

# 2024 Synesgy Global Observatory

1<sup>st</sup> Edition – An Extensive representation of Worldwide Corporate ESG Data

The definitive resource for comprehensive insights, data,  
and trends in ESG.



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# Index

<b>01</b> Introduction	<a href="#">Pg. 3</a>
<b>02</b> Key Figures of Synesgy Global Observatory	<a href="#">Pg. 6</a>
<b>03</b> Distribution of the companies in Synesgy	<a href="#">Pg. 8</a>
<b>04</b> Distribution of the companies in Synesgy by territory	<a href="#">Pg. 24</a>
<b>05</b> Distribution of the heads of supply chain, banks and insurances	<a href="#">Pg. 67</a>
<b>06</b> ESG Data and its commercial output	<a href="#">Pg. 73</a>
<b>07</b> More resources	<a href="#">Pg. 79</a>





01

# Introduction

# About Synesgy

It comes from the words **synergy** / s'ɪnədʒi/: a collaboration of several **individuals** to achieve the same **goal**, and ESG.

## What we do

Synesgy is the **ESG Global Digital Platform** developed by CRIF for helping companies worldwide to run ESG assessment. Currently we serve **41.000** users on the platform, of which **2.000** are using Synesgy to screen their suppliers and customers base.

## Our Purpose

Synesgy is the global sustainability network that aims to make **ESG Assessment and self-disclosure easy and available to any company worldwide**, spreading ESG practices.



We combine Synesgy's **ESG Knowledge** with **CRIF's decades of data management, analytics, and technological platform expertise**

## Our Methodology

This analysis has been carried out by analyzing 500.000 companies tracked in Synesgy, from 144 countries. We combined:

- Companies' ESG performance, sourced from Synesgy's database and collected via our GRI-Licensed questionnaire. The performance are represented using an ESG Score from A to E (A is the highest),
- CRIF's extensive business information database

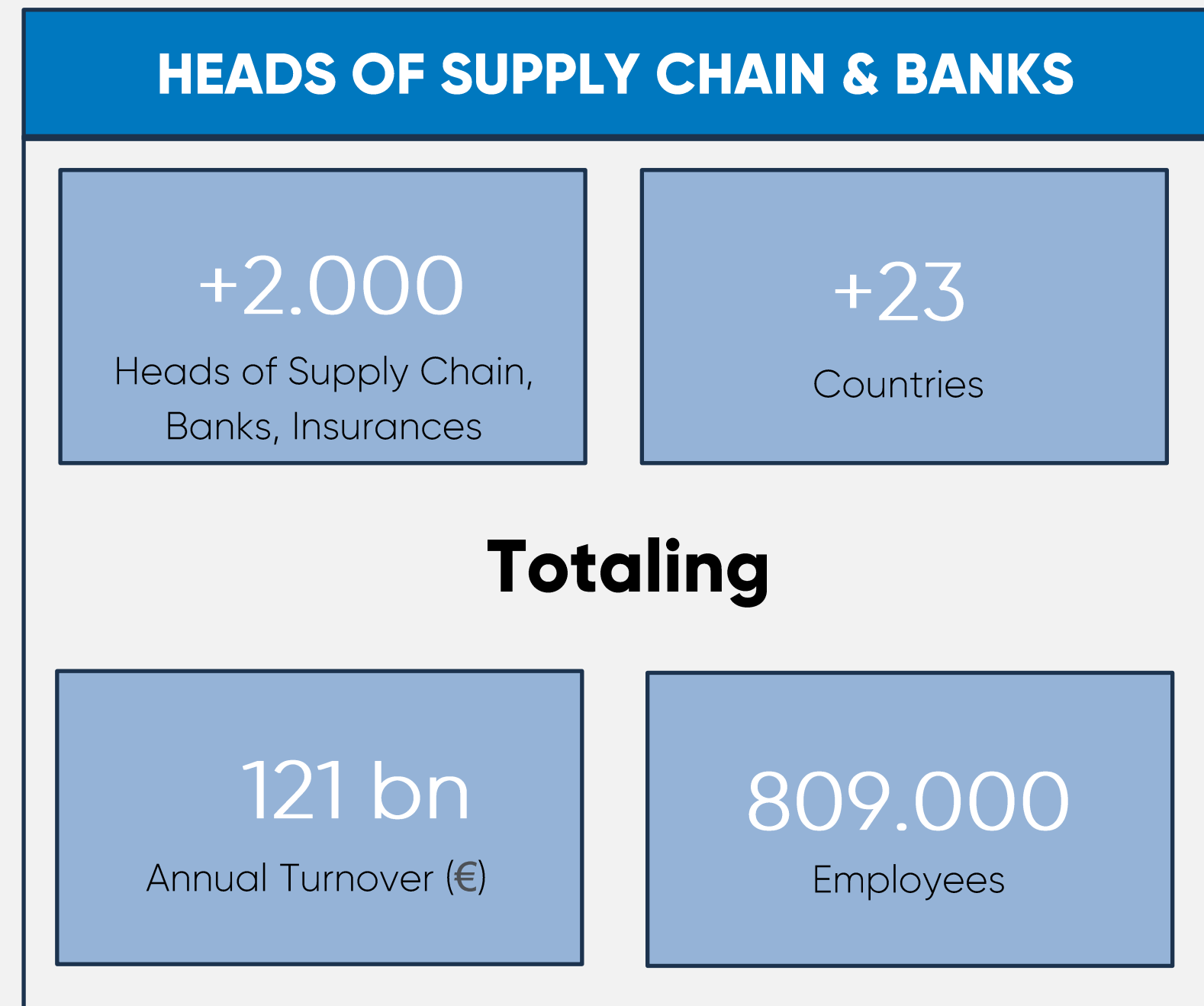
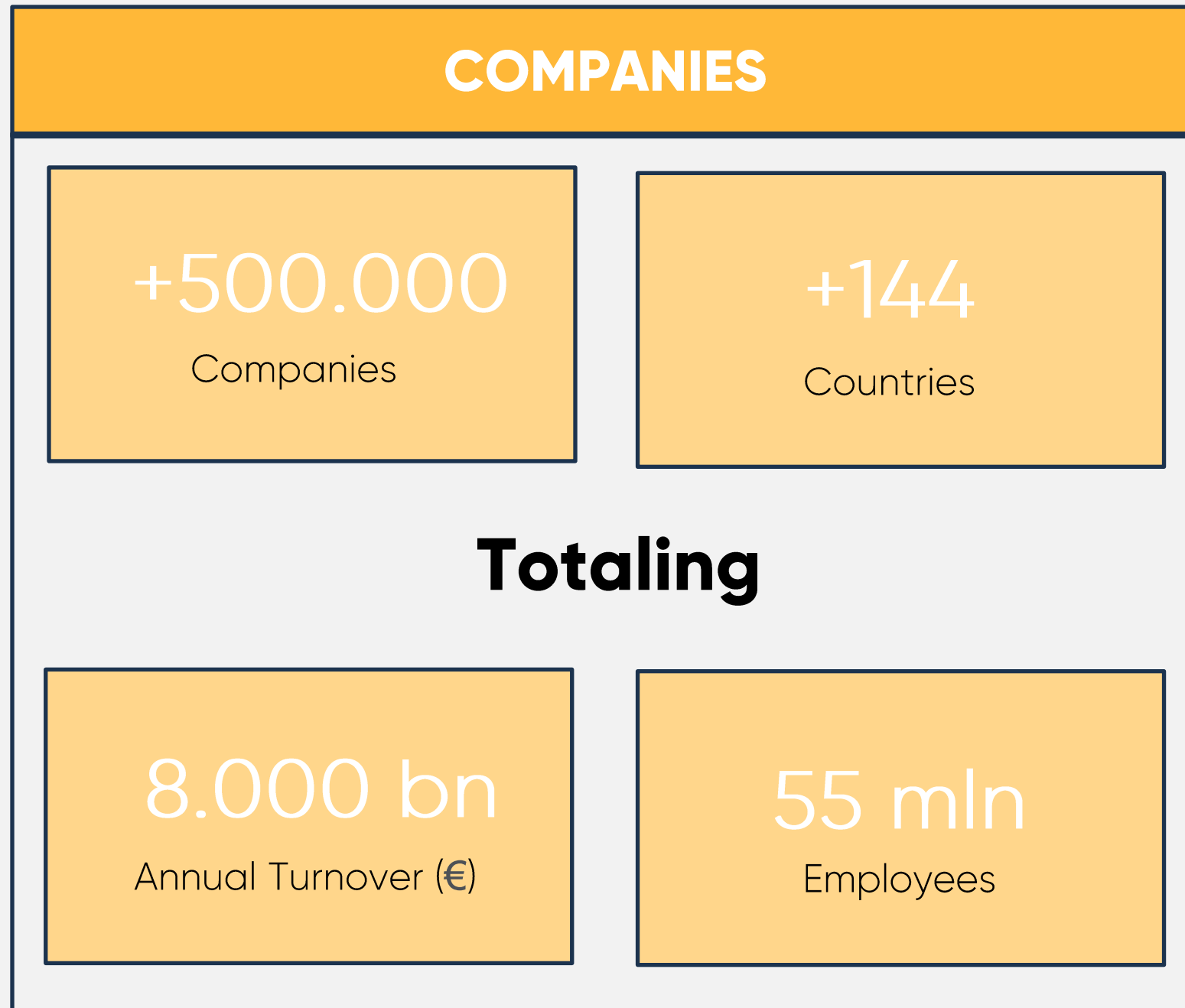




02

## **Key Figures of Synesgy Global Observatory**

# Key Figures of Synesgy Global Observatory



## Tips to better understand the above two clusters

The 500.000 companies are either self-registered companies or suppliers and clients of the above-mentioned 2.000 Heads of supply chain, insurances & banks.



**03**

## **Distribution of the companies in Synesgy Worldwide**

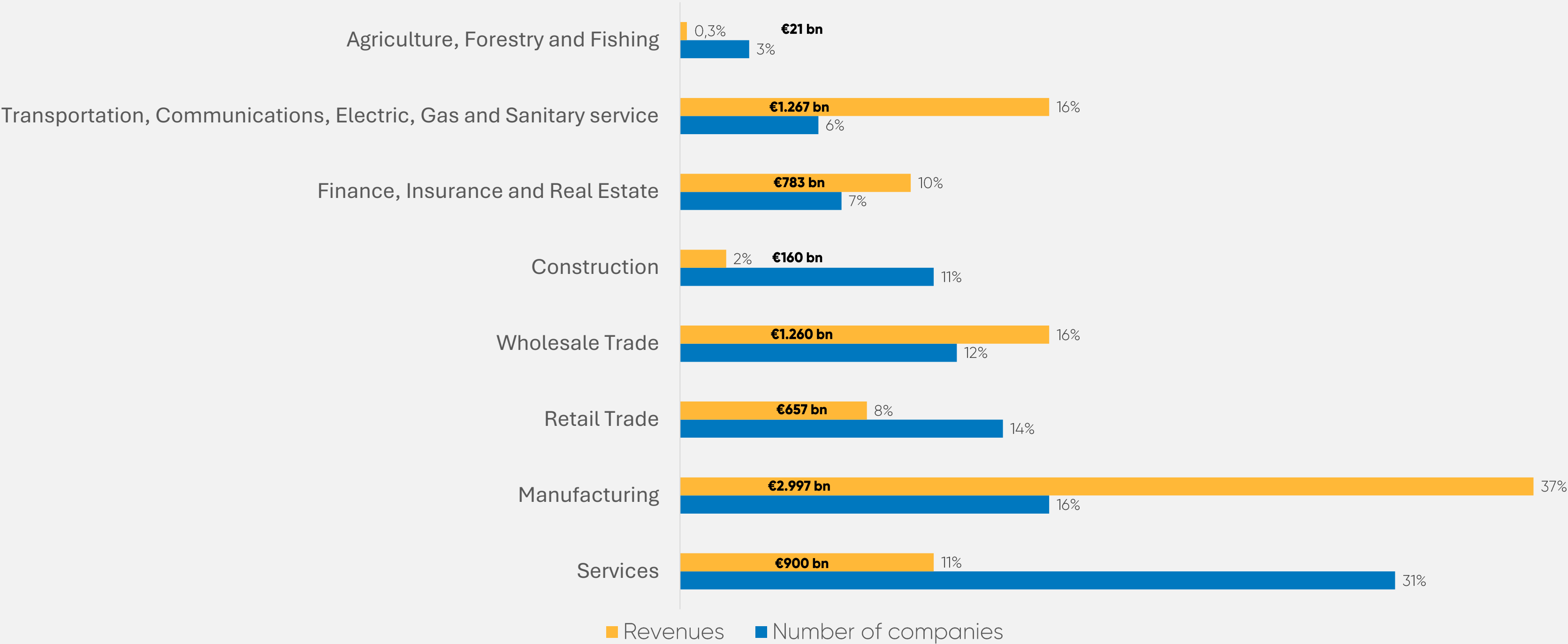
# Focus on 500.000 Companies in Synesgy



In the following chapter, we prepared an in-depth analysis of the distribution of the **500.000** companies in Synesgy.

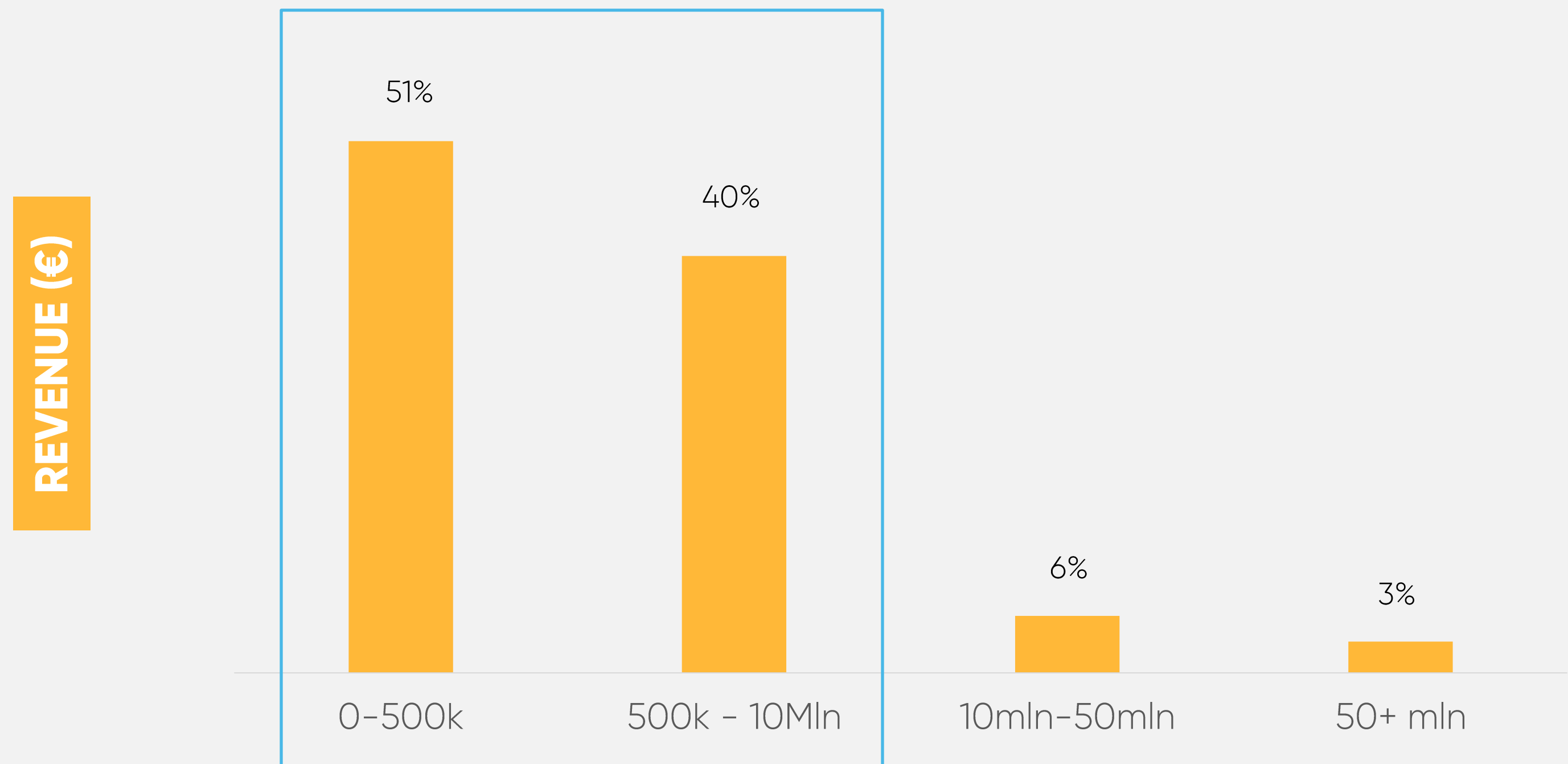
# 500.000 Worldwide Companies distribution by industry

## Key Macro Industries



Source: Synesgy @June 2024

# 500.000 Worldwide Companies distribution by revenue

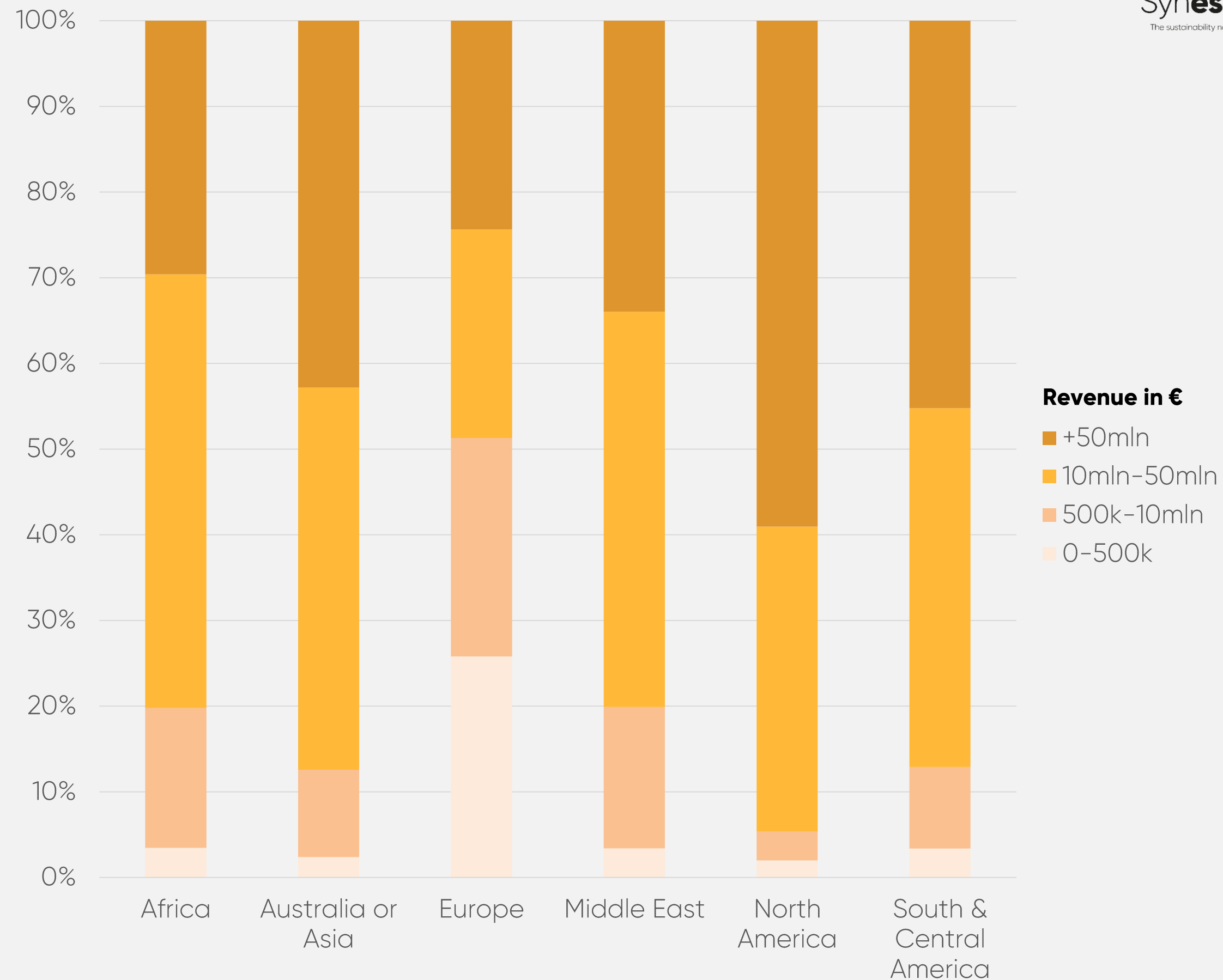


## 91% of Companies are SMEs

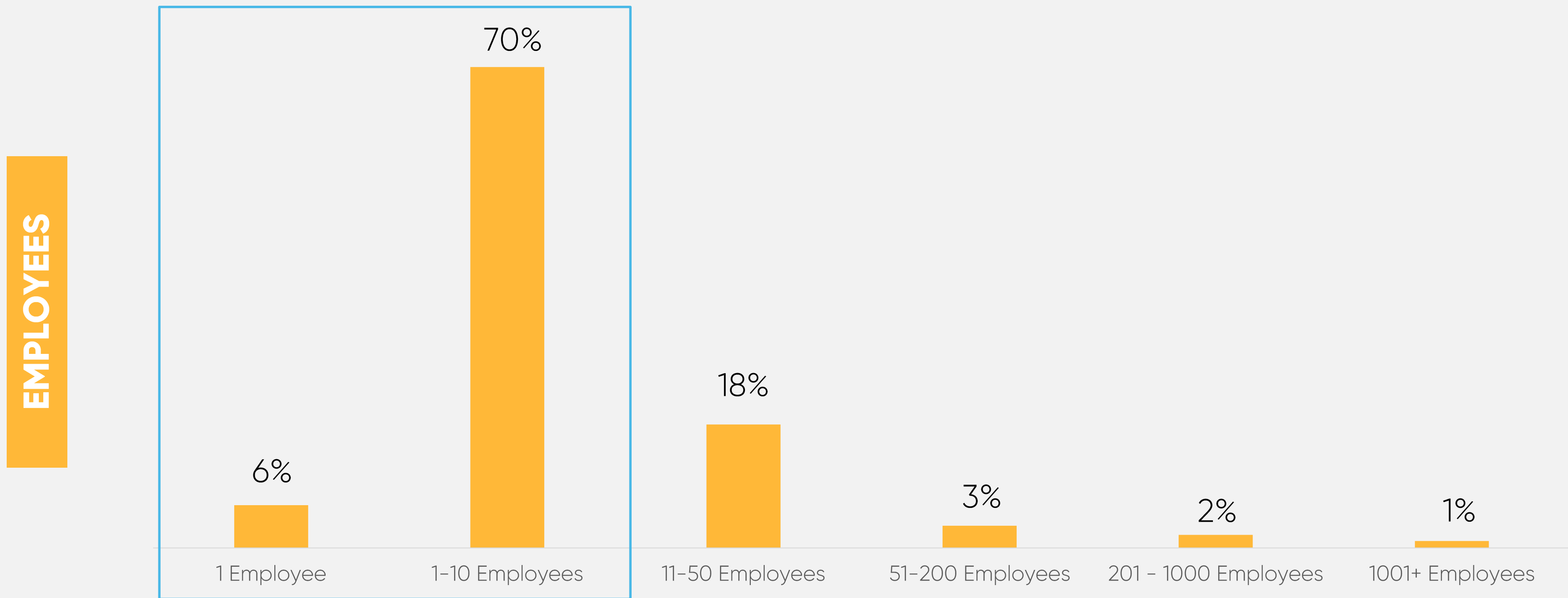
Most of the companies in Synesgy Platform are small- and medium-sized companies, although 9% of the population has a turnover greater than 10 million.

Source: Synesgy @June 2024

# 500.000 Companies distribution by revenue & territory



# 500.000 Worldwide Companies distribution by nr. of employees

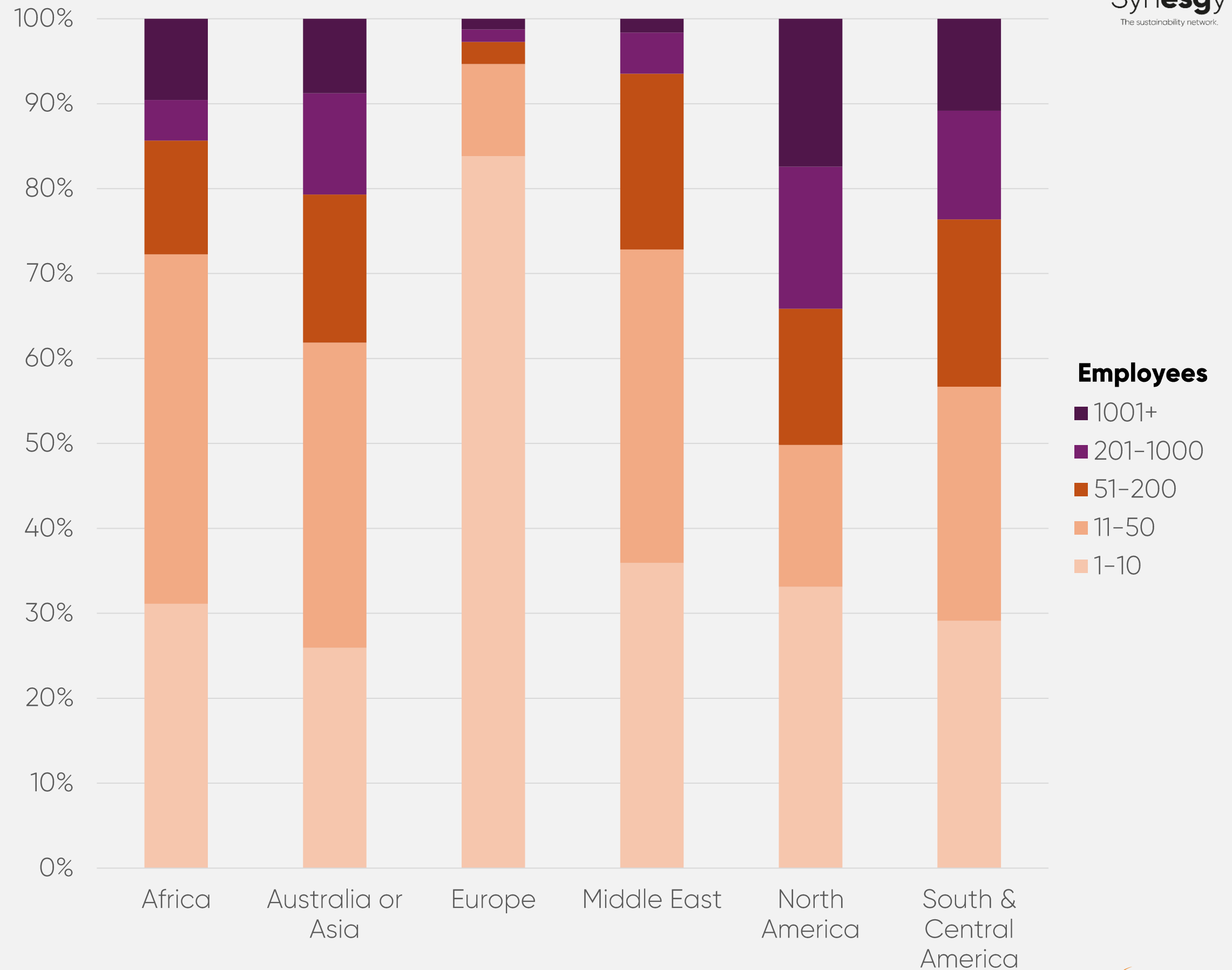


## 76% of Companies are Micro

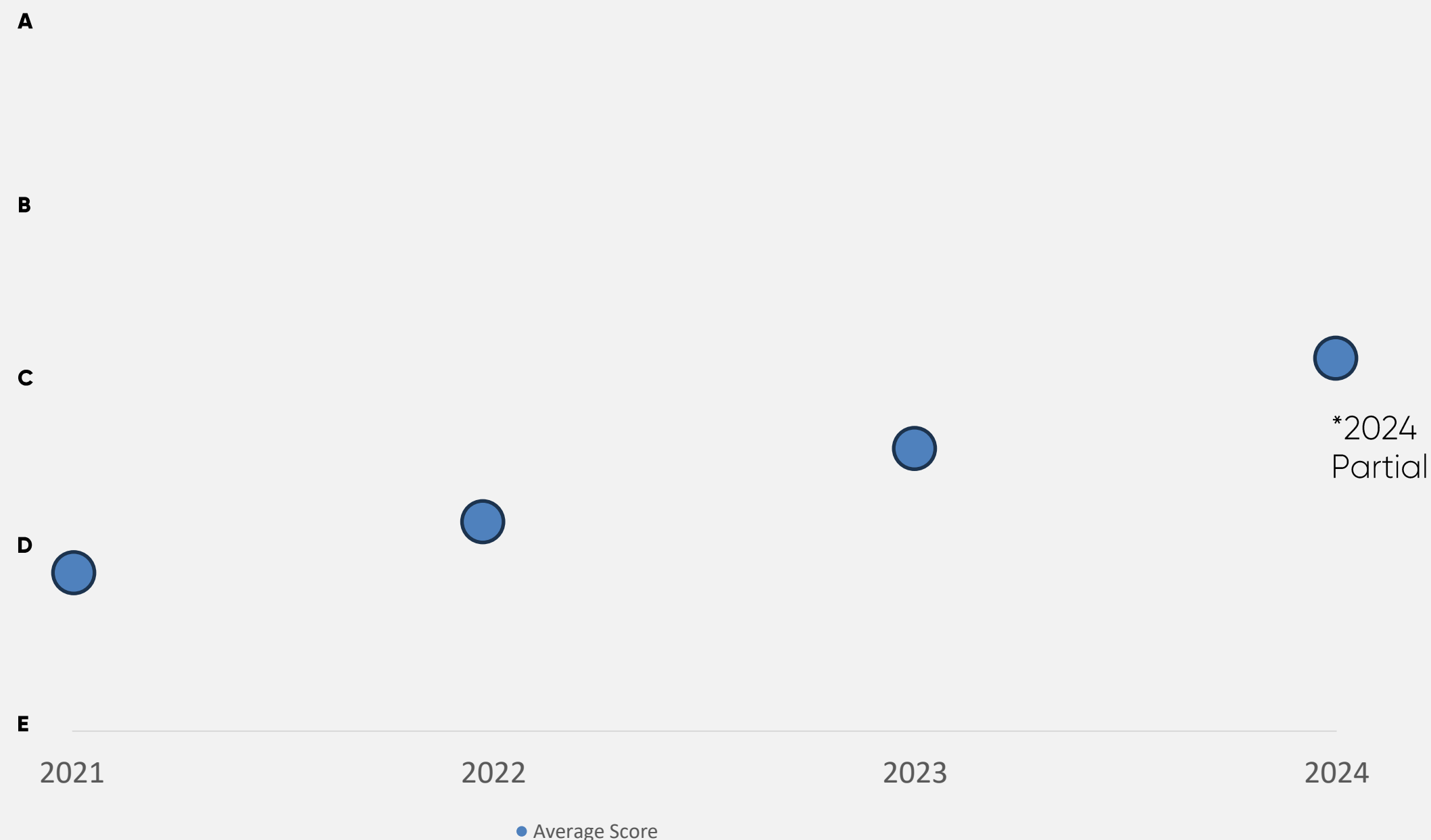
In terms of number of employees, most of the companies on Synesgy Platform are Micro and Small companies, although 6% employ more than 50 people.

Source: Synesgy @June 2024

# 500.000 Companies distribution by nr. of employees and territory



# Worldwide Companies average ESG score evolution



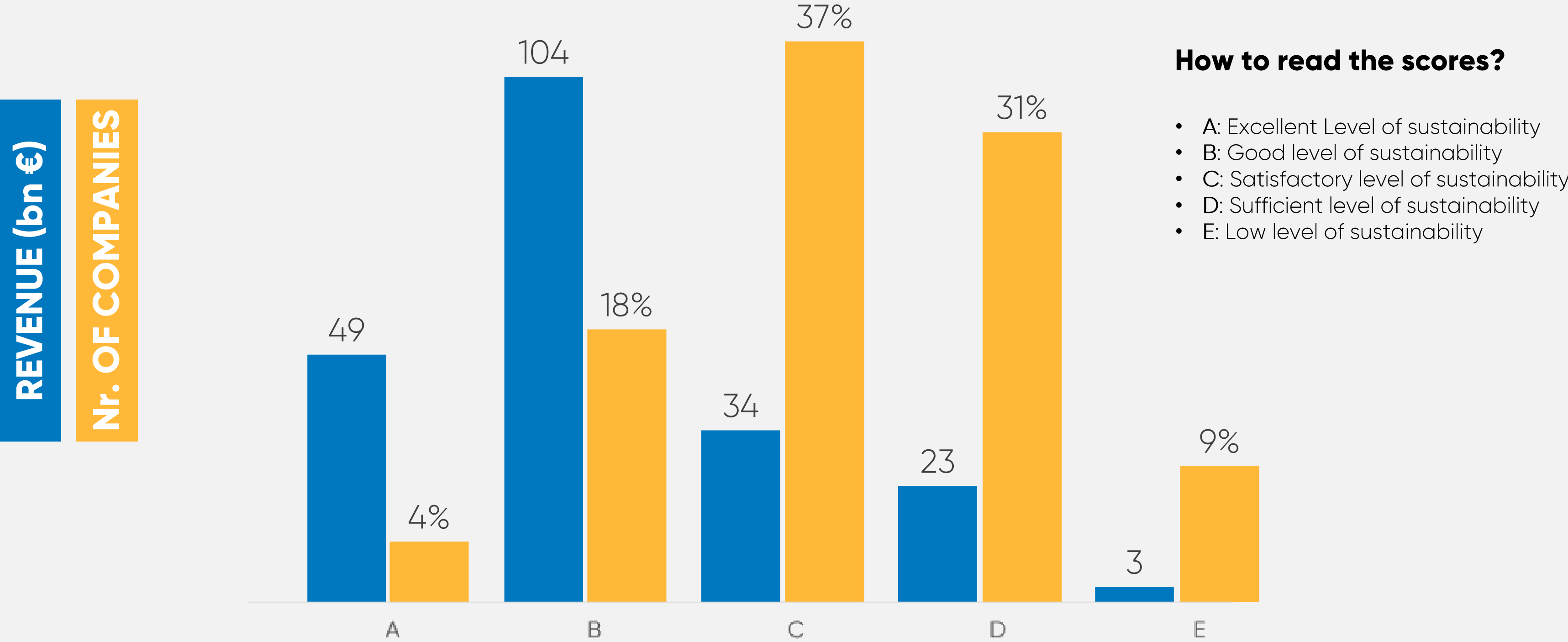
## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

## ESG Average Score: from lower than D to a solid C

The average ESG score for companies on the Synesgy platform in 2021 was lower than D. However, the increased adoption of the ESG practices and the broader use of Synesgy is now showing a better average score of the population.

