

HR Ratings' Rating Scales

A. Long-Term Local Rating Scale

Symbol	Definition of the Rating
HR AAA	The issuer or issue with this rating is considered to have the highest credit quality, offering high safety for timely payment of debt obligations. Maintains minimum credit risk.
HR AA	The issuer or issue with this rating is considered to have high credit quality and offers high safety for timely payment of debt obligations. Maintains very low credit risk under adverse economic scenarios.
HR A	The issuer or issue with this rating offers acceptable safety for timely payment of debt obligations. Maintains low credit risk.
HR BBB	The issuer or issue with this rating provides moderate safety for timely payment of debt obligations. Maintains moderate credit risk, with weakness in the ability to pay in adverse economic scenarios.
HR BB	The issuer or issue with this rating provides inadequate safety for timely payment of debt obligations. Maintains high credit risk.
HR B	The issuer or issue with this rating provides low safety for timely payment of debt obligations and maintains a high credit risk. The issue or issuer is susceptible to falling into default.
HR C	The issuer or issue with this rating exhibits high probability of falling into default in debt obligation payments.
HR D	The issuer or issue with this rating has the lowest rating. The issue is already in, or is highly likely to fall into, default in the short term.

Our ratings range from HR AAA to HR D, a plus or minus sign may be included in the range from HR AA to HR C, to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

B. Long-Term Global Rating Scale

Symbol	Definition of the Rating
HR AAA (G)	The issuer or issue with this rating is considered to have the highest credit quality, offering high safety for timely payment of debt obligations. Maintains minimum credit risk on a global scale basis.
HR AA (G)	The issuer or issue with this rating is considered to have high credit quality and offers high safety for timely payment of debt obligations. Maintains very low credit risk on a global scale basis, under adverse economic scenarios.
HR A (G)	The issuer or issue with this rating offers acceptable safety for timely payment of debt obligations. Maintains low credit risk on a global scale basis.
HR BBB (G)	The issuer or issue with this rating provides moderate safety for timely payment of debt obligations. Maintains moderate credit risk on a global scale, with weakness in the ability to pay in adverse economic scenarios.
HR BB (G)	The issuer or issue with this rating provides inadequate safety for timely payment of debt obligations. Maintains high credit risk on a global scale basis.
HR B (G)	The issuer or issue with this rating provides low safety for timely payment of debt obligations and maintains a high credit risk on a global scale. The issue or issuer is susceptible to falling into default.
HR C (G)	The issuer or issue with this rating exhibits high probability of falling into default in debt obligation payments.
HR D (G)	The issuer or issue with this rating has the lowest rating on a global scale basis. The issue is already in, or is highly likely to fall into, default in the short term.

Our ratings range from HR AAA (G) to HR D (G), a plus or minus sign may be included in the range from HR AA (G) to HR C (G), to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol "(I)" which refers to an indicative level.

C. Short-Term* Local Rating Scale

Symbol	Definition of the Rating
HR1	The issuer or issue with this rating exhibits high capacity for timely payment of debt obligations in the short term and maintains the lowest credit risk. Within this category, debt instruments and or issuers with features showing relative superiority in terms of credit characteristics may be rated as HR+1.
HR2	The issuer or issue with this rating exhibits an acceptable capacity for timely payment of debt obligations in the short term and maintains a higher credit risk compared with higher credit rating debt instruments.
HR3	The issuer or issue with this rating exhibits a moderate capacity for timely payment of debt obligations in the short term and maintains a higher credit risk compared with higher credit rating debt instruments.
HR4	The issuer or issue with this rating exhibits an insufficient capacity for timely payment of debt obligations in the short term and maintains a very high credit risk. These instruments are susceptible to falling into default.
HR5	The issuer or offering is highly probable they will fall into default on the payment of debt obligations.
HR D	The issuer or offering given this rating has the lowest credit rating and they are already in default.

