EcoVadis Badges
Methodology disclosure document for the public, rating users and rated items

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This disclosure document is intended to ensure compliance with Annex III to the EU Regulation 2024/3005 on the transparency and integrity of Environmental, Social and Governance (ESG) rating activities, and the Delegated Regulation supplementing Regulation (EU) 2024/3005.

1. Rating Product Disclosure

1.1. Objective and approach to materiality

The objective of the EcoVadis Badges is to assess the level of adequacy and comprehensiveness of a rated company's ESG management system to address material sustainability impacts on stakeholders. The rating is EcoVadis' own opinion and can differ from the assessments provided by other ESG rating providers.

The Badges are designed as a tool for rating users to integrate ESG factors into their procurement or investment decisions. It is not solicited by rated companies or buyers, and never performed without knowledge, consent and involvement of a rated company. Companies can always refuse to undergo an assessment.

To assess the quality of a company's management system and its ability to prevent or minimize impacts on company stakeholders, EcoVadis identifies material issues based on an impact materiality approach (the "inside-out" perspective identifying external impacts that a company's operations, products, and services have on the environment and society).

The specific impacts covered by the assessment are grouped into 4 themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement, which together encompass 21 specific criteria (see section "1.2 Scope" for additional details).

1.2. Scope

A Badge is an aggregated rating based on Ecovadis rating's methodology that covers four core themes: Environment, Labor & Human Rights, Ethics, and Sustainable Procurement. The Badges methodology considers an effective sustainability management system to be one that develops policies, implements actions, and reports on results. These three management layers are evaluated in the Sustainability Rating through seven management indicators: Policy, Endorsement, Measure, Certifications, Coverage, Reporting, and 360° Watch. For more details on what these themes and indicators cover, and ESG score factors formulas, refer to the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items (Section 2.3 Management system indicators and scoring).

The aforementioned issues do not fully correspond to the topics from the Accounting Directive 2013/34/EU, amended by the Corporate Sustainability Reporting Directive 2022/2464 ("CSRD") and detailed in the European Sustainability Reporting Standards ("ESRS"). However, they overlap to a degree and allow for comparison.

Although a Badge does cover environmental issues, it is not correlated with the percentage of taxonomy alignment under Regulation (EU) 2020/852 ("Taxonomy Regulation").

1.3. Rating Scale Type

The Badge rating is expressed as a relative value, which is tied to individual performance in the Ecovadis Sustainability Rating benchmarked against the performance of all companies rated in the past rolling 12 months.
The details of the scoring calculation and the weight of ESG score factors can be found in the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items (Section 2.3 Management system indicators and scoring).

1.4. Coverage of international agreements

The Badge methodology is based on input from the EcoVadis Sustainability Rating, which considers the objectives of international agreements such as the International Labour Organization Conventions, Basel Convention, the Stockholm Convention and the Minamata Convention, but does not specifically refer to the targets and objectives of the Paris Agreement.

Additional information on the coverage of international agreements of the Sustainability Rating methodology can be found in the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items (Section 1.4).

2. General Methodological Disclosures

2.1. Methodology overview

The Badges methodology is consistently applied to all eligible entities. The most recent version of the Badges Methodology is V1.0, applicable as of January 2026.
A full changelog can be accessed here: [EcoVadis methodology updates (Login required)]

a) Methodology governance principles

To deliver Badges with the highest levels of quality and integrity, EcoVadis has designed a methodology governance framework ensuring our methodologies adhere to the following core principles:

i) Rigorous

Our methodologies are developed through a rigorous process including research, impact assessment and public consultation of proposed changes to ensure the framework is capable of capturing complex sustainability risks and accurately reflect the rated entity's sustainability performance.

ii) Systematic

We employ a structured, repeatable methodological framework that ensures every entity is evaluated against a consistent set of principles and requirements tailored to their specific context. This systematic approach eliminates ad-hoc subjectivity and ensures that the methodology provides a stable basis for comparison of rated entities.

