

S&P Global Sustainable1 Investor Client Council

H2 2025

Guidelines

Permitted

- ✓ Discuss public or non-commercial matters:
 - ✓ market trends;
 - ✓ perspectives on ESG regulation;
 - ✓ industry studies
 - ✓ best practices
 - ✓ high-level product development evolution thought processes and concepts
 - ✓ S&P Product launches or expansions, including standardized models and analytics, to the extent presented by S&P Global Sustainable¹ in connection with the Investor Council
- ✓ Set an agenda for each meeting and review with Legal if any questions.
- ✓ Raise any concerns about discussion topics at a meeting. If discussions continue, leave the meeting and ensure that your departure is recorded in writing. Report any concerns to Legal.
- ✓ Remember all written communications (including emails and notebooks) may be disclosable to a regulatory or legal authority (including without limitation a competition authority).
- ✓ Ensure the legitimate professional objective behind discussions is clear in any written communications.
- ✓ Ensure discussions are accurately recorded.

Not Permitted

- Discuss **non-public**:
 - Pricing/commercial policy
 - Marketing efforts
 - Specific or granular cost information
 - Particular customers or vendors
 - No discussion on specificities of scores or methodologies except to the extent already publicly disclosed
- Discuss specifics of how market trends affect each company or examples of customers
- Discuss product pipeline ideas, methodology changes, specific business strategies, specific intended developments, trade secrets, or know-how
- Allow any departures or deviations from the stated agenda.
- Allow analytical employees to attend without appropriate legal and compliance review and approval
- Apply different standards of behaviour to information sharing in a less formal or social setting.
- Use language which could be misinterpreted.
- Use language that is factually incorrect