To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

**Short-term refers to a period shorter than twelve months*

D. Short-Term* Global Rating Scale

Symbol	Definition of the Rating
HR1 (G)	The issuer or issue with this rating exhibits high capacity for timely payment of debt obligations in the short term and maintains the lowest credit risk on a global scale basis. Within this category, debt instruments and or issuers with features showing relative superiority in terms of credit characteristics may be rated as HR+1 (G).
HR2 (G)	The issuer or issue with this rating exhibits an acceptable capacity for timely payment of debt obligations in the short term and maintains a higher credit risk compared with higher credit rating debt instruments on a global scale basis.
HR3 (G)	The issuer or issue with this rating exhibits a moderate capacity for timely payment of debt obligations in the short term and maintains a higher credit risk compared with higher credit rating debt instruments on a global scale basis.
HR4 (G)	The issuer or issue with this rating exhibits an insufficient capacity for timely payment of debt obligations in the short term and maintains a very high credit risk on a global scale basis. These instruments are susceptible to falling into default.
HR5 (G)	The issuer or offering is highly probable they will fall into default on the payment of debt obligations.
HR D (G)	The issuer or offering given this rating has the lowest credit rating and they are already in default.

To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

**Short-term refers to periods shorter than twelve months.*

E. Local Rating Scale for Structured Finance

Symbol	Definition of the Rating
HR AAA (E)	The issue with this rating is considered to have the highest credit quality, offering high safety for timely payment of debt obligations. Maintains minimum credit risk.
HR AA (E)	The issue with this rating is considered to have high credit quality and offers high safety for timely payment of debt obligations. Maintains very low credit risk under adverse economic scenarios.
HR A (E)	The issue with this rating offers acceptable safety for timely payment of debt obligations. Maintains low credit risk.
HR BBB (E)	The issue with this rating provides moderate safety for timely payment of debt obligations. Maintains moderate credit risk, with weakness in the ability to pay in adverse economic scenarios.
HR BB (E)	The issue with this rating provides inadequate safety for timely payment of debt obligations. Maintains high credit risk.
HR B (E)	The issue with this rating provides low safety for timely payment of debt obligations and maintains a high credit risk. The issue is susceptible to falling into default.
HR C (E)	The issue with this rating exhibits high probability of falling into default in debt obligation payments.
HR D (E)	The issue with this rating has the lowest rating. The issue is already in, or is highly likely to fall into, default in the short term.

Our ratings range from HR AAA (E) to HR D (E), a plus or minus sign may be included in the range from HR AA (E) to HR C (E), to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol "(I)" which refers to an indicative level.

F. Global Rating Scale for Structured Finance

Symbol	Definition of the Rating
HR AAA (G)(E)	The issue with this rating is considered to have the highest credit quality, offering high safety for timely payment of debt obligations. Maintains minimum credit risk on a global scale basis.
HR AA (G)(E)	The issue with this rating is considered to have high credit quality and offers high safety for timely payment of debt obligations. Maintains very low credit risk on a global scale basis, under adverse economic scenarios.
HR A (G)(E)	The issue with this rating offers acceptable safety for timely payment of debt obligations. Maintains low credit risk on a global scale basis.
HR BBB (G)(E)	The issue with this rating provides moderate safety for timely payment of debt obligations. Maintains moderate credit risk on a global scale, with weakness in the ability to pay in adverse economic scenarios.
HR BB (G)(E)	The issue with this rating provides inadequate safety for timely payment of debt obligations. Maintains high credit risk on a global scale basis.
HR B (G)(E)	The issue with this rating provides low safety for timely payment of debt obligations and maintains a high credit risk on a global scale. The issue is susceptible to falling into default.
HR C (G)(E)	The issue with this rating exhibits high probability of falling into default in debt obligation payments.
HR D (G)(E)	The issue with this rating has the lowest rating on a global scale basis. The issue is already in, or is highly likely to fall into, default in the short term.

Our ratings range from HR AAA (G)(E) to HR D (G)(E), a plus or minus sign may be included in the range from HR AA (G)(E) to HR C (G)(E), to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol "(I)" which refers to an indicative level.