# Synesgy ESG Certified Companies Annual Turnover by ESG Score



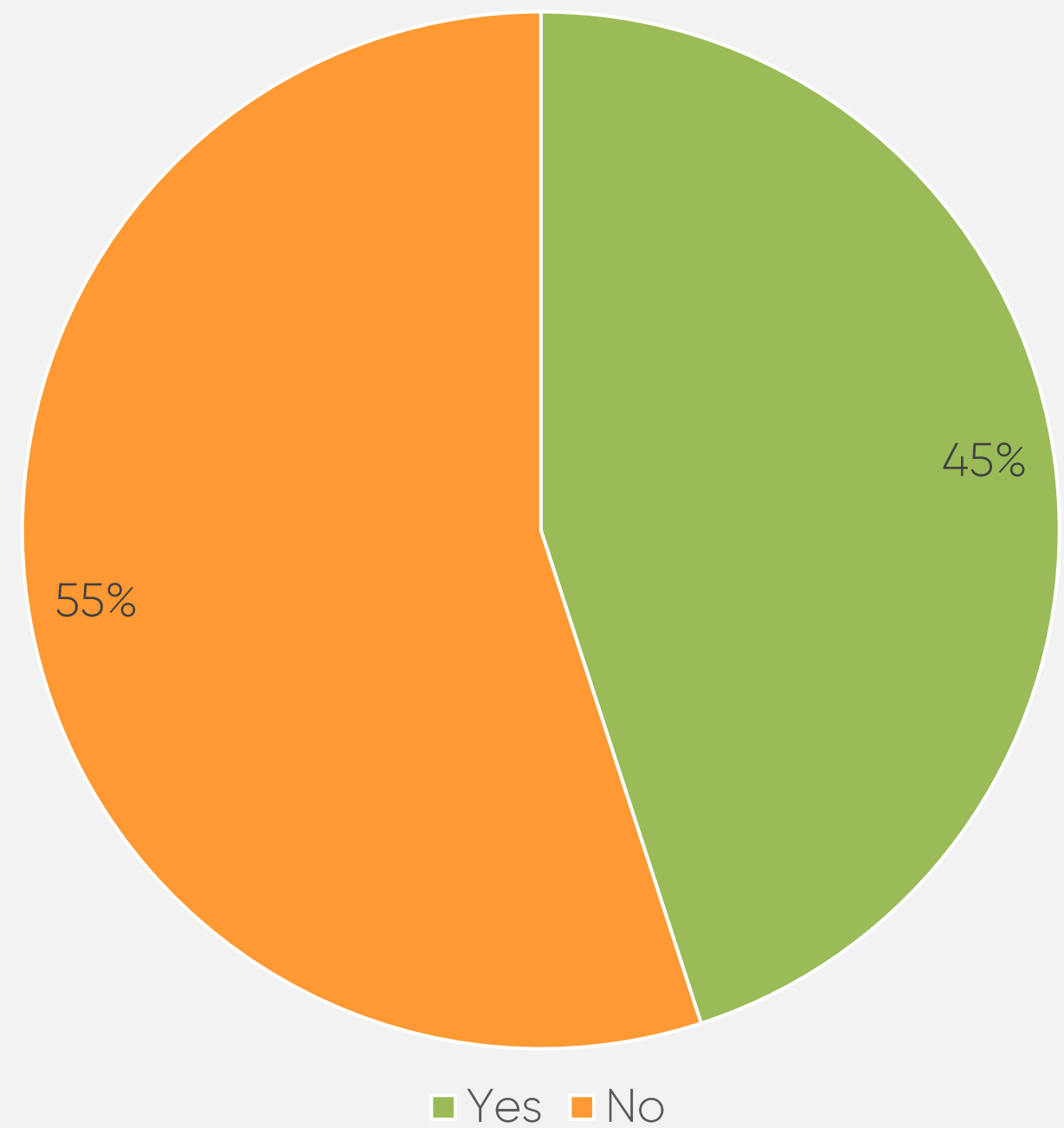
## Companies with A or B score represent 72% of the total annual turnover

Although companies with an A or B score are fewer in number, they account for 72% of the total annual turnover of all certified companies. The total annual turnover of the certified companies is €215 bn.



# Worldwide Companies ESG (E, Renewable Energy)

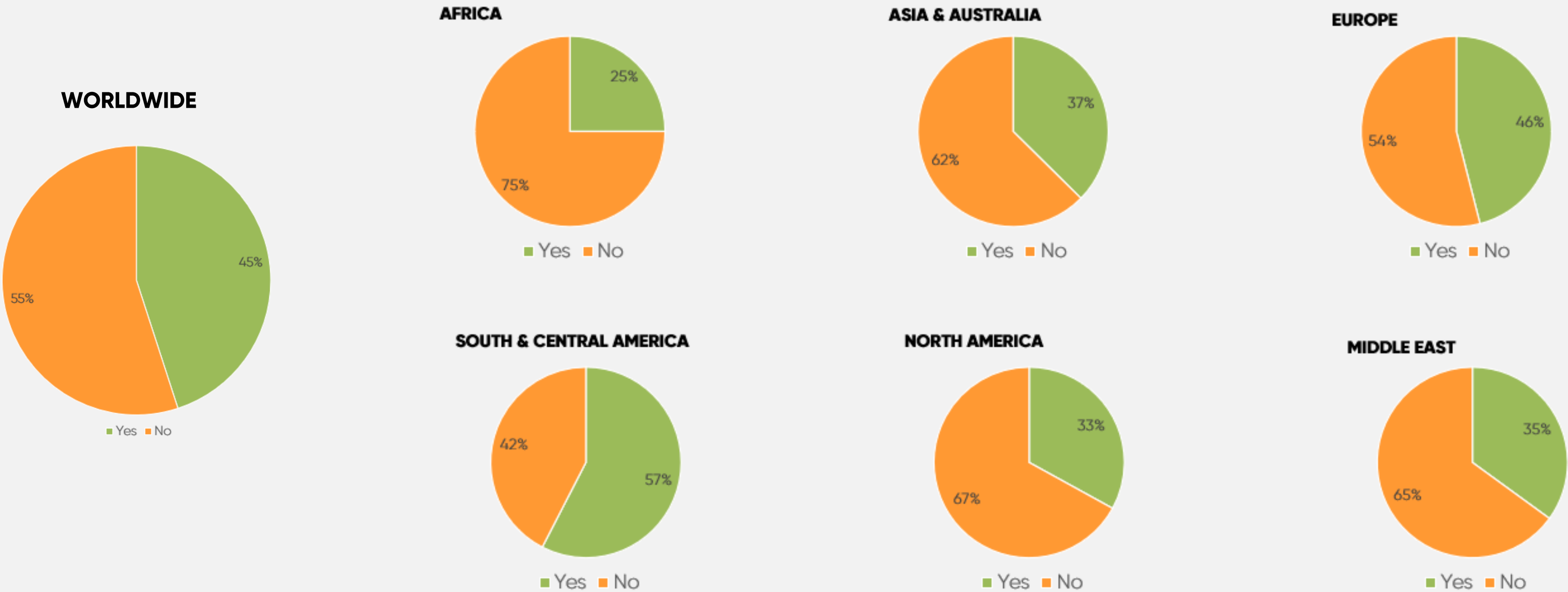
"Do you have renewable energy production facilities/plants?"



Source: Synesgy @June 2024

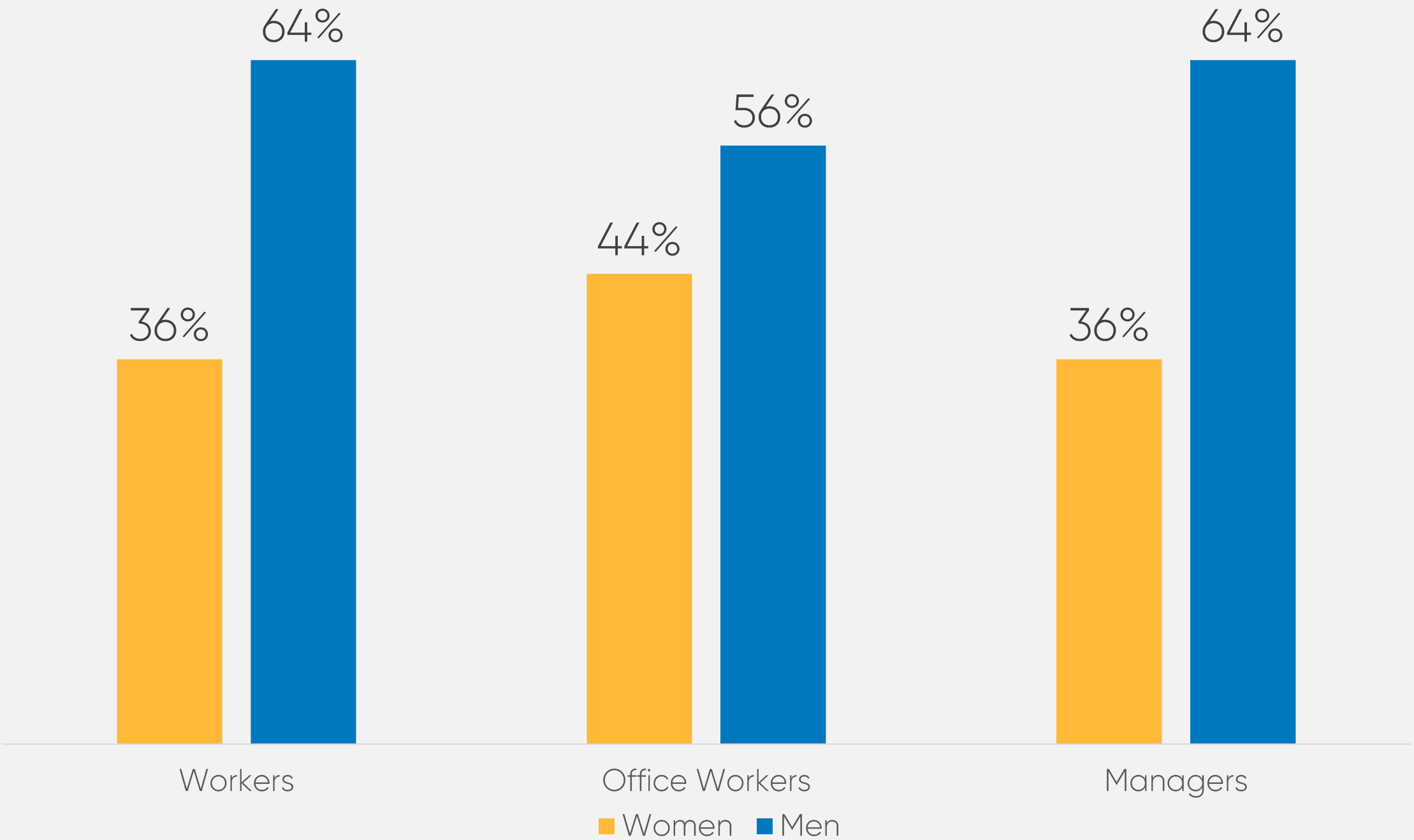
# Worldwide Companies ESG (E, Renewable Energy)

"Do you have renewable energy production facilities/plants?"



Source: Synesgy @June 2024

# Worldwide Companies ESG (S, employees gender distribution)



## Tips to better understand the chart

The above chart displays the distribution by gender across various job roles.

Source: Synesgy @June 2024

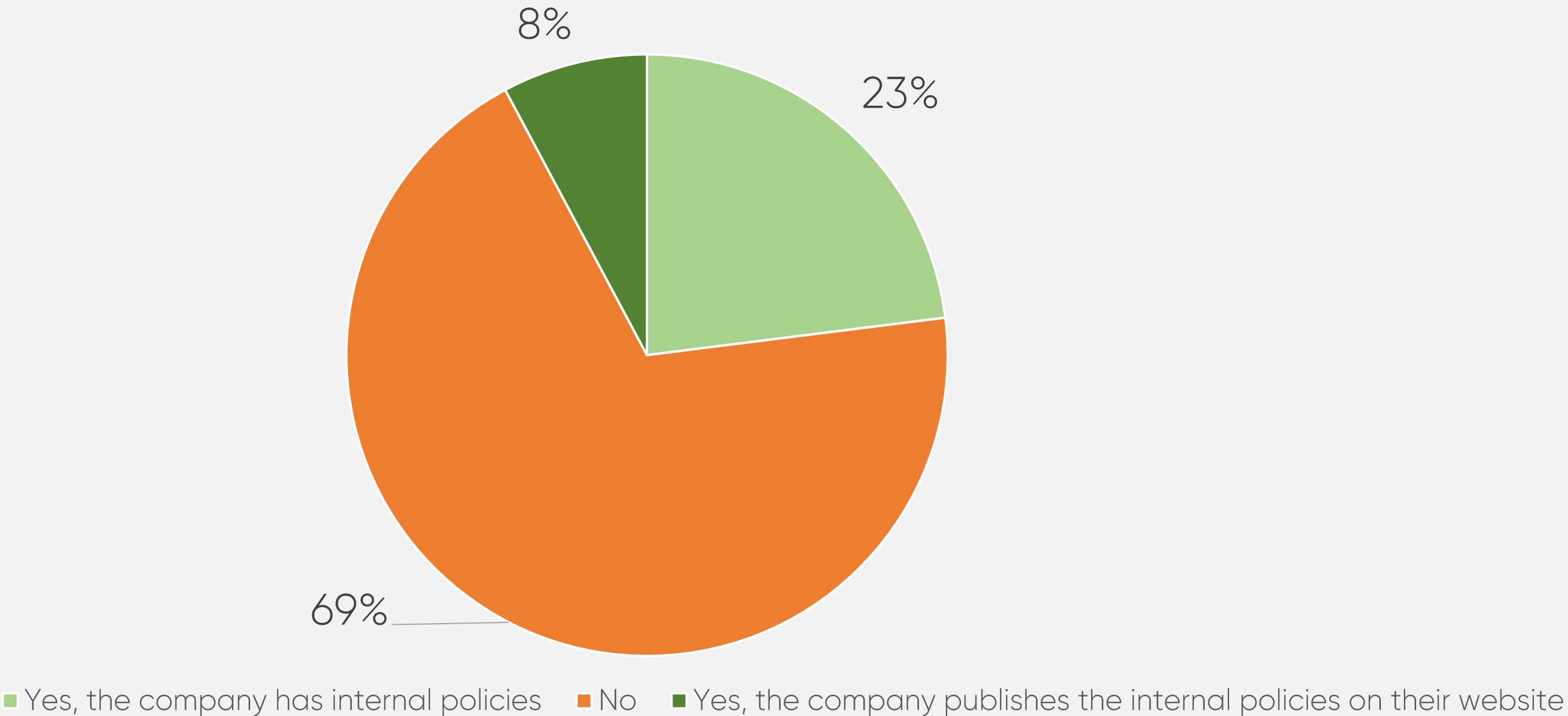
# Worldwide Companies ESG (S, employees gender distribution)



Source: Synesgy @June 2024

# Worldwide Companies ESG (S, child labor policy implementation)

“Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG8»



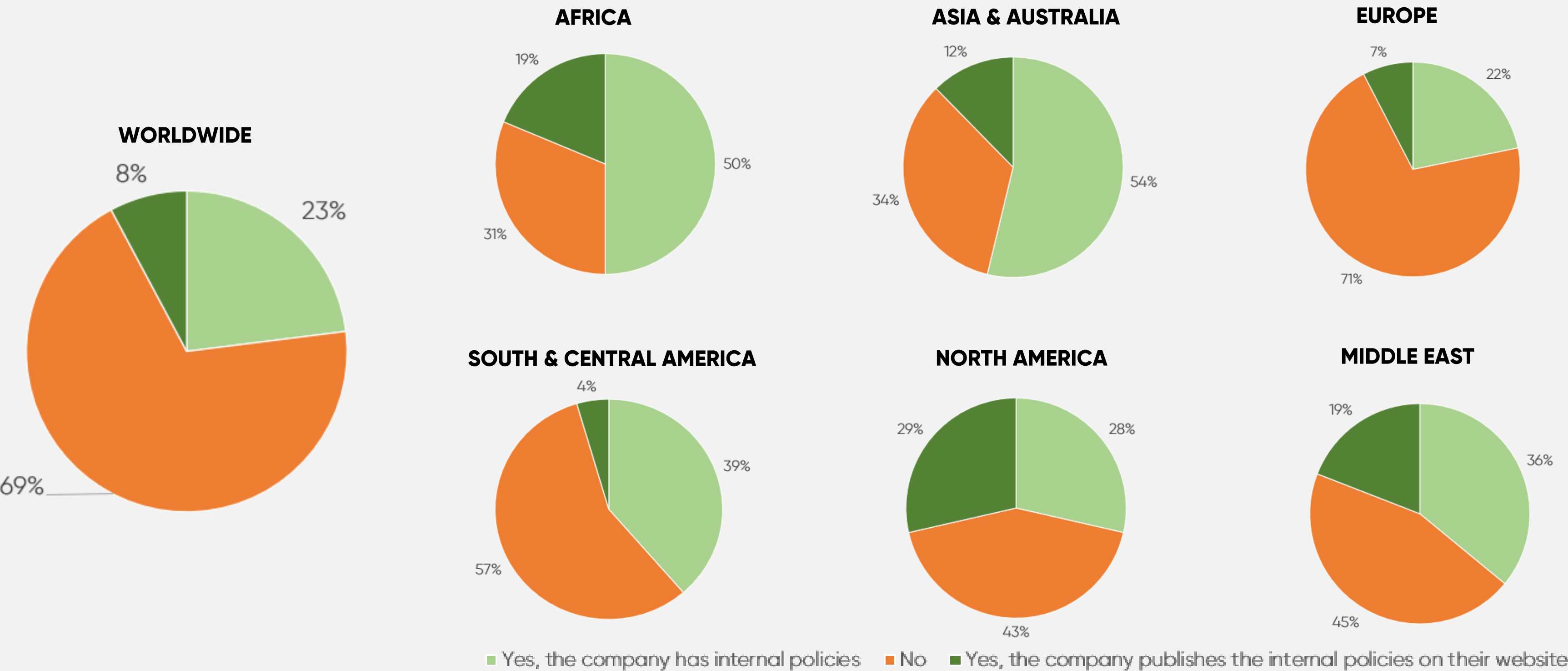
**69% of companies have not implemented a formal child labor policy**

Worldwide, Only 31% of the companies analyzed have implemented child labor policies, and just 8% publicly disclose these policies on their websites.

Source: Synesgy @June 2024

# Worldwide Companies ESG (S, child labor policy implementation)

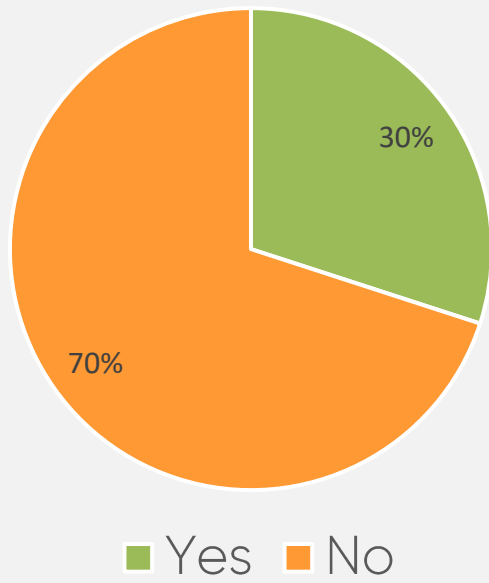
“Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG8»



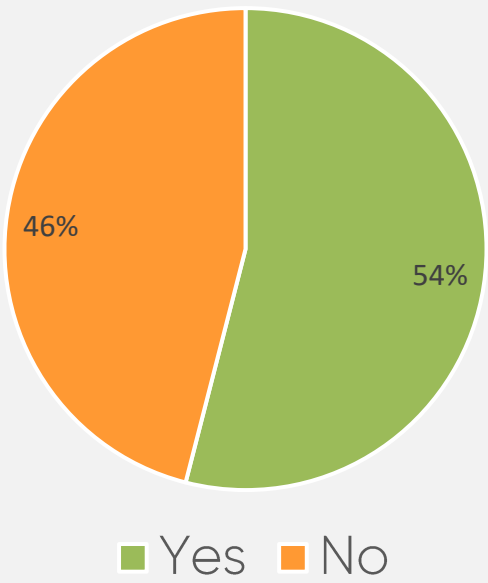
Source: Synesgy @June 2024

# Worldwide Companies ESG (G, ISO CERTIFICATIONS)

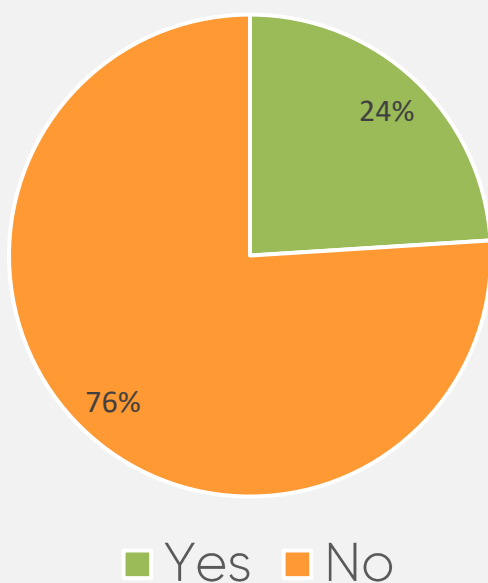
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



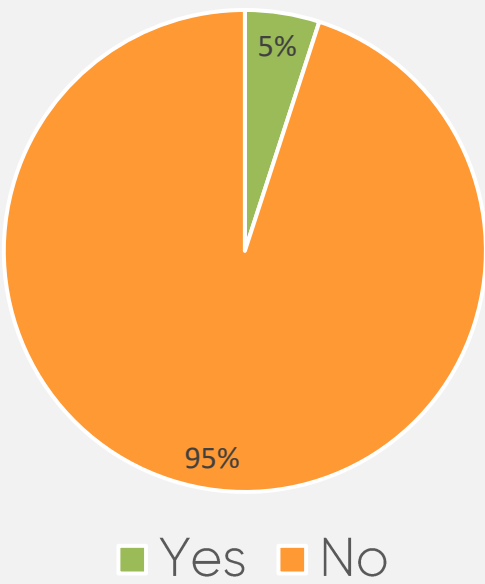
Are you compliant with ISO 9001 (Quality Management System)?



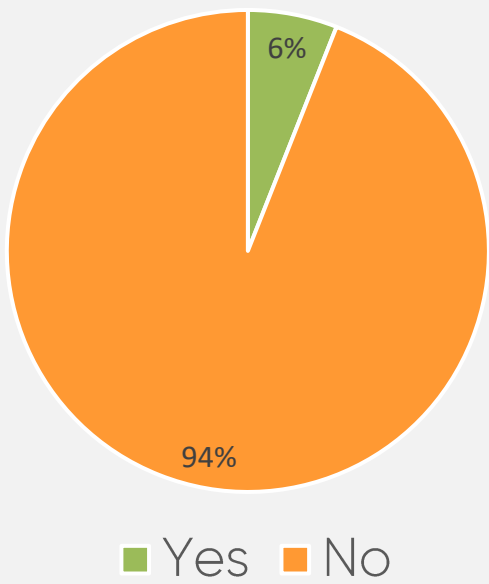
Do you comply with the UNI EN ISO 45001 standard on occupational health and safety of employees? – GRI 403-6 / SDG 3



Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



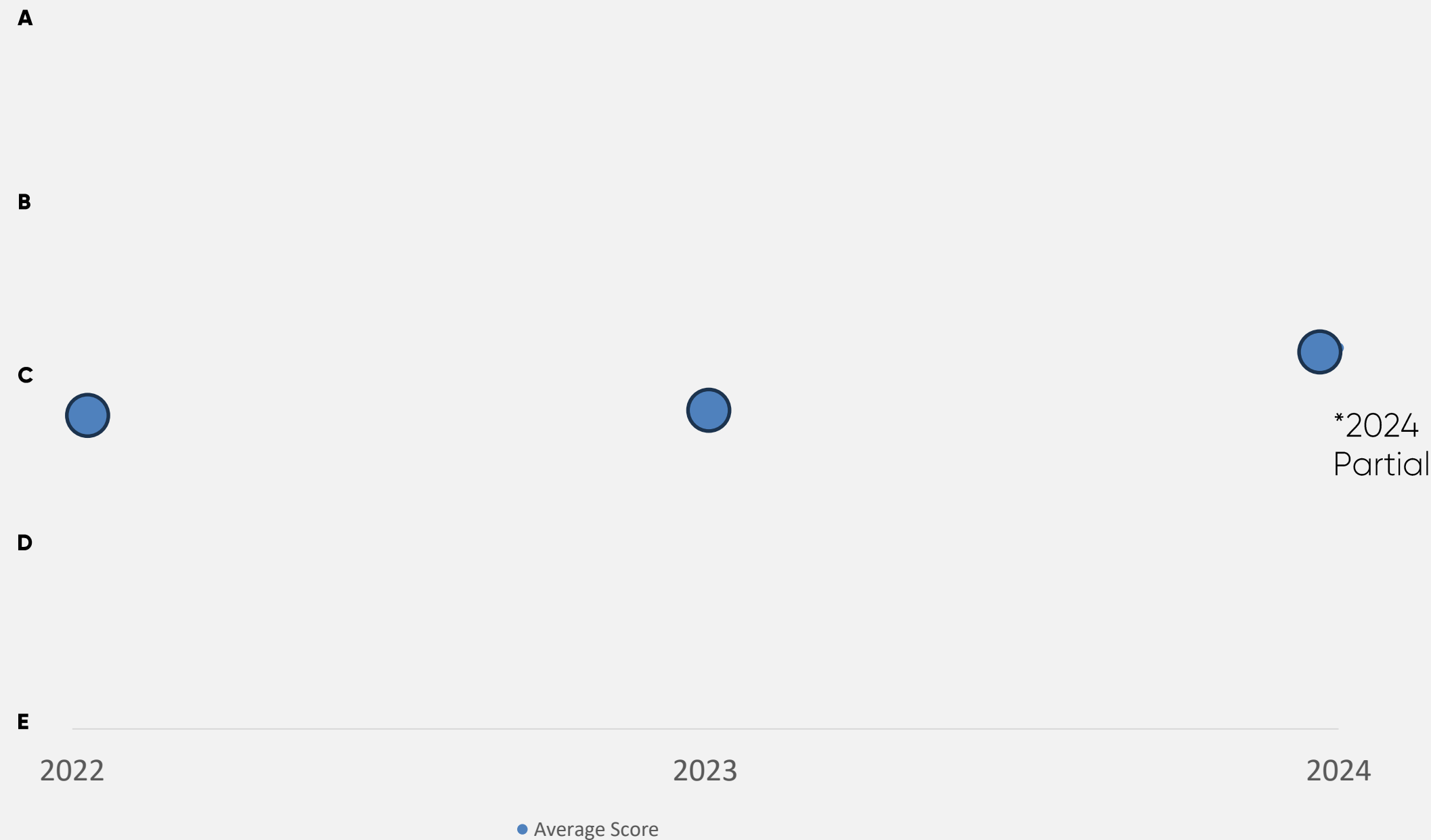
Source: Synesgy @June 2024



**04**

## **Distribution of the companies in Synesgy by territory**

# African Companies average ESG score evolution



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

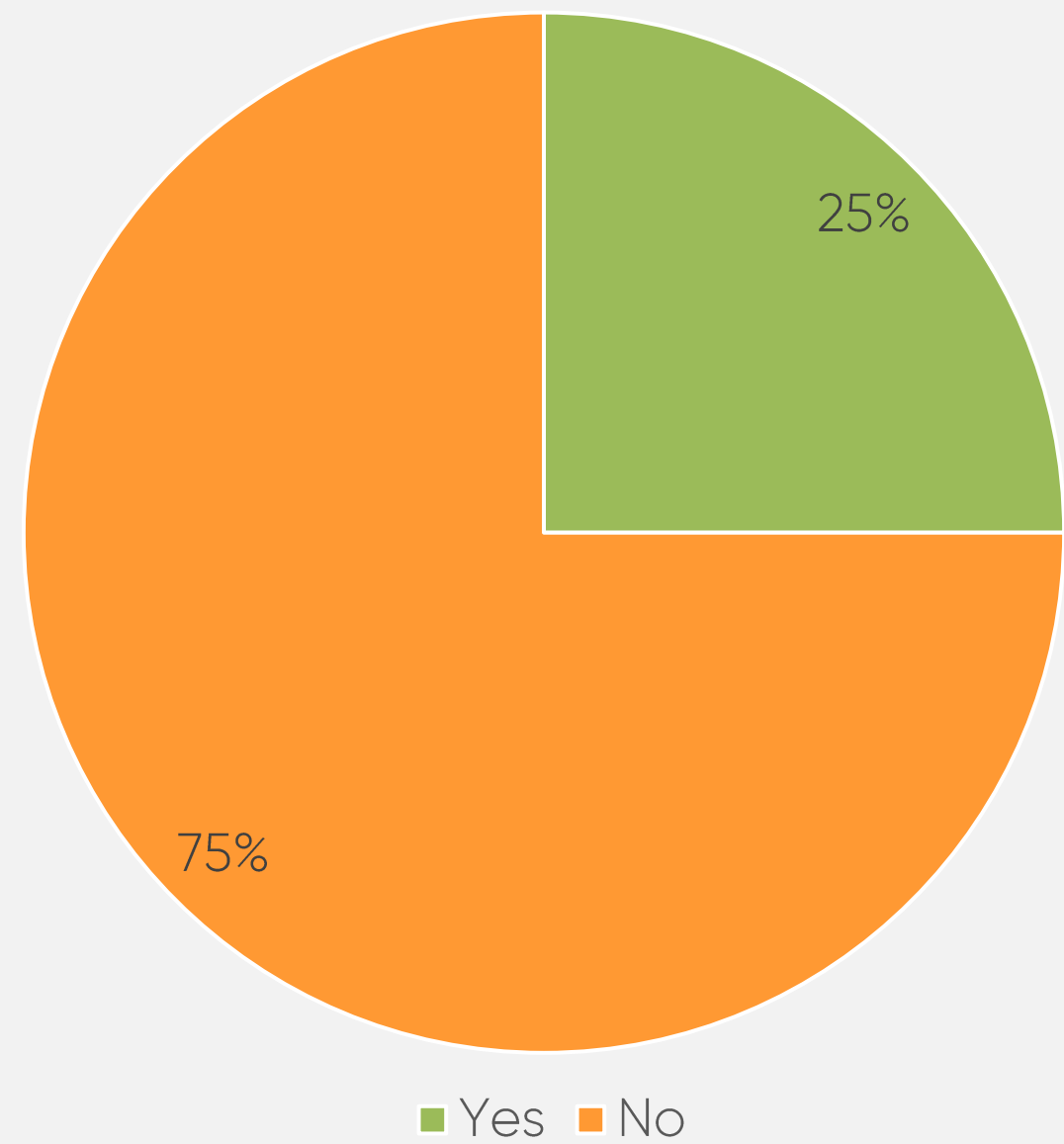
## ESG Average Score stays stable over the years

In Africa, the average ESG score has stabilized with a slight upward trend, settling around a C score.

