

CRIF Synesgy Ratings

ESG Rating Pro methodology

v 1.0.0



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1. Summary

This document summarizes the main qualitative and quantitative factors applied by CRIF Synesgy Ratings in assigning the ESG Rating Pro. The ESG Rating Pro is an analyst-led ESG assessment designed to provide a comprehensive, documented, and evidence-based evaluation of the sustainability profile of the Rated Entity in accordance with the principles of double materiality.

The methodology considers, on the one hand, the actual or potential positive or negative impacts generated by the Rated Entity on people and the environment from an Impact Materiality perspective and, on the other hand, the extent to which its business model, operations, business continuity, strategy implementation and ability to create value rely on resources, relationships, stakeholders and conditions related to ESG matters, through a separate Dependency Assessment.

It evaluates key areas including climate change, emissions, energy, water, circular economy, workforce management, health & safety, supply-chain practices, governance and compliance frameworks.

Through quantitative and qualitative analyses, benchmarking, expert judgment, and a forward-looking component, the ESG Rating Pro generates Area Scores, ESRS-mapped Topic Scores, Environmental, Social and Governance Pillars, and an Overall ESG Rating on an eleven-class scale ranging from AAA to E.

2. Definitions

Rated Entity

The company subject to the ESG Rating Pro assessment.

Sector Benchmark

The quantitative and qualitative reference used by the analyst to position the Rated Entity relative to companies operating in the relevant sector.

Area of analysis

The minimum analytical unit assessed under the ESG Rating Pro methodology. Each Area of analysis covers a specific ESG aspect and is mapped to the relevant ESRS topic, where applicable. The assessment is based on relevant quantitative and qualitative evidence.

Area Score

The score assigned by the analyst to each Area of analysis on a five-level scale, where 1 represents the highest degree of advancement and 5 the lowest.

ESRS-mapped Topic Score

The score resulting from the aggregation of the Area Scores mapped to the same ESRS topic, representing the Impact Materiality perspective within the double materiality assessment.

Final ESRS Topic Score

The score resulting from the combination of the Impact ESRS Topic Score and the corresponding Dependency ESRS Topic Score, thereby incorporating both perspectives of the double materiality assessment.

ESG Pillar

The evaluation resulting from the aggregation of the relevant Final ESRS Topic Scores within the Environmental, Social or Governance Pillar, applying the applicable sector-specific weights.

Overall ESG Rating

The final rating assigned to the Rated Entity, expressed on an eleven-class scale ranging from AAA to E and derived from the aggregation of the ESG Pillars in accordance with the applicable sector-specific weighting scheme.

Outlook

An indication of the potential evolution of the Rated Entity's ESG profile during the rating validity period. The Outlook may be Positive, Stable, or Negative.

Double materiality

The methodological perspective combining the assessment of the actual or potential impacts generated by the Rated Entity on people and the environment with the assessment of the relevance of ESG matters to its business model, operations, resilience and long-term value creation through the Dependency Assessment.

Impact materiality

The relevance of a sustainability matter based on the actual or potential, positive or negative impacts that the entity may have on people or the environment throughout its operations and value chain.

Dependency

The extent to which an enterprise relies on environmental, social, or human resources and services to conduct its activities and create value over time. Changes in or degradation of these resources may give rise to risks or opportunities that affect the undertaking's performance and prospects. The assessment is assigned by the analyst to each ESRS topic on a five-level scale, where 5 represents the highest degree of Dependency and 1 the lowest. It reflects the relevance of the sustainability matter to the Rated Entity and is averaged with the corresponding Impact ESRS Topic Score to derive the Final ESRS Topic Score.

3. Scope of application and exclusions

The methodology is applicable to Non-financial Companies (NFC), including both individual legal entities (whether parent companies or subsidiaries) and groups of companies assessed on a consolidated basis, that meet the following requirements:

- Falling within the scope of the Corporate Sustainability Reporting Directive (CSRD);
- Having their registered office in one of the EU27 countries;
- Being active;

- Having available information on the NACE classification, either at the headquarters level or for at least one local unit;
- Having an up-to-date sustainability report or recent public or private ESG data available to support a reliable assessment.

More specifically, the following companies are excluded from the scope:

- Companies with NACE codes related to financial and insurance activities, specifically:
 - 64: Financial service activities (excluding insurance and pension funding);
 - 65: Insurance, reinsurance and pension funding (excluding compulsory social security);
 - 66: Activities auxiliary to financial services and insurance activities;
 - 70.1: Activities of head offices;
- Companies with the following NACE codes:
 - 97: Activities of households as employers of domestic personnel;
 - 98: Undifferentiated goods- and services-producing activities of private households for own use;
 - 99: Activities of extraterritorial organizations and bodies.
- Public entities.

4. Methodology

This document describes the methodological framework used to assess an entity's ESG profile and provides transparency regarding the main assessment criteria, information sources, and scoring logic applied throughout the rating process.