Engaging Portfolio Managers on Sustainable Investment

Index-Based Solutions for Sustainability Performance

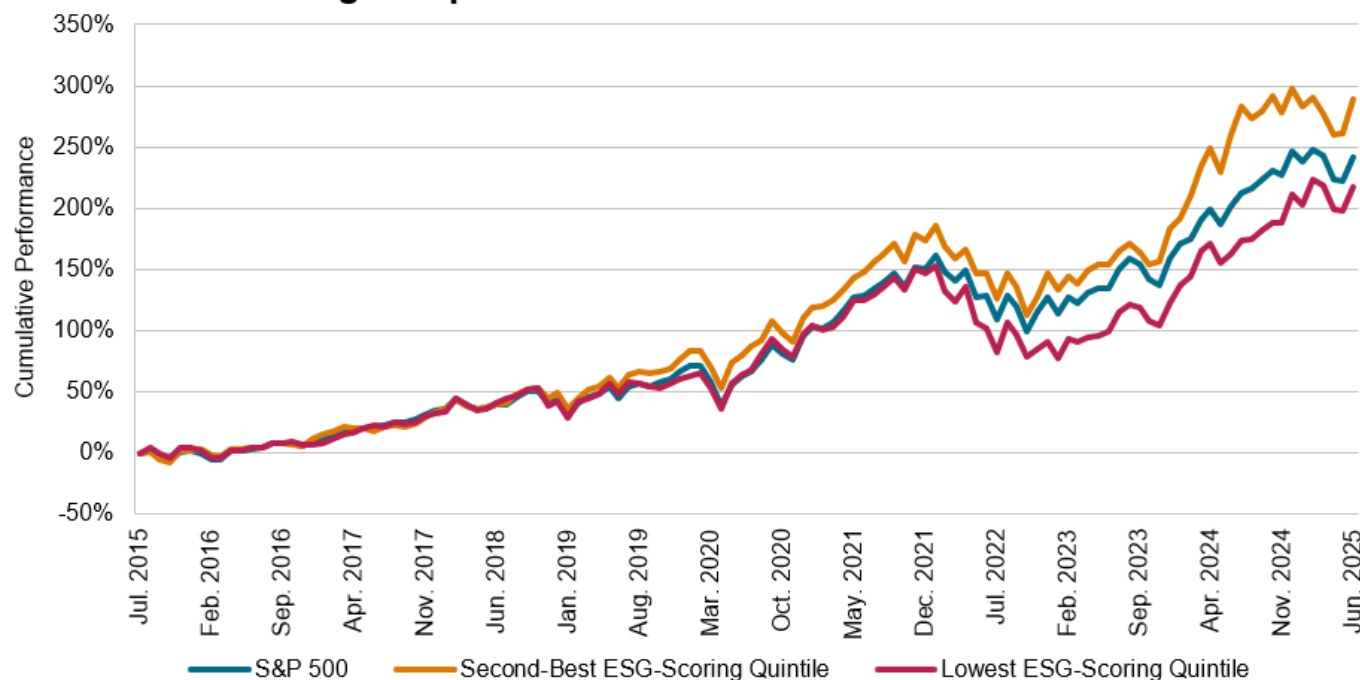
**S&P Dow Jones
Indices**

A Division of **S&P Global**



Companies in the second-highest ESG-scoring quintile outperformed the S&P 500® by a cumulative 48.0%, while those in the lowest-scoring quintile underperformed by 27.1%.

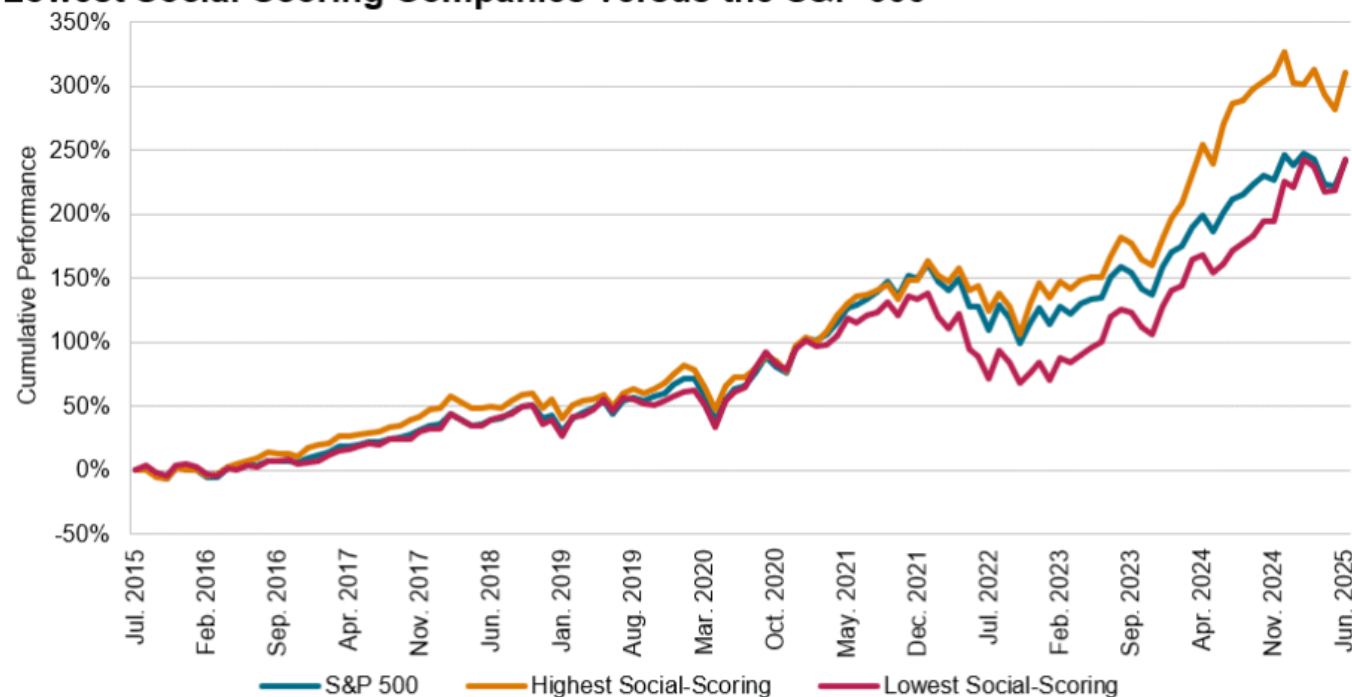
Exhibit 1: Cumulative Performance for Quintiles of the Second-Highest and Lowest ESG-Scoring Companies versus the S&P 500



ESG score quintiles reflect hypothetical historical performance and are divided from 1-5, with 1 being the quintile with the highest S&P Global ESG Scores and 5 being the quintile with the lowest S&P Global ESG Scores.
Source: S&P Dow Jones Indices LLC, S&P Global Sustainable1. Analysis carried out using S&P Capital IQ Pro. Data from June 30, 2015, to June 30, 2025. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure linked at the end of this post for more information regarding the inherent limitations associated with back-tested performance.