Source: Synesgy @June 2024

# African Companies ESG (E, Renewable Energy)

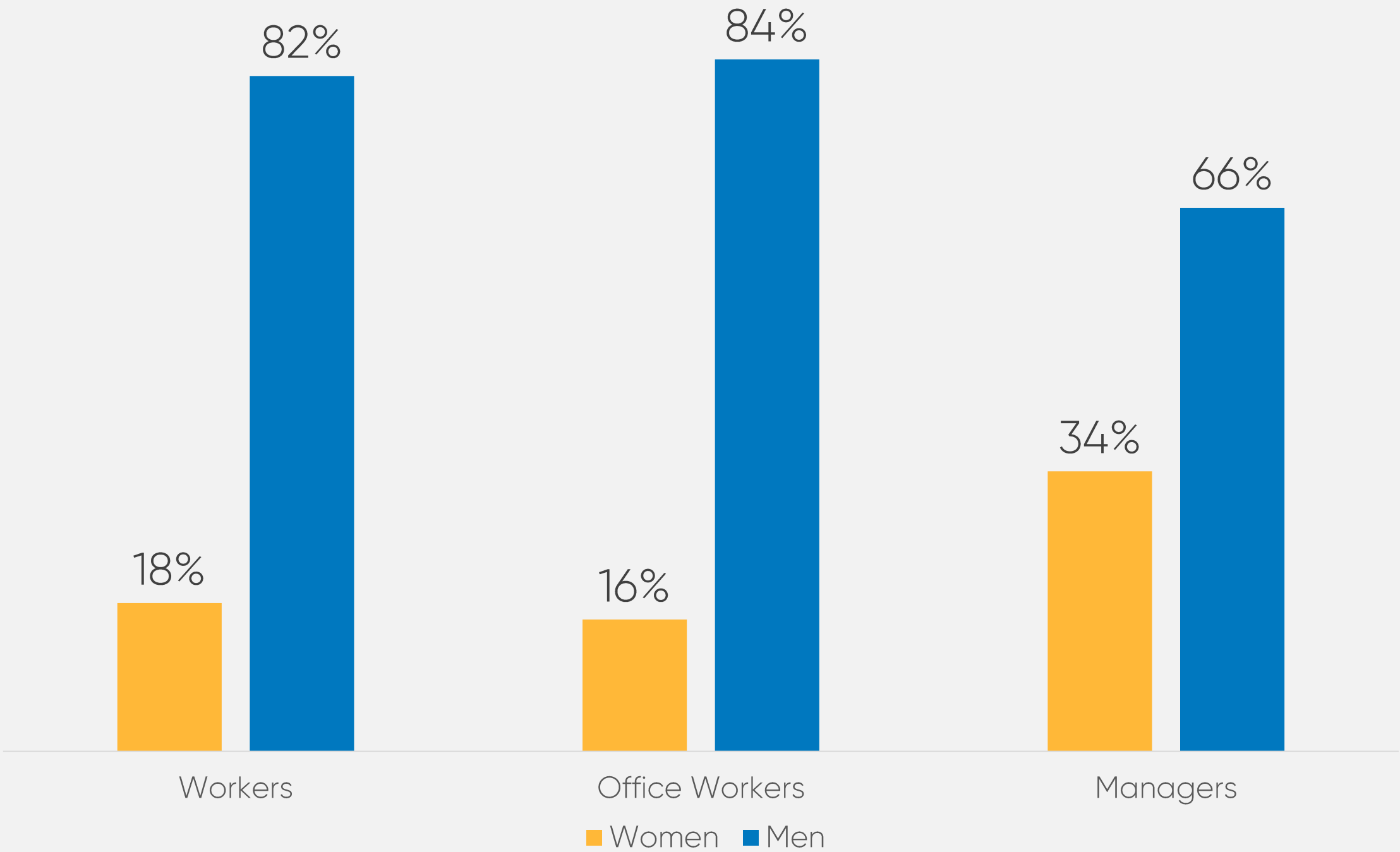
Do you have renewable energy production facilities/plants?



Source: Synesgy @June 2024

\*Africa represents less than 1% of the total Synesgy population

# African Companies ESG (S, employees gender distribution)



## African companies show a high disparity

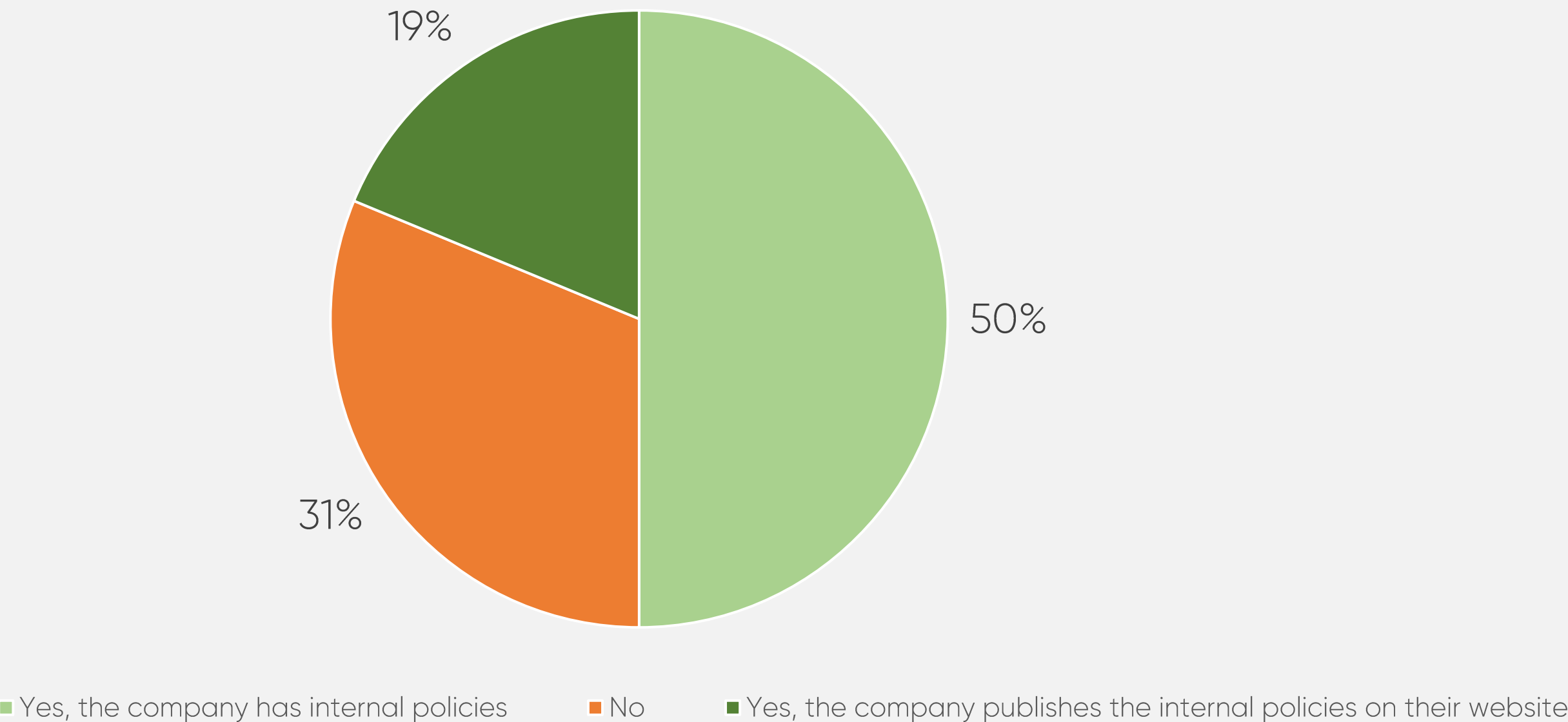
Across various positions and job roles in Africa, women hold a significantly smaller share of job positions, especially in the white-collar segment, where 84% of positions are occupied by men.

Source: Synesgy @June 2024

\*Africa represents less than 1% of the total Synesgy population

# African Companies ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



**69% of the African companies include child labor policies**

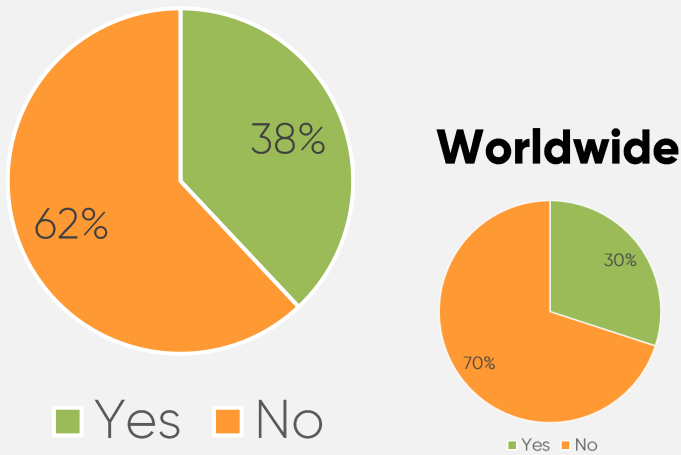
Only 31% of the companies analyzed in Africa have not implemented child labor policies.

\*Africa represents less than 1% of the total Synesgy population

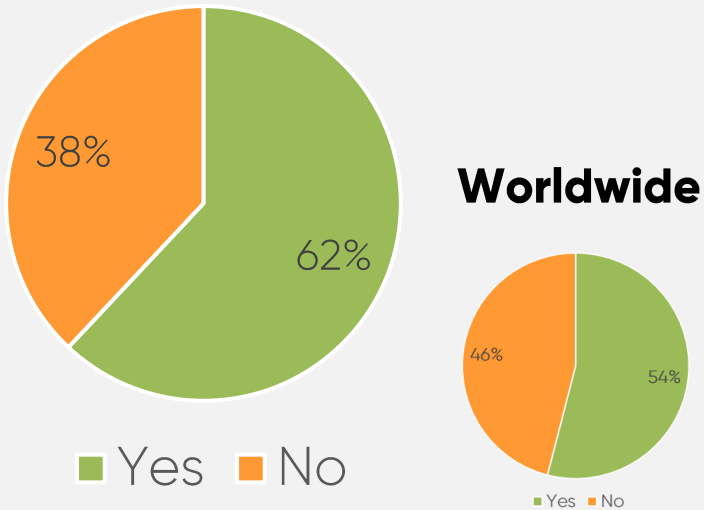
Source: Synesgy @June 2024

# African Companies ESG (G, ISO CERTIFICATIONS)

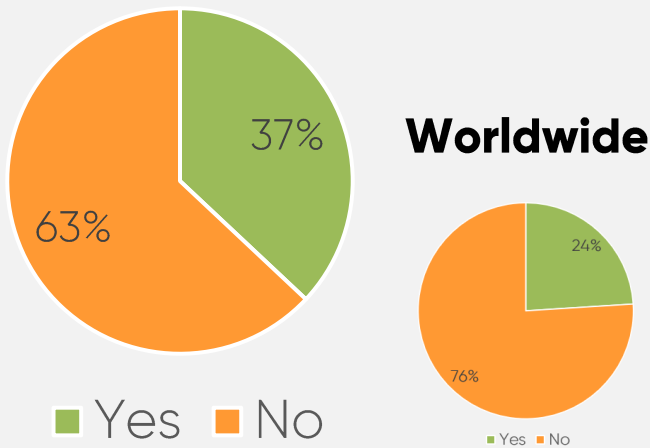
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



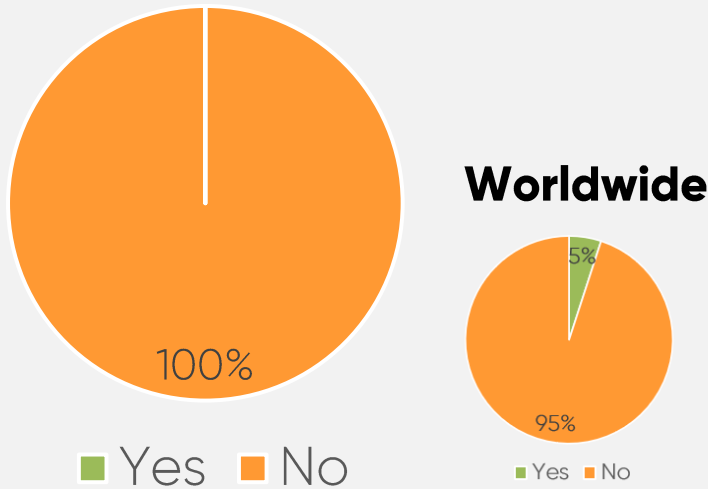
Are you compliant with ISO 9001 (Quality Management System)?



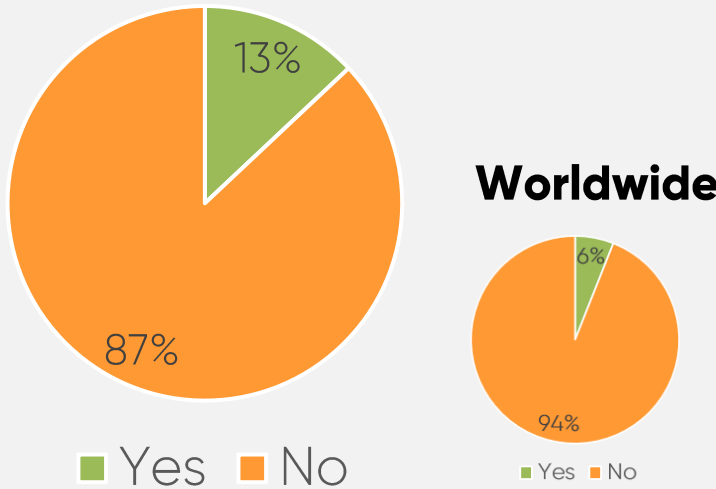
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Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



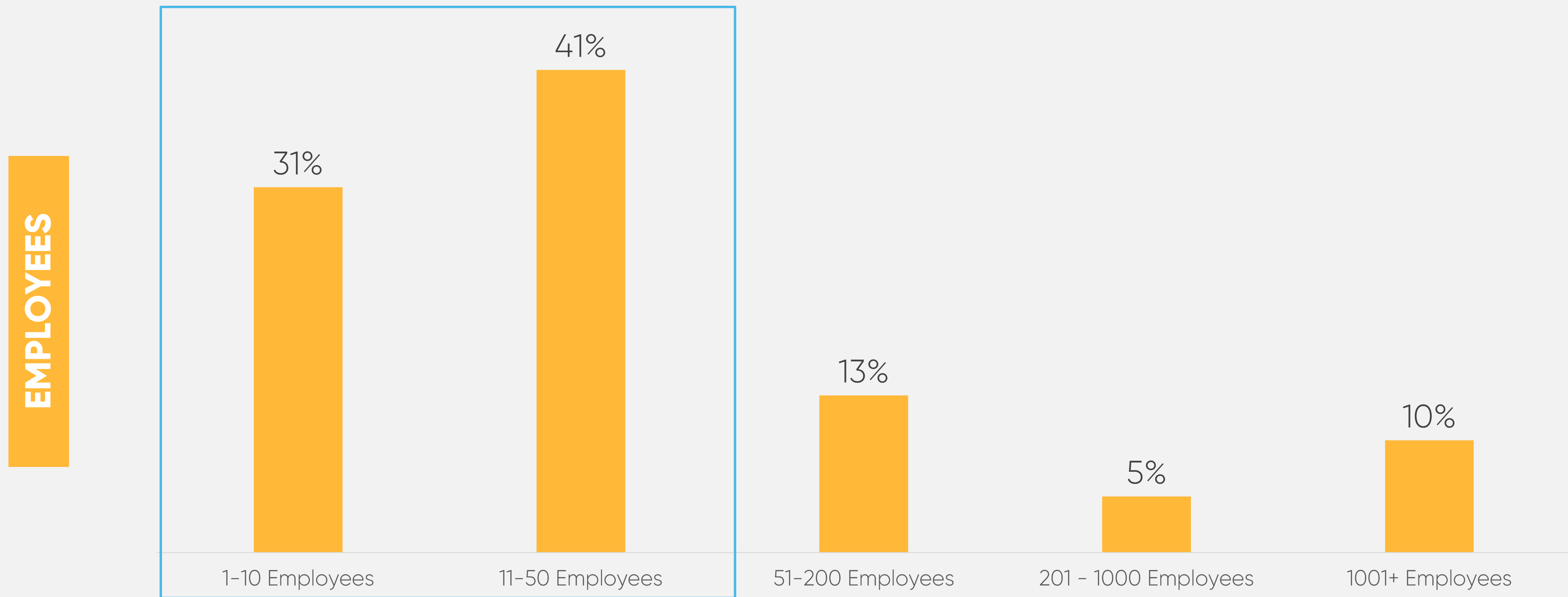
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*Africa represents less than 1% of the total Synesgy population

Source: Synesgy @June 2024

# African Companies distribution by nr. of employees



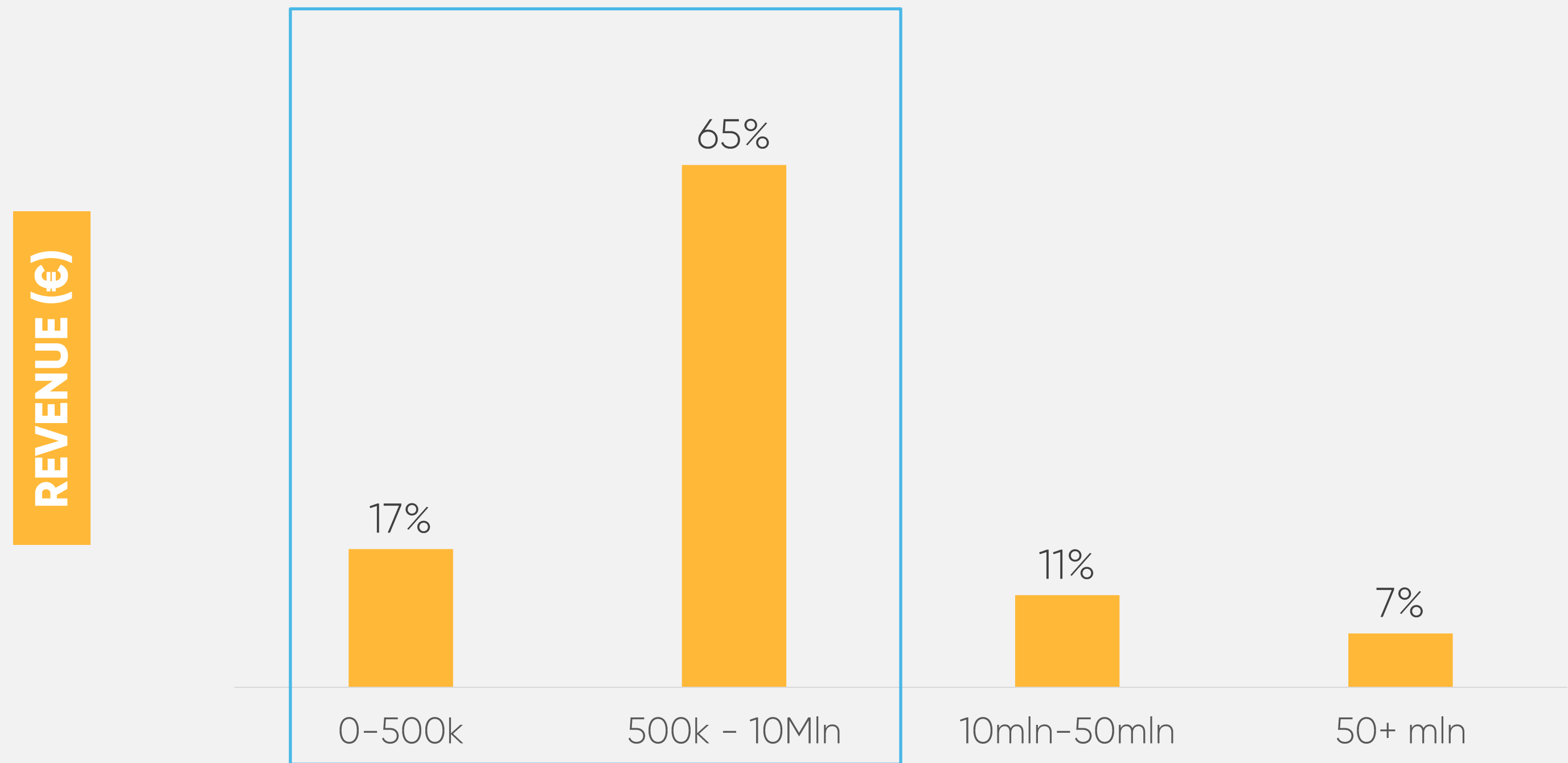
**72% have less than 50 employees**

In Africa, we see a high concentration of businesses that have 50 or fewer employees. Only 15% are large corporates

\*Africa represents less than 1% of the total Synesgy population

Source: Synesgy @June 2024

# African Companies distribution by revenue



**82% have less than 10mln in annual revenue**

In terms of revenue, 82% of the total companies analyzed in Africa report an annual turnover of 10 million euros or less.

\*Africa represents less than 1% of the total Synesgy population

Source: Synesgy @June 2024

# Asian & Australian Companies average ESG score evolution



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

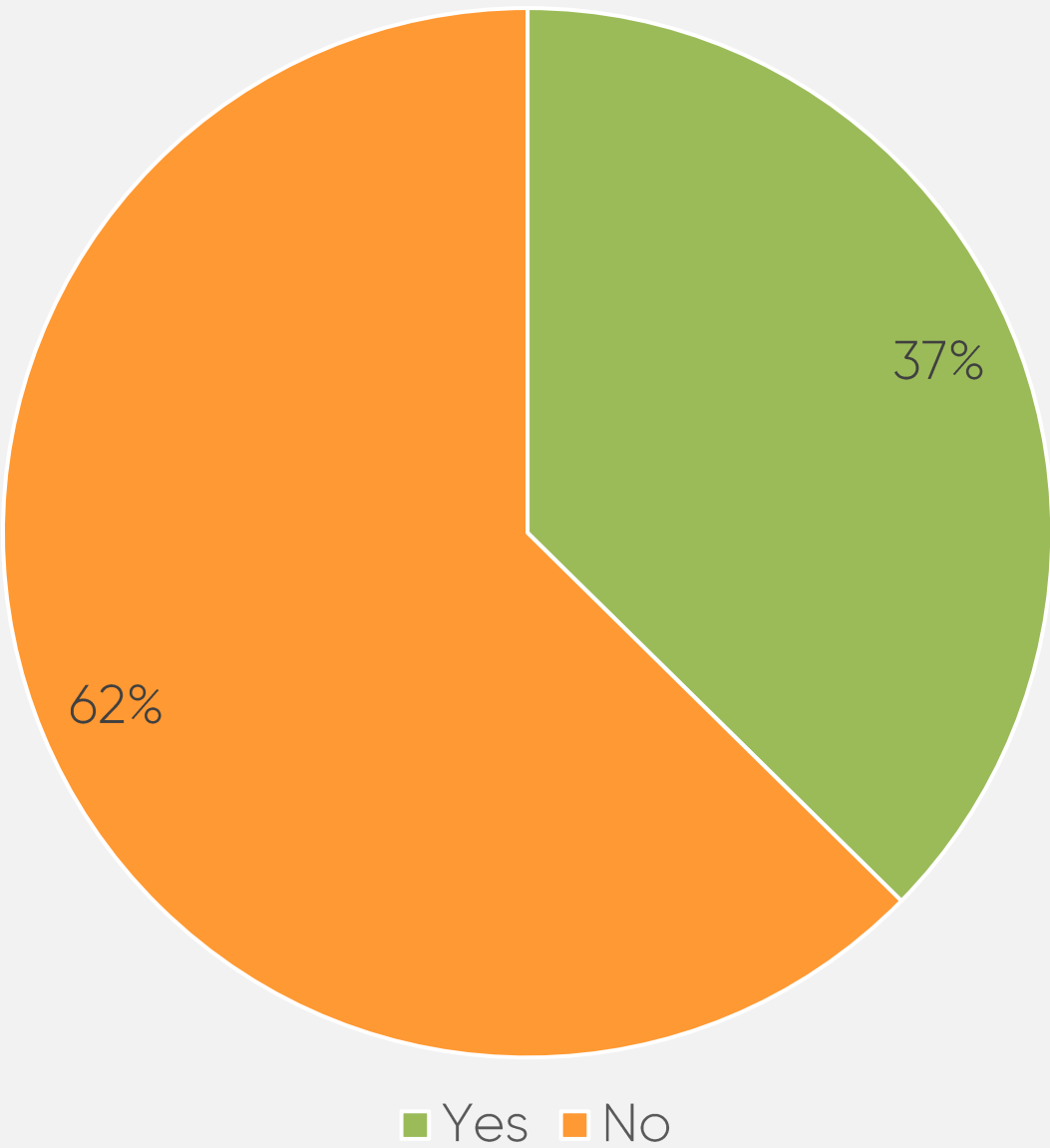
## ESG Average Score increasing YoY

Asian and Australian companies are continuously improving their ESG scores, with the regional average solidifies slightly above a C

Source: Synesgy @June 2024

# Asian & Australian Companies ESG (E, Renewable Energy)

Do you have renewable energy production facilities/plants?

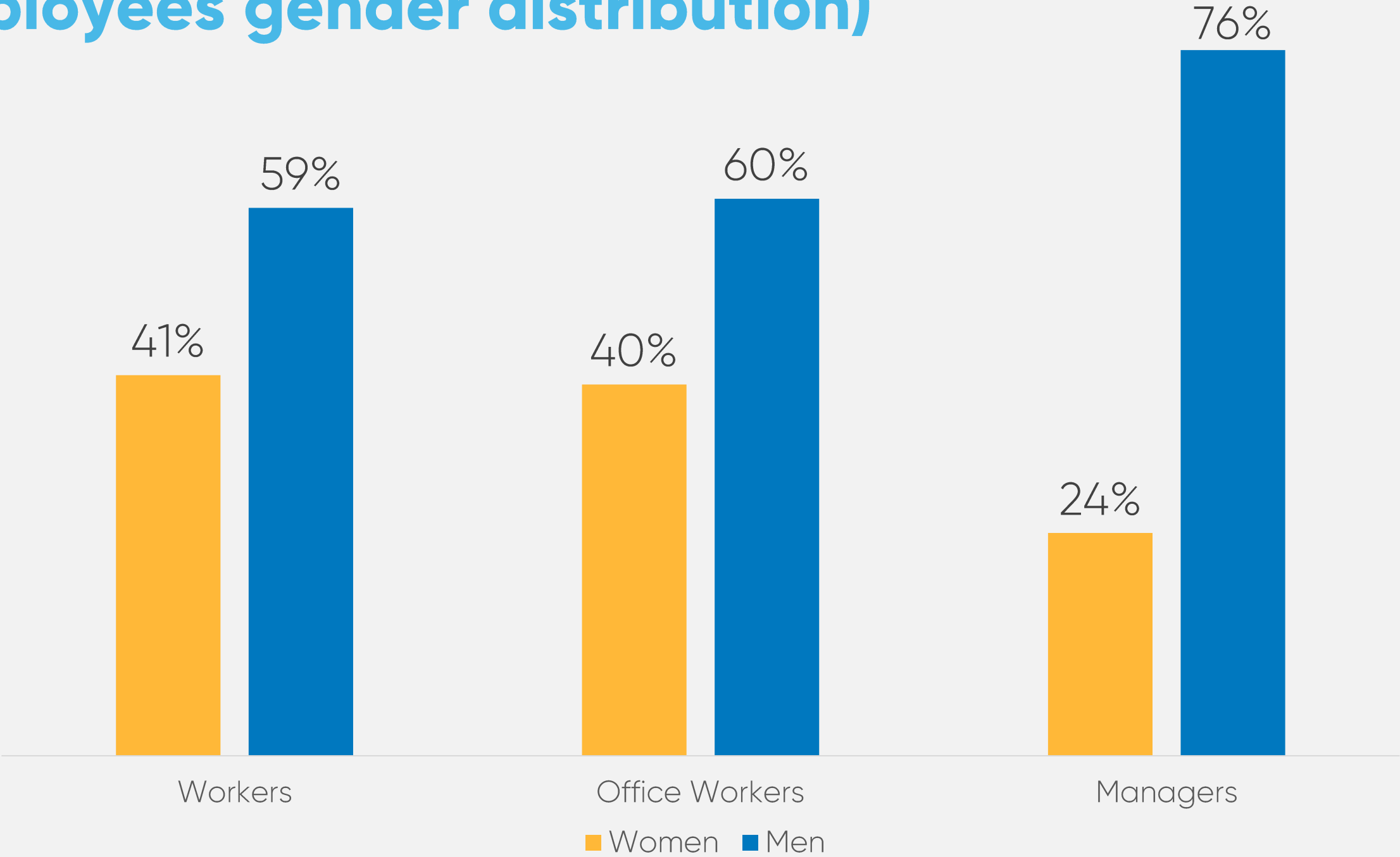


\*Asia & Australia represent less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# Asian & Australian Companies

## ESG (S, employees gender distribution)



### Higher disparity in managerial roles

While in blue-collar and white-collar roles the split is 60% men to 40% women, in managerial positions, this gap widens, with men comprising 76% of the total.

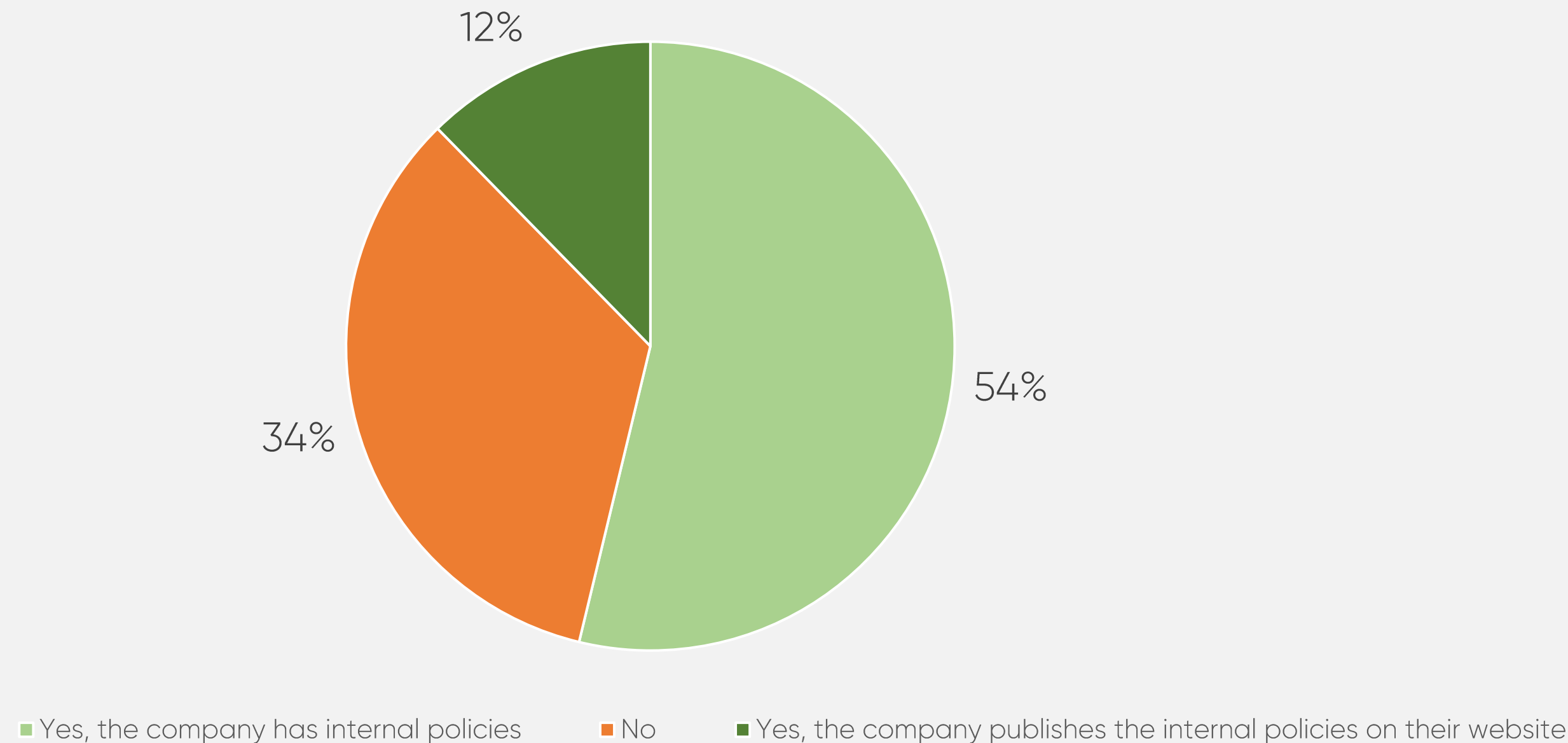
\*Asia & Australia represent less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# Asian & Australian Companies

## ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



**66% of the Asian & Australian companies include child labor policies**

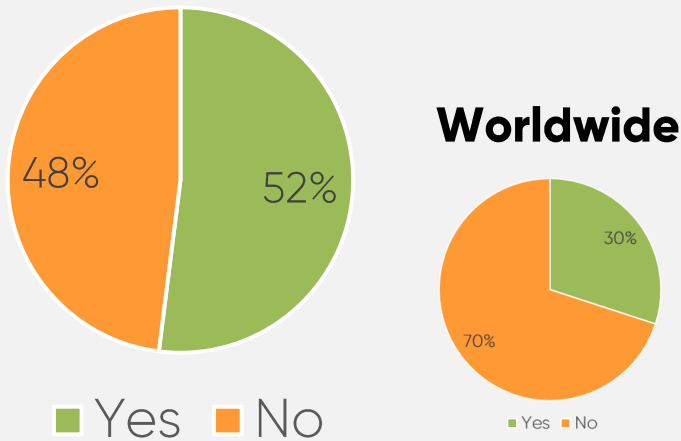
\*Asia & Australia represent less than 5% of the total Synesgy population

Only 34% of the companies analyzed in Asia and Australia have not have implemented child labor policies.

