

Criteria for establishing fees

BeZero Carbon



BeZero

Introduction

This document sets out the criteria BeZero applies when establishing fees for its ESG rating services, and is published in accordance with EU ESG Ratings Regulation (Regulation (EU) 2024/3005) (the “Regulation”).

BeZero is committed to ensuring that its fees are fair, reasonable, transparent and non-discriminatory, as required by Article 27 of the Regulation.

Scope

This policy applies to all fees charged by BeZero in connection with the provision of ESG ratings to subscribers and other users of its services.

Our Fee Criteria

BeZero's fees are established and reviewed in accordance with the following criteria, which are designed to ensure ongoing compliance with Article 27 of the Regulation:

- **Relevance to service provided:** Fees are based on the type of rating product accessed.
- **Reasonableness:** Fees seek to balance the cost of providing the relevant services, relevant market context and BeZero's sustainability as a business. Fees are reviewed at least annually.
- **Non-discrimination:** Fees are based on a consistently applied pricing framework, which includes but is not limited to standardised list prices by product type. Fees are applied consistently irrespective of the project's credit issuance, the type of client, or their market activities. Discounts may be applied based on objective criteria, including but not limited to location, volume, duration, stage of business, and strategic client value. Any discounting requires approval by the Chief Financial Officer and or Chief Executive Officer.
- **Transparency:** BeZero may provide clients with information about the fees at any stage of the sales process, and final fees are always confirmed in full via written contract. In the event that changes are made to fee structures, clients are notified in a timely manner, e.g. a rise in pricing ahead of an annual subscription-based renewal. BeZero maintains internal documentation of its fee-setting rationale and pricing framework.
- **Independence from ratings outcomes:** BeZero's fee structures are designed to avoid incentives that could compromise the independence or integrity of its ratings. For instance, BeZero's policy is that ratings fees are invoiced and payable in full upfront and all fees must be independent of outcome, direction or content of any carbon rating. This is irrespective of whether the payment is based on a subscriber or user pays model (refer to section 3). This avoids any conflicts arising from the risk of “results-based payments”.
- **Independence from potentially conflicted services:** BeZero does not derive revenues from products or services that could prejudice and or impact the outcome of any rating product, including but not limited to carbon project design or verification services (e.g. the provision of digital Monitoring Reporting and Verification (dMRV) and Verification and Validation Body services), consulting services for Standard Bodies and Methodologies (e.g. advisory on methodology design and provision of data verification by a Standard Body), transaction based products or consulting services (e.g. transactions services, designing and implementing a procurement strategy or generating subscription fees from selling introductions via “buyer-seller matching” products), fees for privileged access (e.g. one cohort of customers paying to have access to a ratings outcome before another), fees for ratings corrections (e.g.

BeZero does not charge for updating ratings based on factual inaccuracies). We do not commercialise access to employees and/or advisors, or other insights, from public or private bodies which could be a source of material non-public information.

Business Model

We acknowledge that ESMA's guidance is permissive of either a subscriber pays or a user pays business models, or a combination of the two. It does not stipulate or prefer one approach over the other.

BeZero operates two principal fee models for the provision of its carbon ratings, and our compliance policies ensure that neither business model prejudices a ratings outcome.

- **Subscriber pays:** the client can perform any carbon market role, including but not limited to Project Developer, Investor, Intermediary, Marketplace, Data services, End-Buyer or combination of the above. Each client pays for access to the BeZero Carbon Markets platform/ data API, and a defined allocation of ratings products as per the above stated fee criteria. Payment is an annual subscription, invoiced at signature, and all contracts are subject to annual renewal. Revenues are recognised on an unbundled basis to ensure accurate accounting and revenue recognition by product line. As of the date of last update of this policy, roughly 50% of BeZero's revenue is derived from this model; and
- **User pays:** the client can perform any carbon market role, including but not limited to Project Developer, Investor, Intermediary, Marketplace, Data services, End-Buyer or combination of the above. Each client pays for a defined number of ratings products as per the above stated fee criteria. BeZero's policy is that ratings fees are invoiced and payable in full upfront and all fees must be independent of outcome, direction or content of any carbon rating. This avoids any conflicts arising from the risk of "results-based payments". Revenues are recognised in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.. As of the date of the last update of this policy, roughly 50% of BeZero's revenue is derived from this model.

Ancillary Services

BeZero may provide ancillary services alongside its carbon rating activities via the subscription pay and user pay business models. Services include provision of data products and third-party research. Fees for ancillary services are established separately from fees for carbon ratings. BeZero ensures that fees received for ancillary services do not influence its carbon rating fees or the content of its ratings, and maintains appropriate records to demonstrate this separation.

Updates and Reviews

BeZero reviews this policy periodically to ensure it remains consistent with applicable regulatory requirements and accurately reflects BeZero's fee practices. Any material updates will be published on BeZero's website.

Version number	Date	Description
1.0	28/10/2026	Initial release

Disclaimer

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