CRIF Synesgy Ratings

ESG Rating Core methodology

v 1.0.0

Index

1. Summary

This document summarizes the key qualitative and quantitative factors applied by CRIF Synesgy Ratings (CSR) when assigning ESG Rating Core to companies. ESG Rating Core is an analyst-led ESG assessment addressed by impact materiality principles, designed to provide a comprehensive and evidence-based evaluation of an organization's sustainability profile. Combining company disclosures, Synesgy questionnaire responses, documentary evidence, business information and public ESG raw data, elaborated from CRIF Group CRIF Group, the assessment is guided by ESRS and VSME framework and applies an impact materiality-based approach focused on the ESG topics most relevant to the company's sector.

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 analysis, benchmark comparisons and expert judgment, ESG Rating Core assigns a rating from AAA to E, supported by detailed ESG pillar assessments and ESG sensitivities that highlight factors capable of strengthening or weakening the company's ESG profile over time.

2. Definitions

Rated Entity
The company subject to the ESG Rating Core 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 Core 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.

ESG Pillar Score
The score resulting from the aggregation of the relevant ESRS-mapped 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 Score in accordance with the applicable sector-specific weighting scheme.

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.

3. Scope of application and exclusions

The methodology is applicable to Non-financial Companies (NFC) that meet the following requirements:

- Not falling within the scope of the Corporate Sustainability Reporting Directive (CSRD), as companies subject to the CSRD are assessed under a separate dedicated methodology;
- Having their registered office in one of the EU27 countries or in Switzerland;
- 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.

Consolidated-level ratings requested for a group of companies are excluded from ESG Rating Core. Where the scope of the assessment refers to a group rather than to a single legal entity, whether parent company or subsidiary, the rating shall be assigned under ESG Rating PRO.

4. Methodology

This document describes the methodological framework applied to assess a company's ESG profile and provides transparency on the main analytical criteria, data sources and scoring logic used in the rating process.

The ESG Rating Core is an analyst-led ESG assessment addressed by impact materiality methodology and designed to evaluate the extent to which a company identifies, manages and mitigates its impacts on environmental, social and governance matters. ESG Rating Core assesses the Rated Entity's current ESG profile from an impact materiality perspective. Risk-related information is considered only where it provides evidence of the entity's ability to identify, prevent, mitigate or remediate its impacts. The Rating does not constitute an assessment of the entity's financial exposure to ESG risks.

The methodology is based on an expert-driven assessment framework structured around defined Areas of analysis, informed by the VSME framework and mapped, where applicable, to the relevant ESRS topics.

The analytical framework is based on five key principles:

- VSME-based framework mapped to ESRS topics;
- impact materiality approach;
- sector-specific materiality;
- evidence-based assessment;
- expert analytical judgment.

The framework combines company-specific information, sector benchmarks and analyst judgement to evaluate the degree of advancement demonstrated by the rated entity with respect to the sustainability matters assessed.

For each Area of analysis, the analyst performs an integrated assessment of the available evidence, including quantitative indicators, qualitative information and sector-specific considerations, and assigns an Area Score reflecting the company's degree of advancement in relation to the relevant ESG matter.

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 and workers in the value chain;
  - 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, these Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Scores. The relevant Topic Scores are then aggregated to calculate the Environmental, Social and Governance Pillar Scores, applying sector-specific impact materiality weights. The Overall ESG Rating is subsequently derived through the aggregation of the relevant Topic Scores in accordance with the applicable sector-specific weighting scheme.

