Sustainable1

S&P Global SDG Analytics

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.

<table>
<tr><th>ESMA Disclosure Guidance</th><th>Sustainable1's Response</th></tr>
<tr><td rowspan="4">an overview of the rating methodologies used and changes thereto, including whether analysis is backward-looking or forward-looking and the time horizon covered;</td><td>The rating methodology is titled "S&P Global Sustainable Development Goals (SDGs) Analytics".</td></tr>
<tr><td>Entities/companies covered by the Trucost Environmental dataset (assessment universe). The methodology evaluates an entity's SDG alignment through its products and services (mapped via business activities and business segments) and adjusts for geographic additionality and controversies. Outputs are produced per company × 17 SDGs (business-segment alignment, geographic adjustment, controversy adjustment, and overall SDG goal alignment per SDG).</td></tr>
<tr><td>Not specified as a fixed validity period. Each SDG score is representative of that methodology year (i.e. 2024, 2025). Each score represents what is true for that year. The score remains valid and can be used to compare between years. Additionally, the model can be run with historical data, with the caveat that historical inputs may be less complete, affecting comparability. Also, controversies monitoring is described as ongoing via Media and Stakeholder Analysis (regular controversies scan).</td></tr>
<tr><td>There are 4 Core components / supporting models used in this analytics:
1. Business activity → SDG mapping using two connected tools: SDG Contribution Framework + SDG Contribution Scale.
2. Business Segments alignment: SDG classification based on 464 Trucost business activities, mapped to SDGs and weighted by entity revenue generation. Enhanced granularity using Business Involvement Screens (BIS); BIS enables "Very Negative" mapping for certain activities.
3. The S&P GeoSeg revenue by geography is used in the Business Segments alignment to assess how much revenue is associated with each business activity.
4. Controversy Adjustment: Based on S&P Global Media and Stakeholder Analysis (MSA), part of the CSA controversies process. https://portal.s1.spglobal.com/survey/documents/MSA_Methodology_Guidebook.pdf

Data sources (and implied quality controls): uses company disclosures, internal products, and third-party providers, leveraging proprietary S&P data and open-access external datasets; main sources include Trucost Environmental business activities, global revenues by business segment, BIS, GeoSeg revenue per geographic segment, UN SDG Index, and MSA.

Procedures to ensure quality/reliability: Methodology governance reviews all new methodologies, and material changes are reviewed/approved by an independent methodology governance committee.</td></tr>
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	Rating categories (alignment scale): Very Negative, Negative, Moderately Negative, Neutral, Moderately Positive, Positive, Very Positive. **Meaning of categories (absolute interpretation):** The business activity mapping assigns each activity a contribution label from positive to negative (and includes "Very Positive/Very Negative" via specific adjustments/screens). **Definitions include** Positive (solution to meet SDG), Moderately Positive (supporting/enabling or less direct/material positive impact), Neutral (no material impact), Moderately Negative (potential negative; supporting negative products/services or reducing opportunities vs alternatives), Negative (direct negative/impeding SDG). "Very Positive" and "Very Negative" are associated with inclusion of Geographic Additionality Adjustment and Business Involvement Screens + Controversy Adjustment, respectively. **How the scale is applied**: The alignment for each SDG is obtained by combining business segment alignment with geographic additionality and controversy impact, producing per-SDG alignment on the same scale from very negative to very positive. No aggregated overall score across SDGs is provided.
	Most recent methodology version/date: March 2026. Changes vs prior version: This is an update providing further granularity, integrating additional datasets for a more granular view of SDG contribution, and switching to a 7-category alignment scale instead of binary mapping.
the industry classification used;	Trucost Environmental Business Activities Classification of 464 business activities. The Trucost business activity classification is proprietary to S&P Global/Trucost and is typically available to clients or by request.
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	This methodology contains input from a variety of sources such as company disclosures, internal products and third party providers. It leverages proprietary S&P data and open-access external datasets. The list below provides an overview of the main data sources used in the different methodology components: Business Segments • S&P Global S1 – Trucost Environmental: Business Activities data • S&P Global S1 – Global revenues by business segment data • S&P Global S1 – Business Involvement Screen (BIS) data Geographic Additionality Adjustment • S&P Global S1 – Geographic Segment Distribution Data (GeoSeg): Revenue data per geographic segment • United Nations SDG Index Controversy Adjustment • S&P Global S1 – Media and Stakeholder Analysis (MSA)

