparagraph of Article 136(1) and the third subparagraph of Article 136(3) thereof,

01/01/2021

Whereas:

(1) The provisions in this Regulation are closely linked, since they deal with the mapping of credit risk assessments with the exception of those assigned to securitisation positions. To ensure coherence between those provisions, which should enter into force at the same time, and to facilitate a comprehensive view and compact access to them by those subject to those obligations, it is desirable to include all the implementing technical standards required by Regulation (EU) No 575/2013 in relation to the mapping of credit risk assessments with the exception of those assigned to securitisation positions in a single Regulation.

(2) Article 136(1) of Regulation (EU) No 575/2013 requires the specification, for all External Credit Assessment Institutions (ECAIs), of the correspondence of the relevant credit assessments issued by an ECAI to the credit quality steps set out in Section 2 of that Regulation ("mapping"). ECAIs are credit rating agencies that are registered or certified in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council or a central bank issuing credit ratings which are exempt from the application of that Regulation.

(3) Certain similar terms and concepts used in Regulation (EC) No 1060/2009 and in Regulation (EU) No 575/2013 can be the subject of confusion. "Credit assessment" is a term used under Regulation (EU) No 575/2013 to refer both to the "labels" of the different categories of ratings by ECAIs, and to the assignment of one such rating to a particular item. However, points (h) and (a) of Article 3(1) of Regulation (EC) No 1060/2009 clearly distinguish between these two concepts with the use of the terms "rating category" and "credit rating", respectively. To avoid confusion, given the need to refer to these two particular concepts separately, and given the complementarity of the two Regulations, the terminology of Regulation (EC) No 1060/2009 should be used as more specific.

(4) Given that Article 4(1) of Regulation (EC) No 1060/2009 permits the use of credit ratings for regulatory purposes by credit institutions and investment firms only if issued by credit rating agencies established in the Union and registered or certified in accordance with that Regulation, the mapping of ECAIs credit assessments should cover credit assessments that comply with the definition of "credit rating" according to point (a) of Article 3(1) of that Regulation. Further, given that by virtue of Article 136 of Regulation (EU) No 575/2013, a mapping is required for all ECAIs, the definition of which includes, by virtue of Article 4(98) of that Regulation also credit ratings produced by central banks exempted from the application of Regulation (EC) No 1060/2009, the mapping of ECAIs rating categories should also cover such credit ratings as well. Regulation (EU) No 575/2013 prevents the use of credit ratings for certain asset classes (such as equity) within the Standardised Approach. Therefore, with regards to assessments for fixed-income collective investment undertakings (CIUs), only those that solely depend on the credit quality of the underlying assets should be covered by the mapping of ECAIs' credit assessments.

(5) The mapping has the objective of assigning the appropriate risk weights of Regulation (EU) No 575/2013 to the rating categories of an ECAI. Therefore, it should be able to identify not only relative differences of risk but also the absolute levels of the risk of each rating category, ensuring appropriate levels of capital under the Standardised Approach.

(6) Given the wide range of methodologies across ECAIs, objectivity and consistency of the mapping methodology are key aspects for ensuring a level playing field for institutions as well as fairness of treatment for ECAIs. For this reason, when elaborating rules on the use of quantitative and qualitative factors and their comparison with the benchmark, it is necessary to build upon the previous regulatory framework, namely Part 3 of the "Revised Guidelines on the recognition of External Credit Assessment Institutions" dated 30 November 2010, with a view to ensuring a smooth transition to the mapping set out in this Regulation. This would also ensure consistency with international standards in this area, reflected, in turn, in Annex 2 of the "Basel II: International Convergence of Capital Measurement and Capital Standards: A Revised Framework – Comprehensive Version" dated June 2006.