G. Credit Rating Scale for Investment Funds

Symbol	Definition of the Rating
HR AAA	The Investment Fund with this rating is considered to have the highest credit quality and has a credit risk like an instrument with the minimum credit risk.
HR AA	The Investment Fund with this rating is considered to have high credit quality and has a credit risk like an instrument with a very low credit risk.
HR A	The Investment Fund with this rating is considered to have an adequate credit quality and has a credit risk like an instrument with a low credit risk.
HR BBB	The Investment Fund with this rating is considered to have a moderate credit quality and has a credit risk like an instrument with a moderate credit risk.
HR BB	The Investment Fund with this rating is considered to have an inadequate credit quality and has a credit risk like an instrument with a high credit risk.
HR B	The Investment Fund with this rating is considered to have a low credit quality and has a credit risk like an instrument with a very high credit risk.
HR C	The Investment Fund with this rating is considered to have a very low credit quality and has a credit risk like an instrument with an extremely credit risk.
HR D	The Investment Fund with this rating is considered to have the lowest credit quality and has a credit risk like an instrument in default.

H. Credit Rating Scale for SIEFORES

Symbol	Definition of the Rating
HR AAA	Indicates the highest rating in terms of credit quality for a fund with a credit risk similar to that for an instrument with a minimal credit risk.
HR AA	Indicates a high rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with a very low credit risk.
HR A	Indicates an adequate rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with a low credit risk.
HR BBB	Indicates a moderate rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with a moderate credit risk.
HR BB	Indicates an inadequate rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with a high credit risk.
HR B	Indicates a low security rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with a very high credit risk.
HR C	Indicates a very low rating in terms of the credit quality for a fund, with a credit risk similar to that for instruments with an extremely high credit risk.
HR D	Indicates the lowest rating in terms of the credit quality for a fund, with a credit risk similar to that for an instrument in default.

I. Short-Term Market Risk Rating Scale for Investment Funds

Symbol	Definition of the Rating
1CP	The asset portfolio has extremely low sensitivity to changes in market conditions.
2CP	The asset portfolio has low sensitivity to changes in market conditions.
3CP	The asset portfolio has low to moderate sensitivity to changes in market conditions.
4CP	The asset portfolio is moderately sensitive to changes in market conditions.
5CP	The asset portfolio has moderate to high sensitivity to changes in market conditions.
6CP	The asset portfolio is highly sensitive to changes in market conditions.
7CP	The asset portfolio is extremely sensitive to changes in market conditions.

J. Long-Term Market Risk Rating for Investment Funds

Symbol	Definition of the Rating
1LP	The asset portfolio has extremely low sensitivity to changes in market conditions.
2LP	The asset portfolio has low sensitivity to changes in market conditions.
3LP	The asset portfolio has low to moderate sensitivity to changes in market conditions.
4LP	The asset portfolio is moderately sensitive to changes in market conditions.
5LP	The asset portfolio has moderate to high sensitivity to changes in market conditions.
6LP	The asset portfolio is highly sensitive to changes in market conditions.
7LP	The asset portfolio is extremely sensitive to changes in market conditions.

K. Market Risk Rating Scale for SIEFORES

Symbol	Definition of the Rating
1HR	The asset portfolio has extremely low sensitivity to changes in market conditions.
2HR	The asset portfolio has low sensitivity to changes in market conditions.
3HR	The asset portfolio has low to moderate sensitivity to changes in market conditions.
4HR	The asset portfolio is moderately sensitive to changes in market conditions.
5HR	The asset portfolio has moderate to high sensitivity to changes in market conditions.
6HR	The asset portfolio is highly sensitive to changes in market conditions.
7HR	The asset portfolio is extremely sensitive to changes in market conditions.

L. Long-Term Local Rating Scale for Insurance Institutions

Symbol	Definition
HR AAA	The insurance company assigned this rating is considered to offer the highest certainty for timely payment of obligations, maintaining a minimum risk of default.
HR AA	The insurance company assigned this rating is considered to offer a high certainty for timely payment of obligations, maintaining a very low risk of default under adverse economic scenarios.
HR A	The insurance company assigned this rating offers acceptable certainty for timely payment of contracted obligations, maintaining a negligible risk of default under adverse economic scenarios.
HR BBB	The insurance company assigned this rating offers moderate certainty for timely payment of contracted obligations, with weakness in the ability to pay under adverse economic changes.
HR BB	The insurance company assigned this rating offers insufficient certainty for timely payment of contracted obligations, maintaining a considerable risk of default.
HR B	The insurance company assigned this rating offers low certainty for timely payment of contracted obligations, maintaining a considerable risk of falling into default.
HR C	The insurance company assigned this rating offers a high probability of falling into default on the payment of contracted obligations.
HR D	This is the lowest rating on the scale and is assigned to insurance companies that are in default or which HR Ratings believes will not make timely and full payment of their contractual obligations.