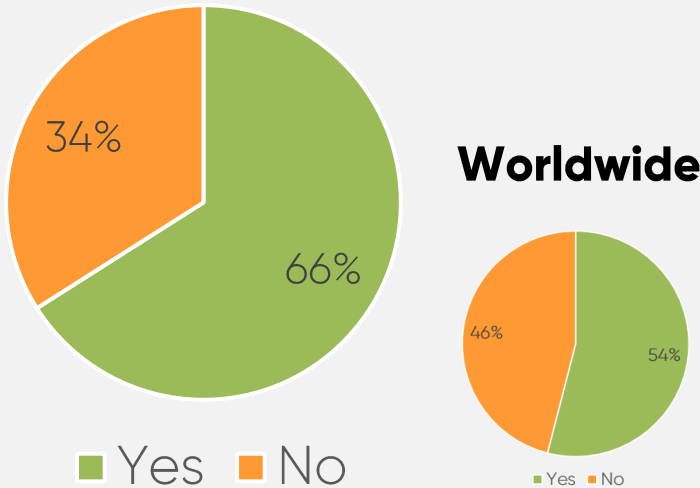
Source: Synesgy @June 2024

# Asian & Australian Companies ESG (G, ISO CERTIFICATIONS)

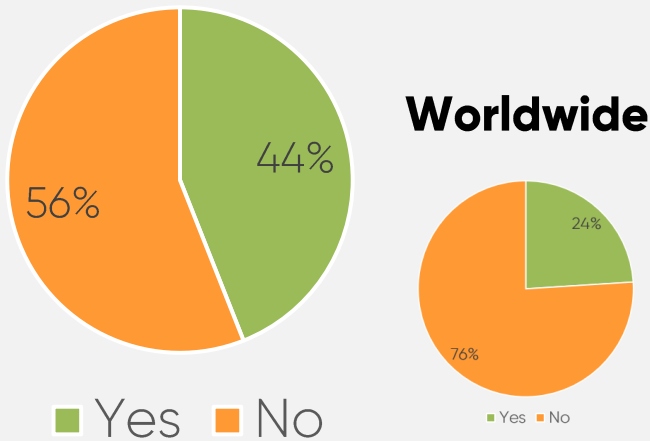
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



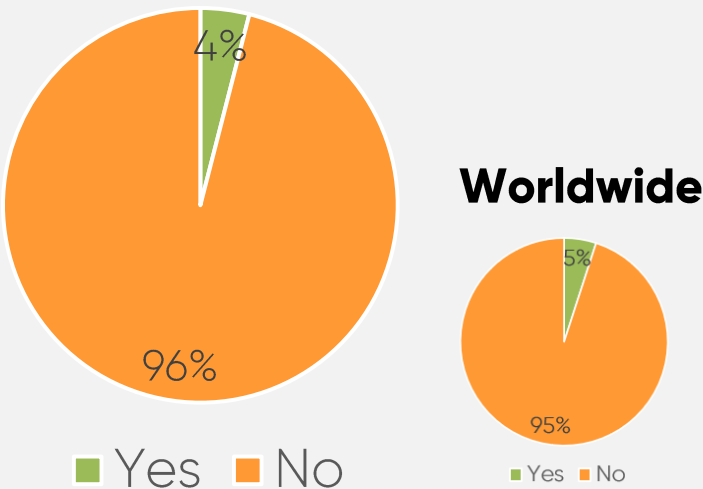
Are you compliant with ISO 9001 (Quality Management System)?



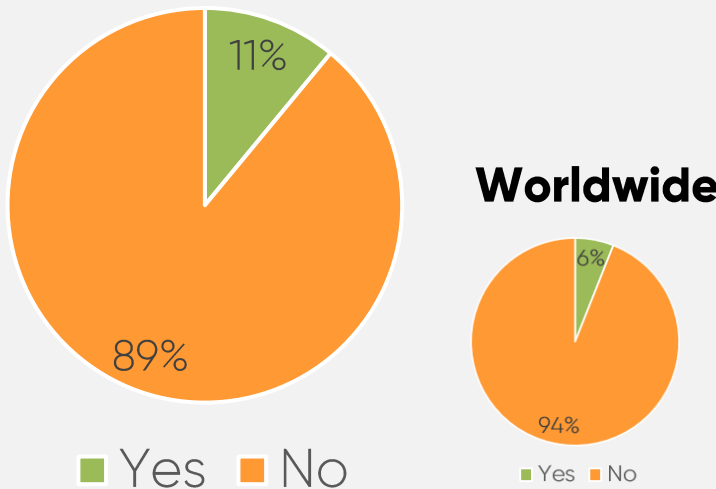
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Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



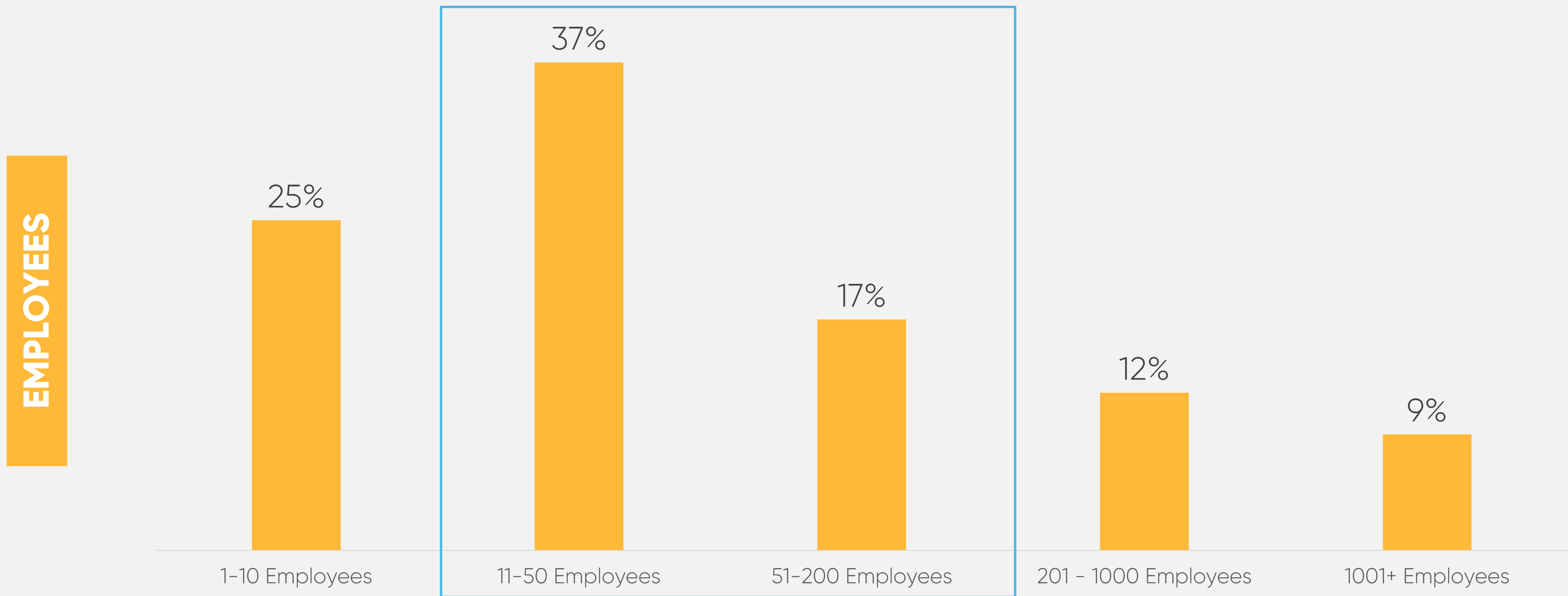
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*Asia & Australia represent less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# Asian & Australian Companies distribution by nr. of employees



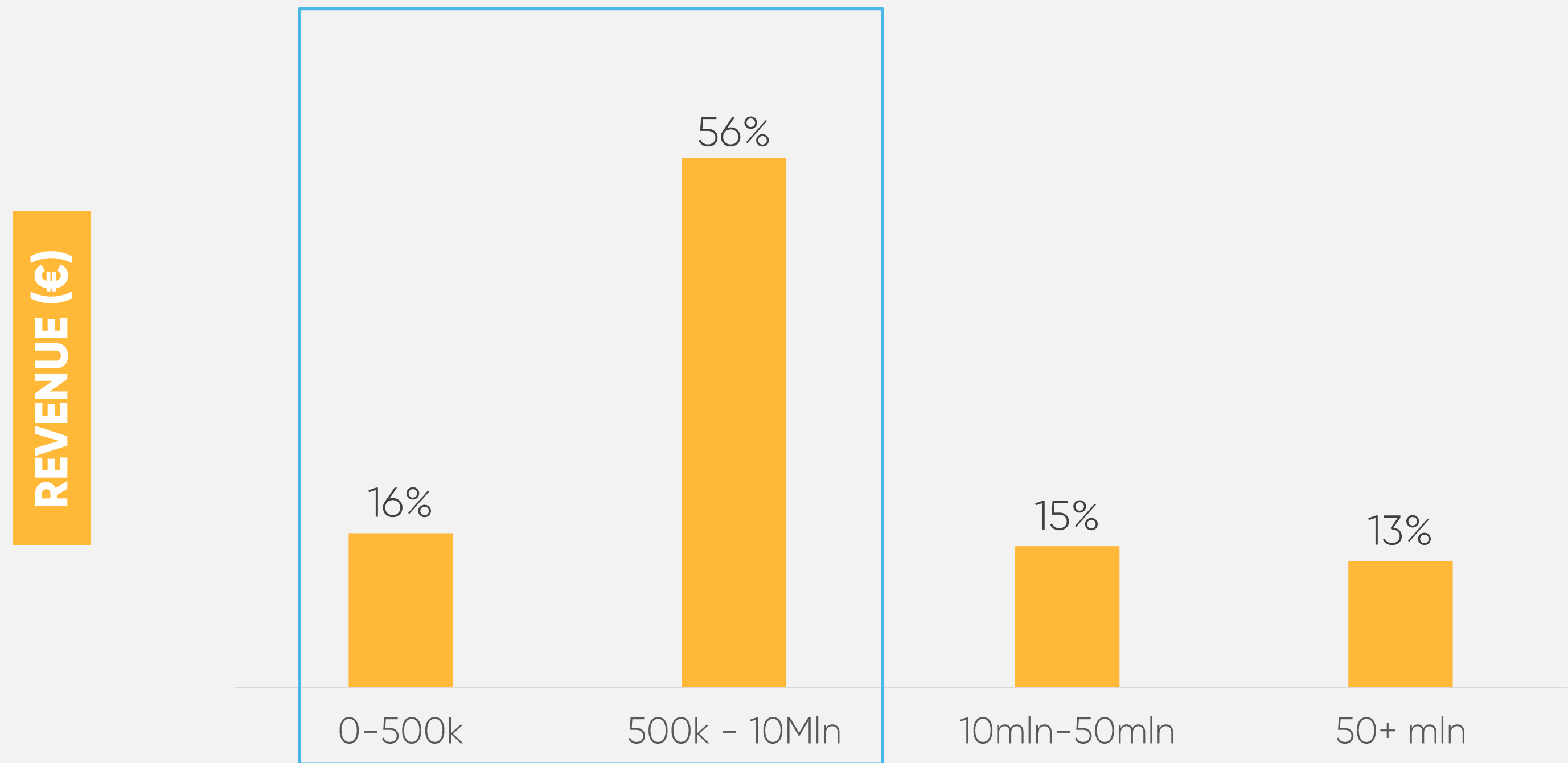
**54% of companies have between 11-200 employees**

\*Asia & Australia represent less than 5% of the total Synesgy population

The companies analyzed in Australia and Asia are predominantly small to medium-sized; however, they demonstrate a relatively more balanced distribution compared to other regions.

Source: Synesgy @June 2024

# Asian & Australian Companies distribution by revenue



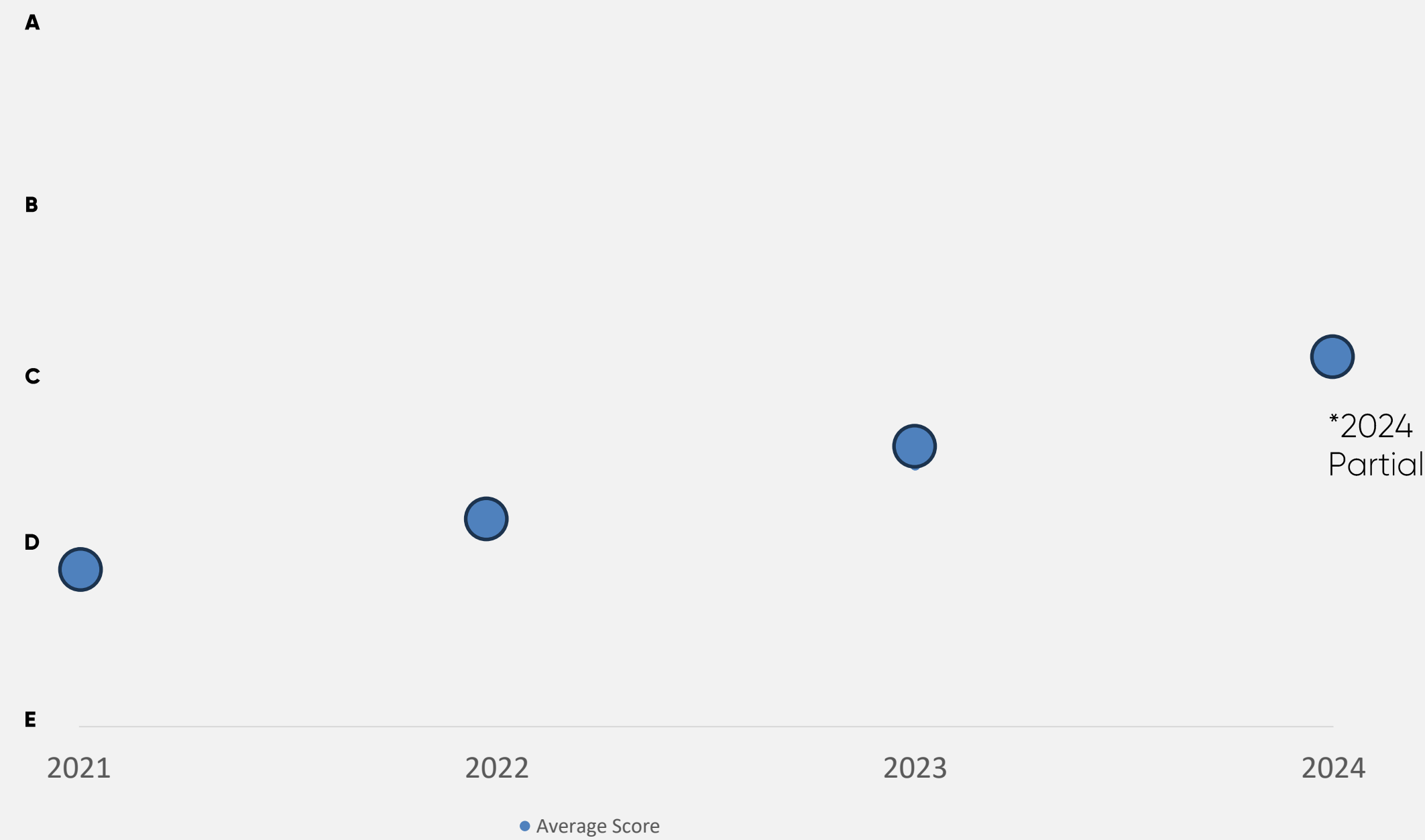
**72% have 10mln in annual revenue or less**

In terms of revenue, 72% of the companies analyzed in Australia and Asia report an annual turnover of 10 million euros or less.

\*Asia & Australia represent less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# European Companies average ESG score evolution



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

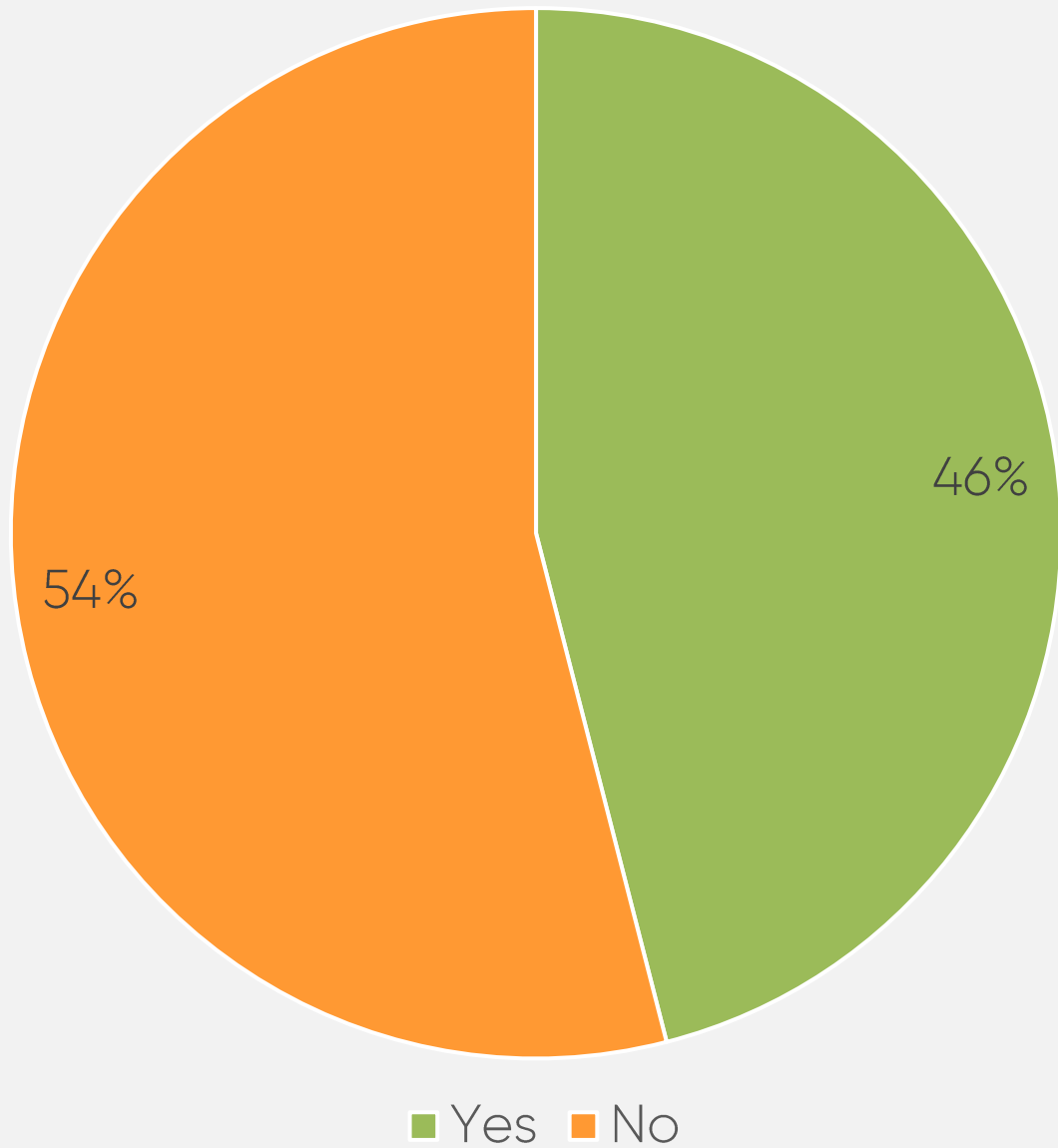
## ESG Average Score: the EU witnesses a sensible growth

The European region has witnessed the largest growth in terms of average ESG score.

Source: Synesgy @June 2024

# European Companies ESG (E, Renewable Energy)

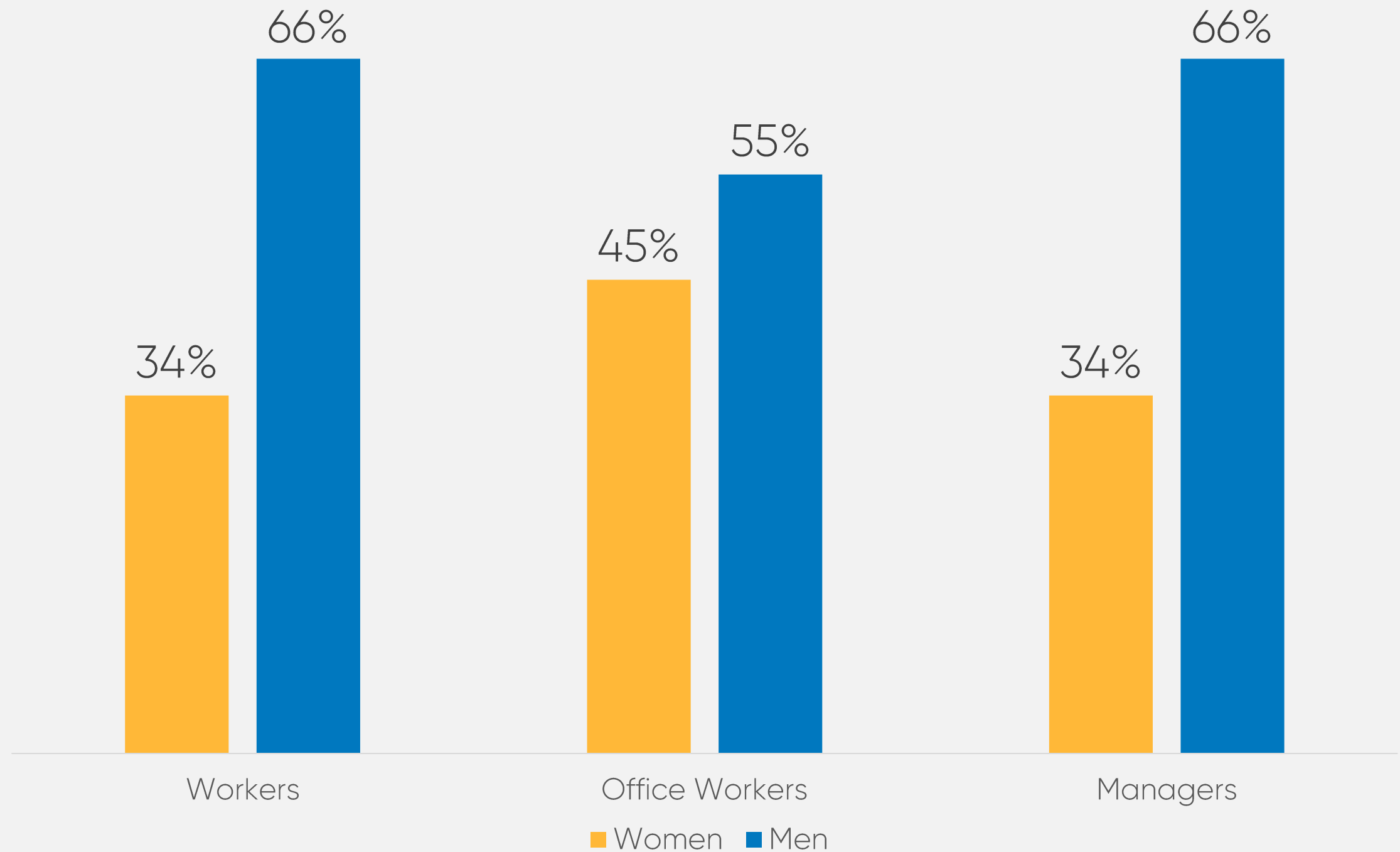
Do you have renewable energy production facilities/plants?



\*Europe represents more than 80% of the total Synesgy population

Source: Synesgy @June 2024

# European Companies ESG (S, employees gender distribution)



\*Europe represents more than 80% of the total Synesgy population

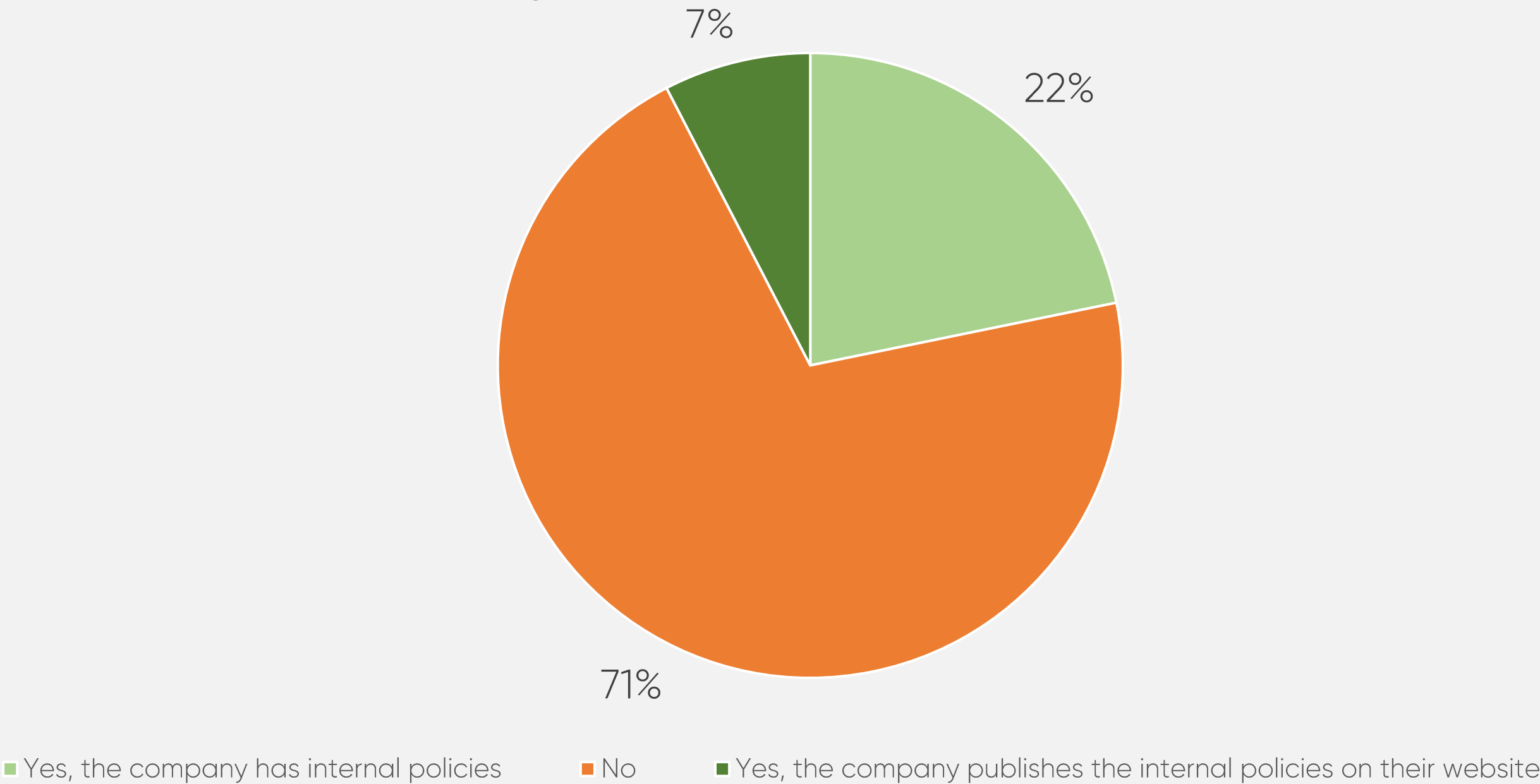
## Almost equal split in office workers category

While in white-collar roles the split is 55% men to 45% women, this gap widens in managerial positions, with men comprising 66% of the total.

Source: Synesgy @June 2024

# European Companies ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



\*Europe represents more than 80% of the total Synesgy population

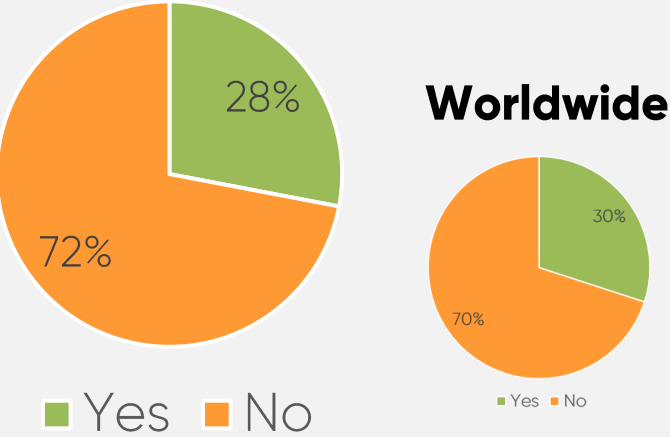
## The EU Lags behind: 71% of companies do not include child labor policies

The vast majority of EU companies analyzed have stated that they have not yet implemented a child labor policy

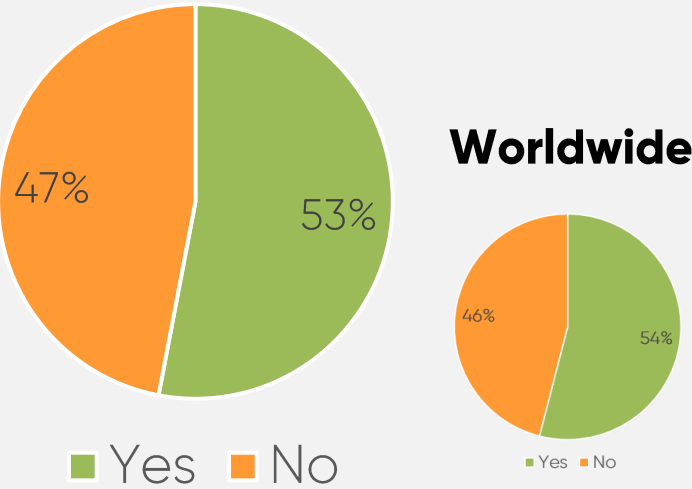
Source: Synesgy @June 2024

# European Companies ESG (G, ISO CERTIFICATIONS)

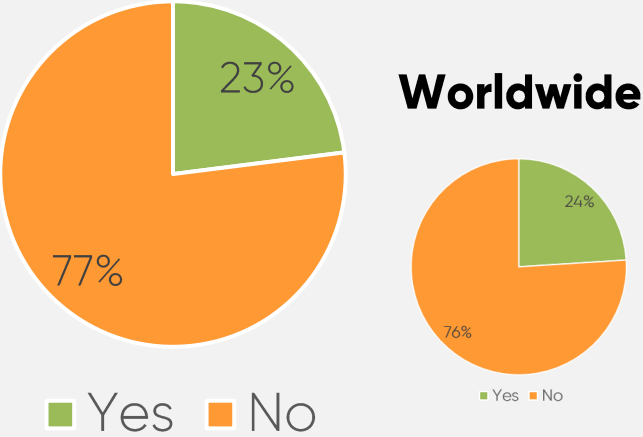
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