iii) Independent

The development and approval of our methodologies are governed by an internal function that is structurally and functionally separate from commercial and sales activities. This ensures the design of the rating framework is driven solely by analytical integrity and is insulated from external business pressures.

iv) Capable of justification

The methodology is built upon a clear, evidence-based rationale that dictates the specific weighting and relevance of each sustainability issue. Every component of the framework is documented for traceability, ensuring the underlying theory assumptions are defensible under technical scrutiny.

v) Comparable over time

Our methodology is designed to provide a stable benchmark by maintaining consistent evaluation criteria over time. By ensuring the framework remains steady, we enable rating users to accurately compare year-on-year performance.

vi) Transparent

In alignment with transparency standards set by the EU ESG Rater regulation, we provide comprehensive public disclosures regarding the methodology scope, ranking system, key assumptions and models, data sources and processes, and its inherent limitations.

b) Type of rated items to which the methodology applies

The methodology is applied to corporate entities, provided they meet the following two criteria:

- It must have a legal entity name or operate under the direct parent legal entity name. The legal entity name is the name under which a company is legally registered and operates in the country of operation.
- There must be a relevant level of scope of assessment in terms of sustainability risks. This may for instance not be the case if the scope includes widely different business activities, making it inadequate for a single rating to assess material issues the company is confronted to and the management system it has implemented in response.

The methodology allows for 3 different scopes of assessment:

- Group: Group-level assessments cover a legal entity and its subsidiaries.
- Entity: Entity-level assessments cover a legal entity with no subsidiaries.
- Site: Site-level assessments cover a specific geographic site or facility of a legal entity. This site does not have its own individual legal entity name. A site will use the legal entity name of the entity it pertains to, with the site name suffix in its name.

The following organizational and operational structures and items do not quality for an assessment: conglomerates (understood as groups offering a variety of divisions that differ in terms of activity), business units or divisions without any legal entity name, product names and commercial brands, NGOs, state-owned or governmental organizations, holdings without any operational subsidiaries and cooperatives.

c) Validity and time horizon

The Badges methodology is mostly backward-looking, as it primarily relies on data from the Sustainability Rating, assesses past performance and historical data, as an input. Additional information on the time horizon of the Sustainability Rating methodology can be found in the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items.

Badges have a set validity period of 12 months from the date of allocation. It ensures that results reflect the current status of the rated company's management system and integrate all recent external stakeholder feedback.

2.2. Methodology assumptions & models

While the underlying EcoVadis Sustainability Rating evaluates the quality of a company's ESG management system, the Badges methodology operates on a fundamental baseline assumption: certain business activities carry inherent, systemic impacts that cannot be mitigated by management practices alone. To ensure that public recognition aligns with the core objectives of sustainable development and stakeholder expectations, our methodology incorporates strict eligibility boundaries.

Principles of Eligibility Exclusion

Eligibility exclusions for EcoVadis Badges are established based on the following criteria:

- Systemic environmental or social impact: The activity or product category is associated with documented, large-scale adverse impacts on society or the environment, as defined by international regulations, treaties, or consensus frameworks.
- Alignment with global sustainability frameworks: The core business model presents a structural misalignment with international sustainability norms (e.g., the UN Global Compact). Specifically, it conflicts with international disarmament treaties (including the Ottawa Convention, and Nuclear Non-Proliferation treaties), global health data regarding tobacco (IHME Global Burden of Disease, 2019), and climate pathways (IPCC 6th Assessment Report), as reflected in the explicit exclusion of fossil fuel companies from the UN Global Compact's Forward Faster initiative.

Excluded categories (see Section 2.3 "Ranking system") are subject to periodic review based on evolving market and regulatory standards. These exclusions do not constitute an ethical judgment on companies operating within these sectors.

2.3. Ranking System

To obtain a badge, rated companies must meet specific performance thresholds and must not be considered ineligible.