The following schema describes the framework:

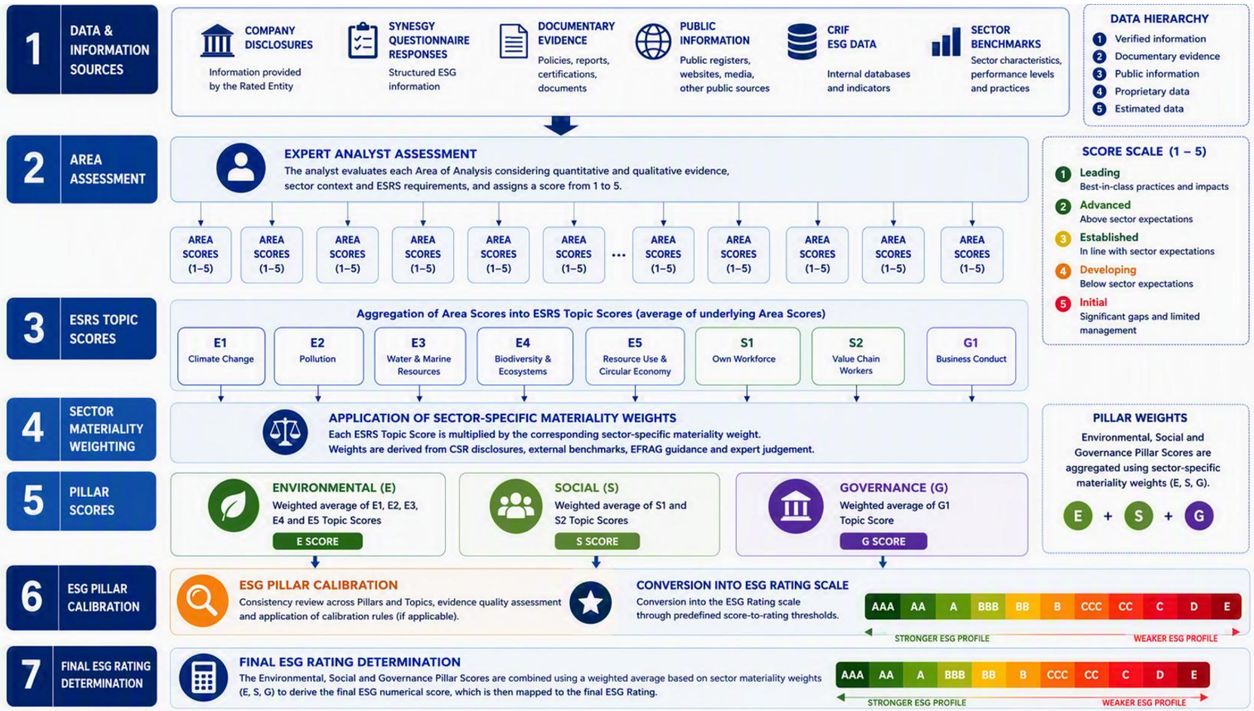

Figure 1: Rating Core Workflow

4.1. Evaluation process

The process consists of the following analytical steps:

- **Identification of the relevant Area of analysis –** The analyst identifies the ESG matter to be assessed, the corresponding Area of analysis and its mapping to the relevant ESRS topic, together with the quantitative and qualitative evidence required for the assessment.
- **Review of sector evidence –** The analyst reviews the characteristics, sustainability practices and performance levels generally observed within the relevant sector, establishing the benchmark against which the entity will be assessed.
- **Review of company evidence –** The analyst evaluates all available company-specific information, including quantitative indicators, point-in-time data, policies, action plans, initiatives, targets, certifications and any supporting qualitative evidence.
- **Comparative expert assessment –** The company's sustainability profile is assessed against the relevant sector benchmark to determine the degree of advancement demonstrated with respect to the ESG matter under review.
- **Assignment of the Area Score –** Based on the integrated assessment of company-specific and sector-level evidence, the analyst assigns an Area Score on a five-level scale to each applicable Area of analysis. The Area Score reflects the analyst's overall evaluation of the Rated Entity's degree of advancement in relation to the ESG matter assessed, taking into account observed performance, management practices, implementation, the quality of supporting evidence and the entity's position relative to the applicable sector reference.