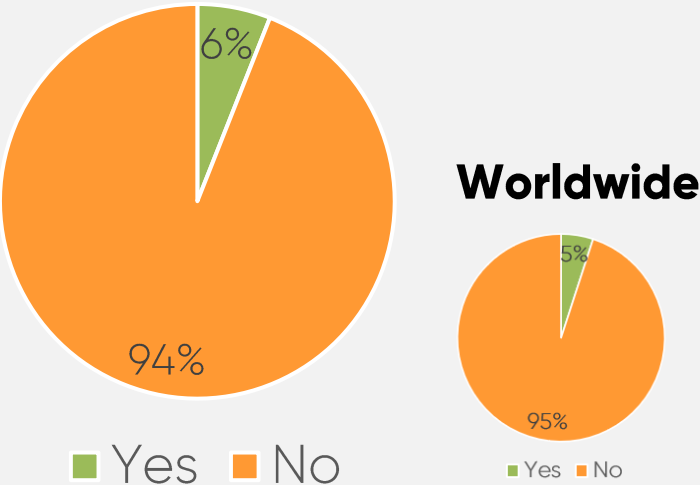
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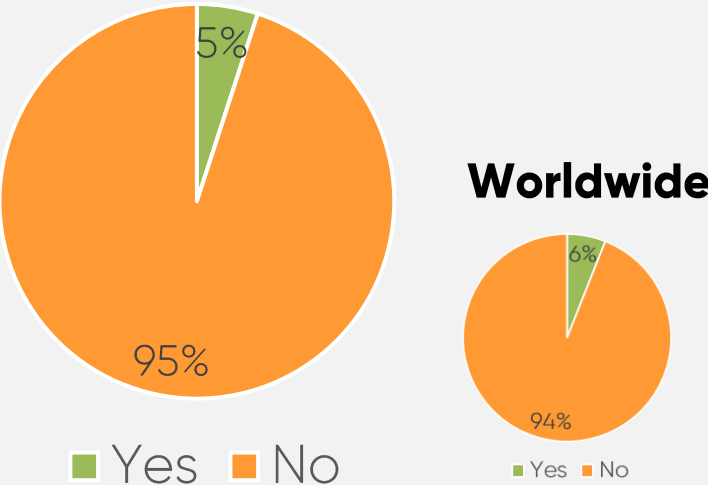
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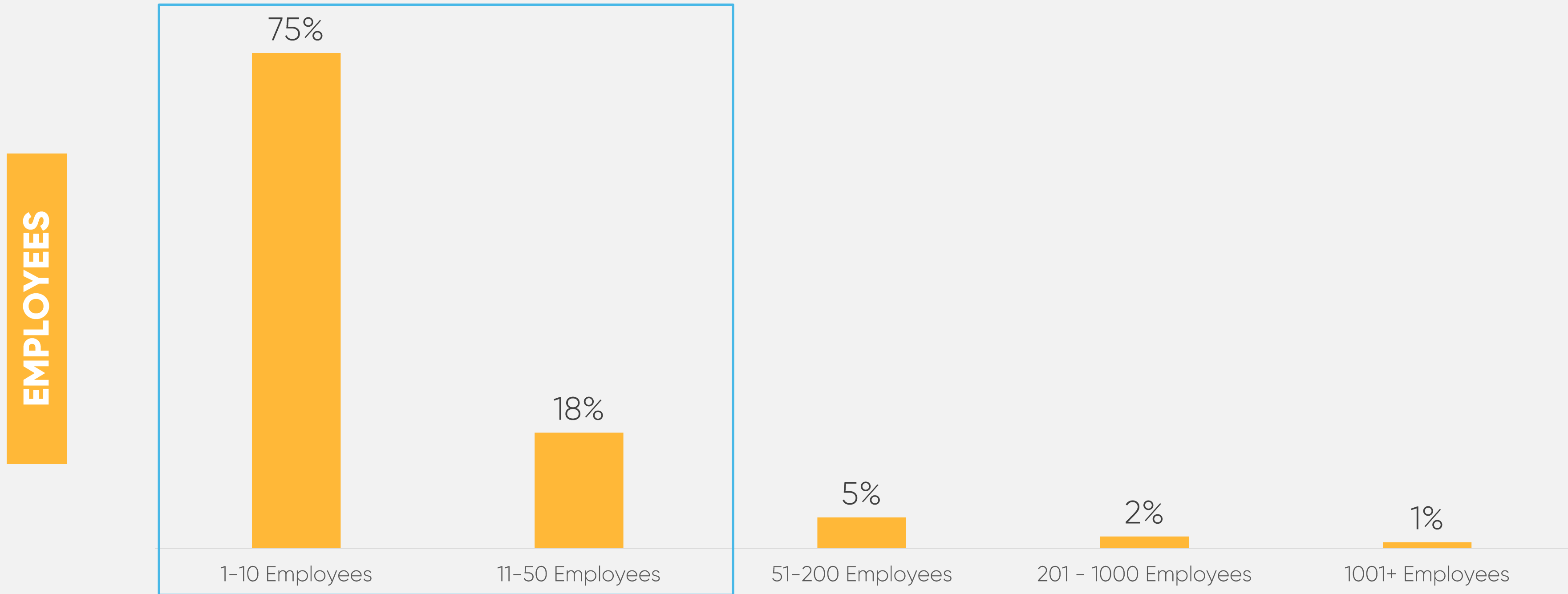
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*Europe represents more than 80% of the total Synesgy population

Source: Synesgy @June 2024

# European Companies distribution by nr. of employees



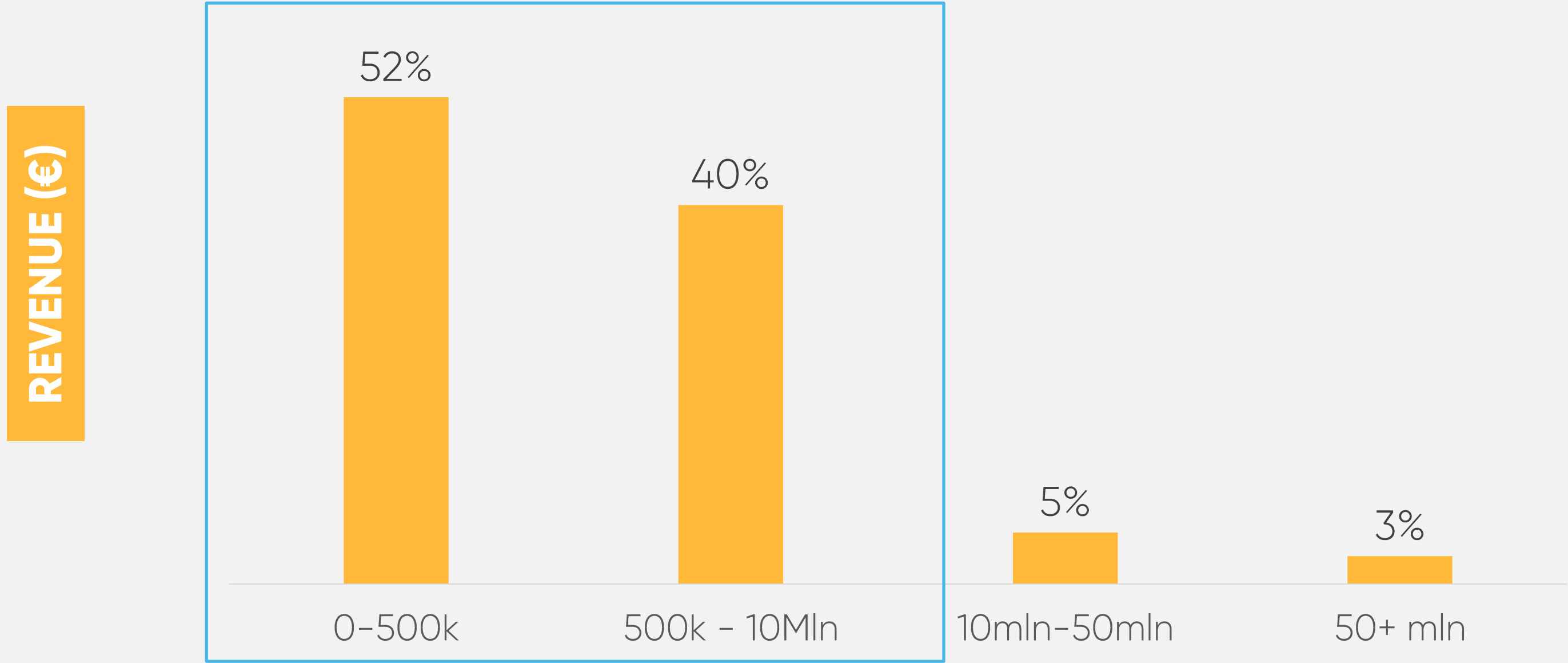
**93% of companies have 50 or less employees**

In terms of number of employees, 93% of the total companies analyzed in Europe have between 1 and 50 employees.

\*Europe represents more than 80% of the total Synesgy population

Source: Synesgy @June 2024

# European Companies distribution by revenue



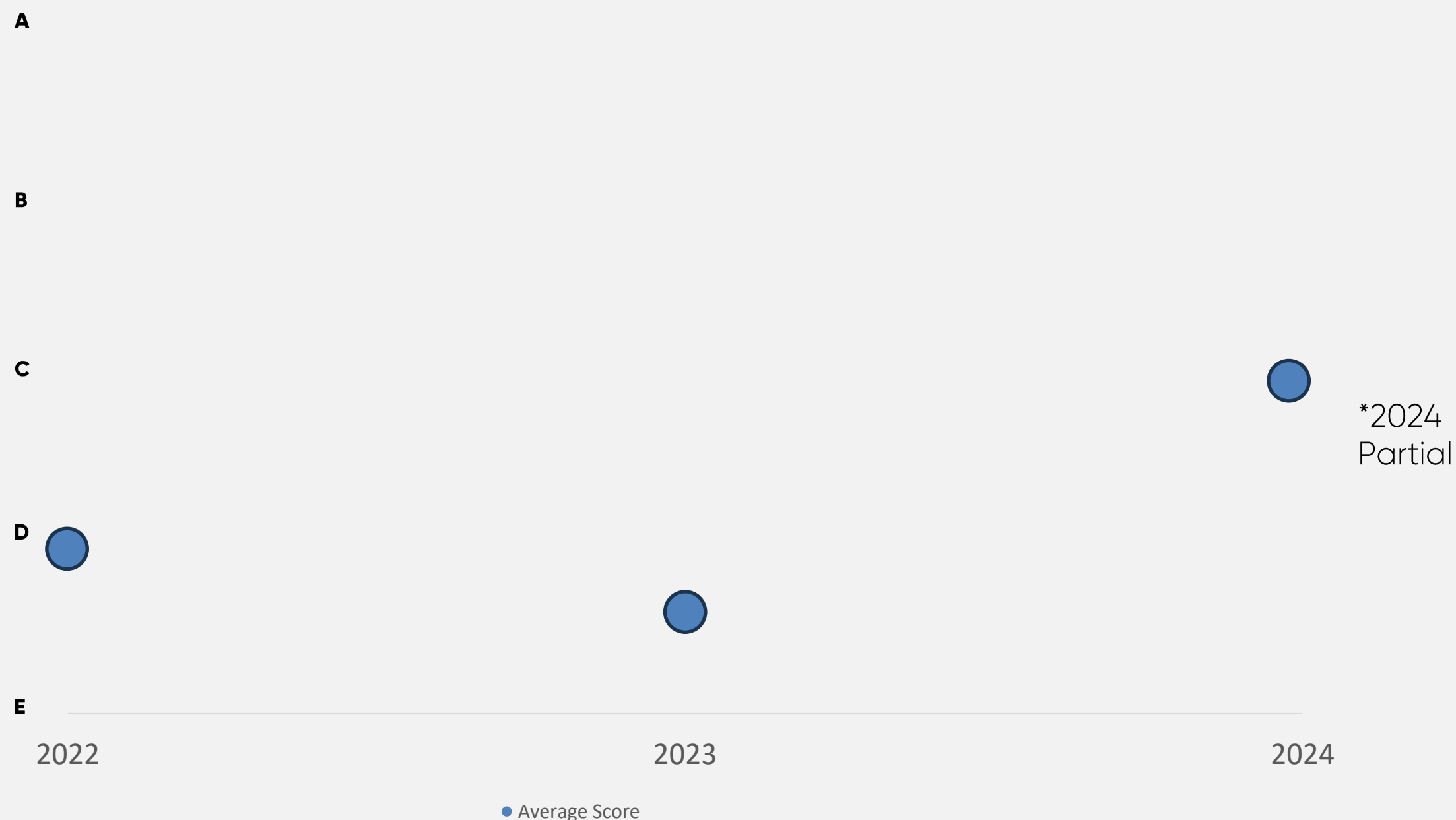
## 92% are small & medium companies

A staggering 92% of the European companies analyzed fall into the small and medium category.

Source: Synesgy @June 2024

\*Europe represents more than 80% of the total Synesgy population

# North American Companies average ESG score evolution



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
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- D: Sufficient level of sustainability
- E: Low level of sustainability

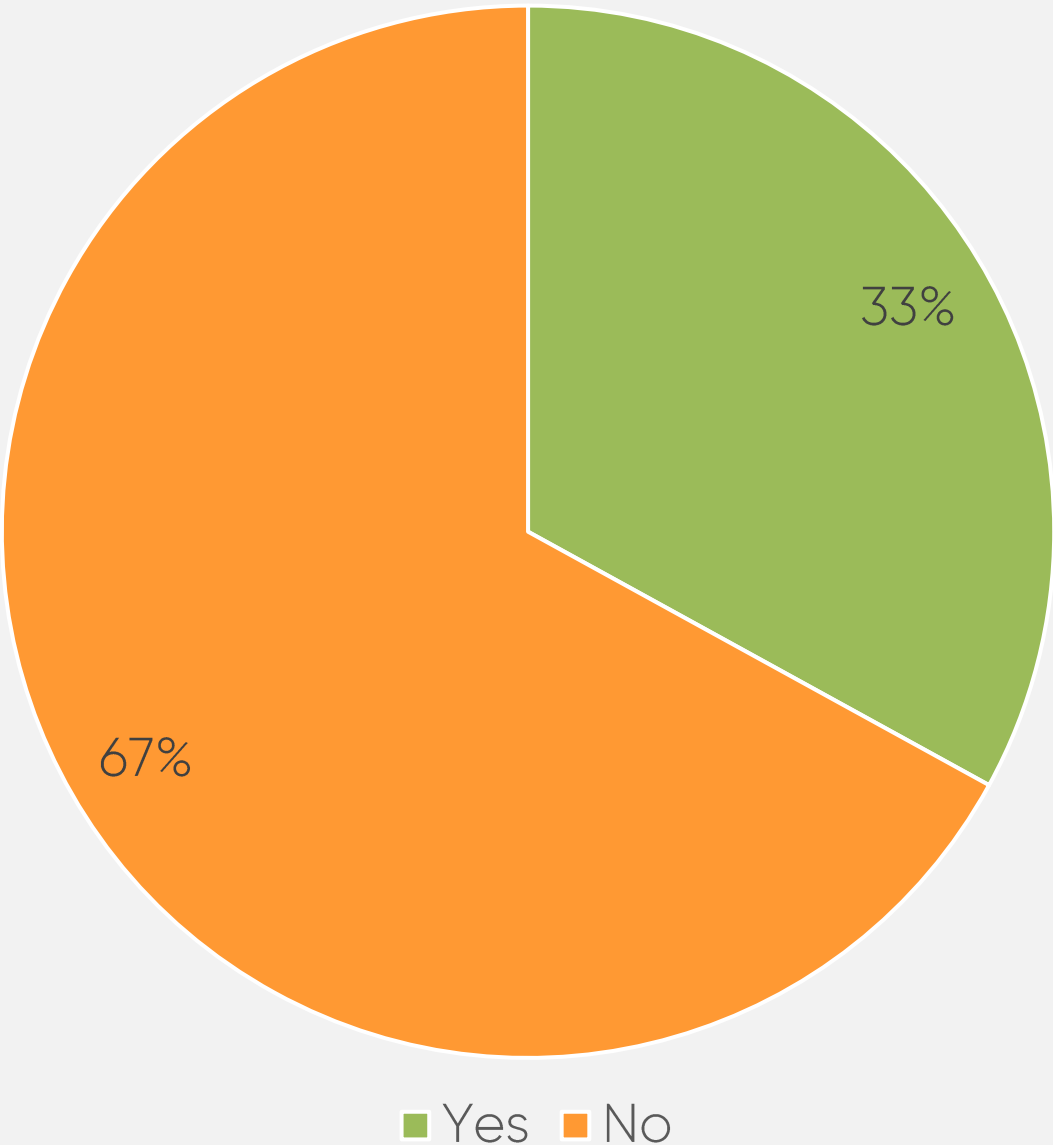
## ESG Average Score increasing YoY

North American companies exhibit steep growth between 2023 and 2024, driven by the size of the companies analyzed and the expansion of our database over the past year

Source: Synesgy @June 2024

# North American Companies ESG (E, Renewable Energy)

Do you have renewable energy production facilities/plants?

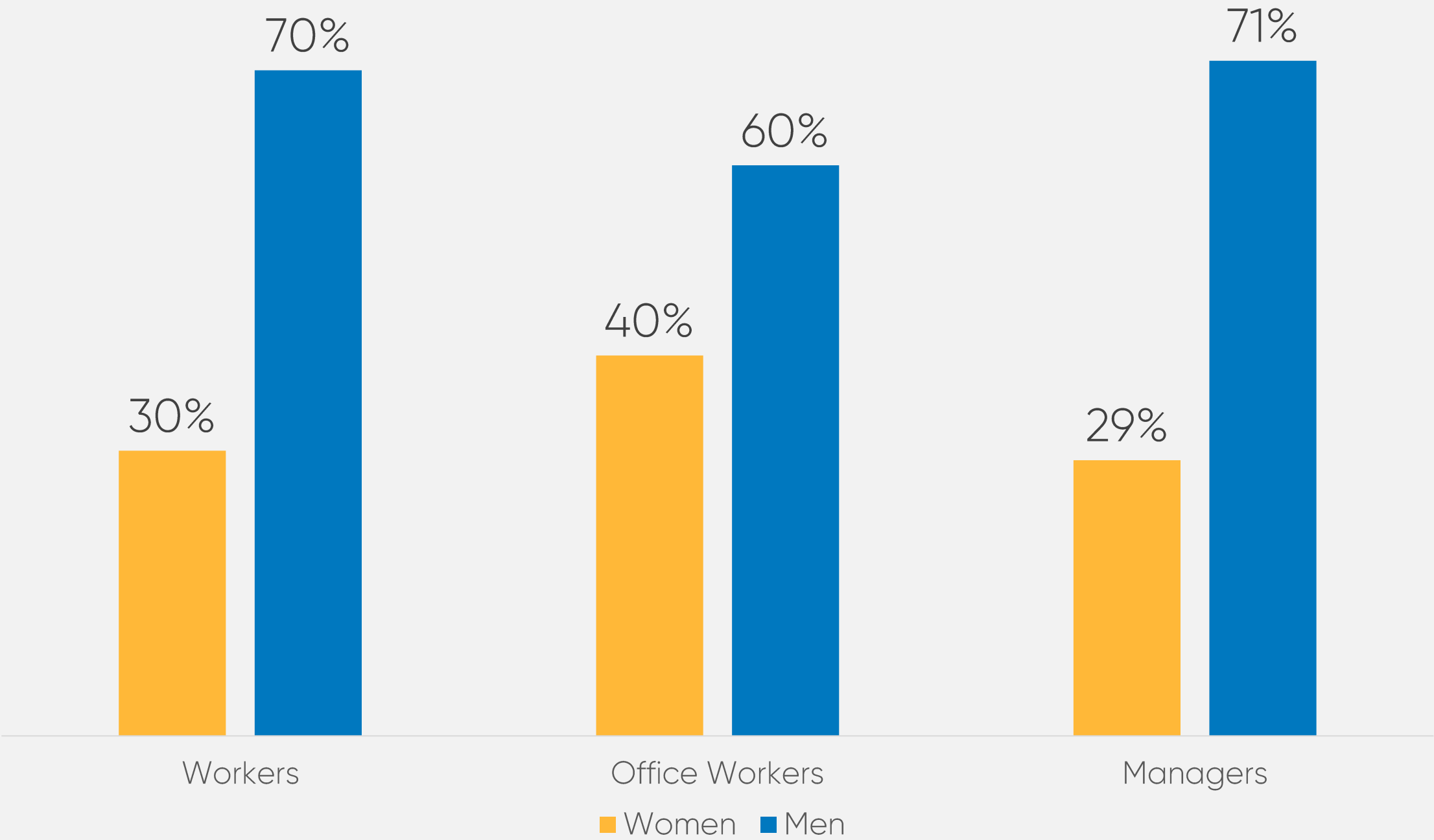


\*North America represents less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# North American Companies

## ESG (S, employees gender distribution)



### Men hold a significantly larger share of positions

Across all the three categories, men hold a significantly higher share of roles, especially in managerial positions.

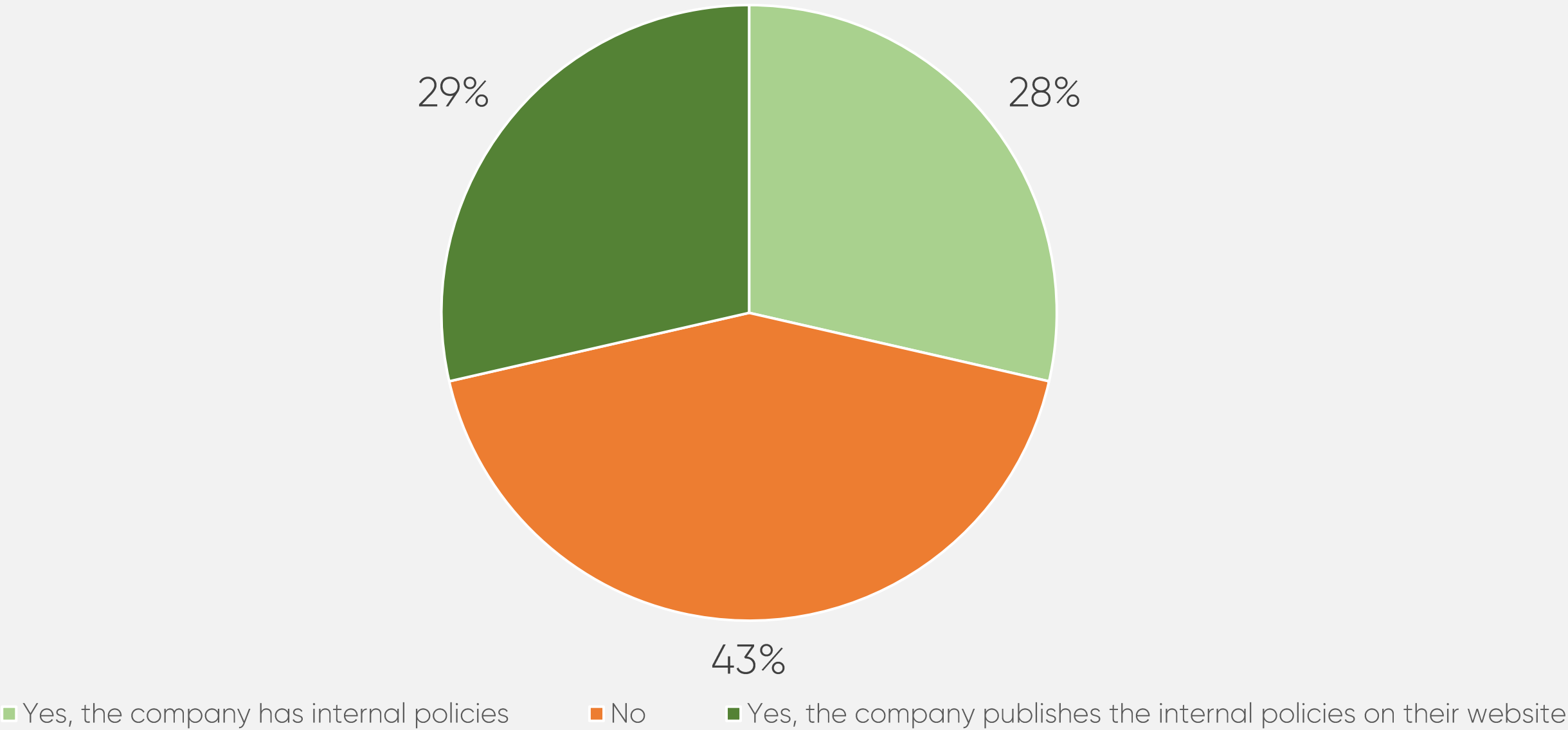
Source: Synesgy @June 2024

\*North America represents less than 5% of the total Synesgy population

# North American Companies

## ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



**57% of the North American companies include child labor policies**

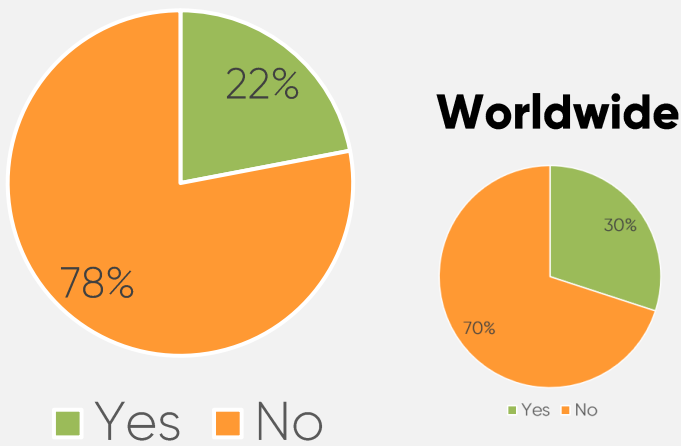
Only 43% of the companies analyzed in North America do not have implemented child labor policies.

\*North America represents less than 5% of the total Synesgy population

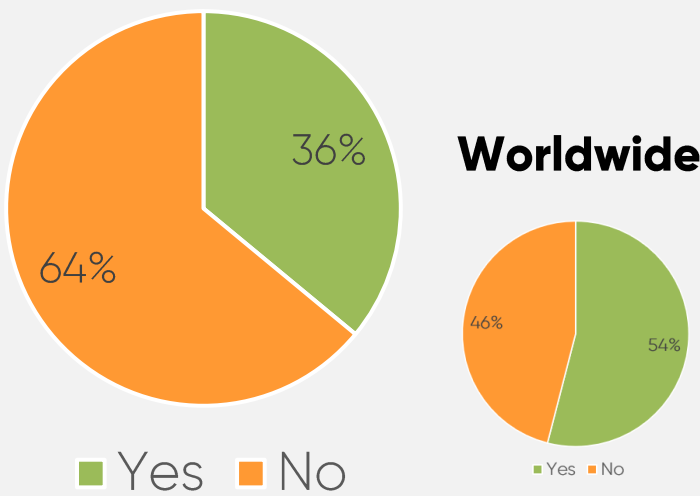
Source: Synesgy @June 2024

# North American Companies ESG (G, ISO CERTIFICATIONS)

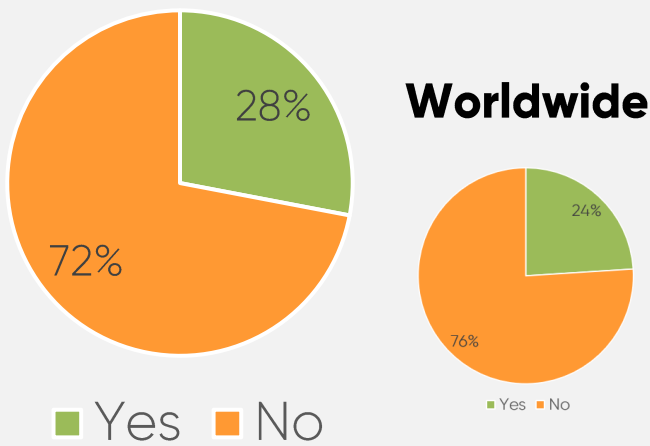
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



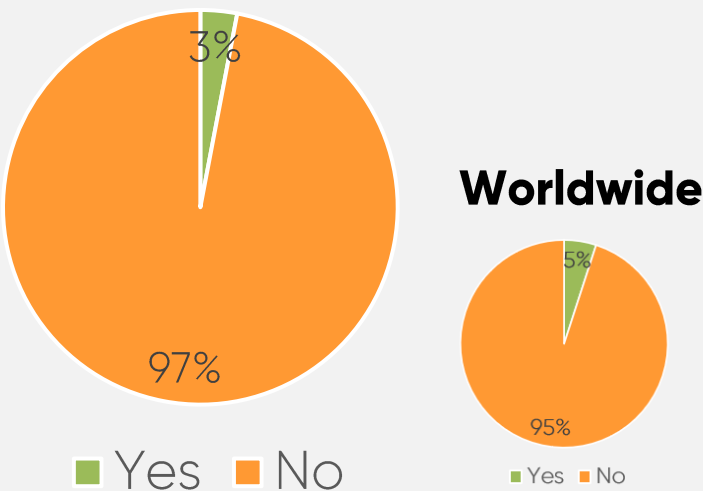
Are you compliant with ISO 9001 (Quality Management System)?



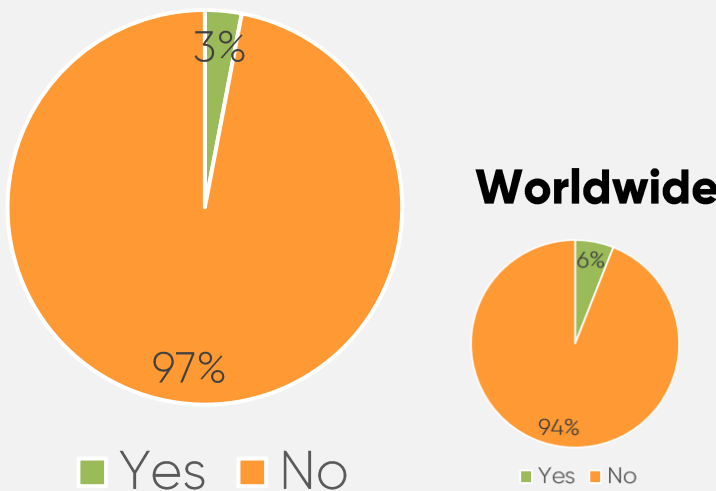
Do you comply with the UNI EN ISO 45001 standard on occupational health and safety of employees? – GRI 403-6 / SDG 3



Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



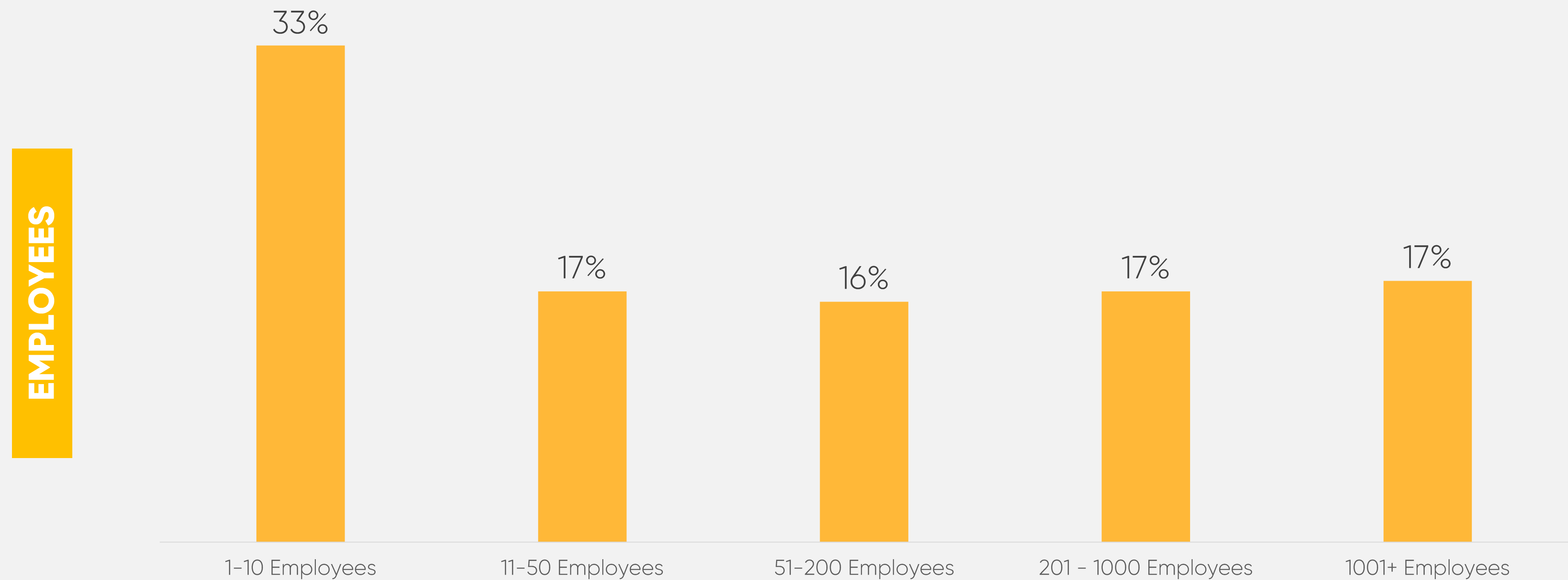
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*North America represents less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# North American Companies distribution by nr. of employees



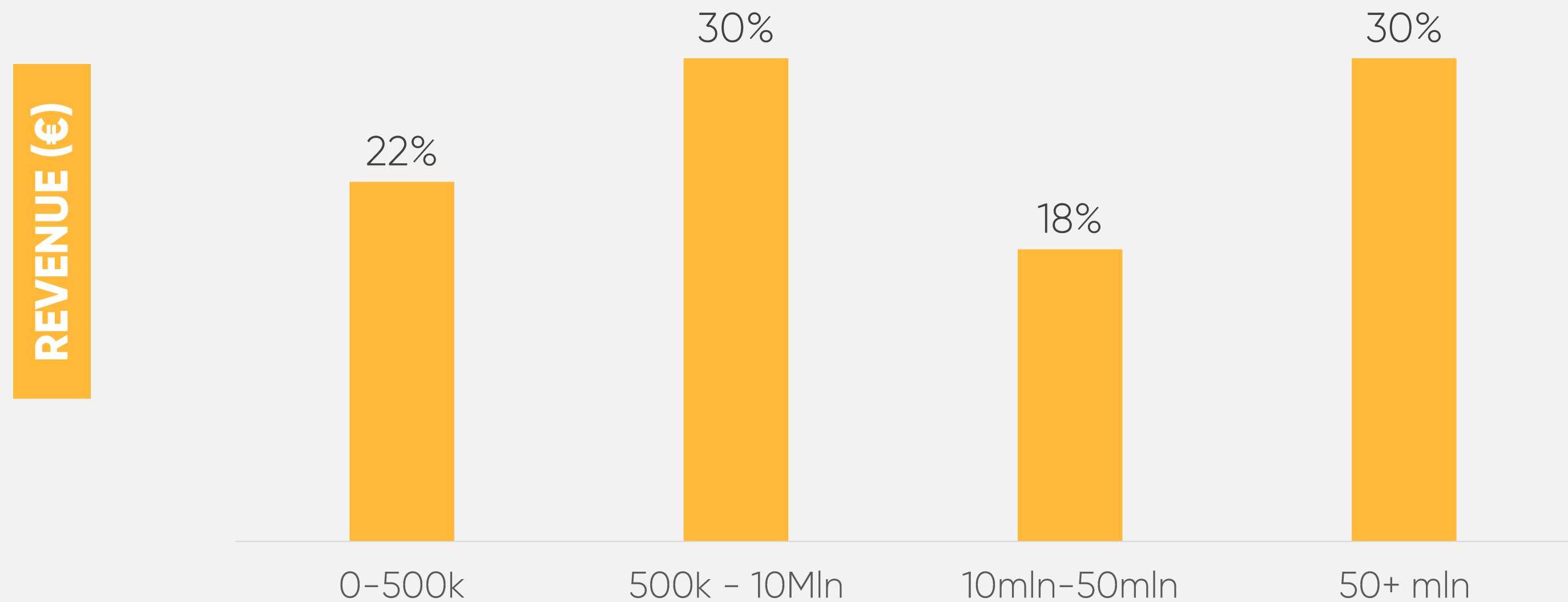
## Northern American companies demonstrate an even distribution

North American companies exhibit the most balanced distribution of employees compared to all other geographies.