(7) The default definitions used by ECAIs may differ from the one set forth in Article 178 of Regulation (EU) No 575/2013, as reflected in Regulation (EC) No 1060/2009 and Commission Delegated Regulation (EU) 2015/2. Nevertheless, in order to ensure that the overall level of the capital required to externally rated exposures is not changed, the types of default events used for the calibration of the benchmark referred to in point (c) of Article 136(2) of Regulation (EU) No 575/2013 should be used as the default definition for the purposes of this Regulation.

(8) The mapping should be understood as the correspondence of the rating categories of an ECAI with a regulatory scale which has been defined for prudential purposes. Therefore it should be considered as a distinct concept from the one the European Securities and Markets Authority (ESMA) is required to provide in the form of a report, by virtue of Article 21(4b) of Regulation (EC) No 1060/2009 aiming at allowing investors to easily compare all credit ratings that exist with regard to a specific rated entity. Also for the purposes of this Regulation "mapping" does not refer to mappings which are developed under other frameworks, such as the Eurosystem Credit Assessment Framework, as these may operate on different methodologies and definitions.

(9) A different mapping should be conducted for each relevant set of rating categories ("rating scale"). When the rating scale of an ECAI is the same across exposure classes,

the mapping should not differ in order to guarantee the differentiation of risk weights across exposure classes established by Regulation (EU) No 575/2013. When an ECAI has several rating scales, the relationship established by the ECAI among them should be considered for the mapping.

(10) Unsolicited ratings, as referred to in point (x) of Article 3(1) of Regulation (EC) No 1060/2009, should be included in the mapping of an ECAI as long as these ratings can be used for regulatory purposes in accordance with Article 4(1) of Regulation (EC) No 1060/2009 and the European Banking Authority (EBA) has confirmed that they do not differ in quality from solicited credit ratings of this ECAI in accordance with Article 138 of Regulation (EU) No 575/2013.

(11) Both quantitative and qualitative factors should be used to produce a mapping, with the qualitative factors being considered in a second stage, as and when necessary and especially where quantitative factors are not adequate. As a result qualitative factors should assist in reviewing, correcting and enhancing any initial mapping done based on quantitative factors, where such review is justified and necessary. This two-step approach is required in order to contribute to the objectivity of the mapping and to ensure that the mapping actually represents the correspondence of the rating categories of an ECAI with a regulatory scale which has been defined for prudential purposes.

(12) It is necessary to avoid causing undue material disadvantage on those ECAs which, due to their more recent entrance in the market, present limited quantitative information, with the view to balancing prudential with market concerns. Therefore, the relevance of the quantitative factors for deriving the mapping should be relaxed. Updates to the mapping should be made whenever this becomes necessary to reflect quantitative information collected after the entry into force of the present Regulation.

(13) The default rate associated with items assigned the same rating category should be considered as the most representative quantitative factor, and should be calculated from default data corresponding to such items. Where sufficient default data corresponding to these items is not available, an estimate of the default rate should still be calculated on the basis of the opinion of the relevant ECAI and any default evidence associated with the items assigned the same rating category for which the mapping is being performed.

(14) The calculation of the default rate should meet certain requirements in order to ensure that it is comparable across ECAs. For example, it should be measured over a 3-year time horizon in order to allow the observation of a significant number of defaults when risk is very low and it should account for withdrawals to avoid an underestimation of risk. In addition, it should include neither public sector ratings nor issue ratings, given the scarcity of defaults for the former type of ratings, and to avoid biasing the default rates towards issuers with higher number of issues by using the latter ratings.

(15) Default rates should be calculated for each rating category to the extent possible over a long term and a short term observation period. The former should provide the basis for the mapping, whereas the latter should provide an early warning about a potential increase, or decrease, in the level of risk of the rating category. Where a sufficient number of credit ratings is not available, only the long run default rate should be calculated due to the high degree of uncertainty regarding the calculation of short run default rates. In this case, a warning about a potential increase in the level of risk of the rating category should be provided by the qualitative factors.