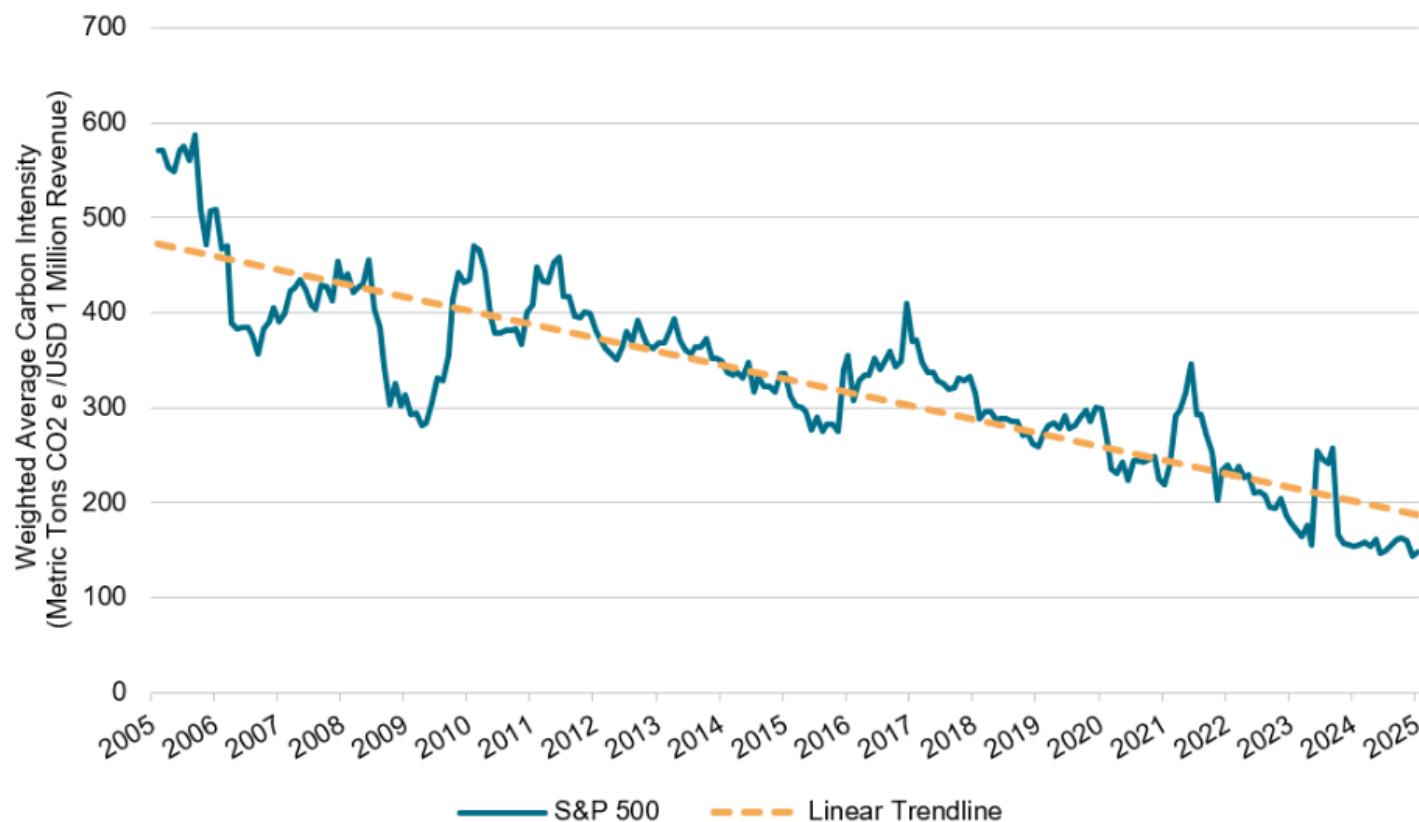
The highest social-scoring companies outperformed the S&P 500 by 68.6%, while those with the lowest social scores underperformed by 0.7%.