1) Badges thresholds:
- Committed: Companies must achieve a minimum score of 45/100
- Fast Mover: Companies must achieve a score between 34-44 with a minimum 6-point improvement compared to the previous assessment in an 18-month period.

2) Ineligibility criteria:
- Companies that earn an EcoVadis medal are not eligible for an EcoVadis badge.
- The 360° Watch indicator score of the Sustainability Rating
    - A company is ineligible for a badge if it has at least one severe* finding within the past 5 years (Environment, Labor & Human Rights, Sustainable Procurement) or 7 years (Ethics).

*Only if the case is categorized as severe; cumulative case rules do not apply to badges.

- Companies doing business in specific industries may not be eligible for Ecovadis Badges. The specific sector categories and their corresponding restriction rules and thresholds are detailed below:

Weapons

EcoVadis does not apply a blanket restriction to all defense-related activities. Exclusions are limited to:

- Entities whose main business operation consists of manufacturing weapons and ammunition. For multi-activity enterprises, EcoVadis identifies the primary activity as the one presenting the highest sustainability risk. Should all activities share an equal degree of sustainability risk, the primary activity is established according to the highest generated revenue.
- Entities manufacturing weapons that violate or circumvent international treaties and conventions, such as those governing landmines, cluster munitions, biological or chemical weapons.

Tobacco

Tobacco manufacturing is classified as a critical public health hazard by international authorities. According to the World Health Organization (WHO), all forms of tobacco use are harmful, with no established safe level of exposure. WHO data attributes over 7 million annual deaths to direct tobacco use and approximately 1.3 million deaths to second-hand smoke exposure, establishing a clear basis for exclusion based on global public health standards.

As a result, Medals exclusion apply to companies involved in the manufacture of tobacco products and products of tobacco substitutes: cigarettes, cigarette tobacco, cigars, pipe tobacco, chewing tobacco, and snuff.

Companies involved in the manufacture of “homogenized” or “reconstituted” tobacco.

Fossil Fuels: Coal & Lignite

Coal is identified by the Intergovernmental Panel on Climate Change (IPCC) as a highly carbon-intensive energy source driving global climate change. IPCC frameworks indicate that limiting global warming to 2°C or below requires a structural phase-out of unabated coal consumption by 2050. Additionally, coal combustion and mining release significant volumes of sulfur dioxide, particulate matter, and other pollutants that impact air quality and public health.

Medals exclusion therefore apply to companies involved in the mining of coal or lignite. To account for market diversification and the energy transition, EcoVadis applies a 20% threshold on revenue derived from coal sources and/or coal-based power generation. This threshold is subject to regular review and downward adjustment in accordance with global decarbonization trajectories.

Fossil Fuels: Unconventional Oil and Gas Production

Unconventional oil and gas production, including hydraulic fracturing, oil sands extraction, and deepwater drilling, carries elevated greenhouse gas intensity and heightened environmental risks regarding water quality, local ecosystems, and biodiversity.

EcoVadis applies a 20% production threshold for unconventional oil and gas. This threshold establishes a boundary that accounts for transitional energy models while ensuring alignment with international environmental safety standards.

2.4. Industry classification

The Badges methodology uses the United Nations International Standard Industrial Classification of All Economic Activities (ISIC), Revision 4, as a basis to classify the economic activities of rated companies.

The official full document is available on the United Nations Statistic Division website.

2.5. Data sources

The main input for the Badges methodology are scores from the EcoVadis Sustainability Rating.

This data is supplemented by additional data sources to apply the exclusion rules. This includes information self-reported by the company or gathered from public documents, such as revenue breakdowns. External sources are also checked to ensure that badge-specific exclusion criteria (such as involvement in tobacco, weapons, or coal power) are not met.

The Badges methodology does not take into account the Regulation (EU) 2019/2088 (“Sustainable Finance Disclosure Regulation”) or Regulation (EU) 2020/852 (“Taxonomy Regulation”).

