ICE Climate Social Impact Scores - Annex III.1 Disclosure Methodology: ICE CLIMATE - Version 1 - 10-2026

Regulatory Basis: Public Disclosure Requirements under Regulation (EU) 2024/3005, Annex III, Point 1

Regulatory Information

In accordance with Regulation (EU) 2024/3005 on the transparency and integrity of ESG rating activities, ICE Climate ensures that the information required under Point 1 of Annex III is disclosed in the order prescribed by Commission Delegated Regulation (EU) 2026/87. In fulfilling these disclosure requirements, ICE Climate may cross-reference information available on its website, including through hyperlinks or other appropriate technological means, in line with Article 2(2) of Commission Delegated Regulation (EU) 2026/87. This methodology document forms part of ICE Climate's regulatory disclosure framework and should be read together with the publicly available disclosure documents available at: https://www.ice.com/fixed-income-data-services/ice-climate-data-analytics/regulation

ICE Data Services Ireland Limited is part of Intercontinental Exchange (ICE)'s Fixed Income and Data Services segment. ICE Climate, also part of ICE's Fixed Income and Data Services, provides a comprehensive suite of climate data, analytics, and geospatial intelligence solutions to financial market participants globally. ICE Data Services Ireland Limited is the entity through which ICE Climate intends to establish its ESG ratings business within the European Union and apply for authorisation under 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 Regulation (EU) 2024/3005 ("ESG Ratings Regulation") by 2 November 2026.

Ref	Annex 3 point 1, Regulation	Article, Delegated Regulation	Requirement	Disclosure
Rating product disclosures	Annex III 1.f	Article 3(1)	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	ICE Climate issues Social Impact Scores assessing the socio-economic characteristics of the residents of the community within, or surrounding, the geographic boundary or asset locations linked to security.
			(a) a description of the risks covered, where the ESG rating is assessing risks;	ICE Climate's Social Impact Scores are assessing financial risk only indirectly. The socio-economic characteristics measured (e.g., employment composition, income, economic output, poverty concentration, educational attainment and health obstacles) are recognised drivers of an issuer's revenue base and are used by ICE Climate as inputs to the Social Impact Scores. However, the Social Impact Scores are not constructed as a measure of financial risk to the rated item and are not calibrated against any financial outcome.
			(b) a description of the impacts covered, where the ESG rating is assessing impacts;	ICE Climate Social Impact Scores primarily assess impacts of a scored entity on the society (Inside-Out). The scores measure the socio-economic condition of the population associated with an issuer, and are constructed and published for the purpose of identifying where an investment is more likely to deliver positive social impact. For municipal and sovereign issuers, the population measured and the population served by the issuer are substantially the same, so the score speaks directly to the social dimension in which the issuer operates and acts.
			(c) information on how the risk and impact materiality are taken into account according to the double materiality principle, where applicable;	ICE Climate's Social Impact Scores address the impact dimension of double materiality within the Social pillar and address the financial risk dimension only indirectly.
			(d) where the ESG rating is based on other materiality dimensions, a description of those dimensions.	ICE Climate Social Impact Scores are not based on other materiality dimensions.
Rating product disclosures	Annex III 1.g	Article 3(2)	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	ICE Climate issues Social Impact Scores based on the Social (S) pillar. The methodology does not aggregate Environmental, Social and Governance factors into a single ESG rating.
			(a) a description of what is covered under the E, S or G factors and which factors are aggregated, where applicable	Under the Social (S) pillar, ICE Climate Social Impact Scores cover: - U.S.-Mortgage-Backed Securities (MBS): U.S. Social Impact Scores - U.S. Municipal Bonds: U.S. Social Impact Scores, Racial Segregation Index - Sovereigns: Sovereigns Social Impact Scores
			(b) a description of the specific issues that the ESG rating covers.	Under the U.S. Mortgage-Backed Securities (MBS) product, scores cover: - U.S. Social Impact Scores : Prestige Employment, Affluence, Educational Attainment, Poverty Concentration, Health Obstacles, Minority Population and Income Spent on Housing, Social Impact Score (composite) Under the U.S. Municipal Bonds product, scores cover: - U.S. Social Impact Scores: Prestige Employment, Affluence, Educational Attainment, Poverty Concentration, Health Obstacles, Minority Population and Income Spent on Housing, Social Impact Score (composite) - Racial Segregation Index: Racial Segregation Under the Sovereigns product, scores cover: - Access to Resources, Economic Output, Childhood Education, Employment Stability, Unemployment, Life Expectancy & Mortality, Health Challenges, Sovereign Social Impact Score (composite)
Rating product disclosures	Annex III 1.h	N/A	In the case of an aggregated ESG rating, the weighting of the three overarching E, S and G categories of factors (for example 33 % for the E factor, 33 % for the S factor, 33 % for the G factor), and the explanation of the weighting method, including weight per individual E, S and G category;	ICE Climate Social Impact Scores are not an aggregated ESG rating.
Rating product disclosures	Annex III 1.i	N/A	Within the E, S or G factors, specification of the topics covered by the ESG rating, and whether they correspond to the topics from the sustainability reporting standards developed pursuant to Article 29b of Directive 2013/34/EU;	ICE Climate Social Impact Scores do not correspond to topics reported under sustainability standards developed pursuant to Article 29b of Directive 2013/34/EU (European Sustainability Reporting Standards (ESRS)).
Rating product disclosures	Annex III 1.j	N/A	Information on whether the rating is expressed in absolute or relative value;	The Social Impact Scores are expressed as relative values on a 0-100 scale. Scores are created by standardizing inputs into z-scores and then applying percentile rankings relative to a defined cohort (other securities in the same asset class for U.S. scores, or all scored countries for sovereign scores). Higher values indicate greater social vulnerability relative to the relevant cohort. The Racial Segregation Index is a relative index of dissimilarity (0-1 scale).
Rating product disclosures	Annex III 1.o, Annex III 1.p	Article 3(3)	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; 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;	ICE Climate Social Impact Scores do not assess alignment with the targets and objectives of the Paris Agreement or any other international agreement.
			(a) disclose an indication of whether the ESG rating takes into account the targets and objectives of the Paris Agreement and which other international agreements are considered, with reference to basic identifying information on the international agreements, together with an explanation of the relevance to the ESG rating;	