Exhibit 4: Cumulative Performance for Quintiles of the Second-Highest and Lowest Social-Scoring Companies versus the S&P 500



Social score quintiles reflect hypothetical historical performance and are divided from 1-5, with 1 being the quintile with the highest S&P Global Social Scores and 5 being the quintile with the lowest S&P Global Social Scores.
Source: S&P Dow Jones Indices LLC, S&P Global Sustainable1. Analysis carried out using S&P Capital IQ Pro. Data from June 30, 2015, to June 30, 2025. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure linked at the end of this post for more information regarding the inherent limitations associated with back-tested performance.

Carbon Countdown: the S&P 500 Achieved Cumulative Decarbonization of 74% since 2005.



Source: S&P Dow Jones Indices LLC, S&P Global Sustainable1. Analysis carried out using Portfolio Analytics on S&P Capital IQ Pro. Data from Jan. 31, 2005, to Jan. 31, 2025. Carbon emissions based on Scope 1 + Scope 2 + Scope 3 upstream emissions. Chart is provided for illustrative purposes.

Nexus Topics: Food Energy Water

Investors critical role in addressing some of the most pressing global challenges

S&P Global

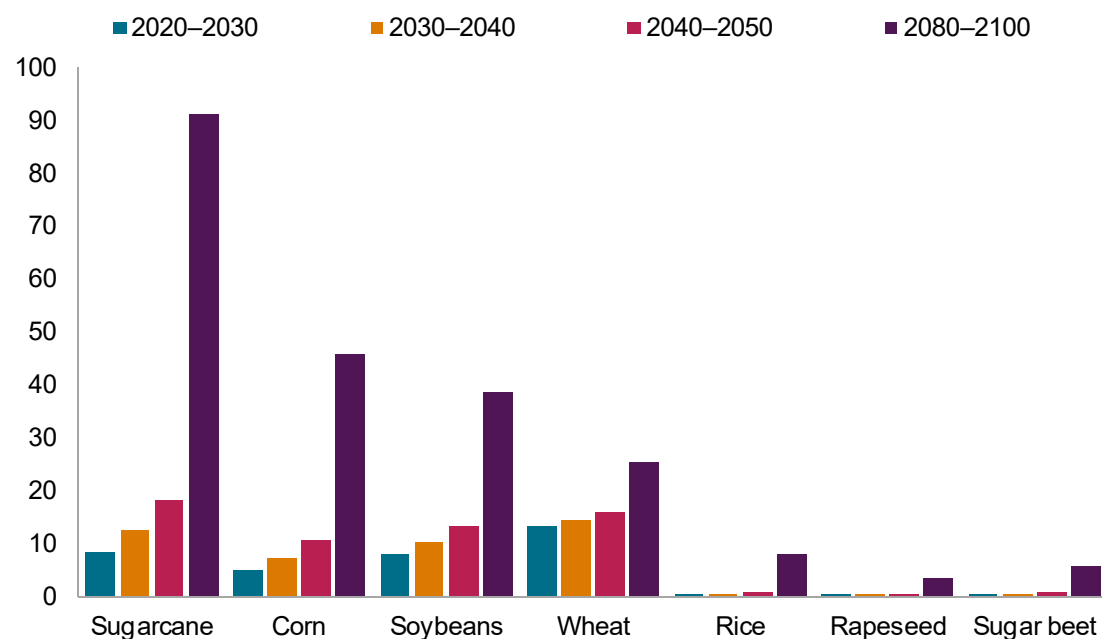
Commodity Insights



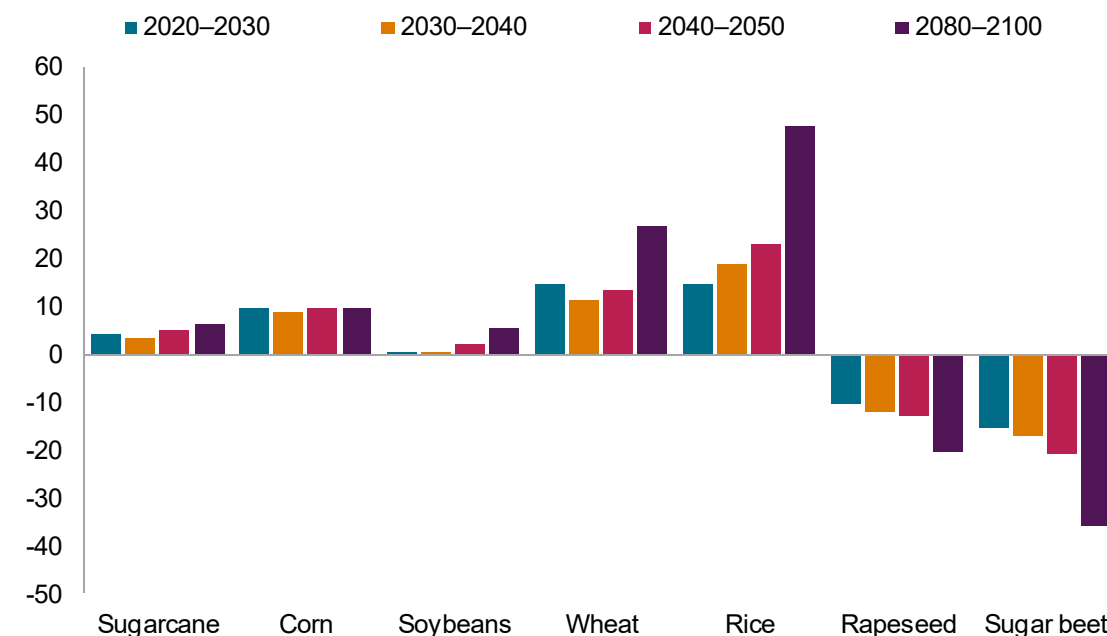
Hotter and drier: Increasing extreme degree days and decreasing precipitation will be noted during growing season,

- Higher temperatures are an indication of a greater likelihood of extreme events such as water and heat stress, causing droughts and increasing susceptibility to wildfires.
- Sugarcane, corn and soybean producing regions will see the most drastic increase in temperatures, while wheat and rice will note increases in precipitation. In the case of rice, a higher increase in temperature will offset the benefit from increased precipitation.
- Rapeseed and sugar beet producing regions are already noting precipitation losses. However, the yield impact on key producing regions is low due to shorter variation in extreme degree days.

Number of extreme degree days by crop and decade



Precipitation % change by crop and decade



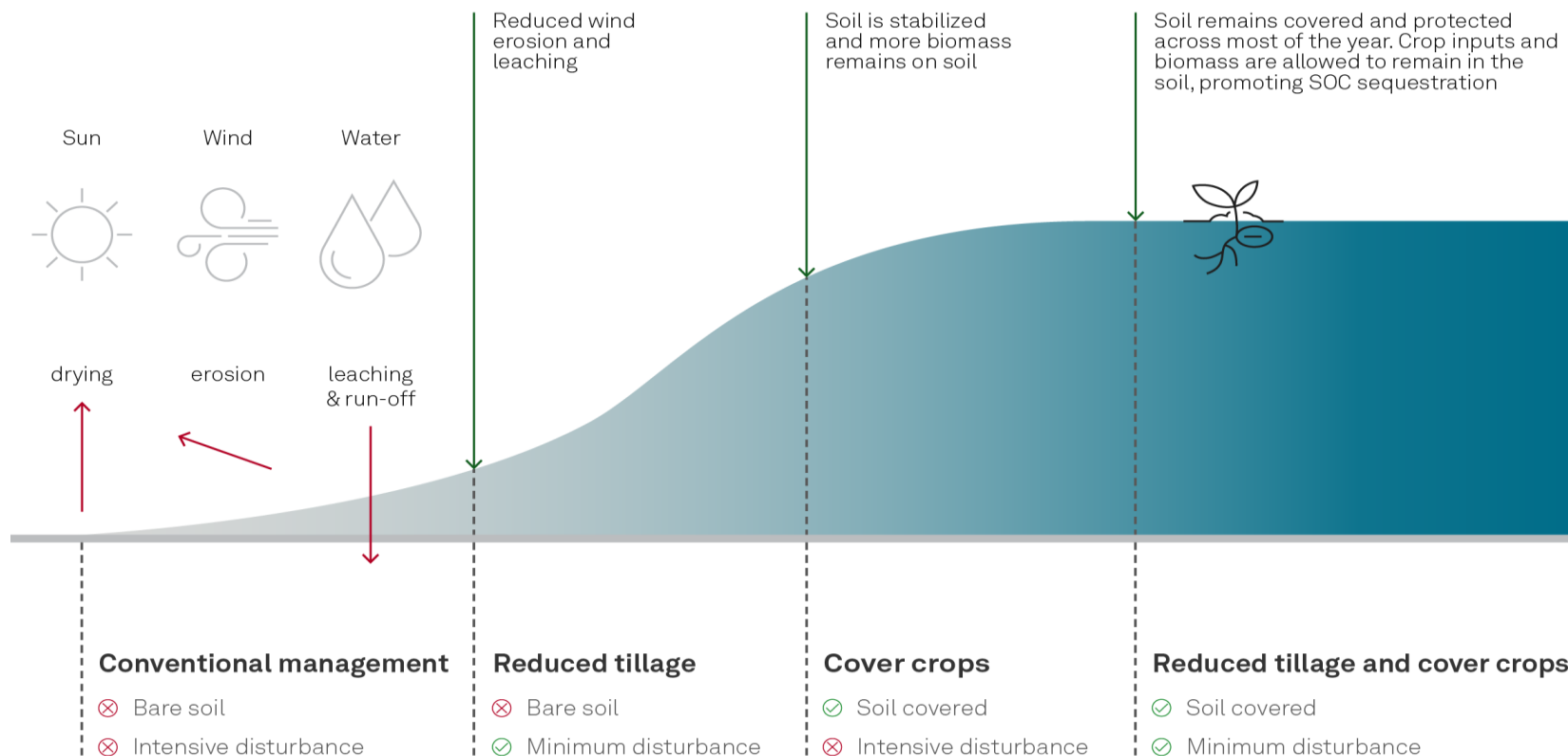
Data compiled August 2025.