2.6. Data processes

The Badges rating relies on a structured, secure, and automated data lifecycle integrated within the Ecovadis digital platform. To ensure analytical rigor while avoiding duplicative reporting, the data workflow is streamlined into three key phases: data collection, data processing, and data output.

a) Data collection

The badges methodology does not collect primary ESG management system data independently. Instead, it leverages two distinct data streams:

- Primary input: Ecovadis Badges use EcoVadis Sustainability Rating data, including theme scores, and 360° watch findings, as its foundational input. Details on data collection for the Sustainability Rating are detailed in the Ecovadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items.
- Secondary input: Industry-specific exclusions (e.g., weapons, tobacco, coal, unconventional oil and gas) are enforced by collecting targeted supplementary data. This includes:
    - Company disclosures: self-reported financial details and precise revenue breakdowns established by the rated company.
    - Additional external screening: publicly available domain data, regulatory registries, open-access sources, and media intelligence to identify potential exclusion risks and industry signals

b) Data processing

Following data collection, the processing phase relies on a combination of automated system rules and analyst-driven validation.:

- Sector eligibility verification: To establish preliminary eligibility, the entity's revenue and activity data are analyzed against strict sector-specific exclusion thresholds. This verification process ensures compliance with predefined Badges restrictions, such as the maximum 20% limit on coal or unconventional oil and gas involvement (see *Ranking system* section for more details).
- Application of score restrictions: Following the sector review, the entity's sustainability scores are evaluated against defined performance minimums. The system checks the following parameter:
    - If any negative indicators are flagged during the 360° watch assessment automatically (see *Ranking system* section for more details)
- Score Benchmarking and Badge Assignment: Once compliance with all exclusion and ineligibility criteria is confirmed, the validated overall scores are integrated into the calculation system. The entity's final overall score is benchmarked against the specific

badges rules to determine the appropriate Badge.

c) Data output

The final output is either a Badge, the absence of a badge or a status of ineligibility. The allocated badge is officially published on the Ecovadis platform.

d) Data storage & historical data updates and revision

Data used for each badge allocation is preserved in the system for traceability purposes. The generated badge remains valid for a strict period of 12 months from the date of allocation. All final output scores, benchmarks, and eligibility decisions are archived directly within the platform to guarantee complete historical traceability and auditability.

The data and badge status are only updated in the context of reassessments performed to update a scorecard. However, an active badge status may be updated in between regular assessment cycles in the case of an official scorecard correction (such as those resulting from the formal complaint management process).

Outside of exceptional scorecard corrections, a standard reassessment occurs only if a rated company decides to renew its rating. In principle, this takes place at the end of the validity period to ensure the constant availability of a valid status. A reassessment may create a new Badge with a new publication and allocation date, allowing the system to track exactly when updated data was collected.

For the specific data validity rules, document expiration timelines, and system archiving protocols applied to the foundational assessment data, please refer to the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items.

2.7. Data quality

To ensure the integrity of awarded Badges, all data and supporting evidence must pass the strict data quality control framework established by the EcoVadis Sustainability Rating, alongside targeted quality checks for the data used to determine sector-specific exclusions (such as revenue thresholds from coal, tobacco, or weapons). This data is rigorously cross-checked using verified corporate financial reports to eliminate self-reporting errors or gaps.

2.8. Assessment process quality

Because EcoVadis Badges are awarded based on the results of the EcoVadis Sustainability Rating, the integrity of the Badges relies directly on the rigorous quality control processes applied to the underlying assessment.

Every assessment driving a Badge undergoes a formal three-step process: document collection and verification, expert analysis, and a final quality assurance review before the scorecard is published and Badge eligibility is determined.

To further ensure the ongoing reliability of the scores that dictate Badge allocation, a dedicated independent Quality Assurance team audits a randomized sample of approximately 1% of all published scorecards monthly. Furthermore, the human analysts conducting these foundational assessments undergo comprehensive training and continuous calibration to guarantee the consistent application of the methodology, thereby safeguarding the fairness and accuracy of the final Badges distribution.