ESG Rating Pro is an analyst-driven ESG assessment designed to evaluate the extent to which the Rated Entity identifies, manages, and monitors its material ESG factors. The methodology adopts a double materiality perspective, combining the assessment of the company's impacts on environmental, social, and governance matters with the assessment of the relevance of those matters to its business model, operations, resilience, and long-term value creation.

The methodology is based on an expert-driven analytical framework, structured into specific Areas of Analysis and aligned with the topics covered by the European Sustainability Reporting Standards (ESRS).

The analytical framework is founded on the following key principles:

- alignment with the ESRS;
- double materiality approach;
- sector-specific materiality;
- evidence-based assessment;
- professional analyst judgment;
- traceability of evidence and independent review of the assessment.

The framework combines company-specific information, sector benchmarks, and the professional judgment of the analyst to assess the level of advancement of the Rated Entity with respect to the sustainability topics under review.

For each Area of Analysis, the analyst performs an integrated assessment of the available evidence, including quantitative information, qualitative elements, and sector-specific considerations, and assigns an Area Score reflecting the company's level of advancement with regard to the sustainability topic being assessed by the impact perspective.

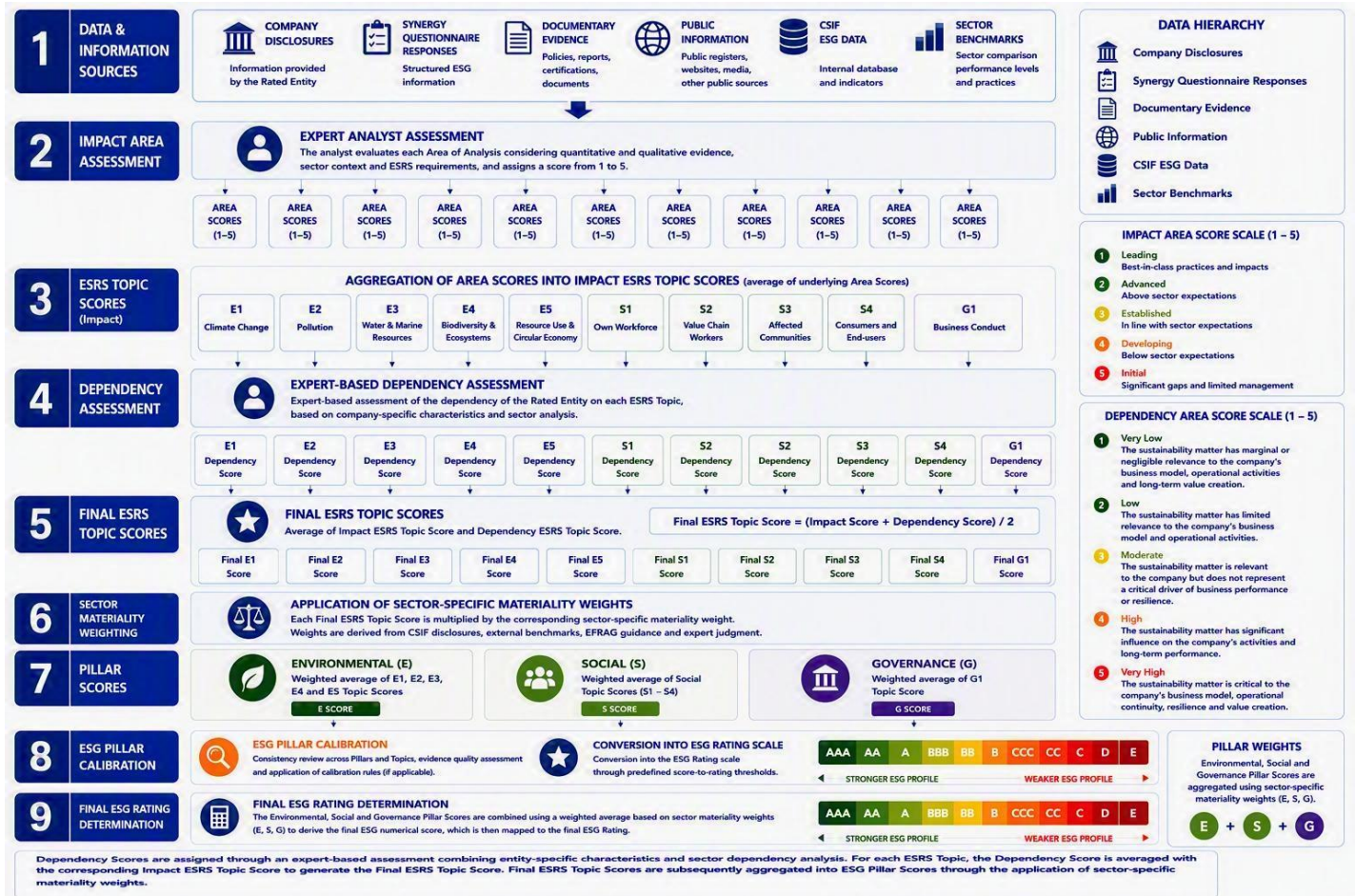
The assessment draws upon the following key sources of information:

