Sustainable1

S&P Global Media & Stakeholder Analysis

Addendum

S&P Global Sustainable1 – September 2026

S&P Global
Energy

This addendum has been prepared in response to ESMA's public disclosure requirements and is intended for a public audience. It provides supplementary information related to the methodology and supports analytical integrity, consistency, and transparency by offering additional clarity on the methodology's design, application, and governance.

ESMA Disclosure Guidance	Sustainable1's Response
an overview of the rating methodologies used and changes thereto, including whether analysis is backward-looking or forward-looking and the time horizon covered;	The rating methodology is titled "S&P Global Media & Stakeholder Analysis Methodology (MSA)". Please note that MSA is commercialized as the Controversies Datasets.
	The methodology applies to companies within the S&P Global ESG Research Universe, covering over 13,000 entities globally across industries and regions. It is specifically used to assess corporate controversies (MSA cases) linked to these companies, based on media and stakeholder information regarding ESG-related events (environmental, social, and governance issues) that may impact their ESG Scores.
	The methodology does not define a fixed validity period for the ESG rating; instead, ESG Scores are updated on an ongoing basis, including daily adjustments when relevant controversies (MSA cases) occur or evolve. Thus, the rating remains valid continuously, subject to dynamic updates reflecting new events, case developments, or relevant updates affecting the assessed company. An MSA case typically follows a standard depreciation plan, where the impact on the score decreases with the new campaign score release, unless relevant updates to the controversy continue to be identified.
	Supporting models & analytical framework: The methodology relies on a proprietary controversies screening model that aggregates and pre-screens information from multiple sources (news, NGOs, legal filings, etc.) to identify relevant incidents. It applies a rules-based scoring system to determine: - The Impact Rating of a case (Minor to Severe) based on the assessment of predefined ESG impact parameters - Company Response Rating based predefined assessment parameters on mitigation, prevention, remediation, and transparency measures - The MSA Multiplier, which quantifies the impact on ESG Scores through a rules-based formula **Key rating assumptions:** The methodology is grounded in double materiality, considering both: Financial/reputational impact on the company (internal materiality) Impact on stakeholders and the environment (external materiality) ESG impact is assessed across Environmental, Social, and Governance dimensions, with predefined parameters and weights. Company responsibility, materiality, and timing must all be satisfied to open and assess a case.

	Data quality and reliability measures: -Use of diverse, reputable data sources (global/regional media, government bodies, NGOs, legal sources, industry publications). -Pre-screening and filtering of data via the proprietary model to ensure relevance and consistency. -Analyst validation and review, including case-by-case assessment and application of methodology by expert research analysts. -Company engagement, allowing companies to provide additional information or clarification before final assessment. -Ongoing monitoring and updates to capture new developments and ensure ratings reflect the latest available information. -Integration of different quality stages along the MSA case assessment process, including Quality Control 1 (QC1), Final review, sign-off and internal audits.
	The methodology uses a categorical Impact Rating system comprising Minor, Medium, Major, and Severe, reflecting the absolute severity and scale of ESG impacts on the company, stakeholders, or environment. Each category indicates increasing levels of duration, magnitude, and systemic nature of harm, from limited short-term effects (Minor) to extensive, irreversible or catastrophic impacts (Severe). The system is interpreted absolutely, based on defined analytical parameters across ESG dimensions and reputational factors, rather than purely relative positioning. However, relative elements are indirectly incorporated through assessment of materiality, reputational impact, and media coverage, or impact on the company (e.g., financial impact) reflecting the company's context and exposure. These assessments are applied consistently across companies in the global ESG research universe, rather than being explicitly benchmarked to a specific industry, geography, or peer group.
	The methodology was most recently updated in June 2026. Key changes include updates to the controversies screening approach, transitioning to a proprietary screening model replacing the former external provider, and further disclosure of terms and approaches.
the industry classification used;	Not applicable
an overview of data sources, including whether data is sourced from sustainability statements required under Directive 2013/34/EU or from information	The methodology uses publicly available data sources, including global, regional, and local news media, NGOs, government bodies, legal documents, and industry publications, aggregated via a proprietary screening model. Each company with an MSA case is contacted and given the opportunity to provide information about the measures taken to address the controversy. The information provided by the company, in case it responds, is used for the company response rating assessment. Note that the information provided by companies is confidential and not disclosed publicly. if the company does not respond, the company response rating assessment is based solely on publicly available information

disclosed under Regulation (EU) 2019/2088 and whether sources are public or non-public, and an overview of data processes, estimation of input data in case of unavailability and frequency of data updates;	It does not explicitly rely on EU sustainability statements (Directive 2013/34/EU) or SFDR disclosures (Regulation (EU) 2019/2088), and no specific use of such regulatory filings is mentioned. Data is processed through pre-screening filters and analyst validation, with cases assessed using structured analytical frameworks and scoring tools. Data is continuously monitored and updated, with ESG Scores adjusted on an ongoing (including daily) basis to reflect new incidents and developments.
the ownership structure of the ESG rating provider;	Ownership structure of the ESG rating provider
information on whether and how the rating methodologies are based on scientific evidence;	The methodology is not explicitly based on external scientific models but is grounded in a structured analytical framework aligned with established ESG principles and international standards (e.g., UNGC principles and SDGs). It incorporates systematic evaluation criteria, including impact severity, materiality, and company responsibility, supported by defined parameters across ESG dimensions. Evidence is drawn from verifiable and credible external sources (media, NGOs, legal data), which are assessed using a rules-based approach methodology. The use of algorithm-based tools and weighted scoring models ensures consistency and repeatability in translating evidence into ESG score impacts. Overall, while not purely scientific in a technical sense, the approach reflects a methodical, evidence-based assessment framework combining qualitative and quantitative inputs.
information on the ESG rating's clearly defined objective and marking whether the rating is assessing risks, impacts, or both, according to the double materiality principle, or any other dimensions, and in the case of	The ESG rating assesses risks arising from corporate controversies, focusing on events that may have negative financial, reputational, operational, or regulatory impacts on a company. The MSA methodology covers a broad range environmental, social, and governance (ESG) corporate controversies, such as environmental damage, labor and human rights violations, corruption, fraud, and data breaches, among others. The methodology specifically evaluates risks through the lens of double materiality, capturing both: Internal risks to the company (e.g., fines, litigation, reputational damage) External risks/impacts on stakeholders and the environment Risks are identified using media and stakeholder information and are assessed based on severity, scale, and persistence, which then determine their impact on the ESG Score.