For an exhaustive breakdown of the internal quality management systems, analyst certification programs, and the specific metrics tracked during the monthly audits, please refer to the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items.

2.9. Monitoring availability of new information in between assessments

While new information is evaluated during periodic reassessments, EcoVadis continuously monitors severe or major controversies in between assessments that may warrant an exceptional review of a Badge allocation. Badge suspension or removal is triggered in the following cases:

- Ongoing monitoring detects a controversy of sufficient severity, EcoVadis reserves the right to exceptionally revise the underlying score, which may result in the immediate suspension or removal of an allocated Badge.
- Grievance mechanism restrictions: Severe grievances on Labor & Human Rights topics (such as child labor, forced labor, or human trafficking) flagged via grievance channels like the EcoVadis Worker Voice Connect mechanism that remain unremediated by the company for over three months will result in a temporary Badge restriction. The restriction is lifted only upon verified remediation or after one year from the badge restriction date.

2.10. Engagement with rated companies

a) Engagement with rated companies during the assessment

To safeguard the independence and integrity of the assessment, engagement with rated companies is limited. EcoVadis proactively reaches out during the assessment phase if a company's 360° Watch indicator score drops to a level, EcoVadis proactively issues an official letter informing the rated company of the Badge ineligibility. This allows the company to provide necessary explanations or context regarding the detected controversies before the final evaluation is finalized.

b) Engagement with rated companies after scorecard publication

Following the scorecard publication, rated companies are notified that their assessment is complete and are given the opportunity to preview their results for a period of 2 business days before the scorecard becomes available to rating users, with the possibility for them to raise a factual error case. A factual error is a mistake made on the underlying information used for the assessment, such as Company name, location or size, industry classification, not applicable 360, wrongly rejected document.

Following these 2 business days, rated companies retain the possibility to contact EcoVadis via a dedicated channel to better understand their scorecard or to log a complaint regarding their rating. Their inquiries are handled by a specialized team which responds to questions and initiates a scorecard correction process in case a mistake in fact or methodology application is identified.

2.11. Scientific basis

The EcoVadis badges are not based on a scientific model. Instead, badge allocation rules serve to inform strategic procurement and investment decisions. Accordingly, the percentile thresholds used for distribution act as comparative benchmarks rather than empirically derived metrics.

2.12. Usage of AI-based tools

The EcoVadis Badges do not use AI-based tools.

3. Limitations in data sources, methodologies and information

3.1. Methodology limitations

Determining a company's eligibility against industry exclusion parameters (e.g., specific revenue thresholds for coal, tobacco, or weapons) relies heavily on the granularity of public corporate reporting and secondary screening databases. In cases where companies, particularly private entities, do not publicly disclose detailed revenue breakdowns, verifying these exact thresholds can present a limitation in data availability.

As the EcoVadis Badges are derived directly from the EcoVadis Sustainability Rating, they also inherit the inherent limitations associated with its underlying methodology and data sources. These include limitations related to financial materiality, the inability to perform heightened due diligence in areas with extreme levels of conflict, and variables in general data availability or self-reporting completeness.

For a comprehensive disclosure of the general methodological and data source limitations, alongside the strict measures EcoVadis implements to mitigate them, please refer to the EcoVadis Sustainability Rating - Methodology disclosure document for the public, rating users and rated items.

3.2. Means of addressing limitations in data sources

To address limitations in data sources for the Badges rating, EcoVadis implements a number of measures and processes aimed at reducing related risks to a minimum. These steps include:

Leveraging core assessment quality controls:
The Badges methodology relies on the robust mitigation strategies embedded within the EcoVadis Sustainability Rating engine. This includes strict document quality checks, the proactive diversification of external stakeholder feedback sources, algorithmic and manual source reliability checks, and a human-controlled validation process.

Secondary screening for exclusion parameters:
To specifically address data gaps in public corporate reporting regarding industry exclusions (e.g., revenue thresholds from coal, tobacco, or weapons), analysts systematically cross-reference multiple secondary compliance databases to thoroughly verify eligibility.