- **Company information**, including both data declared by the company (company disclosures, documentary evidence, public information), public ESG raw data elaborated from CRIF Group and indicators estimated through CSR's proprietary analytical framework:
 - Environmental factors, covering climate change, pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy;
 - Social factors, covering own workforce, workers in the value chain, affected communities, and consumers and end-users;
 - Governance factors, covering governance structures, internal policies, business conduct, compliance practices and certifications;
- **Sector benchmarking**, which allows the company's sustainability profile to be assessed relative to the characteristics, performance levels and practices observed within the relevant sector.
- **Expert analytical judgement**, applied to ensure a holistic evaluation of the available evidence and to reflect the specific context of the rated entity.

Finally, the **Area Scores** are aggregated to generate the corresponding **ESRS-mapped Topic Scores**. For each ESRS topic, the analyst also performs the **Dependency** assessment through expert judgement informed by sector analysis and by the relevance of the sustainability matter to the Rated Entity.

The **ESRS-mapped Topic Scores** are subsequently aggregated to calculate the **ESG Pillars** by applying the applicable sector-specific weights. The **Dependency Assessment** is incorporated at ESRS Topic level, where the Impact ESRS Topic Score and the corresponding Dependency ESRS Topic Score are averaged to derive the Final ESRS Topic Score. The Final ESRS Topic Scores are then aggregated to calculate the ESG Pillars. The **Overall ESG Rating** is ultimately determined through the aggregation of the ESG Pillars and converted into the applicable rating class in accordance with the rating scale defined by the methodology.

Figure 1: Rating Pro Workflow



4.1. Evaluation process

The process consists of the following analysis phases:

- **Identification of the relevant Area of analysis** – The analyst identifies the sustainability topic under assessment, the corresponding Analysis Area, its association with the relevant ERSR topic, and the quantitative and qualitative evidence required to perform the evaluation.
- **Review of sector evidence** – The analyst examines the characteristics, sustainability practices, and performance levels generally observed within the relevant industry, establishing the benchmark against which the Rated Entity will be evaluated.
- **Review of company evidence** – The analyst reviews all available information relating to the Rated Entity, including quantitative information, specific data points, policies, action plans, initiatives, targets, certifications, and any other relevant qualitative evidence.

- **Comparative expert assessment** – The sustainability profile of the Rated Entity is analyzed against the relevant industry benchmark in order to determine the level of progress demonstrated with respect to the sustainability topic under analysis.
- **Assignment of the Impact Area Score** – Based on the integrated assessment of company-specific and industry evidence, the analyst assigns an Area Score on a five-level scale for each applicable Analysis Area related to impact materiality. The Area Score reflects the analyst’s overall evaluation of the Rated Entity’s level of advancement regarding the sustainability topic under consideration, taking into account observed performance, management practices, level of implementation, quality of available evidence, and the company’s positioning relative to the applicable industry benchmark. Below a description of the Impact Area score criteria:

Table 1: Impact Area Score Criteria

Score	Definition	Description
1	Leading	The company demonstrates best-in-class performance and mature management practices consistently exceeding sector expectations.
2	Advanced	The company demonstrates advanced management practices, strong evidence and performance generally above sector expectations.
3	Established	The company demonstrates structured and documented practices broadly aligned with sector expectations, although further strengthening may be possible.
4	Developing	The company demonstrates initial or partially implemented practices, with material improvement areas relative to sector expectations.
5	Initial	The company demonstrates limited evidence of structured management practices and significant gaps relative to sector expectations.

- **Aggregation of Area Scores into the ESRS-mapped Topic Score** – The Area Scores mapped to the same ESRS topic are aggregated to derive the corresponding ESRS-mapped Topic Score.
- **Assignment of the ESRS Dependency Score** – For each ESRS topic, the analyst assigns a Dependency ESRS Topic Score through an expert-based assessment informed by sector analysis and by the relevance of the sustainability matter to the Rated Entity’s business model, operational activities, resilience and long-term value creation. The Dependency Assessment is expressed on a five-level scale and does not represent an assessment of ESG performance or of the quality of the Rated Entity’s management of the topic. The Dependency ESRS Topic Score criteria are described below:

Table 2: Dependency ESRS Topic Score Criteria

Score	Definition	Description
1	Very Low	The sustainability matter has marginal or negligible relevance to the company's business model, operational activities and long-term value creation.