Our ratings range from HR AAA to HR D, a plus or minus sign may be included in the range from HR AA to HR C, to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol "(I)" which refers to an indicative level.

M. Long-Term Global Rating Scale for Insurance Institutions

Symbol	Definition
HR AAA (G)	The insurance company assigned this rating is considered to offer the highest certainty for timely payment of obligations, maintaining a minimum risk of default on a global scale.
HR AA (G)	The insurance company assigned this rating is considered to offer a high certainty for timely payment of obligations, maintaining a very low risk of default on a global scale basis, under adverse economic scenarios.
HR A (G)	The insurance company assigned this rating offers acceptable certainty for timely payment of contracted obligations, maintaining a negligible risk of default on a global scale basis, under adverse economic scenarios.
HR BBB (G)	The insurance company assigned this rating offers moderate certainty for timely payment of contracted obligations, with weakness in the ability to pay on a global scale basis, under adverse economic changes.
HR BB (G)	The insurance company assigned this rating offers insufficient certainty for timely payment of contracted obligations on a global scale basis, maintaining a considerable risk of default.
HR B (G)	The insurance company assigned this rating offers low certainty for timely payment of contracted obligations on a global scale, maintaining a considerable risk of falling into default.
HR C (G)	The insurance company assigned this rating offers a high probability of falling into default on the payment of contracted obligations.
HR D (G)	This is the lowest rating on the scale and is assigned to insurance companies that are in default or which HR Ratings believes will not make timely and full payment of their contractual obligations.

Our ratings range from HR AAA (G) to HR D (G), a plus or minus sign may be included in the range from HR AA (G) to HR C (G), to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol "(I)" which refers to an indicative level.

N. Short-Term* Local Rating Scale for Insurance Institutions

Symbol	Definition
HR1	The insurance company assigned this rating offers a high ability to make timely payment on obligations in the short-term and maintains the lowest credit risk. Insurers in this category with a relative superiority in their ability to pay will be assigned the rating HR+1.
HR2	The insurance company assigned this rating offers an acceptable ability to make timely payment on obligations due in the short term and maintains a greater risk of default compared with higher rated insurers.
HR3	The insurance company assigned this rating offers a moderate ability to make timely payment on obligations in the short term and maintains a greater risk of default compared with higher rated insurers.
HR4	The insurance company assigned this rating offers an insufficient ability to make timely payment on contracted obligations in the short term. The insurance company is susceptible to fall into default.
HR5	It is highly likely that an insurance company assigned with this rating will fall into default.
HR D	This is the lowest rating on the scale and is assigned to insurance companies that are in default or which HR Ratings believes will not make timely and full payment of their contractual obligations.

To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

**Short-term refers to periods shorter than twelve months.*

O. Short-Term* Global Rating Scale for Insurance Institutions

Symbol	Definition
HR1 (G)	The insurance company assigned this rating offers a high ability to make timely payment on obligations in the short-term on a global scale basis. Insurers in this category with a relative superiority in their ability to pay will be assigned the rating HR+1.
HR2 (G)	The insurance company assigned this rating offers an acceptable ability to make timely payment on obligations due in the short term and maintains a greater risk of default compared with higher rated insurers on a global scale basis.
HR3 (G)	The insurance company assigned this rating offers a moderate ability to make timely payment on obligations in the short term and maintains a greater risk of default compared with higher rated insurers on a global scale basis.
HR4 (G)	The insurance company assigned this rating offers an insufficient ability to make timely payment on contracted obligations in the short term and maintains a very high risk on a global scale basis. The insurance company is susceptible to fall into default.
HR5 (G)	It is highly likely that an insurance company assigned with this rating will fall into default.
HR D (G)	This is the lowest rating on the scale and is assigned to insurance companies that are in default or which HR Ratings believes will not make timely and full payment of their contractual obligations.