4. Methodology revision

The revision of the methodology of the Badges rating follows the steps outlined in the Methodology Review Procedure.

Methodological development and application are independent of all political, economic, or other external influences, and led by a dedicated methodology team, which handles prioritization of methodology developments, research and execution. The methodology team is separate from commercial functions, is managed by the Head of Methodology and reports to the Chief Ratings Officer.

a) Methodology Review Process steps

The methodology review process is structured in six phases. The six phases are mandatory for all material changes, but can still be considered, where relevant, for minor updates.

- Initiation
  The methodology owner within the methodology team identifies the need for a review. The need for a review is approved by the Head of Methodology.

- Proposal
  Once approved, the methodology owner drafts a detailed review proposal, including rationale, research findings and the proposed specific changes.

- Internal Pre-validation of Proposal
  The methodology owner formalizes a detailed revision proposal, including rationale, research findings and the proposed specific changes. The proposal is reviewed and discussed with the project's steering committee to ensure rigor, consistency, and alignment with market and regulatory needs. The steering committee is composed of relevant methodology team members and may involve representatives of other departments (e.g. Product & Tech, Marketing, Frontline) if necessary. The project manager integrates feedback from the steering committee to adjust the proposal accordingly.

- Impact Assessment (if impact is deemed material)
  A quantitative assessment of the potential impact on existing ratings is performed.

- Stakeholder Consultation (if high impact)
  If the change is determined to be high impact, a formal stakeholder consultation is conducted. EcoVadis directly engages a targeted selection of rating users, rated entities and external stakeholders to ensure a representative feedback loop.

- Approval & Implementation
  The final proposed reviewed methodology is approved by the Head of Methodology for low to medium impact changes, and by the Chief Rating Officer for high-impact changes, and officially implemented. Low to medium impact changes are communicated to rating users and rated entities in the quarterly methodology change communication. High-Impact changes are communicated in the quarterly methodology change communication and to the public.

All methodology core principles are subject to a mandatory internal review at least once per calendar year. This review is designed to proactively identify areas for improvement, ensure continued relevance, and confirm data source integrity. Methodology reviews are communicated to rating users and rated entities via our quarterly methodology change communication, which are released in January, April, July and October.

b) Initiation of methodology review process:

A methodology review process may be initiated upon the occurrence of any of the following conditions:

- Regulatory Changes
  Introduction of new or amended international or national regulations that directly impact the definition, measurement, or disclosure of ESG data.
- Market or Industry Evolution
  Significant changes in market practices, technological advances, or the emergence of new, globally accepted sustainability reporting or due diligence standards.
- Performance Monitoring
  Results from internal validation and quality control processes, and feedback received from rating analysts indicating an opportunity to enhance the methodology's rigor, robustness, or consistency.
- Data Availability
  The emergence of superior or more comprehensive data sources, or the discontinuation of existing key data inputs, requiring substitution.
- Stakeholder Feedback
  Formal, substantiated feedback received from rating users, rated entities, civil society, academia or regulators, indicating a significant deficiency or lack of clarity in the current methodology.
- Annual Review
  Conclusions and recommendations arising from the mandatory annual review cycle.

c) Stakeholder consultation on material methodology changes

Whenever a proposed methodology change is classified as high impact, a formal stakeholder consultation is conducted.

EcoVadis directly engages a targeted selection of stakeholders, determined on the basis of two criteria. Stakeholders are selected according to the extent to which they are affected by the proposed change, with priority given to rated entities and rating users from the most impacted industry, country or size segments. Stakeholders are also selected on the basis of their subject-matter expertise, including thematic experts such as non-governmental organizations, worker organizations, academic institutions, regulators and industry associations able to provide technical validation of the proposed changes.

The consultation is based on a standardized template comprising the detailed rationale for the change, a description of the current methodology, the proposed adjustments, simulated quantitative impacts, and consultation questions. Stakeholders submit formal feedback via a standardized response form.