\*North America represents less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# North American Companies distribution **by revenue**



## Northern American companies show an even distribution

The Northern American companies are the most evenly distributed among all the geographies in terms of annual revenue.

\*North America represents less than 5% of the total Synesgy population

Source: Synesgy @June 2024

# South & Central American Companies average ESG score evolution

A

B

C

D

E

2022

2023

2024

● Average Score

## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

\*2024  
Partial

## ESG Average Score stabilizes around C

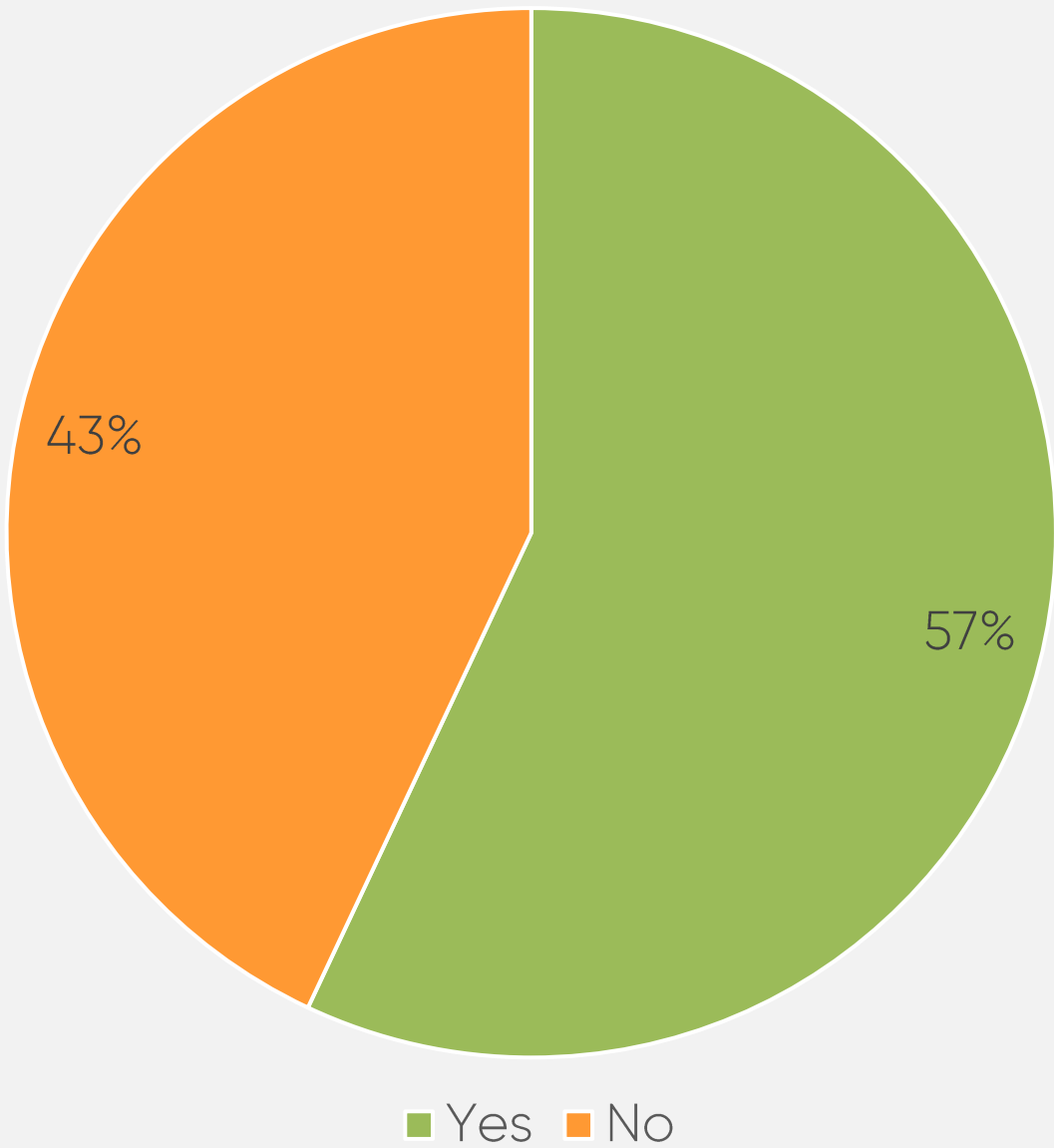
South & Central American companies exhibit steep growth between 2022 and 2023, driven by the amount of the companies analyzed and the expansion of our database over the past year.

Source: Synesgy @June 2024

# South & Central American Companies ESG (E, Renewable Energy)



Do you have renewable energy production facilities/plants?



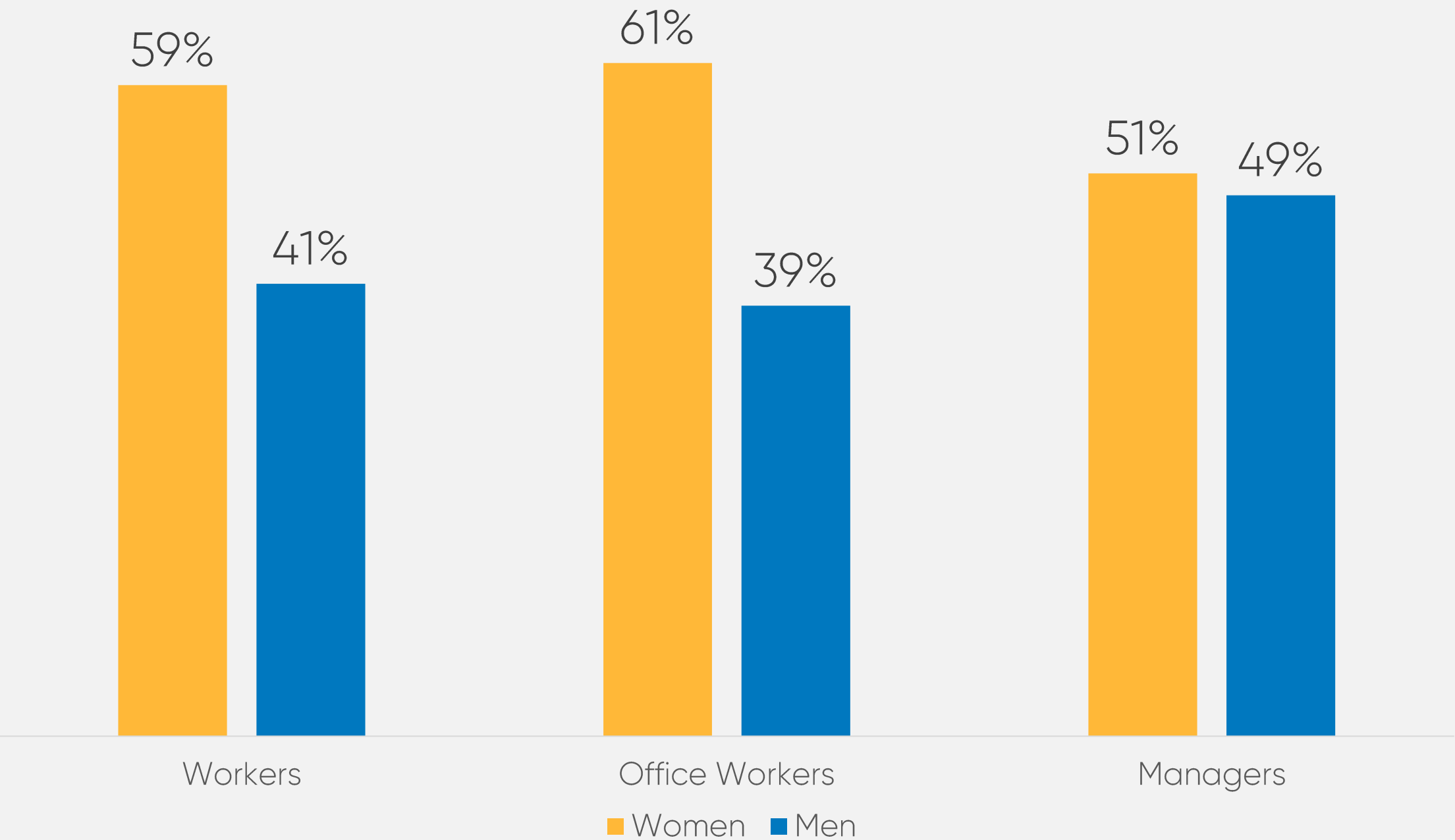
\*South & Central America represent less than 3% of the total Synesgy population

Source: Synesgy @June 2024



# South & Central American Companies

## ESG (S, employees gender distribution)



### Women hold a larger share of job positions

Among the companies analyzed in South and Central America, women represent 60% of both white-collar and blue-collar roles, while in managerial positions, we observe an equal split.

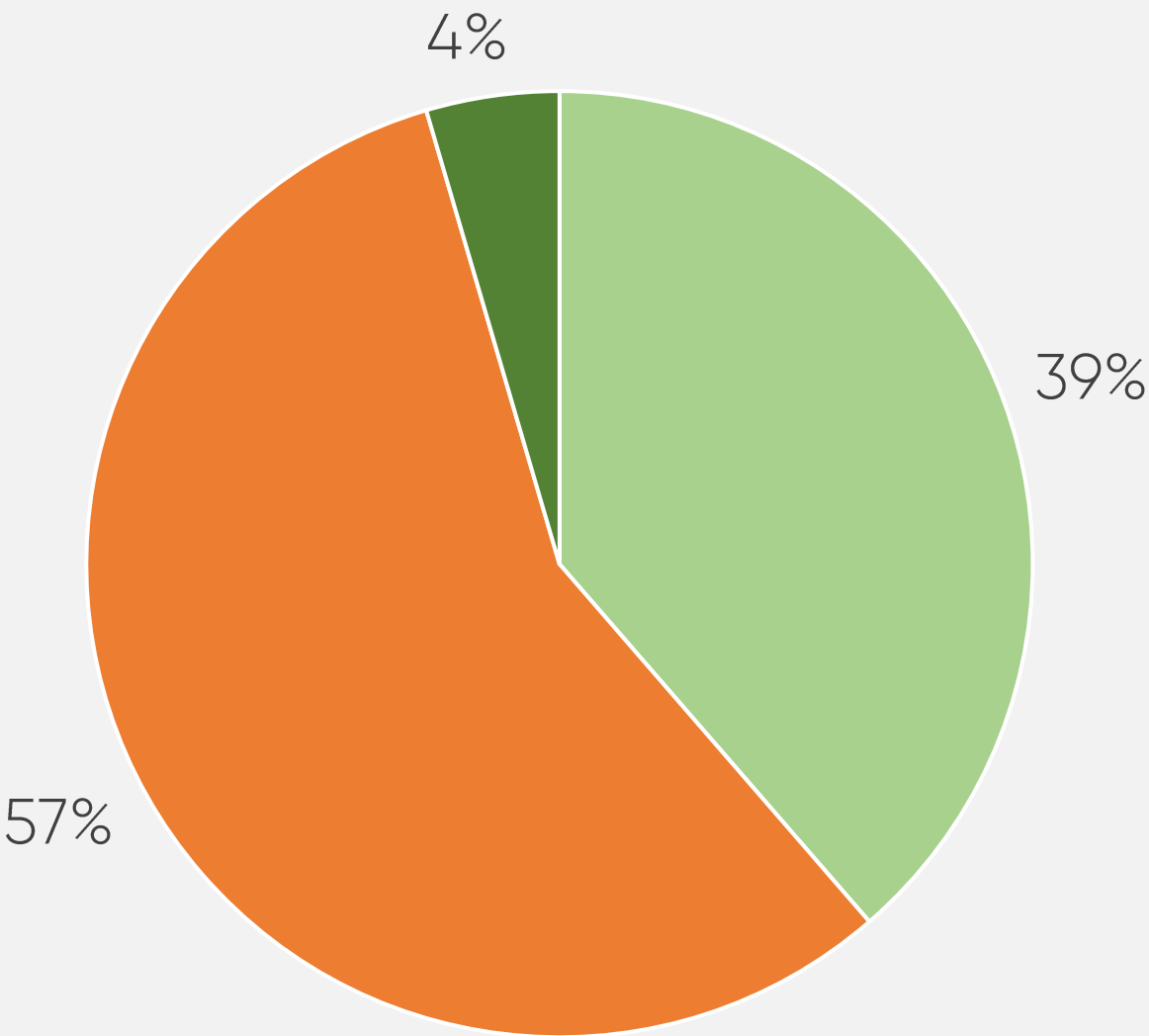
Source: Synesgy @June 2024

\*South & Central America represent less than 3% of the total Synesgy population

# South & Central American Companies

## ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



■ Yes, the company has internal policies
 ■ No
 ■ Yes, the company publishes the internal policies on their website

### 57% of companies do not include child labor policies

Only 43% of the companies analyzed in South & Central America have implemented child labor policies.

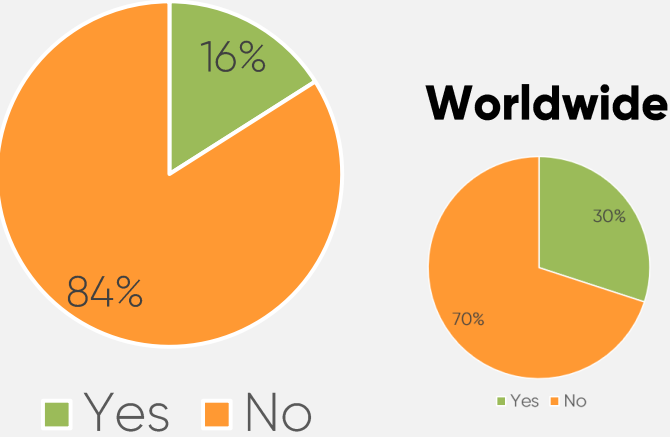
\*South & Central America represent less than 3% of the total Synesgy population

Source: Synesgy @June 2024

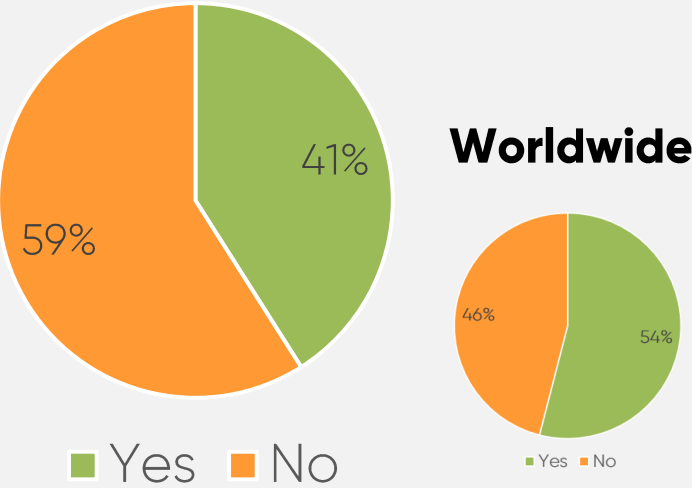
# South & Central American Companies

## ESG (G, ISO CERTIFICATIONS)

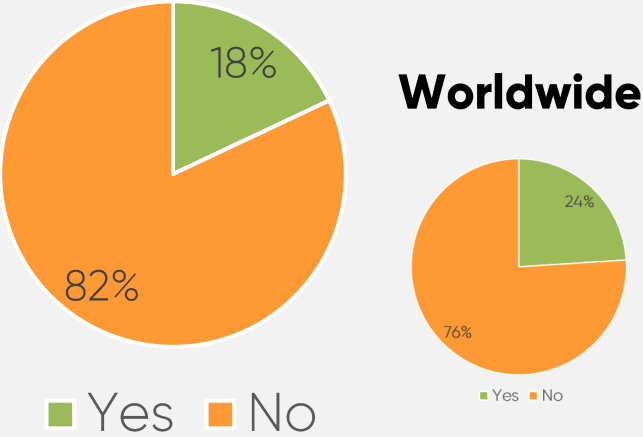
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



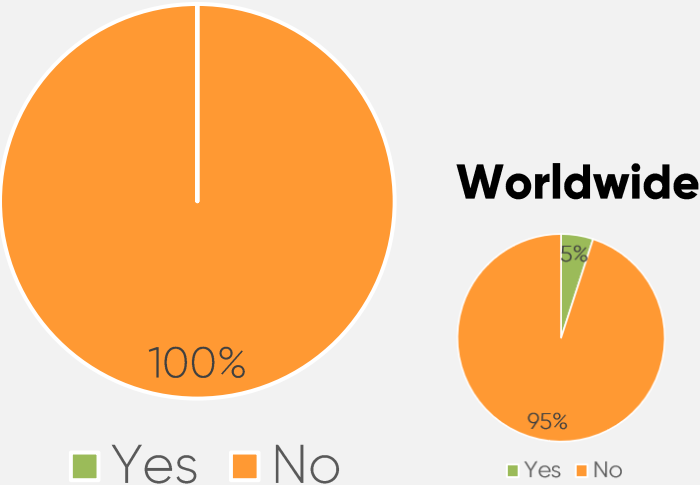
Are you compliant with ISO 9001 (Quality Management System)?



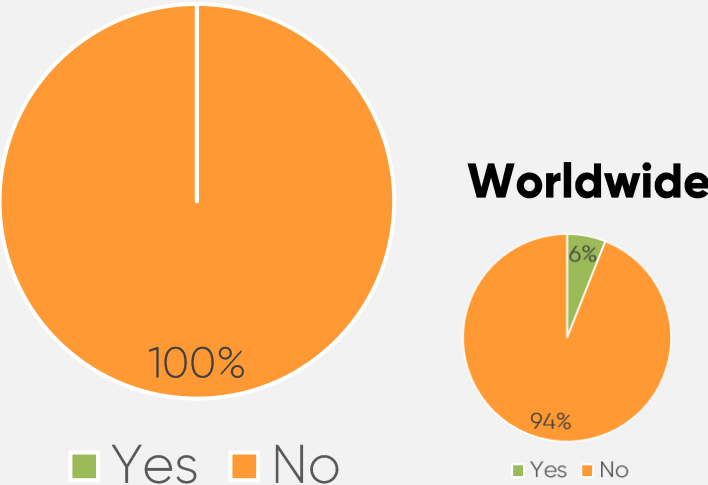
Do you comply with the UNI EN ISO 45001 standard on occupational health and safety of employees? – GRI 403-6 / SDG 3



Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



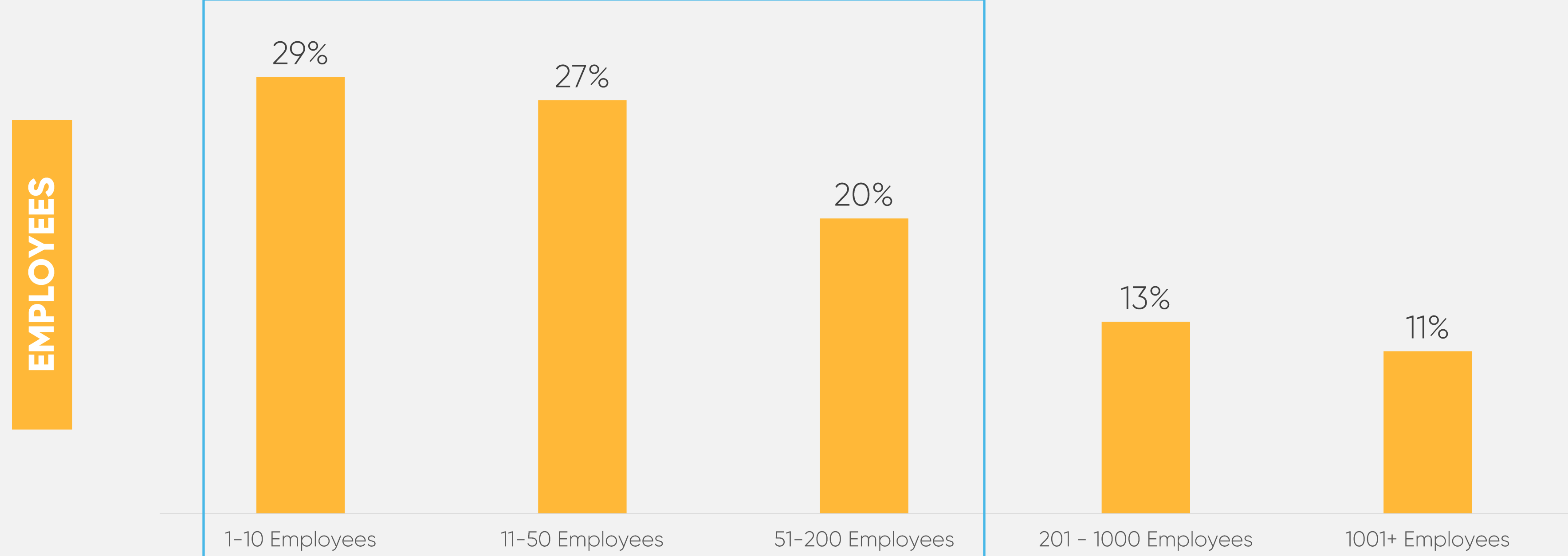
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*South & Central America represent less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# South & Central American Companies distribution by nr. of employees



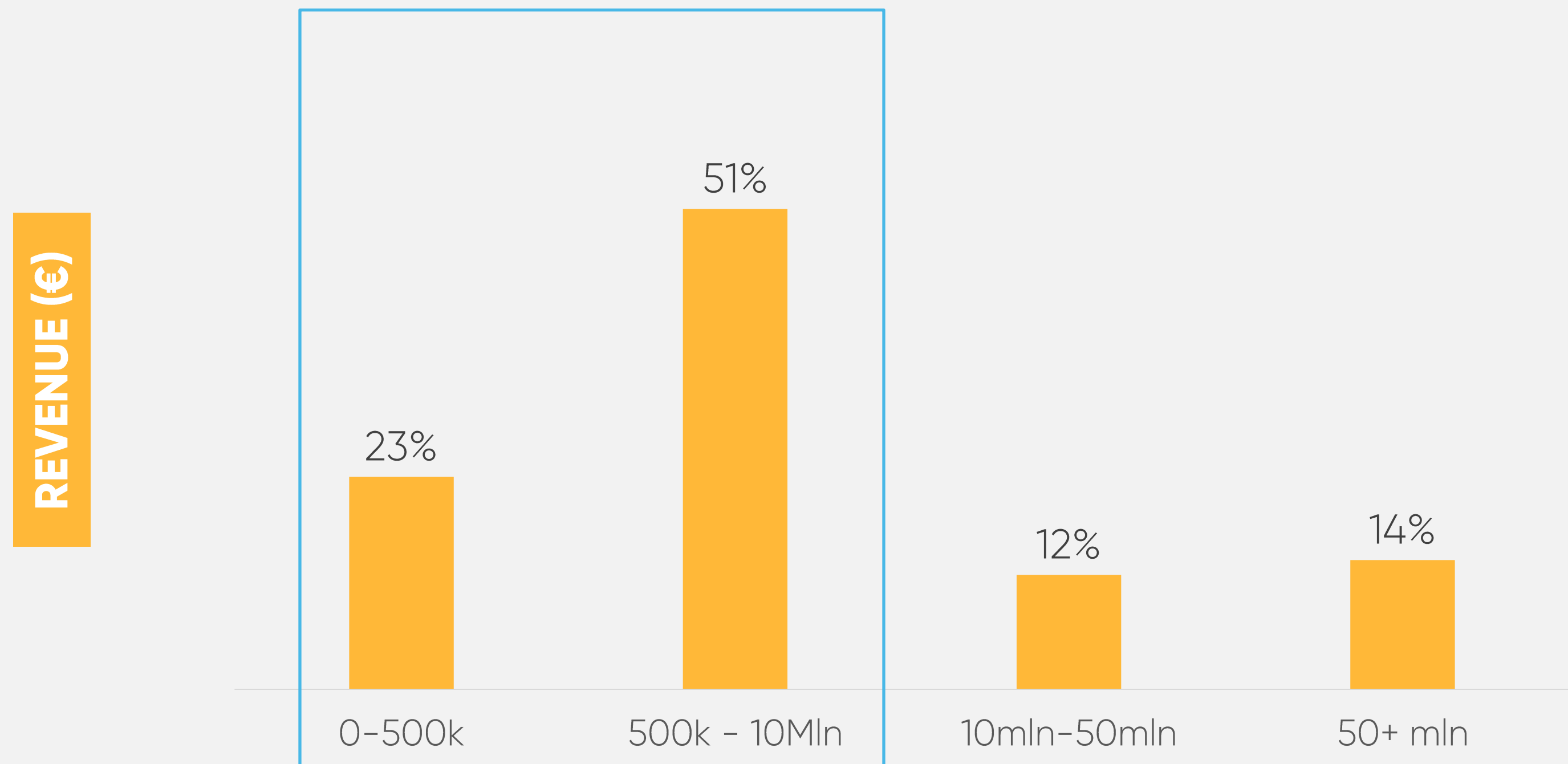
## 76% are small & medium companies

In terms of number of employees, 76% of the total companies analyzed in South & Central America have between 1 and 200 employees.

\*South & Central America represent less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# South & Central American Companies distribution by revenue



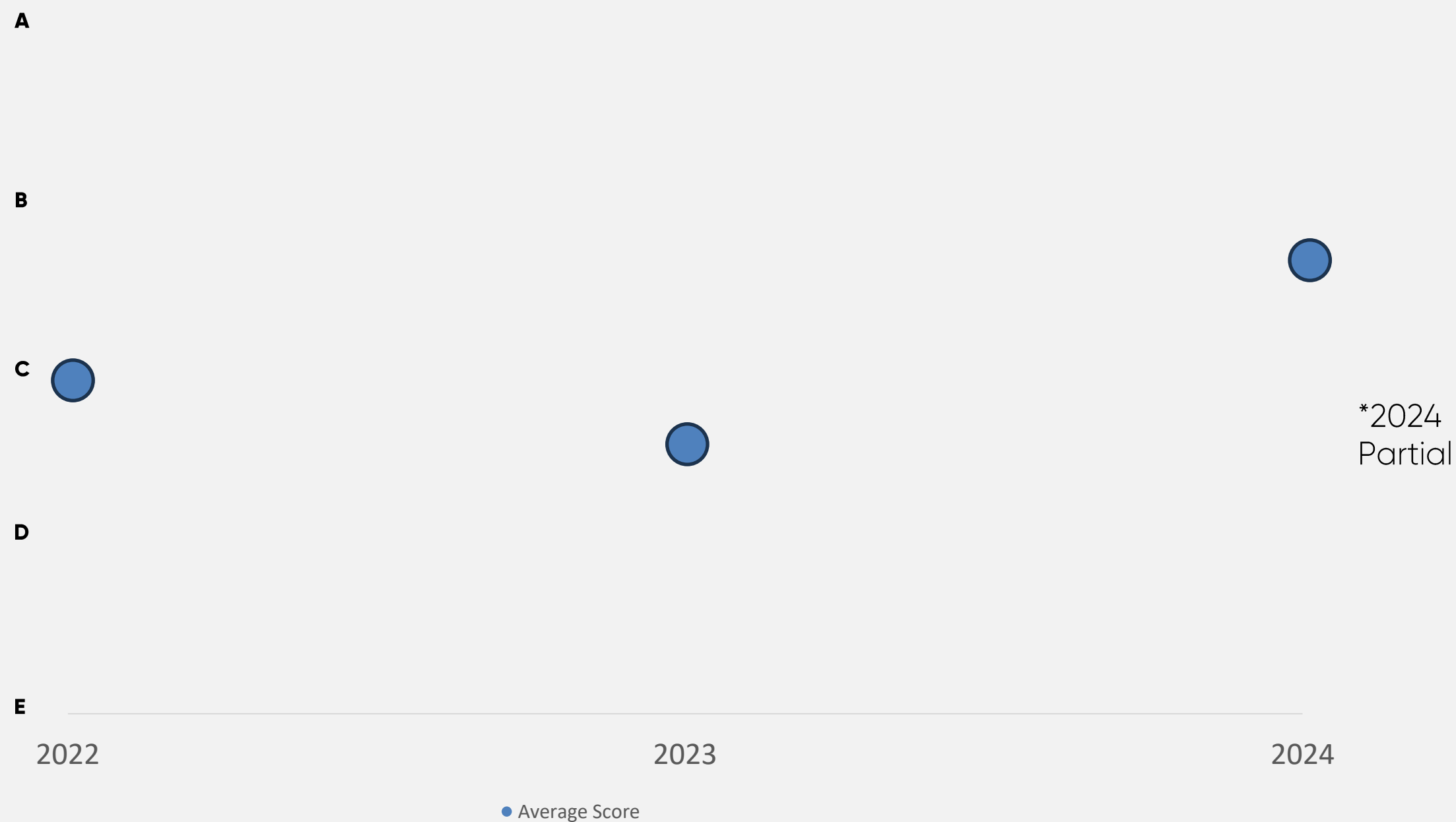
## 74% are small & medium companies

In terms of revenue, 74% of the total companies analyzed in South & Central America have an annual turnover of 10 Million Euro or less.

\*South & Central America represent less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# Middle Eastern Companies average ESG score evolution



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

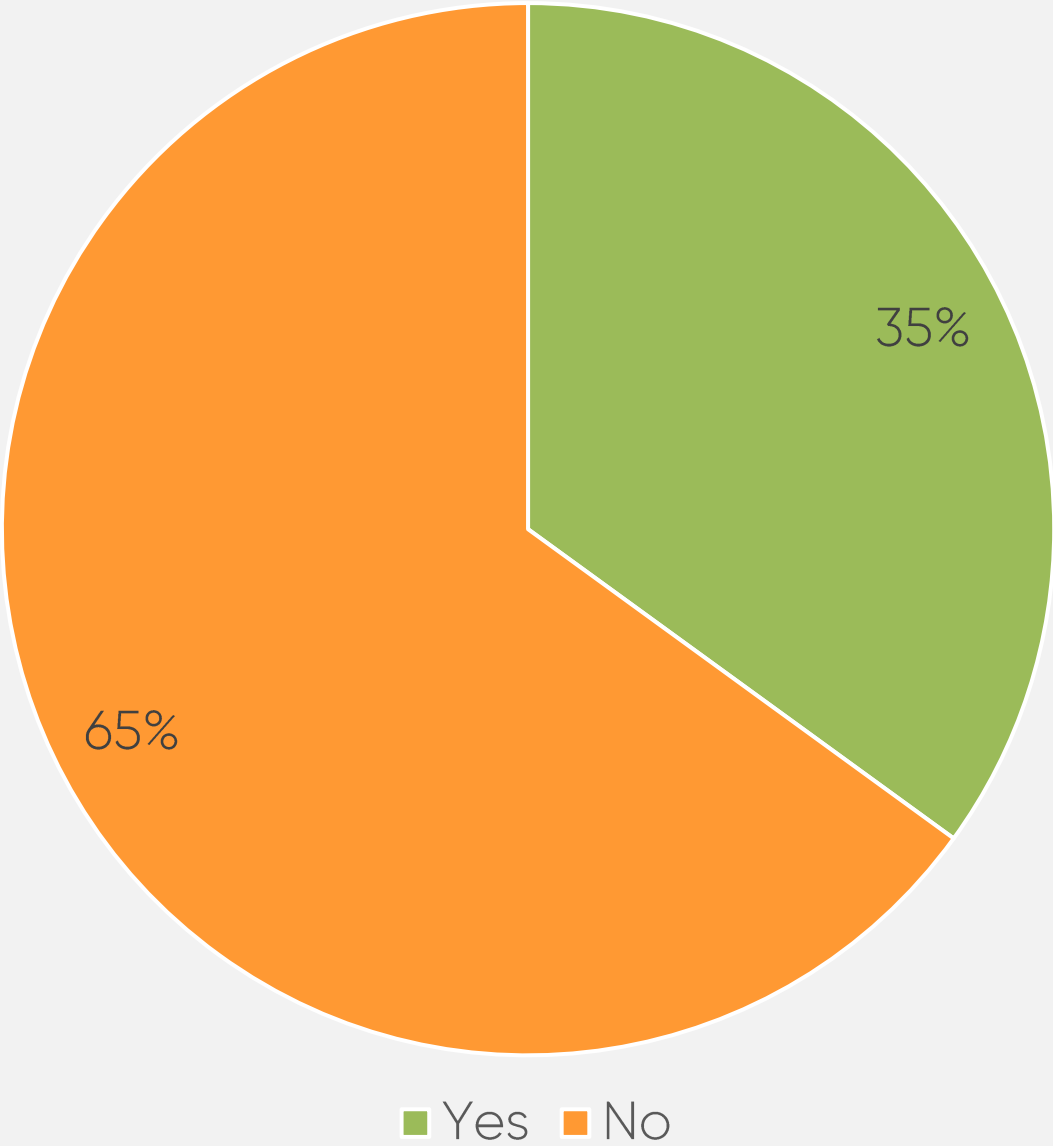
## ESG Average Score spiked in 2024

The Average ESG Score in the Middle East spiked in 2024, reaching a score between B and C.