Table 1: 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 –** The Area Scores are aggregated to derive the corresponding ESRS-mapped Topic Scores. The relevant Topic Scores are then aggregated to calculate the Environmental, Social and Governance Pillar Scores, applying sector-specific impact materiality weights. The Overall ESG Rating is subsequently derived through the aggregation of the relevant Topic Scores in accordance with the applicable sector-specific weighting scheme.

4.2. Data categories and hierarchy

The ESG Rating Core 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 informed by the VSME framework and mapped, where applicable, to the relevant European Sustainability Reporting Standards (ESRS) topics. The assessment model follows a hierarchical structure comprising four levels: Area Scores, ESRS-mapped Topic Scores, ESG Pillar Scores and the Overall ESG Rating. The Area of analysis represents the minimum analytical unit assessed under the

methodology. Area Scores are aggregated into the corresponding ESRS-mapped Topic Scores, which are subsequently used to calculate the ESG Pillar Scores and 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 2 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	E2	GHG reduction targets
E	E3	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	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 and workers in the value chain.

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 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.

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 four sequential levels:

- Area Scores;
- ESRS-mapped Topic Scores;
- ESG Pillar Scores;
- Overall ESG Rating.

The analyst assigns a score only at the Area of analysis level. Once the Area Scores have been assigned and validated, the subsequent aggregation is rule-based and does not involve further analytical discretion. Area Scores are aggregated into ESRS-mapped Topic Scores. The relevant Topic Scores are then used to calculate the ESG Pillar Scores and the numerical outcome underlying the Overall ESG Rating by applying the applicable sector-specific impact materiality weights.

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 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 and opportunities 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 EFRAG 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

Specifically, the sectors considered were defined by grouping six-digit industry classifications into 16 macro-sectors: in this classification, a higher level of granularity was adopted for the manufacturing sector, to better capture the significant heterogeneity of production processes.

Table 3 - 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 weights, derived from the processing of the 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.

Below is an example of the ESRS weights applied to the agriculture sector:

Table 4 - Example of ESRS weights

SECTOR	E1	E2	E3	E4	E5	S1	S2	G1
Agriculture	16%	12%	16%	16%	8%	16%	8%	8%

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 ESRS-mapped 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 5: Rating Scale

AAA	The company demonstrates an excellent and fully integrated capability to manage ESG factors, supported by a mature governance framework and systematic integration into strategy and decision-making processes, thereby structurally supporting value creation over the medium- to long-term.
AA	The company demonstrates a very high capability to manage ESG factors, with broad and consistent integration across key business and decision-making processes.
A	The company demonstrates a high and advanced capability to manage ESG factors, with good integration into core processes and regular use of ESG information to support decision-making.
BBB	The company demonstrates a solid and structured capability to manage ESG factors, with established policies, KPIs, and reporting, and an organic but still partial and limited integration into decision-making processes.
BB	The company demonstrates a good and structured capability to manage ESG factors, with defined practices and existing reporting, but uneven integration across different business functions.
B	The company demonstrates an adequate capability to manage ESG factors, with fundamental policies and tools and an initial level of structuring and monitoring.
CCC	The company demonstrates a sufficient capability to manage ESG factors, with defined and partially coordinated practices, but still limited integration into operational and decision-making processes.
CC	The company demonstrates a basic capability to manage ESG factors, with initiatives in place but still fragmented, heterogeneous, and not yet fully overseen at the organizational level.
C	The company demonstrates an acceptable level of ESG factor management, with predominantly reactive initiatives, weak oversight, and marginal integration into business processes.
D	The company demonstrates an insufficient capability to manage ESG factors, with weak practices, a limited presence of policies, and poor oversight of key ESG risks.
E	The company demonstrates a critical level of ESG factor management, with an almost total absence of governance, policies, and structured initiatives.

6. Constraints and exclusions

The set of information required to assess the ESG Rating Core 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 can abstain from issuing a rating Core when the set of minimum information is not available or when the quality of available information is deemed inadequate or unreliable to perform an assessment of the entity's ESG profiled addressed by impact materiality principles.
The ESG Rating Core 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.