Engagement is conducted through direct written communication to targeted stakeholders and, where appropriate, through dedicated focus group meetings with key strategic stakeholders. Focus group meetings are conducted in accordance with the EcoVadis Conflict of Interest Policy and minutes are recorded.

The consultation period is a minimum of 30 calendar days. Upon its conclusion, the methodology team reviews all submissions received. Where feedback is contradictory or diverges from internal research conclusions, responses are evaluated against three arbitrage criteria: scientific and regulatory alignment, controlled score stability, and feasibility and proportionality. Each substantive submission is classified as adopted, acknowledged for future consideration, or rejected, with a documented justification in each case.

d) Quantitative impact assessment of material methodology changes

Prior to the final approval of methodology changes, EcoVadis conducts a quantitative impact assessment to evaluate the effects of a proposed revision on existing rating or risk assessment outcomes, in order to maintain score and risk level stability and comparability over time.

The proposed revised methodology is applied to a representative sample of rated or screened entities, and results are compared with those produced under the existing methodology.
The analysis examines two metrics: score volatility, defined as the share of entities with a potential score change and the average and maximum score shift; and segment impact, comprising an assessment of whether the proposed revision disproportionately affects entities of specific sizes, industries or geographies.

The impact assessment report establishes whether the revision meets the criteria for a high impact classification and whether transition or communication measures are required. The complete report, including underlying data and findings, is documented and submitted to the Head of Methodology for approval.

e) Conditions for determining material changes to the methodology:

A methodology revision is classified as material, or high impact, where it is reasonably expected to result in a significant shift in final rating outcomes for a substantial portion of the rated universe, thereby affecting the decision-making of rating users. A revision meets this threshold if it satisfies either of the following criteria:

- Issue coverage: The introduction or removal of an entire sustainability theme or criterion covered by the methodology.
- Expected score volatility: The impact assessment indicates that the revision will cause more than 10% of the impacted rated universe to experience a shift in their Badge tier.

f) Update to a Rating due to a methodology change:

The Badges rating is not retroactively upgraded or downgraded in between assessments due to material changes to the methodology models or key rating assumptions. Rating changes occur in the context of periodic reassessments performed in line with the guidelines applicable at the time of an assessment. Specifically, the questionnaire submission date determines the methodology version applied to the assessment.

The only change that may affect the rating's results is identification of additional data sources, which results in engagement with a rated company through a dedicated process (see section 2.9 "Monitoring availability of new information in between assessments" for additional information).

The version number and the date of the last revision of the Badges Methodology is communicated publicly on the EcoVadis website and to the Badges users directly by means of quarterly methodology change communication.

5. Organisational Disclosures

To ensure comprehensive transparency and full compliance with European ESG Rating Regulation standards, this methodology document is published on the official EcoVadis website page dedicated to regulatory disclosures: https://ecovadis.com/trust-center/esma/.

This page includes all required organisational disclosures in a dedicated section: Ownership structure, Business Model & Pricing, Conflict of Interest, and Complaint management & External stakeholder reasoned concern: https://ecovadis.com/trust-center/esma/?active-tab=organisational-disclosures

6. Legal notices

The Badges rating is published by Ecovadis SAS, headquartered at 43 avenue de la Grande armée 75116 Paris, a privately-held Société à Actions Simplifiée incorporated in France under trade and companies register number 497 842 914 - R.C.S. Paris.

This document is aligned with disclosure requirements applicable to EcoVadis SAS as per the Regulation (EU) 2024/3005 of the European Parliament and of the Council of 27 November 2024 on the transparency and integrity of Environmental, Social and Governance (ESG) rating activities (‘**the Regulation**’), in particular, Articles 23 and 24 of the Regulation setting out requirements on disclosures to users of ESG ratings, rated items and issuers of rated items, as well as applicable Regulatory Technical Standards of 15th October 2025.

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