input data in case of unavailability and frequency of data updates;	
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;	Analytics methodology begins with a systematic review of SDG sub-targets and indicators to determine which are most pertinent to various business activities. The methodology analyzes key factors influencing progress toward each SDG and assesses which business activities meaningfully align with specific targets. Only those targets that are relevant from a business activity perspective are included, excluding purely political or cross-country collaboration targets. This ensures that each activity is evaluated within the appropriate SDG context. The evidence is then mapped using a qualitative SDG contribution framework and a contribution scale, assigning each business activity a rating from positive to negative based on its influence on SDG achievement. This structured approach ensures that the mapping of business activities to SDG targets is grounded in relevant scientific evidence and contextual analysis.
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 methodology incorporates ESG controversies-related risk through the Media and Stakeholder Analysis (MSA), which monitors companies' involvement in negative sustainability-related events/wrongdoings and assesses controversies with potentially negative reputational or financial impacts. The stated objective of the MSA process is to gain insight into a company's ability to mitigate financially material and reputational risks while protecting shareholder value.
	The methodology provides an assessment of an entity's positive and negative contribution to the 17 SDGs through (i) the contribution of its products and services to the SDGs and (ii) its exposure to controversies affecting the achievement of the SDGs. It maps 464 Trucost-defined business activities to SDGs and applies a 7-category alignment scale from Very Negative to Very Positive (e.g., "directly and materially contributing" vs "direct negative impact/impeding achievement"). Geographic impact context is incorporated via the Geographic Additionality Adjustment, which measures whether products/services contribute in markets with the greatest need to improve on particular SDGs (based on the UN SDG Index).
	The methodology does not apply the double materiality principle.
	Beyond the risk/impact lens, the methodology uses additional assessment "dimensions" that shape SDG alignment results: (1) Revenue-weighted business activity/segment exposure (business activities mapped to SDGs and weighted by revenue generation). (2) Geographic "need" context via the Geographic Additionality Adjustment (alignment depends in part on whether revenues are earned in geographies with greater SDG need, using the UN SDG Index and GeoSeg revenue by geography).

	(3) Values-based involvement dimension via Business Involvement Screens (BIS), which assess areas of investor concern and "pinpoint the precise level of involvement ... to inform values-based investment strategies. (4) Controversy/incident dimension via the MSA-driven controversy adjustment.
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;	The S&P Global Sustainable Development Goals (SDGs) Analytics methodology does not provide a traditional aggregated ESG rating that combines environmental (E), social (S), and governance (G) factors into a single score. Instead, its scope is focused on assessing a company's alignment with each of the 17 United Nations SDGs individually. The methodology maps business activities and revenue segments to specific SDGs, evaluates geographic additionality, and adjusts for controversies, producing a distinct alignment rating for each SDG rather than an overall ESG score. While the SDGs encompass a broad range of environmental, social, and governance themes, the methodology does not explicitly separate or aggregate E, S, or G factors; nor does it specifically target issues such as transition risks in isolation. Each SDG alignment is assessed on a seven-category scale from very negative to very positive, reflecting the company's contribution or detriment to that particular goal.
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;	Assumptions are not applicable here. Page 10 of the methodology document lists all the limitations.
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;	S&P Global's SDGs Analytics is not an aggregated E/S/G rating; rather, it assesses an entity's positive/negative contribution to each of the 17 UN SDGs based on its products/services and related controversies, including climate-related SDG 13 targets (e.g., integrating climate measures and tracking total GHG emissions as an indicator). Where this assessment touches the E factor (e.g., climate action, pollution, waste, chemicals), the referenced methodology grounds the mapping in UN SDG targets and indicators and uses the UN SDG Index for geographic additionality, but it does not state that it explicitly incorporates the Paris Agreement's temperature goals, NDCs, or other specific international climate agreements as scoring criteria.
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 S&P Global SDGs Analytics methodology covers both the Social (S) and Governance (G) factors through its mapping of business activities and controversies to specific United Nations Sustainable Development Goals (SDGs). For the Social factor, relevant SDGs include goals such as SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and others, each reflecting international social objectives. For the Governance factor, SDG 16 (Peace, Justice, and Strong Institutions) is particularly relevant, addressing issues such as transparency, anti-corruption, and institutional governance. The methodology grounds its assessment in the targets and indicators of the UN SDGs, which are themselves internationally agreed frameworks, but it does not explicitly reference or incorporate other specific international agreements (such as ILO conventions for social factors or OECD guidelines for governance) as scoring criteria. Therefore, while the rating reflects alignment with the UN SDGs—recognized as global standards—it does not directly integrate additional international agreements beyond the SDGs themselves.

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