ESG Ratings & Methodology Review Procedures

(Prepared in accordance with Regulation (EU) 2024/3005 of the European Parliament and of the Council on the transparency and integrity of ESG rating activities)

Version 2.0

Revision History

Version	Effective/Revision Date	Policy Owner	Description
1.0	29 January 2026	Legal, Risk and Compliance (Oversight Function), with Support of Research and Product Team	Reviewed and Approved by the Board
2.0	1 October 2026	Legal, Risk and Compliance (Oversight Function), with Support of Research and Product Team	Approved by the Senior Management

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GIST IMPACT BUSINESS MODEL OVERVIEW:

GIST Impact operates two business models: a User-paid model and an Issuer-paid model. The two models are operationally separate, and the same methodology applies under both.

(i) User-paid model

GIST Impact's ESG data and analytics, as identified in the respective Methodology documents, qualify as ESG ratings within the meaning of Article 3(1) of Regulation (EU) 2024/3005 (the "ESG Regulation"). They are built from publicly available sources and delivered on a User-paid subscription basis to financial services and investor clients, for use in investment decisions.

GIST Impact maintains strict independence and objectivity across all its rating and data activities. Robust policies manage conflicts of interest arising from its ownership structure, group-level interests or external parties, so that ESG ratings remain free from political, economic or commercial influence.

ESG ratings are determined solely by consistent application of GIST Impact's defined and published methodologies. They are never affected by existing or potential business relationships with rated entities, including where GIST Impact also provides data and analytics services to a rated entity under the Issuer-paid model. Those engagements are operationally and methodologically independent and do not influence, inform or modify the scoring of any ESG rating product.

GIST Impact's rating assessment outputs are generated by automated, rules-based engines in accordance with the applicable Methodology documents. The model logic, rules and parameters are pre-reviewed and approved by the respective Product Owner (as per the applicable Methodology documents) and locked within the engine/delivery platforms, ensuring that all results are generated consistently in accordance with the approved model. Rating analysts have no discretion to influence or manually override the results. Furthermore, neither the rated entity nor the commercial arrangement with any client can influence the outputs. Accordingly, the ratings generated by the engines constitute the approved ratings in accordance with the applicable methodologies.

(ii) Issuer-paid model

GIST Impact also operates an Issuer-paid model, under which it charges fees to entities that are the subject of its ESG ratings. These entities receive ESG analytics built from publicly available sources and, where applicable, limited data they provide themselves, solely to support their own independent assessment of risks and opportunities in their operations.

Under this model, the issuer may add limited supplemental data inputs and select from predefined scenarios and parameters, as permitted under the respective ESG Rating product Methodology document. This means choosing the granularity or scope of the results it receives from options set out and predefined in that Methodology document (for example, specific hazards, time horizons, topic coverage or climate scenarios). The methodology for the User-paid and Issuer-paid models is the same: an issuer can add data and/or select certain predefined scenarios or parameters but cannot influence the methodology, its application or the rating outcome. No re-weighting or other modification of the model, its weights or its scoring logic is permitted under any methodology. As a result, the scope of the outputs delivered under the Issuer-paid model may differ slightly from those under the User-paid model, reflecting the scenarios or parameters selected. Supplemental input Data supplied by an issuer is subject to the same quality and reliability controls as all other inputs (Article 15(11) of the ESG Regulation) and is used only for that issuer's Issuer-paid deliverable.

All Issuer-paid deliverables are hence labelled "Issuer-paid" so that the business model is clear to every recipient. GIST Impact does not advise any entity on how to improve its User-paid ESG rating, or on its public disclosures with a view to improving that rating. Consistent with Article 16(1)(a) of the ESG Regulation, GIST Impact does not provide consulting activities to investors or undertakings under either model, including developing sustainability strategies or strategies to manage sustainability risks or impacts, and persons directly involved in assessing a rated item do not undertake such activities.