Ref	Annex 3 point 1, Regulation	Article, Delegated Regulation	Requirement	Disclosure
			(b) specify whether the ESG rating is assessing alignment of commitments against the objectives of the international agreements referred to in point (a).	
General methodological Disclosures	**Annex III 1.a**	**Article 4(1)**	An overview of the rating methodologies used and changes thereto, including whether analysis is backward-looking or forward-looking and the time horizon covered;	ICE Climate Social Impact Scores methodology is built around a workflow that transforms published demographic and socio-economic statistics into comparable, security-level Social Impact Scores. The workflow has five stages: - Data assembly - public statistical indicators are collected at the finest geography available: U.S. Census tract for the U.S. scores and the national boundary for the sovereign scores. - Thematic reduction - indicators are grouped into thematic categories, and each category is reduced to a single metric by extracting the first principal component of a principal component analysis (PCA) run on that category variables. Two of the U.S. metrics are computed directly rather than by PCA. - Orientation and standardisation - metrics that run in a "positive" direction are re-oriented so that a high value consistently denotes greater social vulnerability, and each metric is standardised into a z-score. - Composite construction - the component z-scores are summed, with equal weighting, to give a raw composite. - Aggregation and ranking - U.S. tract-level z-scores are first aggregated to the security or municipal bond issuer boundary by dasymetric, population-weighted aggregation; sovereign z-scores are already national and require no aggregation. For both families, the aggregated z-scores are then converted to published 0–100 scores through a mapping defined by percentile ranking of all z-scores within their respective cohorts. MBS properties are assigned to the ICE Climate Social Impact Scores of the census tracts they are located in and then aggregated to the security level. The Social Impact Scores are backward-looking, as they rely on historical and current statistical datasets published by the U.S. Census Bureau, CDC, and the World Bank. No forecasts, scenario analysis, or forward-looking assumptions are incorporated into the score calculation process. The Racial Segregation Index is a measure of dissimilarity between the Black and White resident populations across census tracts. It is derived using the index of dissimilarity, a standard measure of residential unevenness bounded between 0 and 1 that is conventionally read as the proportion of one group that would have to move for the two groups to be evenly distributed across the area assessed. Each U.S. Census tract is assessed together with the tracts in its immediate vicinity — those lying within 250 metres of it, and in turn their own neighbours — so that the measure reflects segregation across a local neighbourhood rather than within a single tract. This index uses historical data on population characteristics.
			(a) disclose the title of the rating methodology used;	ICE Climate Social Impact Scores Methodology
			(b) describe the types of rated item in relation to which the methodology referred to in point (a) applies;	Social Impact Scores are provided for the following products: - ICE Climate Municipal Bonds - ICE Climate Mortgage-Backed Securities - ICE Climate Sovereigns
			(c) disclose the time horizon over which the ESG rating is considered valid, where applicable;	Social Impact Scores are considered valid until the underlying datasets are updated. Updates are released annually and may be triggered by input data updates, methodology updates, model updates, or geospatial linkage updates. The Racial Segregation Index is static.
			(d) disclose a list and overview of the relevant supporting models and key rating assumptions, where applicable;	The construction of the scores for both the U.S. and the sovereign models adopt the same approach of reducing thematic indicator groups to first principal components and combining them into a standardised composite. The U.S. Social Impact Scores are computed at U.S. Census tract level, and the Racial Segregation Index uses census tract-level data to compute scores at the U.S. County level. Aggregation to municipal bond issuers uses a dasymetric weighting approach: the tract/county values falling within the relevant boundary are combined as a population-weighted average rather than a simple areal average, so that the result reflects where people actually live. Further information available upon request.
			(e) provide information on measures and procedures to ensure the quality and reliability of data used;	Data quality for ICE Climate Social Impact scores is maintained through a structured review applied at every release. Manual tests validate the integrity, format, and internal consistency of underlying data and intermediate calculations. For the U.S. Social Impact Scores and the Racial Segregation Index, checks begin at the census tract and county level, where values are reviewed for completeness, valid ranges, and expected formatting, and these checks extend to each higher level of aggregation to confirm that results roll up correctly and remain consistent across geographies. Reviewing the data at multiple levels allows anomalies, such as outliers, missing values, or discrepancies between a tract and the larger area it belongs to, to be identified and resolved before delivery to clients. Further information available upon request.
			(f) describe the ranking system of rating categories used, with reference to:	Each Social Impact Score component is standardised into a z-score and subsequently mapped to a 0-100 score through percentile ranking within a defined cohort. A higher score indicates a greater concentration of socially vulnerable populations relative to the relevant peer group, and therefore a greater potential for an investment to deliver positive social impact. For a given data year, the mapping is fixed, ensuring score reproducibility. U.S. scores: Values are ranked relative to other securities within the same asset class. Score mappings are recalculated for each data year and are therefore not directly comparable across years. The Racial Segregation Index is reported separately and is not percentile-ranked. It is expressed on a 0-1 scale using an Index of Dissimilarity methodology, where higher values indicate greater residential segregation between Black and White residents within the assessed area. Sovereign scores: Values are ranked relative to all scored countries. Score mappings are held stable, allowing comparability over time.
			(i) the meaning of each rating category for absolute and relative values and how the ranking system is to be interpreted;	
			(ii) in the case of relative values, an explanation on whether they are relative to a specific industry, geographical area, peer groups or other comparative references and the respective description of those relative values;	
			(g) disclose the date of the most recent update of the methodology and a description of the changes introduced to the previous version.	ICE Climate Social Impact Scores Methodology has been updated in October 2026.