(16) The definition of default established by the ECAI to calculate the default rate associated with items assigned the same rating category is a key element of the mapping. A stricter definition of default may produce higher default rates compared to other less strict default definitions. Therefore the impact of the definition of default on the calculation of the default rate should be estimated in order to ensure an accurate mapping.

(17) When only scarce default data is available, the time horizon considered in a rating category should be taken into account for the purpose of the mapping to ensure consistency across ECAIs. Thus, where a short term horizon has been chosen, some items may qualify for a particular level of risk. However, these same items may represent a significantly different level of risk if evaluated over the 3-year time horizon chosen for the calculation of the default rate. This factor should be recognised and appropriately reflected in the mapping.

(18) The meaning of the rating category and its relative position within the rating scale should be especially helpful when there is no quantitative factor available and the mapping of adjacent rating category is known. For that purpose, credit quality steps should be characterised in terms of aspects such as the capacity of the issuer to meet its financial obligations, its sensitivity to the economic situation or its proximity to the default status.

(19) General risk drivers of the items assigned a rating category should also be taken into account. The size and the degree of activity diversification of the items assigned a rating category should be considered as relevant indicators of their underlying risk profile. It should also be possible to consider as qualitative factors other measures of creditworthiness assigned to items of the same rating category, in order to convey additional information with respect to the default behaviour of the relevant rating category. The relevance, objectivity and reliability of the different measures of creditworthiness should be carefully analysed before their application for the purpose of the mapping exercise.

(20) With a view to ensuring consistency with international standards, the benchmarks of the long-run and short run default rates provided in the document "Basel II: International Convergence of Capital Measurement and Capital Standards: A Revised Framework – Comprehensive Version" dated June 2006, should be used for the purpose of the mapping exercise. However, more detailed rules should be provided to account for the variety of ECAIs that currently operate in the EU market and whose default rates may significantly deviate from the pattern of the international ECAIs underlying the current benchmark. More concretely, the long-run benchmark should be defined in terms of intervals to acknowledge that a range of values can be compatible with each credit quality step.

(21) Rating categories should be initially mapped to a credit quality step based on the comparison of their long-run default rate with the long-run benchmark and the information provided by the qualitative factors.

(22) Pursuant to Article 136(1) second subparagraph of Regulation (EU) No 575/2013 the adequacy of the mapping should be reviewed frequently because the long-run default rate could change and become representative of a different credit quality step. To that end, recent short run default rates experienced within a rating category should be regularly confronted with their relevant short run benchmarks ("monitoring" and "trigger" levels). A breach of the short run benchmarks for a consecutive period of 2 years could signal a weakening of assessment standards which could imply that the new underlying long-run default rate is representative of a less favourable credit quality step. This signal would be more relevant where the trigger level is breached instead of the monitoring level. In particular, a single defaulted item associated with the highest rating categories

could trigger consideration of the review of the mapping assigned to the single ECAI that rated that item.

(23) Revised draft implementing technical standards should be submitted where necessary to include newly established ECAIs in the mapping.

(24) Given that compliance with Regulation (EU) No 575/2013 is required at all times, it is necessary to monitor the performance of the mappings on a continuous basis.

(25) This Regulation is based on the draft implementing technical standards submitted by EBA, ESMA and European Insurance and Occupational Pensions Authority (EIOPA) jointly (the "European Supervisory Authorities (ESAs)") to the Commission.

(26) On 29 March 2016, the Commission notified the Joint Committee of the ESAs of its intention to endorse the draft implementing technical standards with amendments in order to ensure a balance between a solid prudential approach and the need to avoid further concentration in an already very concentrated credit rating market dominated by three large ECAIs with a combined market share of around 90 %. In its notification, the Commission highlighted in particular the need to avoid the automatic application after 3 years of a more conservative mapping to all ECAIs which did not produce sufficient ratings and irrespective of the quality of their ratings, as this approach would risk to create a regulatory barrier to market entry and undermine the competitive position of smaller/newer ECAIs simply because they do not produce as many ratings as large incumbent firms. In its formal opinion of 12 May 2016, the Joint Committee of the ESAs confirmed its initial position and did not resubmit implementing technical standards amended in a way consistent with the Commission's proposed amendments.