Independence Safeguards: Predefined Parameters Selection under Issuer-Paid Model:

1. Independent review and escalation. GIST Impact's rating assessment outputs are generated by automated, rules-based engines in accordance with the applicable Methodology documents. The underlying model logic, rules and parameters are pre-reviewed and approved by the Product Owners (as per the applicable Methodology documents) and are locked within the engine,ensuring that ratings are generated consistently in accordance with the approved model. Under the Issuer-Paid Model, the Product Owner conducts a monthly check to confirm that the predefined scenarios and parameters selected for Issuer-paid deliverables fall within the options set out in the

published methodology. The delivery platform only allows selections from these predefined options. The selected parameters are configured in the platform before the analytics are run. The results are then generated automatically by applying the rules-based methodology to the selected parameters. Neither the Product Owner nor any other person adjusts them individually to influence the rating in any manner. Any exception identified in the selection process is escalated to the Oversight function .

2. Selection from Predefined Scenarios and Parameters. The issuer states its selections in writing, and GIST Impact then runs the analytics as per its Methodology document. These selections do not influence, inform or modify the scoring of any ESG rating product. Results are delivered to the issuer as the output of the scenarios and parameters it has selected. Choosing different scenarios or parameters changes only the scope of the output, never the model, weights or scoring logic, and GIST Impact does not recommend which selection would produce a more favourable result.

3. Record-keeping by Oversight function. The issuer's written selections, the Product Owner's monthly checks record and any Oversight function's review are documented and kept for at least five years, in a form that allows the determination of the rating to be replicated (Article 18 of the ESG Regulation).

4. Labelling. All Issuer-paid deliverables, including any published results, carry the labelling “Issuer-Paid” rating.

5. Annual review. At least once a year, the independent Oversight function reviews how the Issuer-paid model has operated, including the predefined scenarios and parameters selected, adherence to the published methodology, labelling, fee arrangements and any conflicts of interest identified, and reports its findings to the management body. This review forms part of GIST Impact's annual review of its operations for potential conflicts of interest under Article 25 of the ESG Regulation.

Independence and Conflict of Interest Safeguards

(a) In line with the independence and conflict-of-interest requirements of Regulation (EU) 2024/3005 (in particular Articles 15, 16 and 25), Issuer-paid activities are kept separate from the core User-paid ESG rating activities. Information from Issuer-paid engagements is not used as an input to, and does not inform, the datasets, methodologies or ratings under the User-paid model.

(b) GIST Impact does not enter into contingent fee arrangements tied to rating outcomes, and its compensation is fully independent of the ratings it assigns. All fees are fair, reasonable, transparent and non-discriminatory (Article 27 of the ESG Regulation), and pricing and commercial terms for the two models are set separately and independently. The fee structure and pricing criteria are documented in GIST Impact's Pricing Policy.

(c) Rating analysts and other persons directly involved in determining ESG ratings do not initiate or participate in negotiations on fees or payments with any issuer (Article 17(2)), do not provide consulting activities (Article 16(4)), and are not compensated or evaluated in a way that creates conflicts of interest, including by reference to Issuer-paid revenue (Article 26).

(d) GIST Impact treats the Issuer-paid model as an area of heightened conflict-of-interest risk. Conflicts of interest arising from it are identified, disclosed to ESMA, prevented, managed and mitigated under GIST Impact's Conflicts of Interest Policy, and GIST Impact reviews its operations to identify potential conflicts of interest at least annually (Article 25).

Section I: ESG Ratings Review Procedure

1) Review Trigger Events.
   A review of an ESG rating may be initiated when:
   i. the rated entity publishes new or materially revised disclosures (e.g., sustainability reports, regulatory filings).
   ii. material events, incidents, or controversies occur that affect the underlying data or ESG performance.
   iii. internal checks identify discrepancies, outdated data sources, or anomalies.
   iv. significant changes occur in methodologies, data providers, or external frameworks used in rating assessments.
   v. new regulatory requirements or sustainability standards necessitate reassessment; or
   vi. feedback from rated entities, users, or regulators indicates a potential need for review.