To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

**Short-term refers to periods shorter than twelve months*

P. Long-Term Credit Rating Scale for Special-Tax Bonds of U.S.A. Local Entities

Symbol	Definition of the Rating
HR AAA	The bond with this rating is considered to have the highest credit quality, offering high safety for timely payment of debt obligations. The pledge is insensitive to market changes and shows steady growth above inflation. The bond offers multiple and adequate protections to bondholders.
HR AA	The bond with this rating is considered to have high credit quality and offers high safety for timely payment of debt obligations. Maintains very low credit risk due to the low sensitivity of its pledge to market changes, and to a steady revenue growth. The bond offers adequate protections to bondholders.
HR A	The bond with this rating offers acceptable safety for timely payment of debt obligations. Maintains low credit risk to a steady pledge that grows with inflation and that shows low sensitivity to market changes. The bond offers protections to bondholders.
HR BBB	The bond with this rating provides moderate safety for timely payment of debt obligations. Maintains moderate credit risk with weakness in the ability to pay in adverse economic scenarios due to a pledge that grows below inflation and with certain volatility.
HR BB	The Bond with this rating provides inadequate safety for timely payment of debt obligations. Maintains high credit risk due to a decreasing or volatile pledge, that is sensitive to market changes.
HR B	The bond with this rating provides low safety for timely payment of debt obligations and maintains a high credit risk. The bond is susceptible to falling into default due to a decreasing and volatile pledge that is sensitive to market changes and that depends on a concentrated tax base.
HR C	The bond with this rating exhibits high probability of falling into default in debt obligation payments.
HR D	The bond with this rating has the lowest rating on the U.S.A. scale basis. The issue is already in, or is highly likely to fall into, default in the short term.

Our ratings range from HR AAA to HR D, a plus or minus sign may be included in the range from HR AA to HR C, to indicate strength or weakness within a general rating category. To indicate the rating is a limited rating, HR Ratings assigns at the end of each rating the symbol "(L)". HR Ratings could also assign the symbol "P" to indicate a preliminary rating or the symbol (I) which refers to an indicative level.

Q. Primary Asset Servicers Rating Scale

Symbol	Definition of the Rating
HR AP1	The Primary Servicer given the rating HR AP1 exhibits the best quality in credit management and/or origination. Their organizational structure includes highly experienced human resources. Their procedures and controls, and also their risk management systems are outstanding, and they present high financial solidity.
HR AP2	The Primary Servicer given the rating HR AP2 exhibits high quality in credit management and/or origination. Their organizational structure includes experienced human resources. Their procedures and controls, and also their risk management systems are good, and they present healthy financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AP3	The Primary Servicer given the rating HR AP3 exhibits acceptable quality in credit management and/or origination. Their organizational structure includes human resources with sufficient experience. Their procedures and controls, as well as also their risk management systems are sufficient, and they present acceptable financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AP4	The Primary Servicer given the rating HR AP4 exhibits areas of opportunity in terms of the quality of their credit management and/or origination. Their organizational structure and human resources, as well as their procedures and controls, risk management systems, and their financial position also present areas of opportunity.
HR AP5	The Primary Servicer given the rating HR AP5 exhibits some deficiency or limitation at this time in both the organization and quality of their credit management and/or origination. Their human resources lack sufficient experience, and they exhibit limitations in terms of procedures and controls, and also present deficient management systems and risks in their financial position.