(27) In order to ensure a balance between a solid prudential approach and competition in the credit rating market, the draft implementing technical standards should be amended in respect of provisions that may cause undue material disadvantage to smaller/newer ECAIs due to their more recent entrance in the market, in particular the provisions concerning application of a more conservative treatment in case of limited data, the entry into force of a new mapping automatically as of 2019, the provision concerning the review of the mapping and the mapping tables applicable as of 2019.

(28) EBA, ESMA and EIOPA have conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the opinion of the Banking Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council; the opinion of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council; and the opinion of the Insurance and Reinsurance Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1094/2010 of the European Parliament and of the Council,

HAS ADOPTED THIS REGULATION:

**TITLE I QUANTITATIVE FACTORS,
QUALITATIVE FACTORS AND BENCHMARK**

CHAPTER 1 Quantitative factors



**Article 1 Quantitative factors of the
mapping of a rating category**

The quantitative factors referred to in point (a) of Article 136(2) of Regulation (EU) No 575/2013 shall be the short run and long run default rates associated with items assigned the same rating category, as set out in Articles 2 to 6.




Article 2 Items used for the calculation of the quantitative factors

The calculation of the default rates referred to in Article 1 for each rating category shall be performed based solely on items assigned the same rating category by the external credit assessment institution (ECAI) for which the mapping is being performed, where the items meet all of the following requirements:

- (a) they belong to the "corporate ratings" referred to in point (a) of Article 3 of Delegated Regulation (EU) 2015/2, and they are assigned on an issuer basis;
- (b) they are assigned either of the following:
 - (i) a solicited credit rating;
 - (ii) an unsolicited credit rating that meets the requirements of Article 138 of Regulation (EU) No 575/2013.

Section 1 Calculation of the quantitative factors of a rating
category where a sufficient number of credit ratings is available



Article 3 Determination of whether a sufficient number of credit ratings is available

(1) For the purpose of the short run default rate calculation, the number of items assigned the same rating category by the ECAI for which the mapping is being performed shall be deemed sufficiently numerous, where the items meet all of the following requirements:

- (a) they are sufficient with respect to the perceived risk profile of the rating category, considering as an indicator, the number of items representing the inverse of the long run default rate benchmark of the rating category, as referred to in point (a) of Article 14;
- (b) they are representative of the most recent pool of items assigned the same rating category.

(2) For the purpose of the long run default rate calculation, the number of items assigned the same rating category by the ECAI for which the mapping is being performed shall be deemed sufficiently numerous where at minimum the most recent 10 short run default rates as referred to in paragraph 1 are available.

Article 4 Short run default rates of a rating category where a sufficient number of credit ratings is available

(1) Where a sufficient number of credit ratings is available according to Article 3(1), the short run default rates referred to in Article 1 shall be calculated in the manner described in paragraphs 2 to 5.

(2) The short run default rates of a rating category shall be calculated over a 3-year time horizon as a ratio where:

(a) the denominator represents the number of items assigned the same rating category present at the beginning of the time horizon;

(b) the numerator represents the number of items referred to in point (a) that have defaulted prior to the end of the time horizon.

(3) Items withdrawn prior to the end of the time horizon and not defaulted shall only contribute to the denominator of the short run default rates referred to in point (a) of paragraph 2 with a weight equal to 50 %. Any item for which there is evidence that it has been withdrawn prior to the occurrence of a default shall be considered to be a defaulted item.

(4) Items shall be considered to be defaulted items to be included in the numerator specified in point (b) of paragraph 2 where any of the following types of event has occurred:

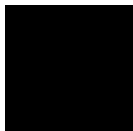
(a) a bankruptcy filing or legal receivership that will likely cause a miss or delay in future contractually required debt service payments;

(b) a missed or delayed disbursement of a contractually required interest or principal payment, unless payments are made within a contractually allowed grace period;

(c) a distressed exchange if the offer implies the investor will receive less value than the promise of the original securities;

(d) the rated entity is under a significant form of regulatory supervision owing to its financial condition.