2	Low	The sustainability matter has limited relevance to the company's business model and operational activities.
3	Moderate	The sustainability matter is relevant to the company but does not represent a critical driver of business performance or resilience.
4	High	The sustainability matter has significant influence on the company's activities and long-term performance.
5	Very High	The sustainability matter is critical to the company's business model, operational continuity, resilience and value creation.

- **Aggregation** – Impact ESRS Topic Scores and the corresponding Dependency ESRS Topic Scores are averaged to derive the Final ESRS Topic Scores. The Final ESRS Topic Scores are subsequently aggregated to calculate the Environmental, Social and Governance Pillar Scores, applying the sector materiality weights defined by the methodology.
The Overall ESG Rating is ultimately determined through the aggregation of the Environmental, Social, and Governance Pillar Scores according to the weighting system established by the methodology.

4.2. Data categories and hierarchy

The ESG Rating Pro may rely on different categories of information:

- **Declared data:** information provided by the Rated Entity through questionnaires or direct disclosures.
- **Documentary evidence:** information supported by documents, policies, certifications, reports or other records.
- **Public information:** information obtained from public registers, public ESG sources, websites or other publicly available sources.
- **ESG data:** information available within CRIF Group databases.
- **Estimated data:** indicators derived through proprietary analytical models where direct information is unavailable or incomplete.

Where different sources provide inconsistent information, higher reliance is generally placed on documentary evidence, public official sources and verified data. Estimated data are used only where methodologically appropriate and shall be identified as such in the analytical file.

4.3. ESG Area's analysis

The rating framework is structured around defined Areas of Analysis aligned with the relevant European Sustainability Reporting Standards (ESRS) Topics. The assessment model follows a hierarchical structure comprising six components: Area Scores, Impact ESRS Topic Scores, Dependency ESRS Topic Scores, Final ESRS Topic Scores, ESG Pillar Scores and the Overall ESG Rating. Area Scores are aggregated into the corresponding Impact ESRS Topic Scores. For each ESRS topic, a Dependency ESRS Topic Score is assigned through expert judgement and sector

analysis. The arithmetic average of the Impact ESRS Topic Score and the corresponding Dependency ESRS Topic Score determines the Final ESRS Topic Score. Final ESRS Topic Scores are then aggregated into ESG Pillar Scores by applying the sector materiality weights defined by the methodology, and the ESG Pillar Scores are subsequently aggregated to determine the Overall ESG Rating.

This structure is designed to ensure a transparent, consistent and traceable assessment process, allowing individual sustainability dimensions to be evaluated separately while supporting the derivation of a single overall rating outcome.

Table 3: Overview of Rating pillars

PILLAR	ESRS	Areas
E	E1	Energy consumption
E	E1	Generation facilities
E	E1	Scope 1 emissions
E	E1	Scope 2 emissions
E	E1	Scope 3 emissions
E	E1	GHG reduction targets
E	E1	Physical risk
E	E2	Air, water and soil pollution
E	E3	Water resource management
E	E3	Water consumption
E	E4	Biodiversity
E	E5	Waste management
E	E5	Waste generation
S	S1	Workforce
S	S1	Gender pay gap
S	S3	Affected communities
S	S4	Consumers and end-users
S	S1	Training and welfare
S	S1	ISO standards and policies
S	S1	Occupational injuries and diseases
S	S2	Policy extension
S	S2	Supplier selection procedure
G	G1	Legal compliance
G	G1	Internal policies
G	G1	Governance structure
G	G1	ESG governance (Committees)
G	G1	Certifications

Environmental Pillar

The purpose of the Environmental pillar is to assess how the company identifies, measures and manages its impacts on the natural environment, considering the materiality of those impacts for the company's activities and sector. The assessment considers both environmental performance and the maturity of the policies, targets, processes and controls implemented to prevent, reduce or remediate adverse impacts. The Environmental analysis covers: climate change; pollution; water and marine resources; biodiversity and ecosystems; resource use and circular economy.

E1 Climate change

The purpose of the climate change analysis is to assess the company's contribution to climate change, its progress in reducing greenhouse gas emissions and energy-related impacts, and its capacity to manage physical climate risks. Climate change is a central environmental topic because energy use, direct and indirect emissions, transition commitments and operational resilience may materially affect the company's impact profile and its ability to operate sustainably over time.

CRIF Synesgy Ratings' climate change analysis considers:

- energy consumption, energy intensity and the share of fossil and renewable sources;
- the presence and scale of renewable energy generation or self-generation facilities;
- Scope 1, Scope 2 and, where available, Scope 3 emissions, including trends and intensity relative to the sector;
- the presence of emission-reduction targets and transition initiatives;
- exposure to physical climate hazards and the measures adopted to prevent, mitigate, insure or adapt to those risks.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

E2 Pollution

The purpose of the pollution analysis is to assess both the extent to which the company generates pollutant releases to air, water and soil through its operations and the measures adopted to prevent, monitor, control and reduce those impacts. The analysis determines whether pollution-related impacts are identified and controlled in line with the company's operating characteristics and the practices observed in the relevant sector.