Notes: The results are for

Source: S&P Global Commodity Insights.

Water retention in soil increases with conservation practices, reducing risk from water scarcity at the farm-level

Integration of sustainable agriculture practices to reduce soil degradation



- Sustainable agriculture practices can reduce emissions, as they lower fuel consumption and sequester soil organic carbon (SOC) by minimizing soil disturbance.
- Benefits from these practices include:
 - Reduces erosion from wind and excess water.
 - Moisture retention in soil helps optimize water use mitigating water scarcity issues.
 - Increase carbon sequestration that enriches the soil further enhancing yields mitigating food insecurity issues.

As of March 10, 2025.
Source: S&P Global Commodity Insights.
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Rising climate-change related agricultural losses have made climate risk insurance crucial for farmers and agribusinesses

Frequency and intensity of extreme events increasing in recent years

Crop yields impacted negatively causing global supply disruptions

Climate risk insurance programs are critical but need to be updated to consider changing risks

- **Asia was the most disaster-hit region in 2023** - over 80% of which were floods and storms.
 - **India saw its hottest year on record in 2024**, with 88% of the year seeing extreme weather events all over the country.
-
- Agriculture accounted for **26% of total disaster-related losses** across all sectors in 2024 (FAO).
 - In India, farmers lost **33.9 million hectares** of cropped land between 2015 and 2021 to floods and excess rains.
-
- **Federal Crop Insurance Program in the US uses historical data** that do not account for increased risks.
 - **India's crop insurance programs help cover damage costs from droughts** and have seen an uptake in farmer enrollment. In 2025, the government transferred 367.36 million USD in crop insurance claims to 3,000,000 farmers.



Modernizing agricultural insurance programs (such as parametric insurance) will be key for financial resilience for farmers

About S&P Global Sustainable 1

S&P Global Sustainable1 is the central source for sustainability intelligence from S&P Global. Sustainable1 matches customers with the ESG products, insights and solutions from across S&P Global's divisions to help meet their unique needs. Our comprehensive coverage across global markets combined with in-depth ESG intelligence provides financial institutions, corporations and governments an unmatched level of clarity and confidence to successfully navigate the transition to a sustainable future. Our data and well-informed point of view on critical topics like energy transition, climate resilience, positive impact and sustainable finance allow us to go deep on the details that define the big picture so customers can make decisions with conviction. To learn more about Sustainable1, visit www.spglobal.com/sustainable1.

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