(5) The short run default rates shall be calculated for each available pool of items assigned the same rating category on semi-annual periods, which are based on 1 January and 1 July of each year.



Article 5 Long run default rate of a rating category where a sufficient number of credit ratings is available

(1) Where a sufficient number of credit ratings is available in accordance with Article 3, the long run default rate referred to in Article 1 shall be calculated according to paragraphs 2 to 4.

(2) The long run default rate shall be calculated as the weighted average of at least the most recent 20 short run default rates calculated according to Article 4(1). If the available short run default rates span a longer period and they are relevant, the short run default rates for that longer period shall be used. Where less than 20 short run default rates calculated according to Article 4(1) are available the remaining short run default rates shall be estimated to span the 20 short run default rates.

(3) For the purpose of producing the weighted average referred to in paragraph 2, the short run default rates calculated according to Article 4 shall include the most recent recessionary period. This recessionary period shall span a semester or more of the negative growth rates of the Gross Domestic Products in the main geographical areas of reference of the rated items.

(4) For the purpose of producing the weighted average referred to in paragraph 2, the following shall apply:

(a) the short run default rates calculated according to Article 4(1) shall be weighted based on the number of items specified in point (a) of Article 4(2);

(b) the estimated short run default rates shall be weighted based on estimates of the number of items assigned the same rating category present at the beginning of the time horizon.

The weights shall ensure an adequate representation of recessionary and non-recessionary years in a full economic cycle.

Section 2 Calculation of the quantitative factors of a rating category where a sufficient number of credit ratings is not available


Article 6 Items used and long run default
rate of a rating category where a sufficient
number of credit ratings is not available

Where a sufficient number of credit ratings as referred to in Article 3 is not available, the calculation of the long run default rate specified in Article 1 shall be performed according to both the following:

(a) it shall be based on the estimate provided by the ECAI of the long run default rate associated with all items assigned the same rating category, pursuant to point (a) of Article 136(2) of Regulation (EU) No 575/2013;

(b) the estimate referred to in point (a) shall be complemented with the number of defaulted and non-defaulted items assigned the rating category by the ECAI for which the mapping is being performed.

CHAPTER 2 Qualitative factors



Article 7 Qualitative factors of the mapping of a rating category

The qualitative factors referred to in point (b) of Article 136(2) of Regulation (EU) No 575/2013 shall be:

- (a) the definition of default considered by the ECAI, as referred to in Article 8;
- (b) the time horizon of a rating category considered by the ECAI, as referred to in Article 9;
- (c) the meaning of a rating category and its relative position within the rating scale established by the ECAI, as referred to in Article 10;
- (d) the creditworthiness of the items assigned the same rating category, as referred to in Article 11;
- (e) the estimate provided by the ECAI of the long run default rate associated with all items assigned the same rating category, pursuant to point (a) of Article 136(2) of Regulation (EU) No 575/2013, as set out in Article 12;
- (f) the relationship established by the ECAI ("internal mapping"), where available, between, on the one hand, the rating category which is being mapped, and, on the other hand, other rating categories produced by the same ECAI, where a mapping for the latter categories has already been set out according to this Regulation, as referred to in Article 13;
- (g) any other relevant information that can describe the degree of risk expressed by a rating category.



**Article 8 Definition of default used by the
ECAI**

The type of events considered by the ECAI for the purposes of establishing whether an item is in default situation shall be compared to those specified in Article 4(4) by using all available information. Where the comparison indicates that not all such types of default events have been considered by the ECAI, the quantitative factors referred to in Article 1 shall be adjusted accordingly.



