



CLIENT GUIDE

Understanding the **CASCO** Methodology

A guide to help you follow your assessment with full awareness of what is being asked — and why.

1. What CASCO Is

CASCO (Canindé Score) is a diagnostic instrument built to answer one specific question: how exposed is your company to the EU environmental regulations that are already on their way?

That is different from most sustainability tools you may have come across. Tools like EcoVadis, the Higg Index, B Corp, or GOTS measure how well your company is performing today on environmental and social practices — they are snapshots of the present. CASCO asks a different question: how prepared is your company for what European law will require in the coming months and years — CSRD, ESRS, CSDDD, ESPR, the Digital Product Passport (DPP), REACH, and the new Green Claims Directive.

Think of the difference between a routine medical check-up and a fire-risk inspection. Both look at the same building — but one asks "how are you doing right now," the other asks "what could go wrong, and when." CASCO is the second question, applied to regulatory exposure.

At the end of the assessment, your company receives a score from 0 to 100%, placed into one of four risk bands (Section 6), along with practical, prioritized recommendations.

2. How CASCO Came About

CASCO originated from academic research on how the European Union exports its regulatory standards to the rest of the world — a phenomenon known as the Brussels Effect — applied specifically to the textile and fashion sector.

During that research, a pattern became clear: large companies, already legally bound by CSRD, began passing that requirement back down the supply chain — asking their suppliers, often SMEs, for proof of environmental compliance months or years before those SMEs were legally required to comply with anything. This creates real commercial pressure, without there yet being a clear guide on how to respond to it.

CASCO was developed to fill exactly that gap: translating a dense body of European legislation into a practical diagnostic that any textile SME owner can use — even without an in-house legal department or a dedicated sustainability team.

The methodology was built on the original legal texts and tested against publicly available data from real companies in the sector before reaching you — see how that validation was carried out in Section 6.

3. The Two-Stage Structure

CASCO is applied in two stages, each with a distinct purpose:

Stage	Purpose
Stage 1	Initial picture — 25 questions organized into 5 areas, assessing how developed each practice is within your company.
Stage 2	Refinement and evidence — more specific questions about your company's profile, plus space to attach documents supporting what was answered in Stage 1.

This two-stage design is not just a matter of form organization — it mirrors how a real compliance assessment works: first you understand the substance (what the company actually does), then you verify the evidence (what the company can actually prove). These are exactly the two questions — what, and how do I know it's true — that underpin the entire logic behind the final score.

4. How Stage 1 Works

In Stage 1 you will answer 25 questions, organized into 5 thematic areas:

- **Circularity** — use of recycled materials, textile waste management, design for durability and repair, supply chain traceability.
- **Climate** — carbon emissions measurement, reduction targets, transition to renewable energy.
- **Water** — water consumption in production, effluent treatment, exposure to water-stressed areas.
- **Pollution** — use of chemical substances, REACH compliance, packaging waste management.
- **Governance** — ESG accountability structure, sustainable purchasing criteria, transparency with stakeholders.

Each question asks for a score from 0 to 5, indicating how developed that practice is within your company — from "we do none of this today" to "fully structured and documented."

There is no right or wrong answer here — only an honest one. CASCO is not a test you pass; it is a diagnostic, and diagnostics only work with real information. Overstating your score won't help you later — it will only delay the moment you find out where you actually need to act.

One important note: the 5 areas do not carry equal weight in the final score. Areas where European legislation is closer to becoming mandatory count for more — this reflects genuine regulatory urgency, not an arbitrary preference by Canindé.

5. How Stage 2 Works

After completing the 25 questions in Stage 1, Stage 2 deepens the assessment on two fronts:

5.1 A More Precise Company Profile

Specific questions about where your company sits in the value chain (raw material producer, manufacturer, own-brand, etc.), your main markets and buyers, and your size and type of production. This matters because not every regulation applies the same way to every type of company — context changes what is actually relevant to your case.

5.2 Documentary Evidence

For each practice you declared in Stage 1, you can attach a document that supports it — a certification, an internal policy, a contract with an environmental clause, a previous audit report, whatever you have available.