CRIF Synesgy Ratings' pollution analysis takes into account:

- the level and intensity of non-GHG pollutants released to air, water and soil relative to the sector benchmark;
- the presence and regularity of monitoring activities and external controls;
- compliance with applicable environmental requirements and the absence or presence of significant non-compliance events;
- the adequacy of abatement, filtration, containment and process-control systems;

- implemented or planned initiatives aimed at reducing pollution and improving environmental performance.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

E3 Water and marine resources

The purpose of the water and marine resources analysis is to assess the company's water consumption and the way it manages water resources, considering consumption levels, efficiency measures and the operational practices adopted to monitor, control and reduce water-related impacts. The analysis considers the relevance of water use for the company's activities and the local context in which it operates.

CRIF Synesgy Ratings' water and marine resources analysis considers:

- water consumption and consumption intensity, including trends over time and comparison with the sector;
- the location of operations in areas subject to water stress or scarcity;
- the sources of water used and the extent to which water is material to production processes;
- the presence of water-efficiency, recovery, recycling or reuse systems;
- the existence of management procedures, targets or initiatives aimed at reducing water-related impacts.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

E4 Biodiversity and ecosystems

The purpose of the biodiversity and ecosystems analysis is to assess the company's actual or potential impacts on natural habitats, species and ecosystems. The analysis determines whether the company operates in or near environmentally sensitive areas and whether it has identified, monitored and managed the biodiversity implications of its activities.

CRIF Synesgy Ratings' biodiversity and ecosystems analysis considers:

- land use and land-use intensity associated with the company's operations;
- the location of sites in or near protected areas, Natura 2000 sites or areas of high biodiversity value;
- the nature and significance of potential impacts on habitats and ecosystems;
- the presence of measures to avoid, minimize, restore or compensate biodiversity impacts;
- the degree to which biodiversity considerations are integrated into operational planning and monitoring.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the

supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

E5 Resource use and circular economy

The purpose of the resource use and circular economy analysis is to assess how efficiently the company uses materials and manages waste, and the extent to which it adopts circular practices that reduce resource consumption and environmental impacts. The analysis considers both the volume and composition of waste and the maturity of recovery, recycling and reuse arrangements.

CRIF Synesgy Ratings' resource use and circular economy analysis considers:

- the quantity and intensity of waste generated, including hazardous and non-recyclable waste;
- the share of waste directed to recovery, recycling or reuse;
- the use of recovered or recycled materials in production processes;
- the segregation, handling and compliant disposal of hazardous and non-hazardous waste;
- investments, technologies and operating initiatives supporting waste prevention, resource efficiency and circularity.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

Social Pillar

The purpose of the Social Pillar is to assess how the company manages its impacts on people across its own operations and value chain, considering the relevance of those impacts to the company's activities and sector. The assessment considers workforce composition and working conditions, equal treatment, human capital development, health and safety and responsible supply-chain practices. The Social analysis covers own workforce, workers in the value chain, affected communities, and consumers and end-users.

S1 Own workforce

The purpose of the own workforce analysis is to assess the quality and inclusiveness of employment practices and the company's ability to provide safe, fair and development-oriented working conditions. The analysis considers whether workforce-related impacts are identified and managed in a manner proportionate to the company's size, activities and sector.

CRIF Synesgy Ratings' own workforce analysis considers:

- workforce size, composition and employment stability, including the use of fixed-term contracts;
- gender representation, equal treatment and the gender pay gap relative to relevant benchmarks;
- training, professional development, welfare measures and collective arrangements;
- the presence and scope of human rights, diversity, health and safety policies and management systems;
- occupational injuries, lost working days and other evidence relevant to employee health and safety.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRs-mapped Topic Score.

S2 Workers in the value chain

The purpose of the value chain analysis is to assess how the company identifies and manages environmental and social impacts associated with suppliers and other relevant business relationships. The analysis determines whether ESG expectations are embedded in supplier selection, qualification, contracting and ongoing monitoring.

CRIF Synesgy Ratings' value chain analysis considers:

- the existence and coverage of supplier qualification and control procedures;
- the integration of environmental, social, human rights, safety and compliance criteria into supplier assessment;
- the extension of the company's code of ethics, policies and conduct requirements to suppliers;
- the collection and verification of relevant supplier documentation and certifications;
- the use of periodic monitoring, scoring, corrective actions or audits for critical and strategic suppliers.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRs-mapped Topic Score.

S3 Affected communities

The purpose of the affected communities analysis is to assess how the company identifies, manages and mitigates actual or potential impacts on individuals and communities affected by its operations, products, services or value chain activities. The analysis considers whether community-related impacts are identified and managed in a manner proportionate to the company's size, activities and sector.