Source: Synesgy @June 2024

# Middle Eastern Companies ESG (E, Renewable Energy)

Do you have renewable energy production facilities/plants?

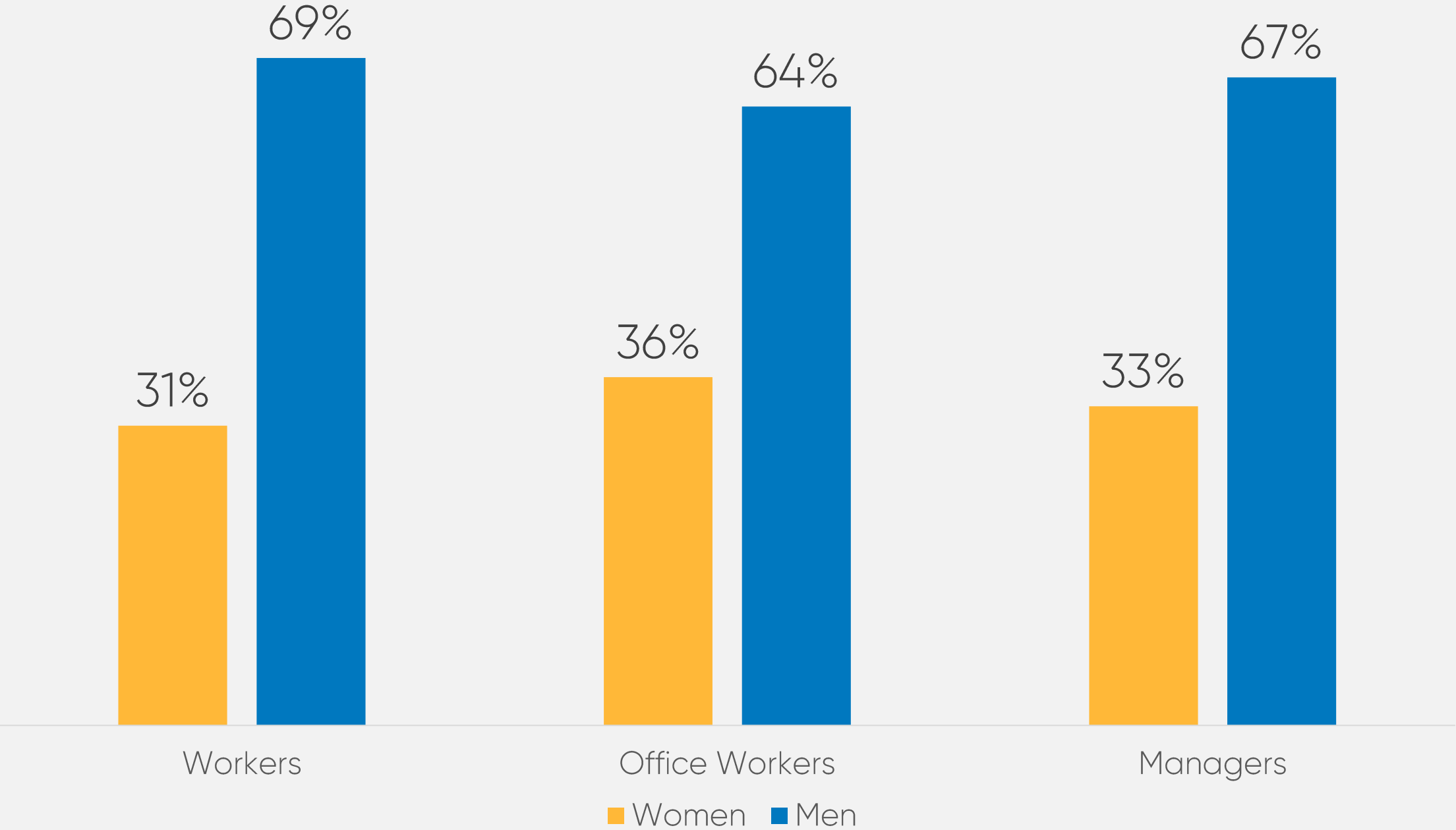


\*Middle East represents less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# Middle Eastern Companies

## ESG (S, employees gender distribution)



### Higher disparity in managerial roles

Across all three categories men hold a significantly higher share of roles.

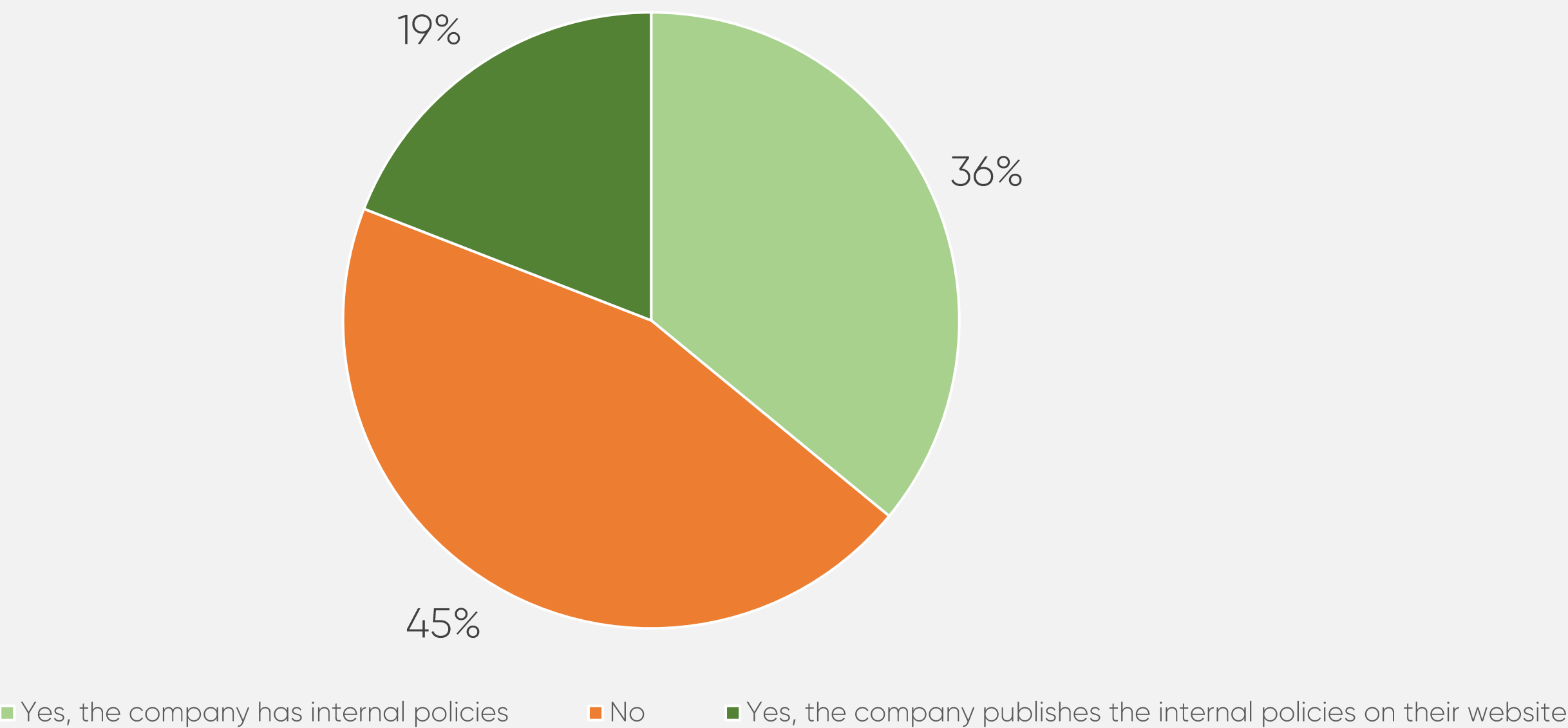
Source: Synesgy @June 2024

\*Middle East represents less than 3% of the total Synesgy population

# Middle Eastern Companies

## ESG (S, child labor policy implementation)

Do you have Human Rights and Child labor (forced or compulsory) policies? – SDG 8



**45% of companies do not include child labor policies**

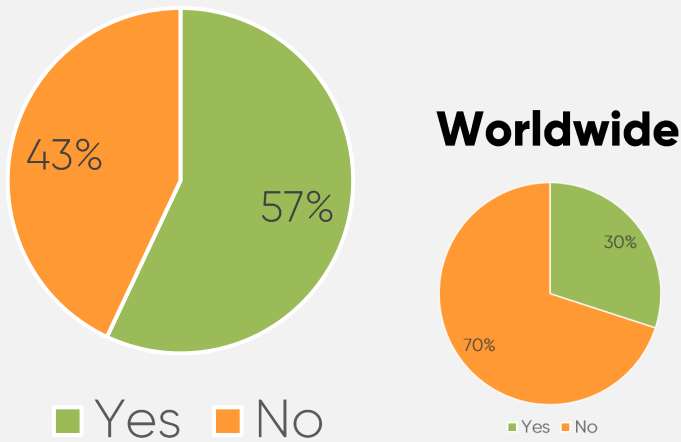
55% of the companies analyzed in South & Central America have implemented child labor policies.

\*Middle East represents less than 3% of the total Synesgy population

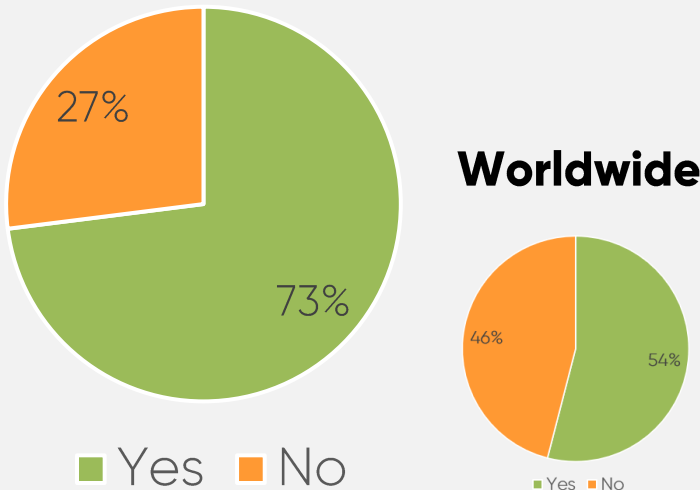
Source: Synesgy @June 2024

# Middle Eastern Companies ESG (G, ISO CERTIFICATIONS)

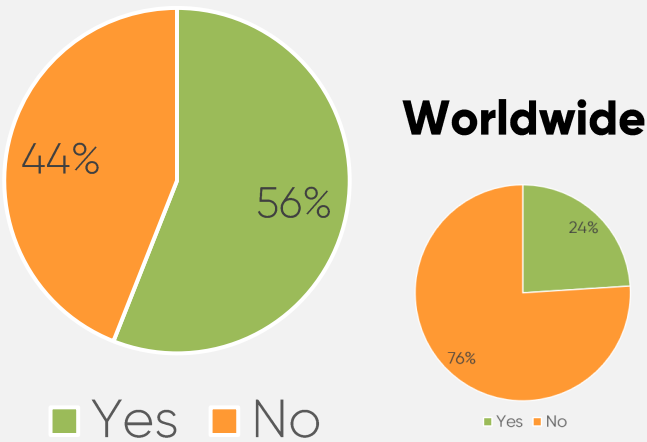
Do you comply with the ISO 14001 standards on environmental management? – GRI 307-1 / SDG 16



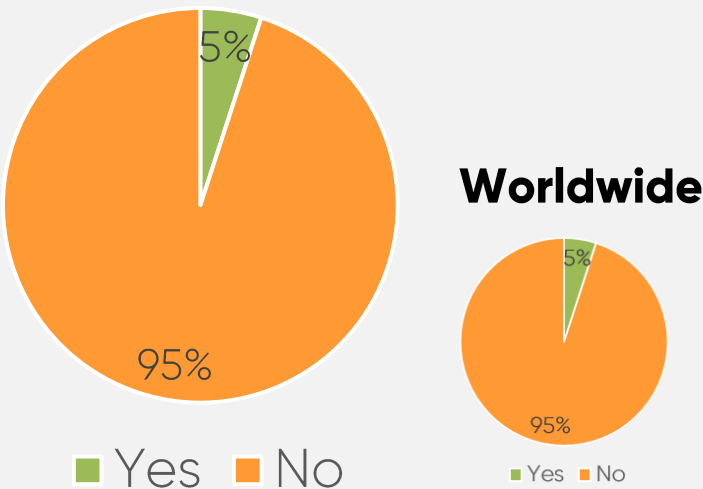
Are you compliant with ISO 9001 (Quality Management System)?



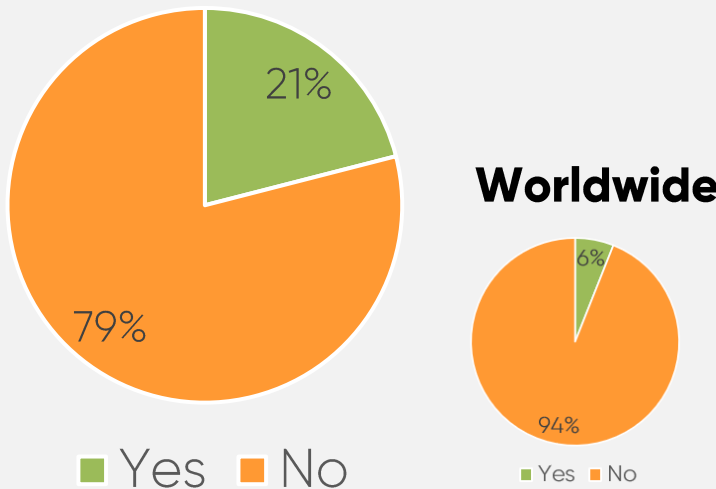
Do you comply with the UNI EN ISO 45001 standard on occupational health and safety of employees? – GRI 403-6 / SDG 3



Have you obtained the ISO 37001 certification on anti-bribery management systems? – SDG 16



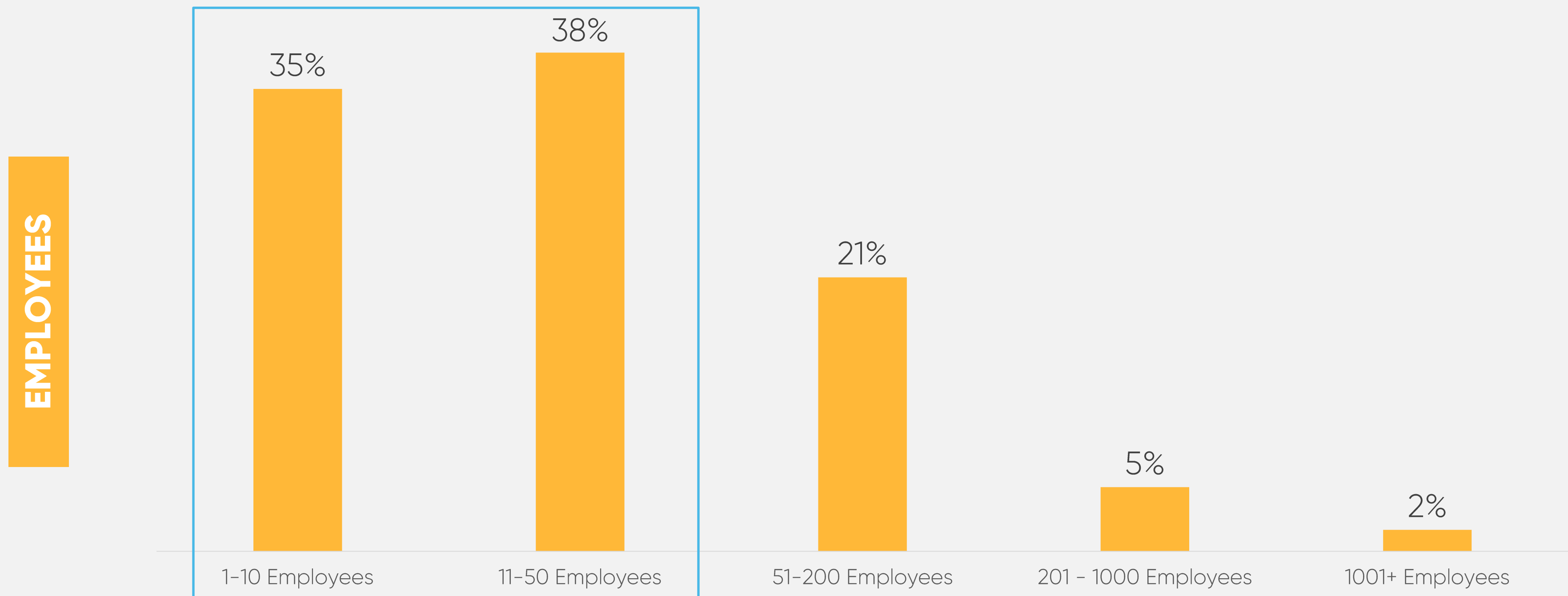
Have you obtained the ISO 50001 certification on energy management systems? – GRI 302 / SDGs 7, 9, 11, 12, 13



\*Middle East represents less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# Middle Eastern Companies distribution by nr. of employees



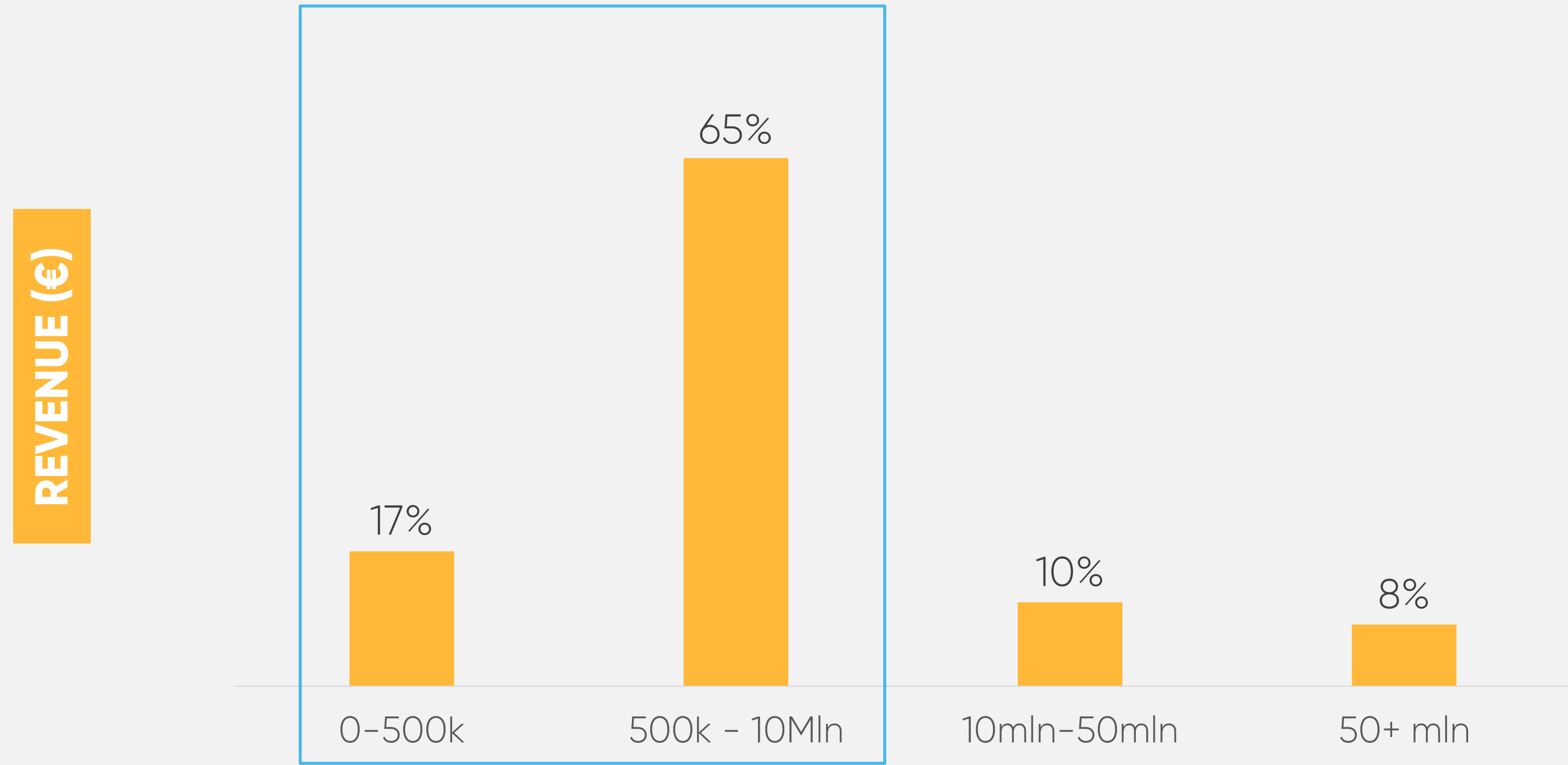
## 73% are micro & small companies

The Middle Eastern companies analyzed show a distribution shifted toward micro and small businesses.

\*Middle East represents less than 3% of the total Synesgy population

Source: Synesgy @June 2024

# Middle Eastern Companies distribution by revenue



## 83% have 10mln in annual revenue or less

83% of the companies analyzed in the Middle East have an annual turnover of less than 10 million euros.

\*Middle East represents less than 3% of the total Synesgy population

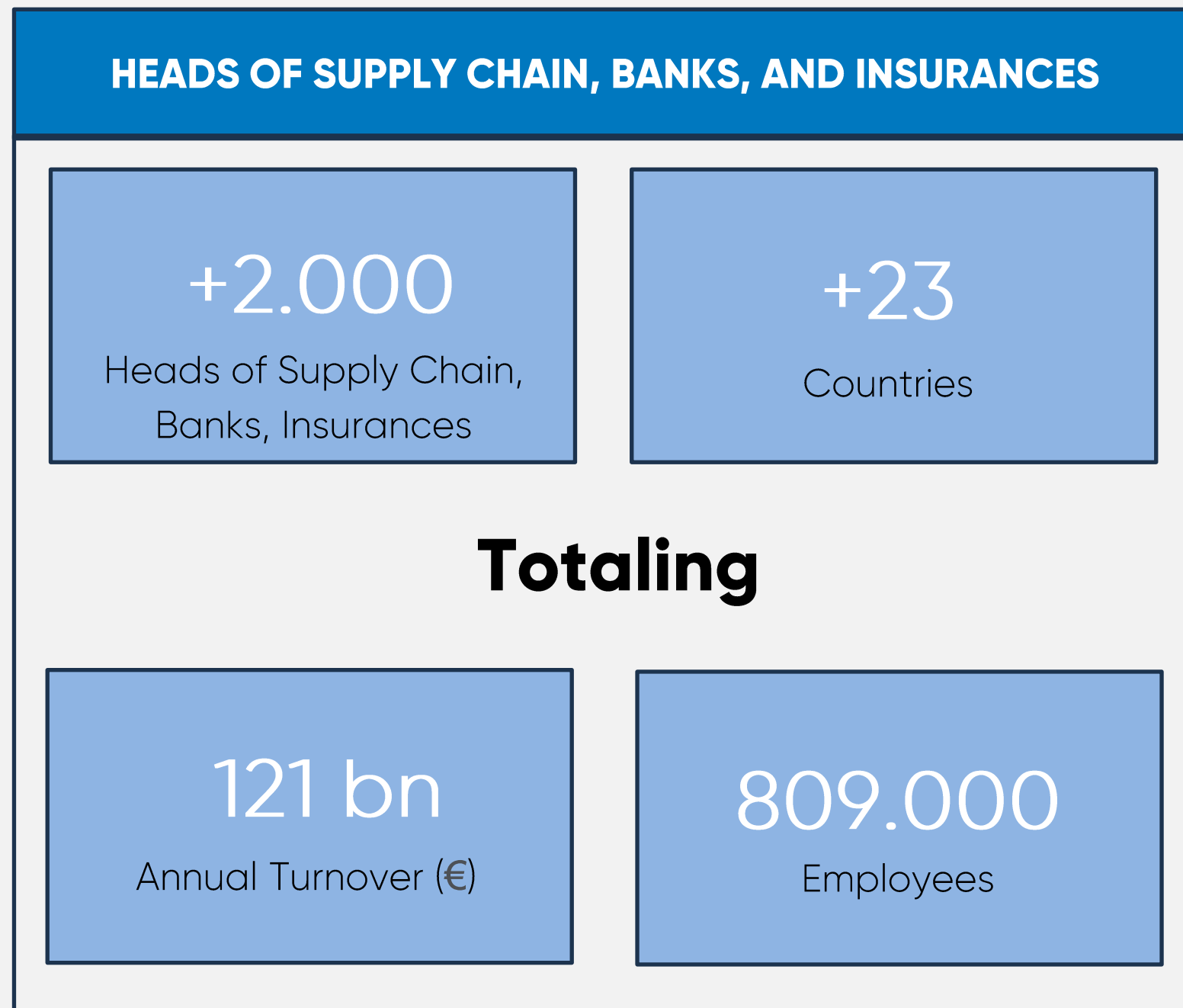
Source: Synesgy @June 2024



**05**

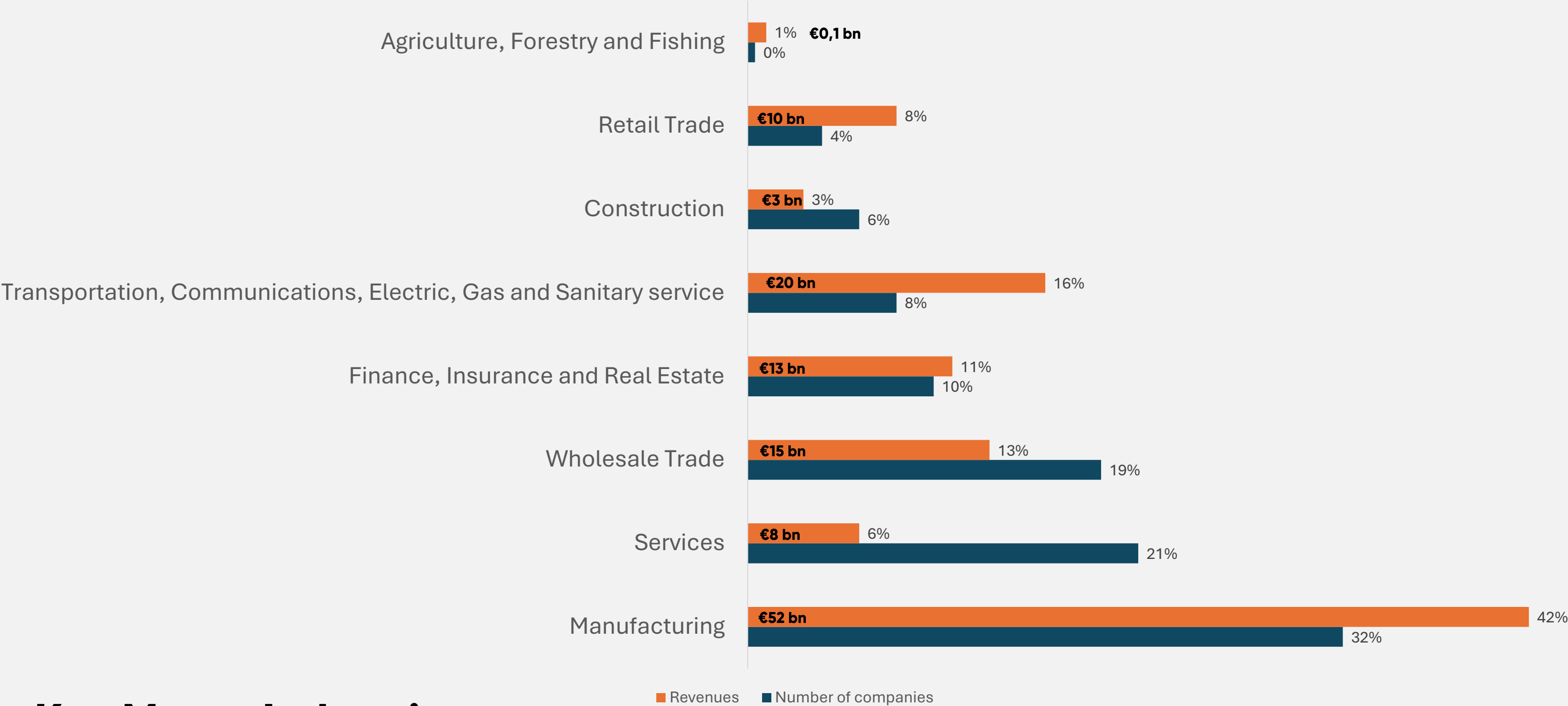
## **Distribution of the Heads of supply chain, banks and insurances**

## Focus on 2.000 Heads of Supply Chain, Banks, and insurances



In the following chapter, we prepared an in-depth analysis of the distribution of the **2.000** Heads of supply chain & Banks in Synesgy.

# 2.000 Heads of Supply Chain, Banks, and insurances distribution by industry

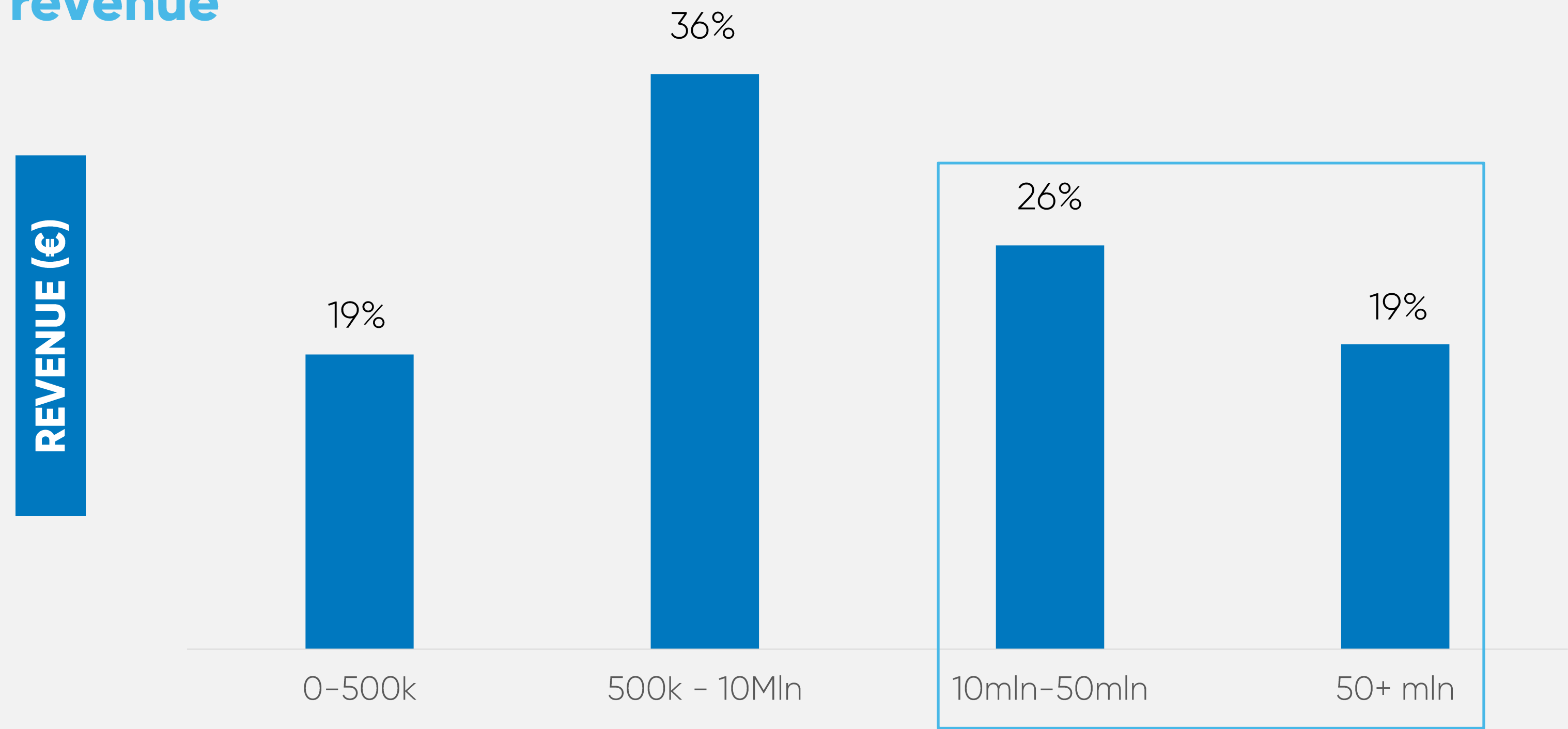


## Key Macro Industries

Portfolios registered in Synesgy are mostly divided in the following 3 industries: Manufacturing, (32%), Services (20%), and Retail (Trade & Wholesale 19%)

Source: Synesgy @June 2024

# 2.000 Heads of Supply Chain, Banks, and insurances distribution by revenue

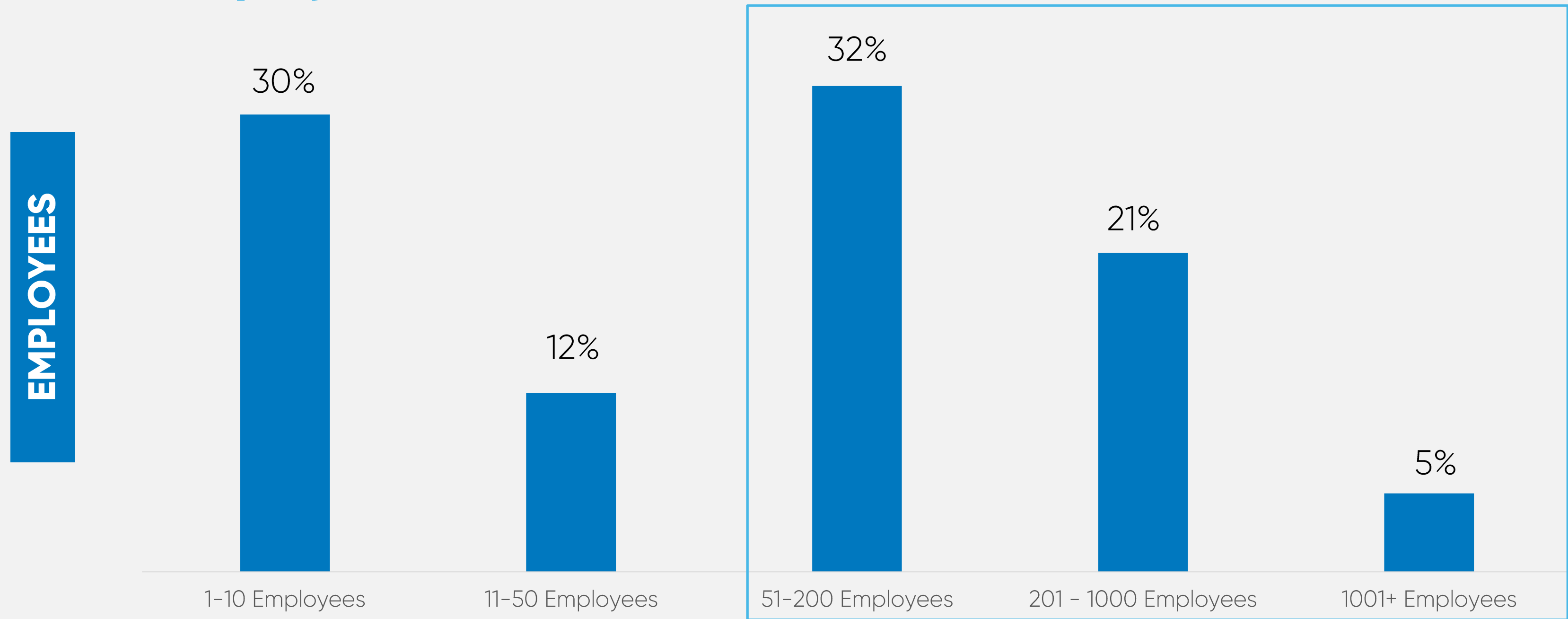


## 45% are Medium & Large Companies

Conversely to suppliers, Heads of supply chain, banks, and insurances distribution is more even; in particular 45% of the total companies have more than 10 million Euro in annual turnover.