This is not bureaucracy for its own sake. A practice backed by documentation counts for more, within the CASCO methodology, than the same practice merely declared — and that difference is real, not arbitrary: starting in September 2026, a new European rule (the Empowering Consumers for the Green Transition Directive) makes unsubstantiated environmental claims a prohibited practice in communication with customers and buyers. CASCO simply anticipates that reality in your score.

Don't have the document yet? No problem — you can still complete the assessment normally. Missing documentation becomes, in your final report, one of the priority recommendations — and in practice, it is often one of the fastest and cheapest ways to improve your position.

6. What You Receive at the End

Upon completing both stages, you receive a CASCO score from 0 to 100%, placed into one of four bands:

Score	Classification	Illustrative reference case
0-30%	Critical Exposure	Richemont Group — 28%
31-50%	High Exposure	HModa — 41%
51-80%	Moderate Exposure	Inditex Group — 74%
81-100%	Low Exposure	—

A low number does not necessarily mean the reference company is doing poor environmental work. The clearest example is the Richemont group: a company with an internationally recognized sustainability report, which nonetheless scored 28% — Critical Exposure — in the CASCO simulation. The reason: what a company does well today is not the same thing as what it can defend under an audit or a contractual demand from a major buyer tomorrow. That is exactly the distinction CASCO exists to reveal.

IMPORTANT NOTE ON THE REFERENCE CASES

Richemont Group, HModa, and Inditex Group did not commission Canindé, did not take part in any CASCO assessment, and did not provide, directly or indirectly, any material to Canindé for this purpose. The three cases cited in this table are **methodological simulations**, built exclusively from information these companies made publicly available (such as annual reports and sustainability reports for 2024 and 2025), for the sole purpose of testing and illustrating how the CASCO methodology works.

That public information was originally produced by each company for other purposes — not to answer the specific questions in the CASCO methodology. As a result, the scores presented are estimates constructed by Canindé from third-party data, and **do not constitute an audit, certification, official assessment, or position of the companies named**, nor do they necessarily reflect those companies' situation at that time or today. These scores should not be interpreted as a statement of fact about the real, current, or past performance of these organizations.

6.1 How to Read Your Score

The CASCO Score is not a direct, absolute measurement of the world — like a credit score or a rating agency's grade, it is an index built from a proprietary, documented methodology. A score of 70% does not mean "70% of your operations are out of compliance" — it means your company occupies a certain position within the CASCO instrument, which serves as a prioritization compass, not a legal verdict.

7. Why CASCO and Canindé Matter

If your company supplies large fashion and textile brands — whether based in the Veneto textile cluster, anywhere else in Europe, or outside the European Union — chances are that this regulatory pressure has already reached you, even if it doesn't yet look obvious. This is especially true because a large share of the global textile supply chain sits outside European territory, and EU legislation reaches those companies precisely through the requirements that large European buyers pass back down the chain, wherever the supplier is located.

A large buyer requesting a new sustainability form, a new environmental clause in a contract, an ESG questionnaire nobody quite knows how to fill in — all of that is the Brussels Effect operating in practice, months or years before the formal legal deadline reaches you, inside or outside the European Union.

Companies that prepare early negotiate from a position of strength — they keep contracts, enter new partnerships, and avoid a last-minute scramble under deadline pressure. Companies that wait risk losing contracts and negotiations precisely to competitors who got ahead of them.

Canindé exists to make this dense, distant regulation legible and actionable for those without an in-house legal department or a dedicated sustainability team — which is the reality for most SMEs in the sector, in Veneto and anywhere else in the world producing for the European market. CASCO is the first instrument of that mission: a methodology built on real legal texts, tested against public data from real business cases, and continuously refined.

If, after completing both stages, you would like help interpreting your result or building an action plan — that is exactly what Canindé is here for.

Why aren't the exact weights and the full formula in this guide?

Because the value of CASCO does not lie in revealing a formula — it lies in an assessment applied with third-party rigor and credibility, the same way no one trusts a credit score calculated by the person being assessed. This guide's purpose is to give you full clarity on what is being asked, why, and how to interpret the result — not a parallel calculator.