CRIF Synesgy Ratings' affected communities analysis considers:

- the company's interaction with local communities and other potentially affected stakeholders;
- the existence of policies, procedures or initiatives aimed at preventing or mitigating adverse impacts on communities;
community engagement, consultation and grievance mechanisms, where applicable;
- investments and initiatives supporting local development, education, inclusion, health or social well-being;
- evidence of disputes, controversies or significant impacts affecting local communities.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRs-mapped Topic Score.

S4 Consumers and end-users

The purpose of the consumers and end-users analysis is to assess how the company identifies, manages and mitigates actual or potential impacts on customers and end-users arising from its products, services and business practices. The analysis considers product responsibility, customer protection and the adequacy of measures adopted to ensure safety, quality and trust.

CRIF Synesgy Ratings' consumers and end-users analysis considers:

- product and service quality, safety and reliability;
- customer satisfaction monitoring and complaint management processes;
- data protection, privacy and cybersecurity measures affecting consumers and end-users;
- transparency of information provided to customers regarding products and services;
- evidence of significant customer-related controversies, sanctions, recalls or litigation.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

Governance Pillar

The purpose of the Governance pillar is to assess whether the company has appropriate structures, policies and control mechanisms to support responsible business conduct and effective oversight of ESG matters. The assessment considers legal compliance, ethical and internal control frameworks, the composition and functioning of governing bodies, ESG responsibilities and relevant management-system certifications. The Governance analysis covers the G1 governance framework and its underlying areas of analysis.

G1 Governance framework

The purpose of the governance framework analysis is to assess whether the company has effective structures, policies and control mechanisms to ensure legal compliance, ethical conduct and appropriate oversight of ESG matters. Governance is assessed considering the company's size, ownership structure, operating complexity and applicable sector practices.

CRIF Synesgy Ratings' governance framework analysis considers:

- the company's record of compliance with laws and regulations and the presence of sanctions or material non-compliance;
- internal policies and controls, including the code of ethics, organizational and control models, whistleblowing, privacy and anti-corruption arrangements;
- the composition, diversity, responsibilities and oversight role of the governing body and control bodies;
- the presence of board committees, assigned ESG responsibilities and sustainability reporting or oversight mechanisms;
- certified management systems and other certifications supporting the effectiveness of environmental, quality, health and safety or compliance controls.

For each applicable Area of analysis included within the topic, the analyst assigns an Area Score from 1 to 5 based on the Rated Entity's degree of advancement relative to the applicable sector reference and on the quality of the supporting evidence. The resulting Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Score.

4.4. Aggregation

The aggregation process follows the sequential steps described below:

- Area Scores;
- Impact ESRS Topic Scores;
- Dependency ESRS Topic Scores;
- Final ESRS Topic Scores;
- ESG Pillar Scores;
- Overall ESG Rating.

The analyst assigns Area Scores at Area of Analysis level and a Dependency ESRS Topic Score at ESRS Topic level. Area Scores are aggregated to derive the corresponding Impact ESRS Topic Scores. For each ESRS topic, the Impact ESRS Topic Score and the corresponding Dependency ESRS Topic Score are averaged to calculate the Final ESRS Topic Score. The relevant Final ESRS Topic Scores are then aggregated to calculate the ESG Pillar Scores by applying the applicable sector materiality weights. The numerical outcome underlying the Overall ESG Rating is subsequently determined through the aggregation of the ESG Pillar Scores according to the weighting system established by the methodology.

The final numerical outcome is converted into the ESG rating scale according to predefined score-to-rating thresholds documented in the methodology.

4.5. Sectoral weights

The estimation of sector-specific ESRS weights was based on a combination of quantitative evidence and expert validation. In particular, the following elements were considered:

1. **ESRS materiality assessments disclosed by companies** in Corporate Sustainability Reports (CSRs) available within CRIF Group databases and published from 2024 onwards. The analysis assessed the prevalence of each ESRS Topic within a sector, measured by the frequency with which sustainability topics were identified as material by reporting entities. To reflect the economic significance of companies within each sector, observations were aggregated using a revenue-weighted approach.
2. **Sector-specific sustainability characteristics**, captured through the clustering of economic activities into sectoral groups and reflecting the different ESG impacts, risks, opportunities and sustainability priorities associated with each sector.

3. **External reference frameworks and sector benchmarks**, used to assess the consistency, robustness and reasonableness of the quantitative results.
4. **Publications and guidance issued by regulatory, standard-setting and supervisory bodies**, including EFRA and other relevant institutions, used to support the assessment of sector-specific sustainability materiality and validate the resulting weighting scheme.
5. **Expert judgement**, applied to combine quantitative evidence with external benchmark references and ensure the overall robustness of the weighting framework.