double materiality the proportion of the risk and impact materiality;	The methodology assesses impacts from corporate controversies that might affect a company's value drivers, competitive advantage, reputation, operational stability, etc., and or the environment, or its stakeholders. In this context, the assessment is framed on the concept of double materiality. Impacts include negative effects on stakeholders and the environment, such as environmental damage, human rights violations, labor issues, and consumer harm. It also captures direct and indirect impacts on companies, including financial losses, reputational damage, operational disruptions, and regulatory consequences. Impacts are evaluated based on their scale, severity, duration, and systemic nature, which determine their influence on ESG Scores.
	The methodology applies the double materiality principle by assessing both internal (financial and reputational) risks to the company and external impacts on stakeholders and the environment when determining materiality. An incident is considered material if it demonstrates significant negative effects either on the company's value drivers (e.g., fines, operational disruption, reputational damage) or on non-complicit stakeholders and the environment (e.g., social harm or environmental damage).
	The methodology primarily applies double materiality, but it also incorporates additional analytical dimensions through the assessment of severity, scale, duration, and systemic nature of incidents, as well as reputational impact and company involvement. These dimensions are operationalized via Impact Rating parameters across Environmental, Social, and Governance (ESG) categories, combined with reputational impact assessment (e.g., media relevance and coverage) and, where applicable, involvement criteria such as proximity and criticality in supply chain or conflict-related cases.
the ESG rating's scope, namely, whether it covers an individual E, S, or G factor or whether it is an aggregated rating aggregating E, S and G factors, or whether it covers specific issues such as transition risks;	As result of an MSA case, a company's S&P Global ESG score will typically be impacted negatively. The impact occurs at the level of the affected CSA criteria and aggregated impacted up to the dimension and total ESG Scores. It does not provide standalone ratings for individual Environmental, Social, or Governance factors. The issues covered by the MSA methodology include Governance related controversies: Corruption & Bribery, Fraud, Overcharging, Money Laundering.; Environmental related controversies including Pollution, waste, overuse of natural resources, etc., and social controversies including Human rights, discrimination, employment conditions, occupational health & safety, etc.

general information on criteria used for establishing fees charged to clients, specifying the various elements taken into consideration, and general information on the business/payment model;	S&P Global ESG Ratings Europe Limited with support from its commercial affiliates ("SPGE ESG REL") maintains a pricing framework for its regulated ESG rating products that is designed to support pricing that is fair, reasonable, transparent, and non-discriminatory. Pricing for ESG rating products is determined using objective and documented criteria within a common pricing framework. The pricing framework is supported by internal procedures, training and governance processes, including review and approval requirements for any discounts, exceptions or other departures from standard pricing parameters. SPGE ESG REL currently operates a subscription and non-subscription paid model for its regulated ESG rating products. Regulated ESG rating products are priced and invoiced separately from non-regulated products and services, with fees identified as separate line items for clients.
any limitation in data sources and methodologies used for the construction of ESG ratings;	The methodology has limitations related to data sources. It relies primarily on publicly available information (media, NGOs, legal sources), which may vary in quality and coverage across regions and companies. It is also dependent on external reporting and timing of disclosures, meaning some incidents may be underreported, delayed, or not captured if not publicly available. While the assessment of the MSA cases is rooted in a rules-based algorithm and comprehensive and structured guidance, analytical judgement might still be required in certain scenarios. Additionally, ESG score impacts are derived using model-based proxies (e.g., impact ratings, multipliers) rather than direct measurement of real-world outcomes. Finally, some company-provided information, when used, might be confidential and not always publicly verifiable, which may limit transparency for external users.
the main risks of conflicts of interest and the steps taken to mitigate them;	Conflict of Interest Management Policy
if an ESG rating of a rated item covers the E factor, information on whether that rating takes into account the targets and objectives of the Paris Agreement or any other relevant international agreements;	The methodology does not explicitly state alignment with the targets or objectives of the Paris Agreement or other international climate agreements within the ESG rating framework. However, environmental factors assessed under the E dimension include climate-related issues (e.g., climate change, pollution, resource use) and are mapped to international frameworks such as the UNGC principles and SDGs, which are broadly aligned with global sustainability objectives. Thus, while indirect alignment with international sustainability frameworks exists, there is no explicit incorporation of Paris Agreement targets or transition pathways into the rating methodology.

if an ESG rating of a rated item covers the S and G factors, information on whether that rating takes into account any relevant international agreements;	The methodology implicitly reflects relevant international agreements for Social and Governance factors through its alignment with UN Global Compact (UNGC) principles and Sustainable Development Goals (SDGs), which cover areas such as human rights, labor standards, anti-corruption, and governance practices. S-related issues (e.g., labor rights, human rights, discrimination) and G-related issues (e.g., corruption, fraud, governance failures) are assessed in accordance with these globally recognized frameworks. However, the methodology does not explicitly reference or directly incorporate specific international agreements as formal inputs into the rating calculation but rather uses them as guiding reference frameworks for issue identification and thematic mapping.

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