2) Review Process.
   i. Unsolicited Assessments:
   GIST Impact's ESG rating assessments are based on rule-based methodologies that primarily use publicly available company data, estimation models, and scientifically supported models. GIST Impact does not have Rating Analysts engaging directly with rated entities for the purpose of influencing or determining individual ESG assessments. Accordingly, the methodologies do not rely on data obtained through direct engagement with rated entities *(except as explained in Issuer-Paid business model)*, nor are the rule-based methodologies adapted or modified to change the assessment of an individual company.

   ii. Product Team. Each ESG rating product team reviews and, where required, updates the rating to reflect new or revised information. The team under the supervision of the respective Product Head, verifies data accuracy, confirms that scoring logic remains consistent with the approved methodology, and conducts comparative checks against peer and sector benchmarks to ensure rating consistency. In line with Article 15(14) of the ESG Rating Regulation, every change to an ESG rating is reviewed by the product team, who confirms that the change is consistent with the methodology published under Article 23. The Product Head approves the change after this confirmation. Any change that cannot be supported by the published methodology is escalated to Oversight function and is not released. All review findings and any proposed adjustments are documented with rationale and evidence.

   iii. Oversight Function. The Oversight Function (Legal, Risk & Compliance) operates independently of the product teams and reports directly to the CEO and the Board. It verifies that each review follows internal procedures and complies with Regulation (EU) 2024/3005, ensures proper documentation and version control, and maintains all records for ESMA inspection.

   iii. Management Team. The Management Team reviews and approves any rating updates after Oversight Function verification. Approved updates are version-controlled. Stakeholder notifications are issued before publication.

3) Review Frequency.

ESG ratings are monitored on a continuous basis (at least annually) and event-driven basis to ensure they reflect the most current and accurate information. Periodic reviews are conducted to verify data quality, methodological consistency, and peer comparability. Additional reviews are triggered by significant events, new disclosures, or data revisions.

4) Record Keeping.
Records of rating reviews are maintained in accordance with GIST Impact's documentation and retention policy for a minimum of five years. All records are securely stored and made available to ESMA or other competent authorities upon request.

Section II: ESG Rating Methodologies Review Procedure

1) Review Trigger Events.
Each product team reviews its methodology on a periodic and event-driven basis (and at least annually) to ensure it remains accurate, relevant, and aligned with evolving standards. Reviews are initiated when any of the following occur:
   i. new or revised regulatory or reporting standards (e.g., ESRS, ISSB/IFRS, EU guidance) are issued.
   ii. material developments in ESG data sources, analytical techniques, or sustainability science arise.
   iii. material feedback from rated entities, clients, or regulators (including ESMA) indicates a potential issue.
   iv. changes to data providers or input taxonomies that could affect outcomes.
   v. material errors or limitations are identified in prior applications; or
   vi. scope changes to the product (e.g., new sectors, geographies, or value-chain coverage).

2) Review Process.
   i. Product Teams. Conduct technical review of the methodology, evaluating data inputs, scoring logic, and relevance. Proposed updates are documented with rationale and supporting analysis.
   ii. Oversight Function. Verifies that the methodology review process complies with Regulation (EU) 2024/3005, ensures appropriate documentation and version control, and records all actions for audit and regulatory purposes.
   iii. Management Team. Final review and approval of any updated methodology following Oversight Function review.
   iv. Publication. Once approved, the updated methodology replaces the previous version on GIST Impact's website with the version number and effective date clearly indicated.

3) Record Retention. All prior methodology versions, review notes, and approval records are retained for at least five years to ensure traceability. These records are maintained in accordance with GIST Impact's documentation policy and are made available to ESMA or other competent authorities upon request.

Section III: Review

GIST Impact promotes ongoing improvement of its ESG rating and methodology review processes and at least annually. Feedback from users, rated entities, and internal assessments is periodically reviewed to identify enhancements, which are integrated into subsequent review cycles.