Article 9 Time horizon of a rating category

The time horizon considered by the ECAI for assigning a rating category shall provide a relevant indication of whether the level of risk of that rating category is sustainable over the time horizon specified in Article 4(2).



Article 10 Meaning and relative position of a rating category

(1) The meaning of a rating category established by the ECAI shall be set according to the characteristics of the capacity of financial commitments as reflected in the items assigned such rating category being honoured, and more in particular by its degree of sensitivity to the economic environment and its degree of proximity to the default situation.

(2) The meaning of a rating category shall be compared to the one established for each credit quality step, as set out in Article 15.

(3) The meaning of a rating category shall be considered in combination with its relative position within the rating scale established by the ECAI.



Article 11 Creditworthiness of items assigned the same rating category

(1) The creditworthiness of items assigned the same rating category shall be determined by considering at least their size and the degree of sector and geographical diversification of their business activity.

(2) Different measures of creditworthiness assigned to items of the same rating category may be used, to the extent appropriate, to complement the information provided by the quantitative factors referred to in Article 1 where they are reliable and relevant for the mapping.



Article 12 Estimate provided by the ECAI of
the long run default rate associated with all
items assigned the same rating category

The estimate provided by the ECAI of the long run default rate associated with all items assigned the same rating category shall be taken into account for the purpose of the mapping as long as it has been adequately justified.



Article 13 Internal mapping of a rating
category established by the ECAI

The corresponding credit quality step of other rating categories produced by the same ECAI for which an internal mapping exists according to point (f) of Article 7 shall be used as a relevant indication of the level of risk of the rating category which is being mapped.

CHAPTER 3 Benchmark and related references



Article 14 Benchmark

The benchmark referred to in point (c) of Article 136(2) of Regulation (EU) No 575/2013, shall be distinguished in:

- (a) a long-run default rate benchmark for each credit quality step as set out in Table 1 of Annex I;
- (b) a short-run default rate benchmark for each credit quality step as set out in Table 2 of Annex I.



Article 15 Reference meaning of the rating
category per credit quality step

The reference meaning of a rating category that corresponds to each credit quality step is set out in Annex II.

TITLE II MAPPING TABLES



Article 16 Mapping tables

The correspondence of the rating categories of each ECAI with the credit quality steps set out in Section 2 of Chapter 2 of Title II of Part Three of Regulation (EU) No 575/2013 is that set out in Annex III.

TITLE III FINAL PROVISION



Article 17 Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.



Signature

01/01/2021

This Regulation shall be binding in its entirety and directly applicable in all Member States.

01/01/2021

Done at Brussels, 7 October 2016.

01/01/2021

For the Commission

01/01/2021

The President

01/01/2021

Jean-Claude JUNCKER

ANNEX I Benchmarks for the purposes of
Article 14

Table 1 Long-run benchmark (3-year time horizon)

Credit Quality Step	Long run benchmark		
	Mid value	Lower bound	Upper bound
1	0,10 %	0,00 %	0,16 %
2	0,25 %	0,17 %	0,54 %
3	1,00 %	0,55 %	2,39 %
4	7,50 %	2,40 %	10,99 %
5	20,00 %	11,00 %	26,49 %
6	34,00 %	26,50 %	100,00 %

Table 2 Short run benchmarks (3-year time horizon)

Credit Quality Step	Short run benchmarks	
	Monitoring level	Trigger level
1	0,80 %	1,20 %
2	1,00 %	1,30 %
3	2,40 %	3,00 %
4	11,00 %	12,40 %
5	28,60 %	35,00 %
6	not applicable	not applicable

ANNEX II Reference meaning of the rating
category per credit quality step for the
purposes of Article 15