R. Master Servicer Rating Scale

Symbol	Definition of the Rating
HR AM1	The Master Servicer given the rating HR AM1 exhibits the best quality in credit management and/or origination. Their organizational structure includes highly experienced human resources. Their procedures and controls, and their risk management systems, are outstanding and they present high financial solidity. The rating may be differentiated with a (-) sign, representing a position of relative weakness within the same rating.
HR AM2	The Master Servicer given the rating HR AM2 exhibits high quality in credit management and/or origination. Their organizational structure includes experienced human resources. Their procedures and controls, and their risk management systems are good, and they present healthy financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AM3	The Master Servicer given the rating HR AM3 exhibits acceptable quality in credit management and/or origination. Their organizational structure includes human resources with sufficient experience. Their procedures and controls, and their risk management systems are sufficient, and they present acceptable financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AM4	The Master Servicer given the rating HR AM4 exhibits areas of opportunity in terms of the quality of their credit management and/or origination. Their organizational structure and human resources, and their procedures and controls, risk management systems, and their financial position also present areas of opportunity.
HR AM5	The Master Servicer given the rating HR AM5 exhibits some deficiency or limitation at this time in both the organization and quality of their credit management and/or origination. Their human resources lack sufficient experience, and they exhibit limitations in terms of procedures and controls, and present deficient management systems and risks in their financial position.

S. Special Asset Servicers Rating Scale

Symbol	Definition of the Rating
HR AE1	The Special Servicer given the rating HR AE1 exhibits the best quality in credit management and/or origination. Their organizational structure includes highly experienced human resources. Their procedures and controls, and their risk management systems are outstanding, and they present high financial solidity. The rating may be differentiated with a (-) sign, representing a position of relative weakness within the same rating.
HR AE2	The Special Servicer given the rating HR AE2 exhibits high quality in credit management and/or origination. Their organizational structure includes experienced human resources. Their procedures and controls, and their risk management systems are good, and they present healthy financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AE3	The Special Servicer given the rating HR AE3 exhibits acceptable quality in credit management and/or origination. Their organizational structure includes human resources with sufficient experience. Their procedures and controls, and also their risk management systems are sufficient, and they present acceptable financial solidity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR AE4	The Special Servicer given the rating HR AE4 exhibits areas of opportunity in terms of the quality of their credit management and/or origination. Their organizational structure and human resources, and their procedures and controls, risk management systems, and their financial position also present areas of opportunity.
HR AE5	The Special Servicer given the rating HR AE5 exhibits some deficiency or limitation at this time in both the organization and quality of their credit management and/or origination. Their human resources lack sufficient experience, and they exhibit limitations in terms of procedures and controls, and present deficient management systems and risks in their financial position.

T. Fiduciary and Common Representative Rating Scale

Symbol	Definition of the Rating
HR SF1	The Fiduciary and/or Common Representative given the rating HR SF1 exhibits the highest ability to offer fiduciary and/or common representative services. Their technological tools and reporting capacity are excellent; their procedures and controls, and their human resources are outstanding, and they present high financial solidity and legal capacity. The rating may be differentiated with a (-) sign, representing a position of relative weakness within the same rating.
HR SF2	The Fiduciary and/or Common Representative given the rating HR SF2 exhibits a high ability to offer fiduciary and/or common representative services. Their technological tools and reporting capacity are excellent; their procedures and controls, and their human resources are good, and they present financial solidity and legal capacity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR SF3	The Fiduciary and/or Common Representative given the rating HR SF3 exhibits an acceptable ability to offer fiduciary and/or common representative services. Their technological tools and reporting capacity, procedures and controls, and their human resources are sufficient, and they present acceptable financial solidity and legal capacity. The rating may be differentiated with a (+) or (-) sign, representing a position of relative strength or weakness within the same rating.
HR SF4	The Fiduciary and/or Common Representative given the rating HR SF4 exhibits certain weaknesses in offering fiduciary and/or common representative services. Their technological tools and reporting capacity, procedures and controls, and their human resources show some areas of opportunity, and they present a weak financial situation and legal capacity.
HR SF5	The Fiduciary and/or Common Representative given the rating HR SF5 exhibits deficiencies in offering fiduciary and/or common representative services. Their technological tools and reporting capacity, procedures and controls, and their human resources show some limitations, and they present a deficient financial situation and legal capacity.

U. Labelled Bonds Evaluation

Result	Definition of Result
Favorable	The instrument complies with the requirements set in the pillars of evaluation as established in the Labelled Bonds Evaluation Criteria.
Unfavorable	The instrument does not fully comply with the requirements set in the pillars of evaluation as established in the Labelled Bonds Evaluation Criteria.