Ref	Annex 3 point 1, Regulation	Article, Delegated Regulation	Requirement	Disclosure
General methodological disclosures	**Annex III 1.b**	**Article 4(2)**	The industry classification used; (a) the name of the issuing body of the industry classification used; (b) the name and version of the industry classification used; (c) any publicly available link to the official documentation of the industry classification system.	ICE Climate Social Impact Scores do not rely on industry classification.
General methodological disclosures	**Annex III 1.c**	**Article 4(3)**	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;	ICE Climate relies on public data to build Social Impact Scores. - U.S. Social Impact Scores are constructed from public statistical sources, principally the American Community Survey (ACS) of the U.S. Census Bureau and the Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES) dataset, together with health prevalence estimates from Center for Disease Control and Prevention. Data is ingested at the census tract level. Missing values in the CDC data are imputed using national averages. No imputation is used for missing data from the ACS or LODES data. Third-party licensed data is used solely to link MBS securities to their underlying loan-level properties and the census tracts in which they are located; it plays no role in determining the score values themselves, which are calculated at the census tract level entirely from published data. Further information about the loan-level linkage is available upon request. - Sovereigns Social Impact Scores are constructed from the World Bank's ESG and World Development Indicator datasets. Where a country is missing data for a given indicator in a particular year, ICE Climate fills the gap using that same country's values for that indicator in surrounding years, so each estimate reflects the country's own trend rather than data from other countries or indicators. The Racial Segregation Index is constructed using data from the American Community Survey (ACS) of the U.S. Census Bureau. Missing values are not imputed. No data is sourced from sustainability statements required under Directive 2013/34/EU or from information disclosed under Regulation (EU) 2019/2088. The Social Impact Scores are updated annually, while the Racial Segregation Index is static. Further information available upon request.
			ESG rating providers shall describe the engagement process with rated items or issuers of rated items, including how the input from such process is taken into account.	ICE Climate does not engage with rated items or issuers of rated items in the preparation of the Social Impact Scores and Racial Segregation Index and does not perform on-site reviews or visits. Scores are prepared using publicly available data and ICE Climate proprietary models, as described herein. Rated items and issuers of rated items may request information about the data used in relation to them, and report suspected factual errors, by contacting ESGDataInquiry@ice.com.
General methodological disclosures	**Annex III 1.e**	**Article 4(4)**	Information on whether and how the rating methodologies are based on scientific evidence; ESG rating providers shall, where applicable, describe the process for identifying the relevant scientific evidence	ICE Climate Social Impact Scores and Racial Segregation Index are informed by scientific and technical evidence relating to the measurement of social vulnerability and socio-economic conditions. This evidence includes peer-reviewed academic research, statistical methodologies, principal component analysis (PCA) techniques, demographic and socio-economic datasets, public health datasets, and official government and multilateral statistical sources. The evidence informs the selection of indicators, model assumptions, score construction, validation activities and interpretation of results. Further information available upon request.
General methodological disclosures	**Annex III 1.k**	**N/A**	Where applicable, reference to the use of artificial intelligence in the data collection or rating process including information about current limitations and risks of using artificial intelligence;	The Social Impact Scores and Racial Segregation Index do not use artificial intelligence in the determination, calculation, or production of scores. The methodology is based on publicly available demographic, socio-economic, education, employment, health, housing, and population data, which are processed through rules-based statistical techniques, including principal component analysis (PCA), standardisation, aggregation, and percentile ranking methodologies. Scores are generated through an automated and consistently applied methodology without analyst discretion in the scoring process.