Credit Quality Step	Meaning of the rating category
1	The rated entity has extremely/very strong capacity to meet its financial commitments and is subject to minimal/very low credit risk.
2	The rated entity has strong capacity to meet its financial commitments and is subject to low credit risk but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than rated entities in CQS 1.
3	The rated entity has adequate capacity to meet its financial commitments and is subject to moderate credit risk. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the rated entity to meet its financial commitments.
4	The rated entity has the capacity to meet its financial commitments but is subject to substantial credit risk. It faces major ongoing uncertainties and exposure to adverse business, financial, or economic conditions, which could lead to the rated entity's inadequate capacity to meet its financial commitments.
5	The rated entity has the capacity to meet its financial commitments but is subject to high credit risk. Adverse business, financial, or economic conditions will likely impair the rated entity's capacity or willingness to meet its financial commitments.
6	The rated entity is currently vulnerable or highly vulnerable and is subject to very high credit risk, including in or very near to default. It is dependent upon favourable business, financial, and economic conditions to meet its financial commitments.

ANNEX III Mapping tables for the purposes
of Article 16

Credit quality step	1	2	3	4	5	6
AM Best Europe-Rating Services Ltd						
Long-term issuer credit ratings scale	aaa, aa+, aa, aa-	a+, a, a-	bbb+, bbb, bbb-	bb+, bb, bb-	b+, b, b-	ccc+, ccc, ccc-, cc, c, rs
Long-term debt ratings scale	aaa, aa+, aa, aa-	a+, a, a-	bbb+, bbb, bbb-	bb+, bb, bb-	b+, b, b-	ccc+, ccc, ccc-, cc, c, d
Financial strength ratings scale	A++, A+	A, A-	B++, B+	B, B-	C++, C+	C, C-, D, E, F, S
Short-term ratings scale	AMB-1+	AMB-1-	AMB-2, AMB-3	AMB- 4		
ARC Ratings S.A. and ARC Ratings (UK) Limited						
Medium and long-term issuers rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Medium and long-term issues rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Short-term issuers rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Short-term issues rating scale	A-1+	A-1	A-2, A-3	B, C, D		
ASSEKURATA Assekuranz Rating-Agentur GmbH						

Long-term credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC/C, D
Short-term corporate rating scale	A++	A		B, C, D		
Axesor SA						
Global rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D, E
Banque de France						
Global long-term issuer credit ratings scale	3++	3+, 3	4+	4, 5+	5, 6	7, 8, 9, P
BCRA – Credit Rating Agency AD						
Bank long-term ratings scale	AAA, AA	A	BBB	BB	B	C, D
Insurance long-term ratings scale	iAAA, iAA	iA	iBBB	iBB	iB	iC, iD
Corporate long-term ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Municipality long-term ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Issue long-term ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Bank short-term ratings scale	A-1+	A-1	A-2, A-3	B, C, D		
Corporate short-term ratings scale	A-1+	A-1	A-2, A-3	B, C, D		
Municipality short-term ratings scale	A-1+	A-1	A-2, A-3	B, C, D		

Issue short-term rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Capital Intelligence Ltd						
International long-term issuer rating scale	AAA, AA	A	BBB	BB	B	C, RS, SD, D
International long-term issue rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
International short-term issuer rating scale	A-1+	A-1	A-2, A-3	B, C, D		
International short-term issue rating scale	A-1+	A-1	A-2, A-3	B, C, D		
Cerved Rating Agency S.p.A.						
Corporate long-term rating scale	A1.1, A1.2, A1.3	A2.1, A2.2, A3.1	B1.1, B1.2	B2.1, B2.2	C1.1	C1.2, C2.1
Creditreform Ratings AG						
Long-term rating scale	AAA, AA	A	BBB	BB	B	C, D
CRIF S.p.A.						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, D1, D2
Dagong Europe Credit Rating						
Long-term credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale	A-1		A-2, A-3	B, C, D		
DBRS Ratings Limited						