V. Sustainability Linked Bonds Evaluation

Result	Definition of the Result
Favorable	The instrument complies with the requirements set in the pillars of evaluation as established in the Sustainability Linked Bonds Evaluation Criteria.
Unfavorable	The instrument does not fully comply with the requirements set in the pillars of evaluation as established in the Sustainability Linked Bonds Evaluation Criteria.

W. ESG Evaluation Scale

Symbol	Definition of the Level
HR ESG 1	The evaluated entity is not exposed to ESG risks, or the exposure is reduced. It also refers to entities that, regardless of the exposure level, have adequate mitigation mechanisms and resources to efficiently adapt their policies in the short term.
HR ESG 2	The evaluated entity maintains a reduced ESG risk or has efficient mitigation mechanisms in place. HR Ratings believes that the potential damage from ESG risks in the medium to long term will be significantly mitigated by existing mechanisms.
HR ESG 3	The evaluated entity maintains an ESG risk that could unfold financially or structurally in the medium or long term; however, HR Ratings believes that the mechanisms to identify new risks, mitigate the risks already identified, and the resources to adapt these mechanisms are partially efficient.
HR ESG 4	The entity is highly exposed to a range of ESG risks and lacks adequate mechanisms to identify and/or mitigate these risks. Therefore, the entity could be financially or structurally affected in the medium or long term.
HR ESG 5	The entity is greatly exposed to a range of ESG risks and lacks the mechanisms to identify and mitigate these risks. Therefore, the entity will be financially or structurally affected in the medium or long term.

HR Ratings assigns, from HR ESG 1 up to HR ESG 4, the signs of "+" or "-" to signal the relative strength or weakness (when necessary) in each of the evaluation levels.

X. Integrity Policy Evaluation Scale

Symbol	Definition of the Level
HR PAC 1	The Integrity Policy of the Organization accounts for the highest international standards, with clear and integral manuals, and the integrity culture is spread by managers and executives. The Integrity Policy has the necessary policies to adapt and transmit the most recent changes through the organization on time.
HR PAC 2 (+/-)	The Integrity Policy of the Organization accounts for international standards, with clear manuals, and the integrity culture is well known through the organization. The Integrity Policy can adapt, and it is regularly transmitted. The sign (+/-) reflects relative strength/weakness within the rating range.
HR PAC 3 (+/-)	The Integrity Policy of the Organization accounts for minimal international standards, although they do not necessarily define relevant concepts. The Integrity Policy has been formalized but is not well known through the organization. The Integrity Policy is constantly revised, but the process of adaptation and transmission is not efficient. The sign (+/-) reflects relative strength/weakness within the rating range.
HR PAC 4	The Integrity Policy of the Organization is deficient, manuals are not written clearly and do not consider relevant concepts. The Integrity Policy exists but is constantly and openly contradicted by management. The Integrity Policy has no established mechanisms for reviewing, adapting or transmitting through the organization.
HR PAC 5	The Organization does not have an Integrity Policy, it is deficient, or its Policy hasn't been formalized in a manual or any document. Relevant concepts are not clearly defined anywhere and there is no, or a very weak, compliance culture in the organization. The Integrity Policy exists but is constantly and openly contradicted by management. The Integrity Policy has no established mechanisms for reviewing, adapting or transmitting through the organization, or these mechanisms are deficient and not adequate documented.

Y. Corporate Governance Evaluation Scale

Symbol	Definition of the Level
HR GC 1	The strength of the entity's corporate governance meets the highest standard of best practices.
HR GC 2	The strength of the entity's corporate governance is above the standard for best practices.
HR GC 3	The strength of the entity's corporate governance meets the standard for best practices.
HR GC 4	The strength of the entity's corporate governance is below the standard for best practices.
HR GC 5	The strength of the entity's corporate governance falls at the lowest level for the standard of best practices.

HR Ratings assigns, from HR GC 1 up to HR GC 3, the signs of "+" or "-" to signal the relative strength or weakness (when necessary) in each of the evaluation levels.