Source: Synesgy @June 2024

# 2.000 Heads of Supply Chain, Banks, and insurances distribution by nr. of employees

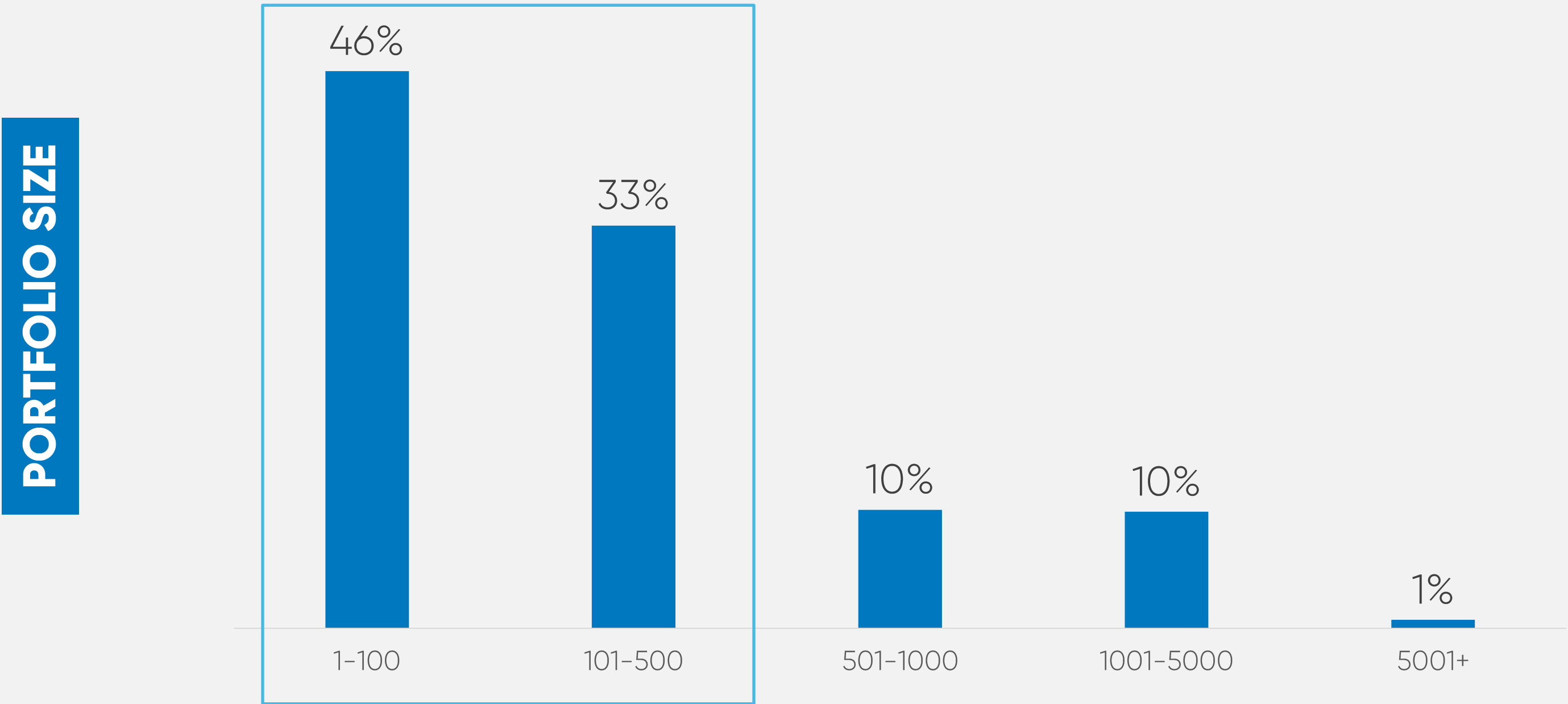


## 58% are Medium & Large

In terms of employees, the portfolios distribution shows that a larger percentage of companies fall in the Medium & Large segment.

Source: Synesgy @June 2024

# 2.000 Heads of Supply Chain, Banks, and insurances distribution by Portfolio size (nr. of companies)



**79% have 500 or fewer companies in their portfolio**

The analysis of 2,000 Heads of Supply Chain, banks, and insurance companies, along with their portfolios, reveals that nearly 80% manage portfolios containing 500 or fewer companies.

Source: Synesgy @June 2024



**06**

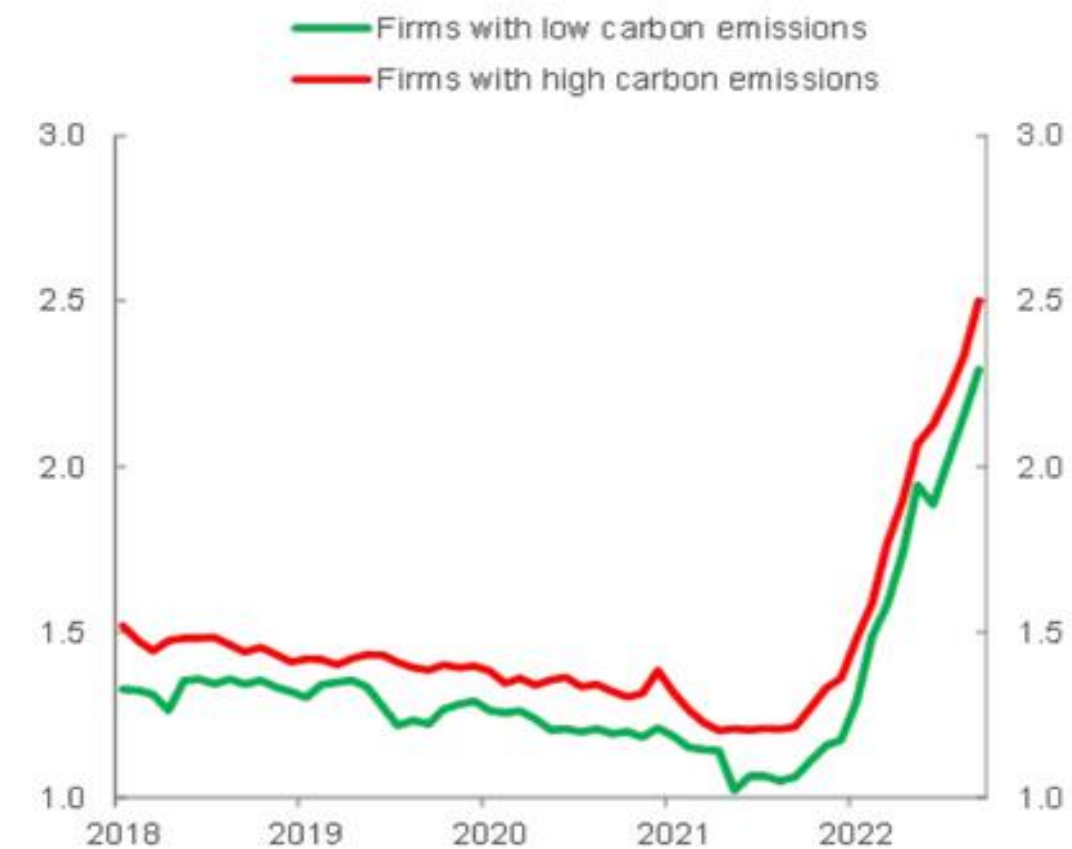
## **ESG Data and its Commercial Output**

# Can ESG bring commercial value on top of improved sustainability performances?

ESG and the concept of sustainability have often been mistakenly associated solely with the environment, CO2 emissions, and green practices.

Instead **ESG is now rapidly becoming a business framework** to guarantee and ensure financial sustainability by identifying and prioritising the sustainability impacts most relevant to a company's operations.

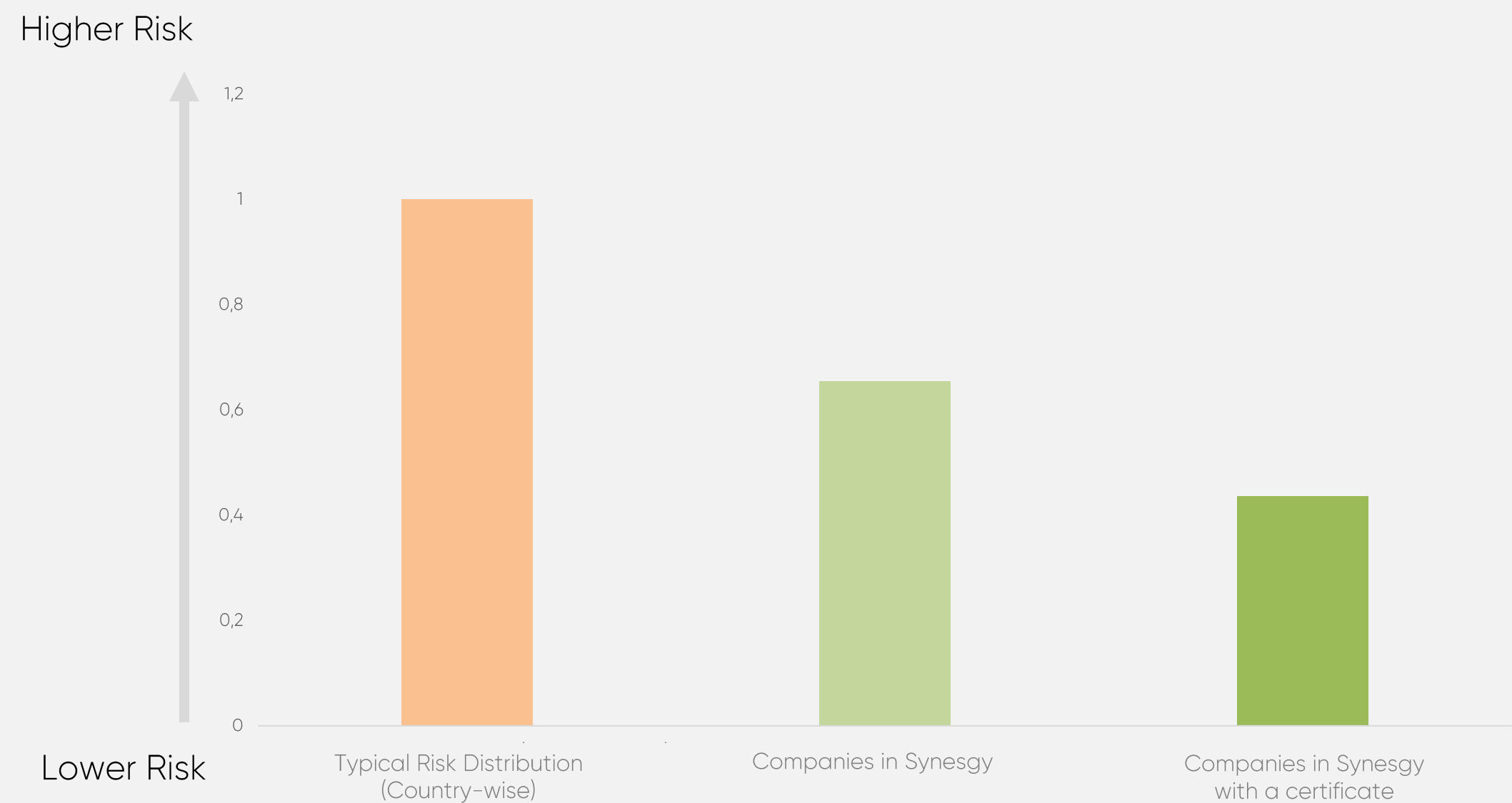
**ESG Frameworks and Practices can identify inefficiencies and highlight opportunities to optimize a company's operations** and supply chain. This is even more critical in times of economic uncertainty, where political, social and environmental instability can quickly jeopardize business activities.



**Figure 1: Average interest rates charged to high-emission and low-emission firms**

**Source:** Climate risk, bank lending and monetary policy, European Central Bank Working Paper n°2969 (2024)

# ESG Performances vs. Commercial Risk

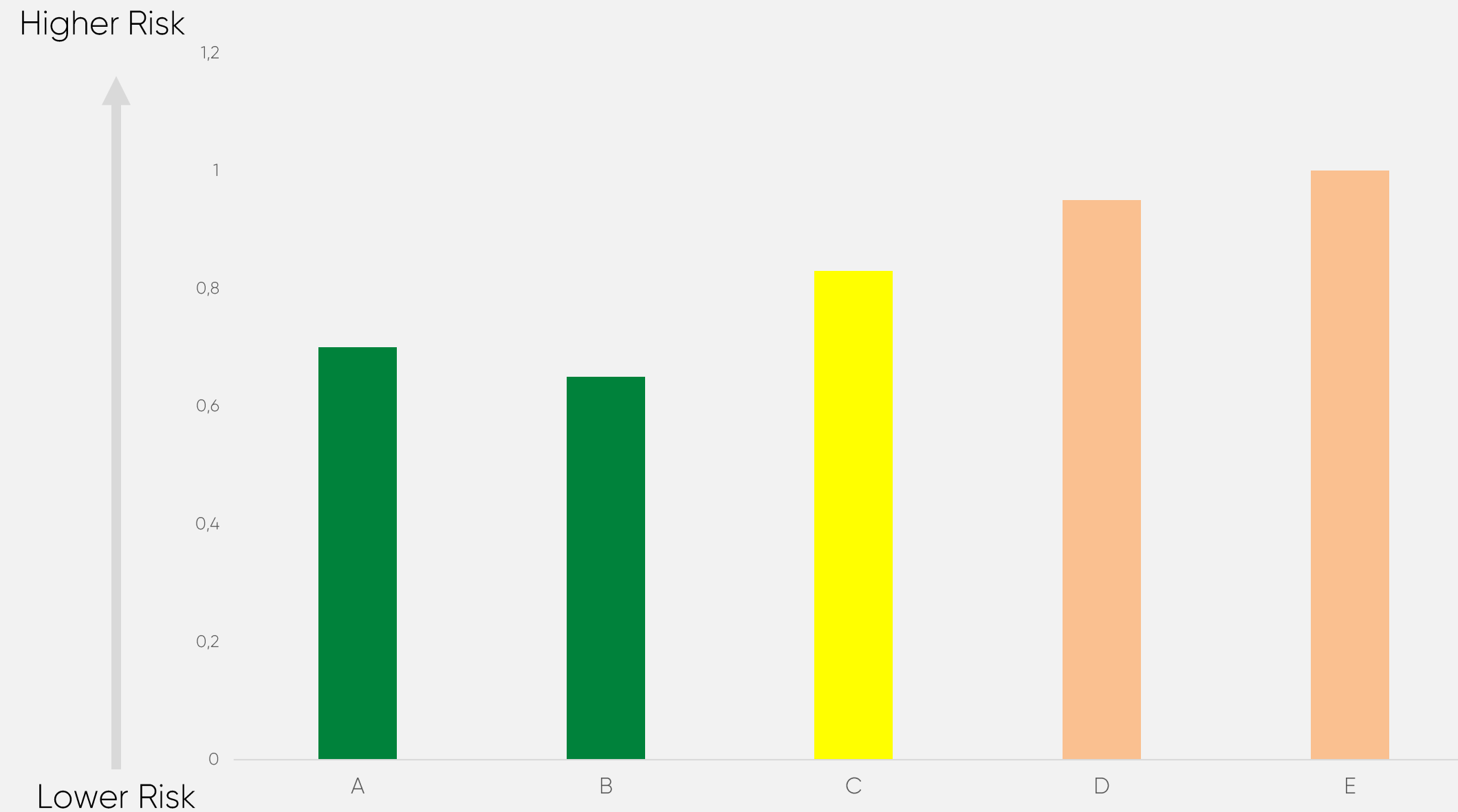


## High-ESG-Performing companies show Low Commercial Risk

Using the value 1 as the benchmark for typical risk distribution, companies that have obtained the Synesgy Certificate or are part of the Synesgy network, demonstrate a lower commercial risk level compared to the average distribution. The commercial risk is measured using CRIF's proprietary analytics for commercial businesses.

Source: Synesgy @June 2024

# ESG Performances vs. Failure/bankruptcy Risk



## How to read the scores?

- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability

## High-ESG-Performing companies show lower Failure Risk

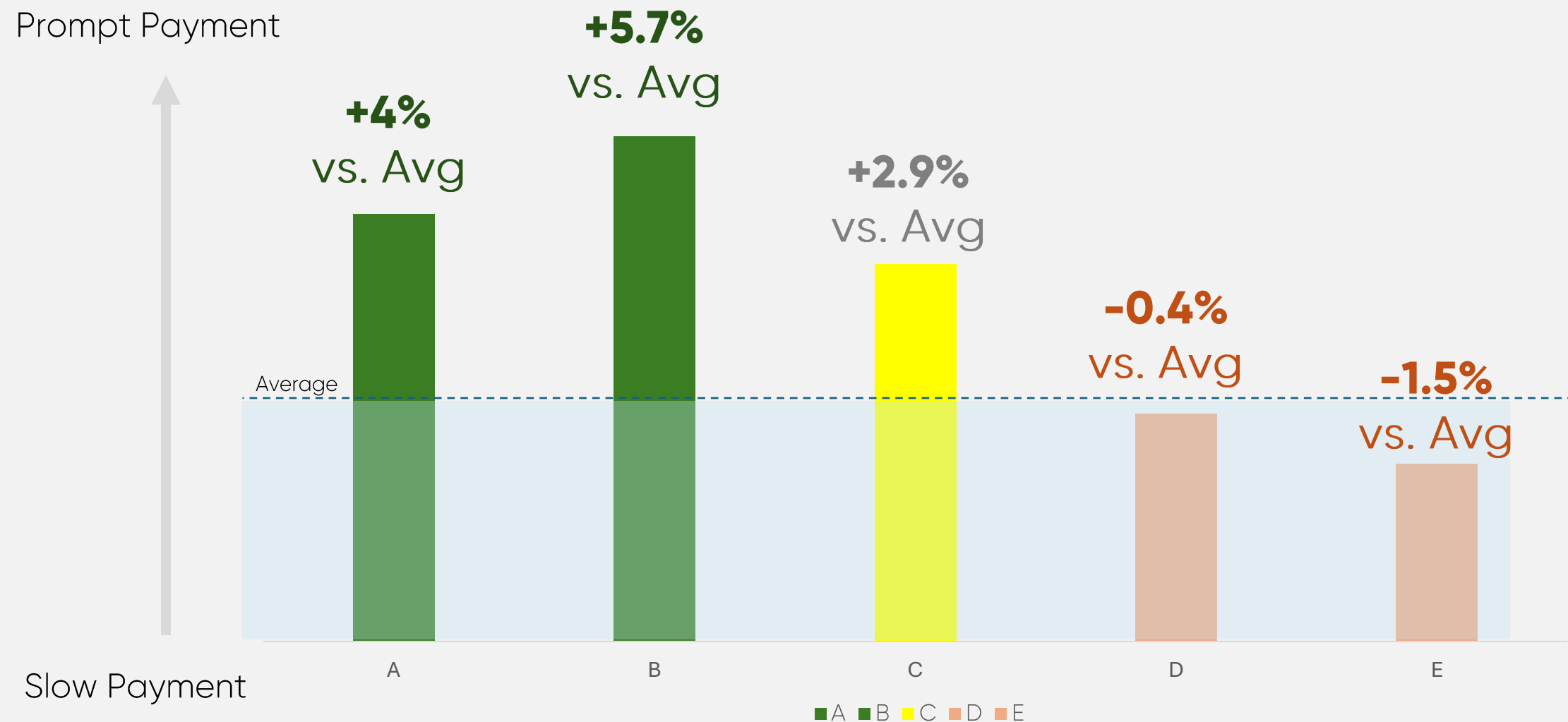
Using the average failure/bankruptcy risk of companies with an E score in the Synesgy Assessment as a benchmark, the chart displays that companies with better ESG scores (A, B, C, and D) show progressively lower failure/bankruptcy risk. This may suggest that better ESG performance correlates with a more favorable commercial risk profile.

Source: Synesgy @June 2024

# Governance Score and payment behaviour

## How to read the scores?

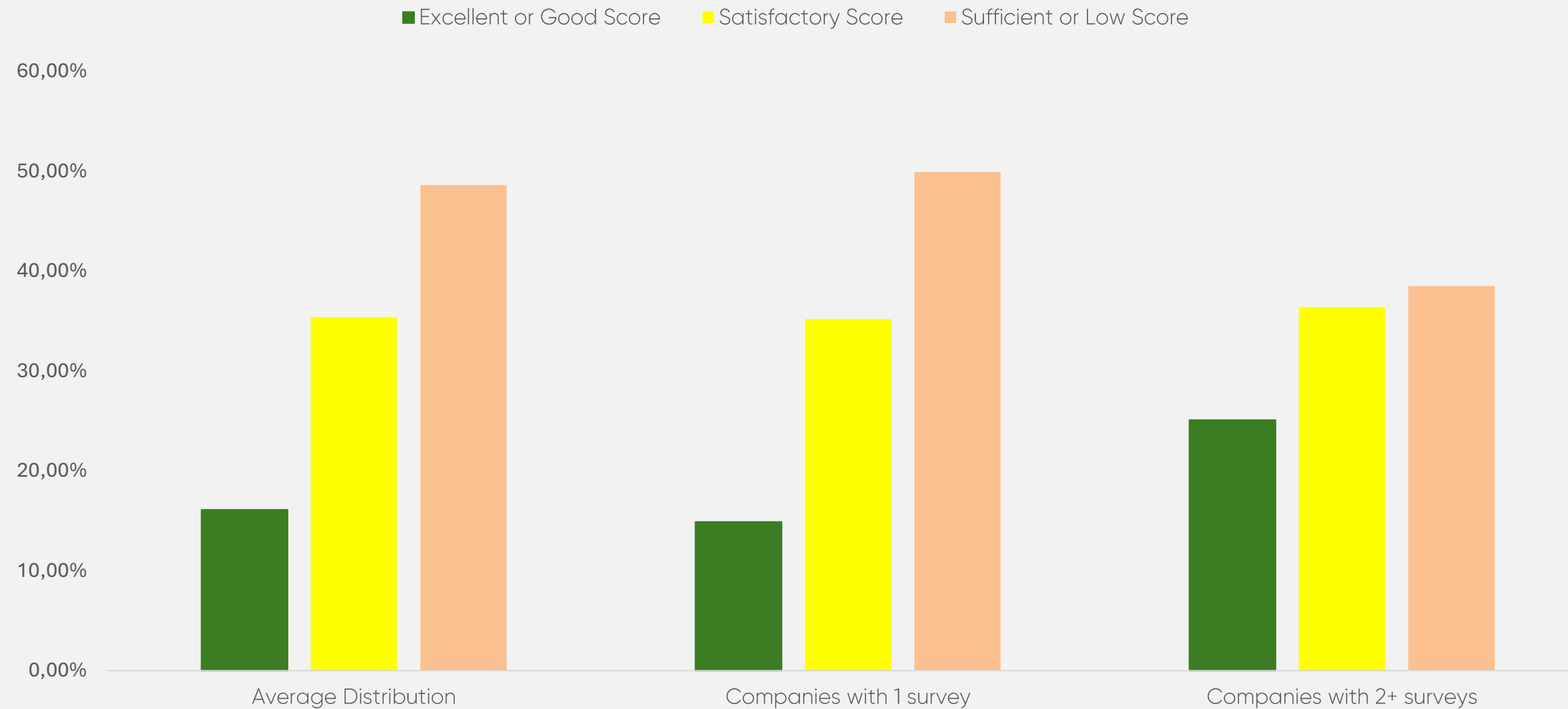
- A: Excellent Level of sustainability
- B: Good level of sustainability
- C: Satisfactory level of sustainability
- D: Sufficient level of sustainability
- E: Low level of sustainability



## Companies with a higher G Score show more timely payment behaviour

Governance is one of the three key components of ESG and indicates how companies interact with the full range of external and internal stakeholders, including their suppliers. We examined the relationship between the G score in the Synesgy Certificate and the payment habits (on time or delayed) of the same companies towards their suppliers. The results show that companies with a A or B score have a 4-5.7% higher likelihood of paying on time compared to the average. Payment behavior is measured through CRIF's iTrade Program.

# ESG Score distribution



## Companies constantly using ESG tools improve their ESG performances over time

Sustainability cannot be considered a one-off initiative but rather a long-term commitment. We noticed that the companies that have completed 2 or more surveys in **Synesgy** have a better score compared to those that did the assessment only once. Self-ESG-Awareness and a clear action plan are key to improvement.

Source: Synesgy @June 2024



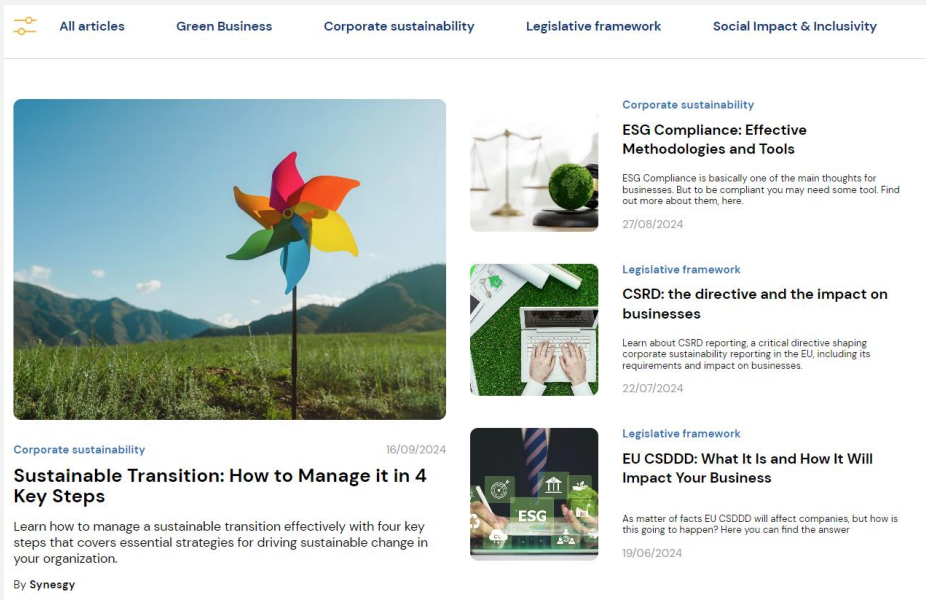
07

**More resources**

# ESG is ever-changing. Stay always up-to-date!

## ESG Guide

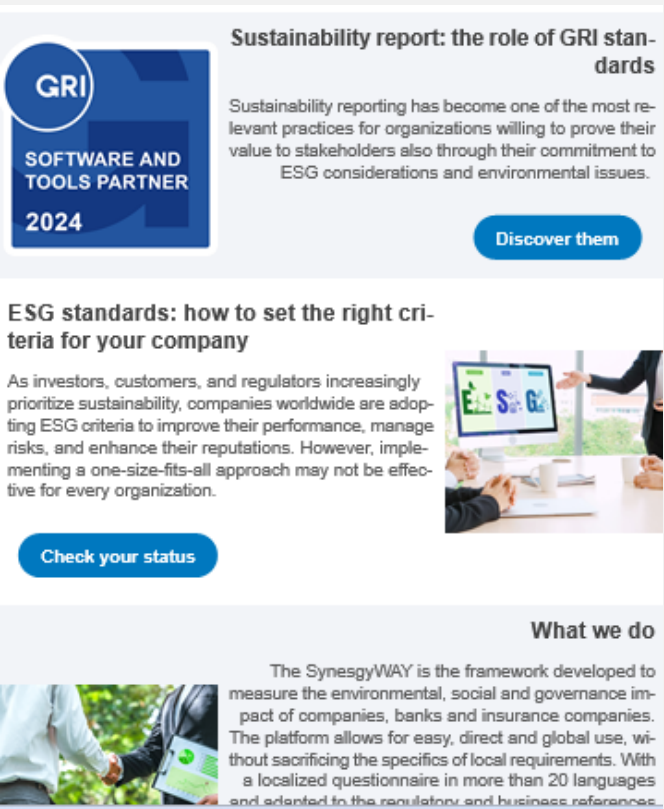
Synesgy’s ESG experts and journalists work together to provide you with the most up-to-date news on the ESG landscape. From regulations to trends and relevant information for your business – all in one place.



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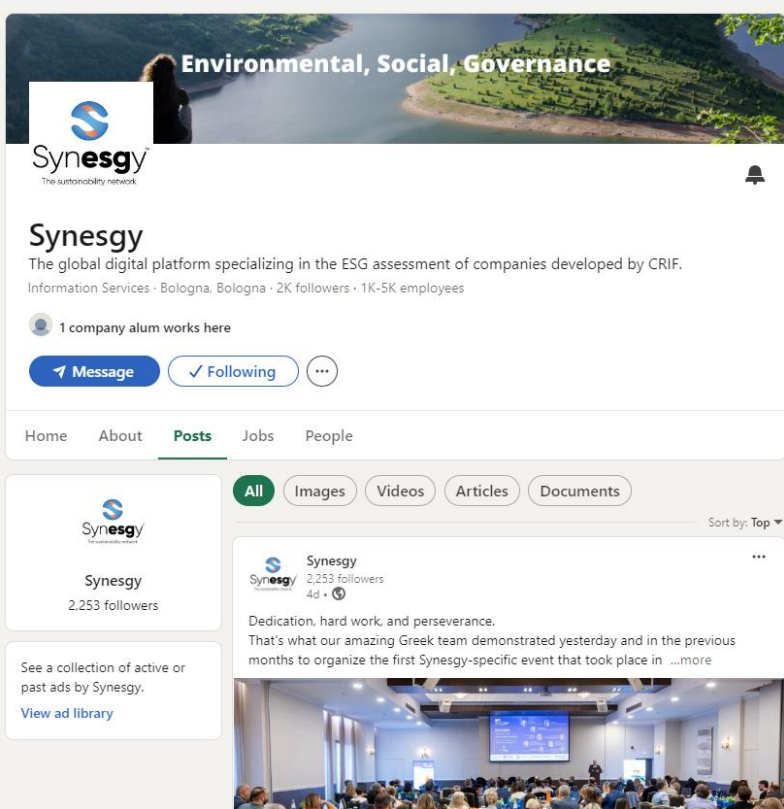
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