Long-term obligations rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Commercial paper and short-term debt rating scale	R-1 H, R-1 M	R-1 L	R-2, R-3	R-4, R-5, D		
Claims paying ability rating scale	IC-1	IC-2	IC-3	IC-4	IC-5	D
<i>Egan-Jones Ratings Co.</i>						
Long-term credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, SD, D
Short-term credit rating scale	A-1+	A-1	A-2	A-3, B, C, D		
<i>Euler Hermes Rating GmbH</i>						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, SD, D
<i>European Rating Agency, a.s.</i>						
Long-term rating scale		AAA, AA, A	BBB	BB	B	CCC, CC, C, D
Short-term rating scale		S1	S2	S3, S4, NS		
<i>EuroRating Sp. z o.o.</i>						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
<i>Fitch Ratings</i>						
Long-term issuer credit ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, RD, D
Corporate finance obligations – Long-term ratings scale	AAA AA	A	BBB	BB	B	CCC, CC, C

Long-term international IFS ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C
Short-term rating scale	F1+	F1	F2, F3	B, C, RD, D		
Short-term IFS ratings scale	F1+	F1	F2, F3	B, C		
<i>GBB-Rating Gesellschaft für Bonitäts-beurteilung mbH</i>						
Global long-term rating scale	AAA, AA		A, BBB	BB	B	CCC, CC, C, D
<i>HR Ratings de México, S.A. de C.V.</i>						
Global long-term rating scale	HR AAA(G)/	HR AA(G) HR A(G)	HR BBB(G)	HR BB(G)	HR B(G)	HR C(G)/HR D(G)
Global short-term rating scale	HR+1(G)/ HR1(G)	HR2(G)	HR3(G)	HR4(G), HR5(G), HR D(G)		
<i>ICAP Group S.A</i>						
Global long-term rating scale		AA, A	BB, B	C, D	E, F	G, H
<i>INC Rating Sp. z o.o.</i>						
Long-term issuer credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
<i>Japan Credit Rating Agency Ltd</i>						
Long-term issuer ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, LD, D
Long-term issuer ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Short-term issuer ratings scale	J-1+	J-1	J-2	J-3, NJ, LD, D		

Short-term issue credit ratings scale	J-1+	J-1	J-2	J-3, NJ, D		
<i>Kroll Bond Rating Agency and Kroll Bond Rating Agency UK Limited</i>						
Long-term credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Short-term credit rating scale	K1+	K1	K2, K3	B, C, D		
<i>modeFinance S.r.l.</i>						
Global long-term rating scale	A1,A2	A3	B1	B2	B3	C1, C2, C3, D
<i>Moody's Investors Service</i>						
Global long-term rating scale	Aaa, Aa	A	Baa	Ba	B	Caa, Ca, C
Bond fund rating scale	Aaa-bf, Aa-bf	A-bf	Baa-bf	Ba-bf	B-bf	Caa-bf, Ca-bf, C-bf
Global short-term rating scale	P-1	P-2	P-3	NP		
<i>Rating-Agentur Expert RA GmbH</i>						
International credit rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D, E
International reliability rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D, E
<i>Scope Ratings AG and Scope Ratings UK Limited</i>						
Global long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Global short-term rating scale	S-1+	S-1	S-2	S-3, S-4		
<i>Spread Research</i>						

International long-term rating scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
<i>S&P Global Ratings Europe Limited and S&P Global Ratings UK Limited</i>						
Long-term issuer credit ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, R, SD/D
Long-term issue credit ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D
Insurer financial strength ratings scale	AAA, AA	A	BBB	BB	B	CCC, CC, SD/D, R
Fund credit quality ratings scale	AAAf, AAf	Af	BBBf	BBf	Bf	CCCf
Mid Market Evaluation ratings scale		MM1	MM2	MM3, MM4	MM5, MM6	MM7, MM8, MMD
Short-term issuer credit ratings scale	A-1+	A-1	A-2, A-3	B, C, R, SD/D		
Short-term issue credit ratings scale	A-1+	A-1	A-2, A-3	B, C, D		
<i>The Economist Intelligence Unit Ltd</i>						
Sovereign rating band scale	AAA, AA	A	BBB	BB	B	CCC, CC, C, D