Sustainable1

S&P Global Nature & Biodiversity Dependency Score

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 "Nature & Biodiversity: Dependency Risks".
	The methodology applies to assets, companies, and investment portfolios, enabling the assessment of nature-related dependency risks associated with business activities and operations. It is used to evaluate how business activities depend on 21 ecosystem services and how risks vary based on the resilience of ecosystems at specific locations, using both asset-level and company-level data.
	The ESG rating is based on a point-in-time assessment and is considered valid as of the date of the underlying input data used in the analysis. The methodology does not prescribe a specific validity period; results are updated through regular data and methodological updates to reflect the most current information available.
	The methodology is supported by a combination of reliance, relevance, resilience, composite dependency, and aggregated dependency risk models. Reliance scores assess the degree to which a business depends on 21 ecosystem services using ENCORE-based materiality assessments and location-specific relevance adjustments where applicable, while resilience scores evaluate the capacity of ecosystems to continue providing those services using geospatial indicators such as the Ecosystem Integrity Index, water stress, flood risk, and soil erosion datasets. These components are combined to calculate composite and aggregated dependency risk scores at the asset, company, and portfolio levels. Key assumptions include the use of ecosystem condition as a proxy for ecosystem service resilience, point-in-time assessments based on the latest available data, and the use of proxy and modeled datasets where direct observations are unavailable. To ensure data quality and reliability, the methodology uses scientifically endorsed and up-to-date datasets, integrates company-disclosed and third-party data where available, applies standardized normalization and aggregation techniques, and subjects all new methodologies and material changes to review and approval by an independent methodology governance committee.
	The methodology does not use discrete rating categories or peer-relative rankings. Instead, it assigns quantitative dependency risk scores ranging from 0 to 1, where 0 indicates no dependency risk and 1 indicates very high dependency risk. Scores are calculated for individual ecosystem services using materiality, relevance, reliance, and resilience factors, and are then aggregated into an overall dependency risk score using a sigmoid and logarithmic aggregation approach designed to emphasize material risks. The scores represent absolute measures of nature-related dependency risk and are not benchmarked against industry peers, geographic regions, or other comparative groups. While geographic inputs influence the assessment through location-specific relevance and resilience

	analyses, the resulting scores reflect the inherent dependency risk of the assessed asset, company, or portfolio rather than a relative ranking within a peer universe.
	The most recent version of the methodology is Version 1, published in July 2026, representing the first standalone release of Nature & Biodiversity: Dependency Risks Methodology. In addition, the methodology incorporates a series of enhancements implemented in March 2025, including improved flood hazard modelling, enhanced soil erosion data, expanded asset coverage, new geospatial datasets, updates to the ENCORE database, and additional output metrics to improve modelling accuracy, coverage, and usability.
the industry classification used;	The industry classification used in the methodology is the Global Industry Classification Standard (GICS), which is jointly developed and maintained by S&P Dow Jones Indices (S&P DJI) and MSCI Inc. The methodology uses GICS sub-industries and associated business activity classifications to assess nature-related dependency risks across sectors. https://www.spglobal.com/spdji/en/landing/topic/gics/
an overview of data sources, including whether data is sourced from sustainability statements required under Directive 2013/34/EU or from 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;	The methodology does not involve a formal engagement process with rated entities for the purpose of influencing or validating assessment outcomes. Assessments are derived from company-disclosed data where available, supplemented by third-party datasets, proprietary asset databases, and scientifically validated environmental and geospatial models.
the ownership structure of the ESG rating provider;	Ownership structure of the ESG rating provider
information on whether and how the rating	The methodology is based on scientific evidence and internationally recognized nature-related risk frameworks. It was developed in partnership with UNEP-WCMC and draws upon the TNFD

methodologies are based on scientific evidence;	framework, the Nature Risk Profile methodology, and the ENCORE knowledge base. The assessment incorporates peer-reviewed scientific research, geospatial environmental datasets, ecosystem integrity indicators, water stress models, flood hazard models, and other scientifically validated data sources to evaluate nature-related dependency risks. Methodological changes and new methodologies are subject to independent governance review to support scientific integrity and consistency.
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 double materiality the proportion of the risk and impact materiality;	The ESG rating assesses nature-related dependency risks arising from an entity's reliance on ecosystem services and the potential degradation of the ecosystems that provide those services. Risks covered include exposure to disruptions associated with water availability, water quality, flood and storm protection, soil quality, pollination, climate regulation, erosion control, and other ecosystem services. The methodology evaluates both the level of dependence on these services and the resilience of ecosystems to continue providing them, resulting in a quantitative assessment of nature-related dependency risk.
	The methodology does not assess or rate an entity's impact on biodiversity, ecosystems, or nature. Rather, it evaluates nature-related dependency risks by measuring the extent to which business activities rely on ecosystem services and the resilience of ecosystems to continue providing those services. Environmental indicators relating to ecosystem conditions are used as inputs to assess dependency risk and are not intended to serve as direct measures of corporate environmental impact.
	The methodology primarily considers financial materiality by assessing nature-related dependency risks that may affect a company's operations and business continuity. It evaluates the extent to which business activities depend on ecosystem services and the likelihood that those services may be disrupted due to declining ecosystem resilience. The methodology does not explicitly apply a double materiality framework and does not directly assess or score the impacts of rated entities on biodiversity, ecosystems, or nature; accordingly, impact materiality is not incorporated into the rating outcome.
	Beyond financial materiality, the methodology incorporates additional dimensions of dependency materiality, spatial relevance, and ecosystem resilience. Dependency materiality assesses the importance of ecosystem services to business activities, spatial relevance reflects the degree to which ecosystem services provide location-specific benefits, and ecosystem resilience measures the capacity of ecosystems to continue supplying those services. Together, these dimensions are used to evaluate and quantify nature-related dependency risks across assets, companies, and portfolios.
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	The rating methodology covers a specific Environmental (E) factor, namely nature-related dependency risk. It is not an aggregated ESG rating and does not combine environmental, social, and governance factors into a single score. The methodology assesses the extent to which assets, companies, and portfolios depend on ecosystem services and the risks arising from degradation of the ecosystems that provide those services, including risks related to water resources, flood protection, climate regulation, pollination, soil quality, and other nature-related physical dependencies. The methodology does not assess social or governance factors and is not designed to evaluate climate transition risks.

such as transition risks;	
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;	These limitations are documented in the Assumptions and Limitations section of the methodology (pages 13-14). Link here: https://portal.s1.spglobal.com/survey/documents/SPG_S1_Nature_Bio_Risk_Methodology.pdf
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 incorporate or assess alignment with the targets and objectives of the Paris Agreement. Instead, it focuses on nature- and biodiversity-related dependency risks and is informed by internationally recognized nature-related frameworks, including the Taskforce on Nature-related Financial Disclosures (TNFD) and the Nature Risk Profile methodology developed in partnership with UNEP-WCMC. While climate regulation is assessed as one of the ecosystem services covered, the methodology is not intended to evaluate climate transition pathways, greenhouse gas reduction targets, or Paris Agreement alignment.

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;	Not applicable. The methodology does not assess Social (S) or Governance (G) factors and therefore does not take into account international agreements relating to social or governance topics. The methodology is limited to Environmental (E) factors, specifically nature- and biodiversity-related dependency risks, and is informed by nature-related frameworks such as the TNFD and the Nature Risk Profile methodology developed in partnership with UNEP-WCMC.

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