Specifically, the sectors considered were defined by grouping six-digit industry classifications into 16 macro-sectors. Within this classification, a higher level of granularity was adopted for manufacturing activities in order to better capture the significant heterogeneity of production processes and sustainability impacts. For groups operating across multiple sectors, the sector-specific weighting framework may be adjusted to reflect the effective composition of the group's activities and business lines.

The resulting sector-specific ESRS weights represent the baseline weighting structure applied within the methodology and reflect the relative materiality of sustainability topics at sector level. Within the ESG Rating Pro framework, these weights are applied to the Final ESRS Topic Scores. The entity-specific relevance of each topic is already reflected in the Final ESRS Topic Score through the average of the Impact ESRS Topic Score and the corresponding Dependency ESRS Topic Score.

Table 4: Sectoral clusters details

Sectoral clusters	Description
Agriculture	Agricultural production, livestock farming, forestry, and related natural resource activities.
Mining, Oil and Gas	Extraction of minerals, coal, oil, natural gas, and supporting mining services.
Food, beverage and tobacco	Production and processing of food products, beverages, and tobacco.
Manufacturing: Textile and apparel	Manufacturing of textiles, clothing, footwear, leather goods, and fashion-related products.
Manufacturing: non-metals activities	Production of wood, paper, rubber, plastics, glass, ceramics, and other non-metallic materials.
Manufacturing: Metals	Metallurgy, metal processing, and manufacturing of metal products.
Manufacturing: Electronics	Manufacturing of electronic, computer, optical, and high-technology equipment.
Manufacturing: Mechanics and means of transport	Production of machinery, industrial equipment, vehicles, components, and transport equipment.
Manufacturing: Instrumental machinery	Industrial machinery, equipment and automation systems manufacturing.

Chemicals and pharmaceutical	Chemical production, pharmaceuticals and life sciences activities.
Construction, infrastructure and services	Construction, civil engineering and infrastructure development.
Commerce and Large-scale retail distribution	Wholesale trade and distribution of goods to businesses and retailers.
ICT & Media & TLC	Information technology, software, telecommunications, media, publishing, and digital services.
Utilities and power	Energy generation and distribution, water supply, waste management, and utility services.
Transport and logistics	Transportation, warehousing, logistics, courier, and postal services.
Services	Business and personal support services, rental, security, administrative support, and miscellaneous services.

For every sector, the analysis of the selected CSRs produced a set of quantitative baseline ESRS weights, derived from the processing of disclosure data. These results were subsequently benchmarked against external references and relevant academic literature to assess their consistency and robustness.

In a limited number of cases, the quantitative results showed discrepancies with the benchmark evidence or were affected by a limited number of available CSRs within a given sector. Under these circumstances, a more qualitative assessment approach was adopted to derive the sector-specific ESRS weights.

The resulting ESRS weights represent the baseline sector-specific weighting structure applied within the methodology and reflect the relative materiality of sustainability topics at sector level.

Within the ESG Rating Pro framework, a Dependency Assessment is performed at ESRS Topic level through expert judgement and sector analysis. The resulting Dependency ESRS Topic Score is averaged with the corresponding Impact ESRS Topic Score to determine the Final ESRS Topic Score. The sector-specific ESRS weights are subsequently applied to the Final ESRS Topic Scores in the calculation of the ESG Pillar Scores.

4.6. Forward-Looking Perspective and Rating Outlook

ESG Rating Pro considers forward-looking information when it is adequately documented and supported. The analysis may include ESG targets, sustainability and transition plans, planned investments, allocated resources, organizational responsibilities, milestones, KPIs, implementation status, historical trends, consistency between objectives and performance, and regulatory, technological and market developments, as well as changes in the relevance of sustainability topics for the Rated Entity. A future target is assigned greater significance when it is formally established, supported by a baseline and measurable indicators, includes a defined time horizon, clear responsibilities, an implementation plan, allocated resources, monitoring mechanisms, and evidence of progress. Generic targets that are not measurable or lack an implementation plan are assigned limited significance.

The Outlook expresses the potential direction of the ESG profile over the rating validity period: Positive when there are concrete factors that could lead to an improvement; Stable when no material changes are expected or when positive and negative factors are broadly balanced; Negative when there are concrete factors that could lead to a deterioration.

4.7. Consolidated-Level Assessment

For groups, the assessment is conducted at the consolidated level, taking into account the consolidation perimeter, principal activities, geographical distribution, ESG data coverage, and the relevance of entity-specific impacts and dependencies. The analyst documents the assessment perimeter, any exclusions, the level of coverage, and any material information limitations.

For multi-sector groups, the weighting structure should reflect the actual composition of the group's activities using a documented and consistently applied allocation basis. Revenue is the primary reference metric, unless alternative indicators provide a more representative measure of the group's ESG exposure.

The Dependency Assessment is assigned by considering the overall set of activities included within the assessment perimeter and the relevance of ESG topics to the group's principal business activities.