Limitations in data sources, methodologies and information	**Annex III 1.m, Annex III 1.q**	**Article 5**	any limitation in data sources and methodologies used for the construction of ESG ratings; any limitation on the information available to ESG rating providers.	See below Further information available upon request.
			(a) the availability or consistency of data used in the rating process;	Data availability and consistency vary by geography, and asset class, with more granular and complete input data available in the U.S. compared to the Sovereigns datasets. Coverage, completeness, and update frequency may vary across indicators, geographies, and reporting periods.
			(b) the completeness, timeliness and accuracy of information;	Data completeness, timeliness and accuracy depend on the availability of underlying datapoints, which vary across regions and asset types. For U.S. Scores, ACS values are survey estimates carrying sampling error, which is largest for small geographies and small population subgroups. Estimated measures may be rounded or otherwise approximated by the original data provider for the purpose of protecting individuals' privacy. For Sovereign Scores, Countries with sparse or delayed reporting to the World Bank are less reliably scored, and the completeness of coverage varies by indicator group and region.
			(c) the use of assumptions, proxy reference points and data estimation.	ICE Climate Social Impact Scores rely on publicly available statistical datasets and incorporate certain assumptions, proxy measures, and third-party modelled estimates. These include modelled health indicators from CDC, survey-based socio-economic indicators from the American Community Survey, the use of minority population as a proxy measure derived from demographic statistics, and the selection of 90 indicators from a broader set of World Bank variables. Missing census tract values in the CDC data are imputed using national averages. No imputation is used for missing data from the ACS or LODES data. Where a country is missing data for a given indicator in a particular year, ICE Climate fills the gap using that same country's values for that indicator in surrounding years, so each estimate reflects the country's own trend rather than data from other countries or indicators.
Organisational disclosures	**Annex III 1.d**	**Article 6(1)**	The ownership structure of the ESG rating provider; (a) ESG rating providers shall disclose a chart illustrating their ownership links with any parent undertaking and subsidiaries. That chart shall indicate, where applicable, whether any of those entities perform any of the activities listed in Article 16(1) or other services as referred to in Article 16(6) of Regulation (EU) 2024/3005	Refer to the Organisational Structure / Org chart section, available at https://www.ice.com/fixed-income-data-services/ice-climate-data-analytics/regulation
			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; (a) how the criteria they apply for establishing fees ensure that those fees are fair, reasonable, transparent and non discriminatory, as required by Article 27 of Regulation (EU) 2024/3005;	

Ref	Annex 3 point 1, Regulation	Article, Delegated Regulation	Requirement	Disclosure
Organisational disclosures	**Annex III 1.l**	**Article 6(2)**	(b) whether the ESG rating provider operates a subscription-paid model, an issuer-paid model, a combination of those models, or another model;	Refer to the Fees Statement, available at https://www.ice.com/fixed-income-data-services/ice-climate-data-analytics/regulation
			(c) a description of the relevant business model, and the proportion of total annual revenue derived from each model;	
			(d) where applicable, the impact of fees charged for services other than ESG rating activities on the determination of fees for ESG ratings, together with a description of those other services.	
Organisational disclosures	**Annex III 1.n**	**Article 6(3)**	The main risks of conflicts of interest and the steps taken to mitigate them;	Refer to the Conflict of Interest Policy, available at https://www.ice.com/fixed-income-data-services/ice-climate-data-analytics/regulation
			ESG rating providers shall indicate the areas of the ESG rating provider's activities, services or organisational structure from which the main risks of conflicts of interest may arise	

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