



Supply Chain Finance Sustainability Linked



WHO IS THE PRODUCT FOR?

The product is designed for medium to large sized companies (Buyers) that aim to promote the sustainable transition of their supply chain by improving suppliers' access to credit through dedicated terms linked to ESG performance.

Key requirements:

- For the Buyer: Public disclosure of an ESG framework.
- For Suppliers: Availability of an ESG score.



PRODUCT DESCRIPTION

SCF Sustainability Linked integrates an ESG component into a Supply Chain Finance programme, enabling the Buyer to incentivise suppliers to adopt sustainable practices.

Suppliers may benefit from **dynamic pricing**, determined according to the ESG score achieved.

The product is applied to **Reverse Factoring** or **Confirming** transactions (as detailed in the relevant **U-FACTOR** product sheets) through the execution of a dedicated **ESG Addendum**.

The selection of the **Scorer**, i.e. the company responsible for assigning an ESG score on a scale from 1 to 100, is made by the Buyer. The selected provider is subject to internal eligibility assessments.



PRODUCT COSTS

The product applies the economic terms of the underlying agreement (Reverse Factoring or Confirming), with a **spread discount** determined by the supplier's ESG score.

In the absence of an ESG score, or in the event of a score below **60/100**, standard pricing conditions apply.

BENEFITS FOR THE BUYER

- Tangible support for the sustainable transition of the supply chain, facilitating alignment with ESG standards.
- Greater visibility of ESG commitment in line with European regulations, strengthening competitive positioning and attractiveness to strategic partners.

BENEFITS FOR THE SUPPLIER

- Access to preferential pricing based on sustainability performance, through a dynamic pricing mechanism proportional to the ESG score achieved.
- Support for the company's sustainable transition journey.