Z. Manager Quality Assessment Scale

Symbol	Definition of the Level
HR MQ 1	The investment manager has demonstrated that they have an excellent investment process. In addition, they have risk systems and management resources that ensure outstanding management quality. Furthermore, its profile as an institution and the investment performance shown support its ranking within the best available evaluation range.
HR MQ 2	The investment manager has demonstrated that they have a good investment process. Its risk systems and management resources leave it well positioned compared to market standards. Similarly, the evaluation of its profile as an institution and investment performance demonstrates its ability to maintain good results in several key areas such as stable inflows, customer service and performance and risk indicators.
HR MQ 3	The investment manager has demonstrated that they have an investment process in line with market standards. Their risk systems and management resources meet the requirements to ensure its operational continuity. Similarly, the evaluation of its profile as an institution and investment performance demonstrates its ability to maintain acceptable results in several key areas such as stable inflows, customer service and performance and risk indicators.
HR MQ 4	The investment manager has demonstrated that they have a quality investment process that is sufficient for carrying out their operations. There are, however, important areas for improvement in terms of their adherence to market standards. Their risk systems and management resources meet the requirements to ensure its operational continuity. Similarly, the evaluation of its profile as an institution and investment performance demonstrates its ability to maintain acceptable results in several key areas such as stable inflows, customer service and performance and risk indicators.
HR MQ 5	The investment manager has demonstrated that they have a poor-quality investment process in several regards. There are multiple significant areas for improvement in terms of their adherence to market standards. Their risk systems and management resources meet the requirements to ensure their operational continuity but show blind spots from which unforeseen impacts could result. Similarly, the evaluation of its profile as an institution and investment performance shows uncertainty in their ability to maintain acceptable results in several key areas such as stable inflows, customer service and performance and risk indicators.

AA. Default Criteria for Instruments

Default	Default Definition
HR D	A default is regarded as any delay, suspension, partial or total noncompliance with mandatory interest and principal payments, in accordance with the terms, conditions and deadlines originally agreed upon. A default may be deemed to exist if HR Ratings identifies an imminent default on mandatory debt service, even if this has not been confirmed; for example, an entity in the process of bankruptcy, liquidation or termination of operations.
HR DT	A “technical” default which occurs when, for any reason, the borrower states that they lack the ability to continue complying with the payment obligations originally agreed upon for one or more debt instruments and that, to service the debt, its conditions would have to be modified. In such cases, the debt instrument would be assigned a rating of HR DT (Technical Default).

AB. Default Criteria for Issuers

Default	Default Definition
HR D	If the entirety of the debt is in default or it is considered that, in practical terms, all the debt instruments are likely to default, the entity will be assigned a rating of HR D.
HR DS	A rating of HR DS (Selective Default) may be assigned if a portion of the debt (or only certain but not all of the issuing entity's debt instruments) has defaulted but there is a strong likelihood that the rest of the debt will continue to meet its payment obligations in the required time and manner.

AC. Rating Attributes

Attributes	Attribute Definition
Outlook	This refers to trends, usually long-term in nature, that could impact the letter rating and includes macroeconomic conditions, industry-related factors, or factors specific to the rated borrower or debt instrument. Assuming that the likely direction of the effect of these factors can be determined the Outlook is assigned as "Positive", "Negative" or "Stable".
Credit Watch	This refers to events or trends that could have an impact on the short-term rating and their direction is known. This attribute can therefore only be "Positive" or "Negative". These events or trends are usually specific to the borrower or its debt instruments, but they can also follow macroeconomic events or developments related to an industry or sector.
Review in Progress	This type of attribute differs from the previous ones as it can be used in four specific situations: 1) When HR Ratings is awaiting information on results from the borrower for reasons not attributable to the latter, 2) After the beginning of an acquisition process where there is uncertainty regarding its consummation, the final form of financing, final structure or any other factor that makes it impossible to determine its final characteristics. 3) In addition, HR Ratings may put any borrower or debt instrument on Review in Process following a methodological change. 4) HR Ratings may place an HR D rating under Review in Process.