5. Rating scale definitions

As described in the previous sections, the assessment framework produces Environmental, Social and Governance Pillar Scores derived from the aggregation of the relevant Final ESRS Topic Scores. The Overall ESG Rating is expressed on an eleven-class scale ranging from AAA to E.

The numerical outcome resulting from the weighted aggregation process is converted into an Overall ESG Rating comprising eleven classes, ranging from AAA to E, in accordance with predefined score-to-rating thresholds. The expanded scale allows for a more granular representation of the Rated Entity's ESG profile while preserving the analytical results generated through the underlying five-level Area Score framework.

Table 2: Rating Scale

AAA	The company demonstrates an outstanding capability to identify, manage and mitigate ESG factors, supported by a mature governance framework, systematic integration into strategy and decision-making processes. Outstanding forward-looking capability, supported by fully documented targets, detailed transition plans, measurable KPIs, allocated resources, defined responsibilities, robust monitoring mechanisms and clear evidence of progress.
AA	The company demonstrates an excellent capability to identify, manage and mitigate ESG factors, supported by a very advanced governance framework, very extensive integration into strategy and decision-making processes. Excellent forward-looking capability, supported by well-defined targets, implementation plans and monitoring mechanisms.

A	The company demonstrates a very strong capability to identify, manage and mitigate ESG factors, supported by an advanced governance framework, extensive integration into strategy and decision-making processes. Very strong forward-looking capability, supported by formal targets, measurable indicators and clear responsibilities.
BBB	The company demonstrates a strong capability to identify, manage and mitigate ESG factors, supported by a very strong governance framework, very structured integration into strategy and decision-making processes. Strong forward-looking capability, supported by documented targets and structured implementation measures.
BB	The company demonstrates a very robust capability to identify, manage and mitigate ESG factors, supported by a strong governance framework, structured integration into strategy and decision-making processes. Robust forward-looking capability, supported by defined targets and implementation activities.
B	The company demonstrates a robust capability to identify, manage and mitigate ESG factors, supported by a very structured governance framework, robust integration into strategy and decision-making processes. Well-developed forward-looking capability, supported by ESG objectives and monitoring practices.
CCC	The company demonstrates an adequate capability to identify, manage and mitigate ESG factors, supported by a structured governance framework, reliable integration into strategy and decision-making processes. Established forward-looking capability, supported by defined targets and implementation initiatives.
CC	The company demonstrates a satisfactory capability to identify, manage and mitigate ESG factors, supported by a basic governance framework, disciplined integration into strategy and decision-making processes. Structured forward-looking capability, supported by documented objectives and limited monitoring.
C	The company demonstrates a basic capability to identify, manage and mitigate ESG factors, supported by a basic governance framework, substantial integration into strategy and decision-making processes. Basic forward-looking capability, supported by partially defined ESG objectives.
D	The company demonstrates a weak capability to identify, manage and mitigate ESG factors, supported by a partial governance framework, initial integration into strategy and decision-making processes. Limited forward-looking capability, supported by qualitative targets and limited implementation evidence.
E	The company demonstrates a minimal capability to identify, manage and mitigate ESG factors, supported by a minimal governance framework, minimal integration into strategy and decision-making processes. Minimal forward-looking capability, with limited or no evidence of formal targets or implementation planning.

6. Constraints and exclusions

The set of information required to assess the ESG Rating PRO is based on Sustainability Reports and other ESG information, Synesgy questionnaires, available public information (Chambers of Commerce, public real estate registries and courts) and on other public ESG raw data elaborated by CRIF Group.

The reliability of the assessment depends on the quality, completeness, consistency and relevance of the evidence available to the analyst. The analyst should document material limitations and avoid assigning a score that is not adequately supported by evidence.

- The methodology is expert-based and should be applied by analysts with appropriate ESG and sector knowledge.
- The same evidence may have a different analytical relevance depending on the company's size, activities and sector characteristics.
- Where a statistical sector benchmark is unavailable, the analyst may use documented qualitative sector or market practices, provided that the rationale is recorded.
- The absence of information should be distinguished from verified poor performance and assessed according to the area-specific scoring criteria.
- The score assigned to each area must be traceable to the evidence and reasoning recorded in the analytical file.
- The Rated Entity is required to promptly notify CRIF Synesgy Ratings of any information, event or circumstance that may have an impact on the assigned rating.

Besides the circumstances mentioned in Chapter 3, CRIF Synesgy Ratings may abstain from issuing an ESG Rating Pro when the minimum information set is not available or when the quality of the available information is deemed inadequate or unreliable **to assess the entity's ESG profile in accordance with double materiality principles.**

The ESG Rating Pro is valid for up to 12 months from the date of issuance, unless events, information or circumstances occur that may affect the assessment, the Rated Entity's ESG performance or the assigned rating. Any such events, information or circumstances must be promptly communicated to CRIF Synesgy Ratings.

