

Rating watch, withdrawal, and suspension process

Governance



BeZero

Ongoing monitoring

Continuous monitoring

All BeZero Carbon Ratings are valid at all times and are monitored on an ongoing basis. The assigned lead analyst is responsible for reviewing all new information pertaining to the project, sector, and methodology. Such information includes new satellite imagery, new research, new project documents including new monitoring reports, new or changed regulations, changes in the methodology, and other information deemed relevant to the project or the rating. The analyst also monitors the continuing availability of information in the public domain, an essential criterion for a project to be eligible for the BeZero Carbon Rating. The analyst takes note of these developments and assesses their implications (if any) on the rating.

Rating watch

If, as part of the monitoring process, the lead analyst is of the opinion that the new information could have a material impact on the rating, or that the publicly available information has been withdrawn/compromised, the lead analyst prepares a report with a recommendation to place the rating on 'rating watch'. This note goes through independent peer review and is then presented and discussed at the Rating Committee Meeting (similar to the process involved in assigning a new rating or a rating review). If the Rating Committee unanimously believes that the new information (or the withdrawal of publicly available information) could affect the rating, the rating will be placed on 'rating watch'. All ratings placed on 'rating watch' are published on the BeZero website and the BCM platform.

The committee could also disagree with the analyst's recommendation and conclude that no action needs to be taken.

Once a decision has been made to place a rating on 'rating watch', the analyst will collect and analyse all new information, conduct additional research as required, and prepare a detailed report for Rating Committee consideration. This note will be independently peer reviewed before it is presented and discussed at the Rating Committee. The Rating Committee could unanimously decide to:

- Upgrade the rating to a higher level
- Downgrade the rating to a lower level
- Reaffirm the rating

Immediately thereafter, the rating will be removed from 'rating watch'. The revised rating/reaffirmation along with removal from 'rating watch' is published on the BeZero website and the BCM platform.

Ratings watch actions are primarily applied for reviews triggered by external events or changes to a project and its operation. In cases where internal reviews drive ratings changes, they may be supported by external advisory notes for consumers of the rating. These notes will describe the internal change, the scope of impact, and the likely direction of ratings change if relevant.

BeZero's ongoing monitoring and 'rating watch' process is summarised in the diagram below.

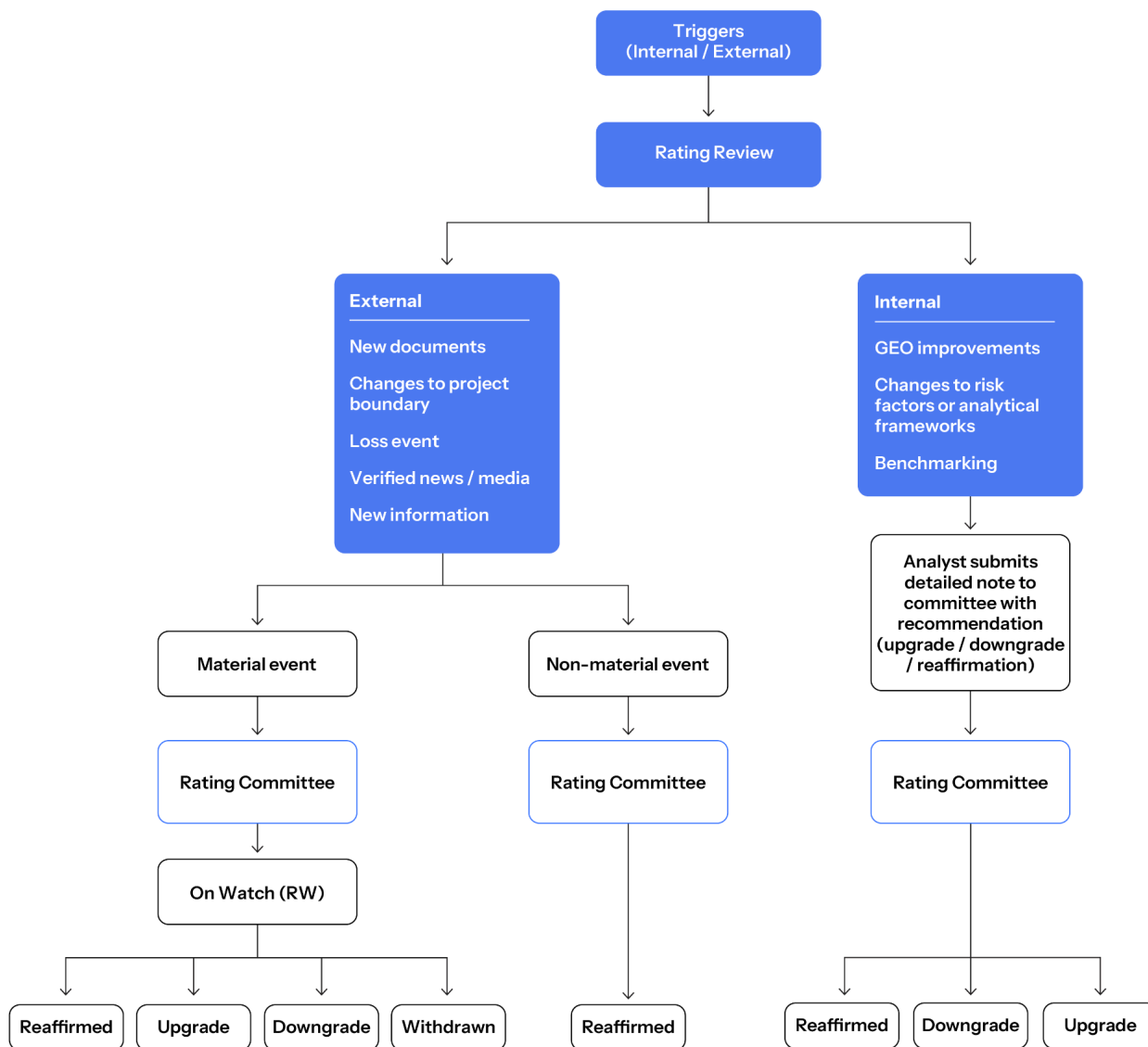


Figure 1. BeZero’s ongoing monitoring and ‘rating watch’ process

Rating withdrawal

BeZero Carbon Ratings are assigned only to projects that meet predefined eligibility criteria. These criteria include documented tests on additionality, formal audit processes, and continued public availability of all relevant information. BeZero Carbon Ratings may be withdrawn in the case of a material impairment in the project’s ability to meet any of the eligibility criteria, including partial or complete withdrawal or unavailability of relevant information in the public domain. BeZero may also withdraw its ratings if BeZero Carbon becomes aware of any risks with respect to the ownership of the project and/or usage rights, etc. All rating withdrawals are published on the BeZero website and the BCM platform.

Updates and reviews*

Version number	Date	Description
1.00	01/06/22	Initial release
1.11	15/05/24	Updates to application of ratings watch

**Content extracted from the BeZero Carbon ex post Ratings methodology.*

Disclaimer

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