

# DP World Ltd.

Marine Ports United Arab Emirates

## ESG Risk Rating

# 8.5

Updated Mar 30, 2022

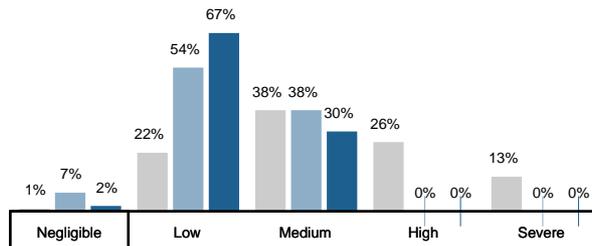
# -0.7

Momentum

## Negligible Risk



## ESG Risk Rating Distribution



## ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 <sup>st</sup> = lowest risk)	(1 <sup>st</sup> = lowest risk)
Global Universe	75/14774	1st
Transportation Infrastructure	7/169	5th
Marine Ports SUBINDUSTRY	1/46	1st

## Peers Table

Peers (Market cap \$0.0 - \$0.0bn)

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. DP World Ltd.	22.3 Low	64.8 Strong	<b>8.5 Negligible</b>
2. Associated British Ports Holdings Ltd.	23.0 Low	45.8 Average	<b>12.9 Low</b>
3. North Queensland Export Terminal Pty Ltd.	25.8 Low	50.8 Strong	<b>13.2 Low</b>
4. PT Pelabuhan Indonesia III Persero	23.0 Low	32.4 Average	<b>15.9 Low</b>
5. PT Pelabuhan Indonesia II Persero	24.4 Low	33.5 Average	<b>16.5 Low</b>

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## ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. The exposure score takes into consideration subindustry and company-specific factors such as its business model.

### ESG Risk Exposure

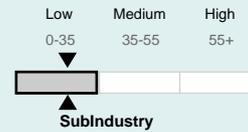
**22.3**

**+0.7**

**Low**

**Momentum**

**Beta = 0.97**



DP World employees handle lifting machinery, shipping containers or other heavy cargo, being exposed to various health and safety hazards. Frequent accidents, fatalities or prolonged illnesses may lead to lawsuits, inability of hiring qualified workers and delays in operations. Moreover, the company's operations require a workforce with various sets of special skills, including logistics experts, engineers and controllers. Failure to recruit and retain such workforce or possible labour disputes could lead to significant disruptions in port traffic or even paralysis of operations at important hubs. In addition, due to high competitiveness in the port industry, companies may be inclined to collude with authorities to evade taxes or resort to bribery to speed up clearance of cargo. DP World may incur reputational damage if found implicated in corrupt practices.

The company's overall exposure is low and is similar to subindustry average. Human Capital, Bribery and Corruption and Occupational Health and Safety are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. The management score assesses the robustness of a company's ESG programs, practices, and policies.

### ESG Risk Management

**64.8**

**+4.9**

**Strong**

**Momentum**



DP World's overall ESG-related disclosure is not in accordance with GRI reporting standards, lagging behind best practice. The company's ESG-related issues are overseen by the board or the executive team, suggesting that these are integrated in core business strategy.

The company's overall management of material ESG issues is strong.

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## Material ESG Issues

These are the Material ESG Issues driving the ESG Risk Rating.

Issue Name	ESG Risk Exposure	ESG Risk Management	ESG Risk Rating	Contribution to ESG Risk Rating
	Score   Category	Score   Category	Score   Category	
Corporate Governance	5.0 Medium	61.0 Strong	2.0 Negligible	22.9%
Emissions, Effluents and Waste	2.9 Low	46.1 Average	1.7 Negligible	19.6%
Human Capital	3.2 Low	50.0 Average	1.7 Negligible	19.4%
Occupational Health and Safety	5.0 Medium	74.4 Strong	1.5 Negligible	17.2%
Community Relations	2.0 Low	59.1 Strong	0.9 Negligible	11.0%
Bribery and Corruption	2.7 Low	88.8 Strong	0.4 Negligible	5.0%
Land Use and Biodiversity	1.6 Low	74.3 Strong	0.4 Negligible	4.8%
<b>Overall</b>	<b>22.3 Low</b>	<b>64.8 Strong</b>	<b>8.5 Negligible</b>	<b>100.0%</b>

## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

### Category (Events)

**5 Severe (0)**

**4 High (0)**

**3 Significant (0)**

**2 Moderate (1)**

Labour Relations

**1 Low (1)**

Emissions, Effluents and Waste

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## Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

## Category (Events)

**⚠ None (5)**

Bribery and Corruption

Community Relations

Land Use and Biodiversity

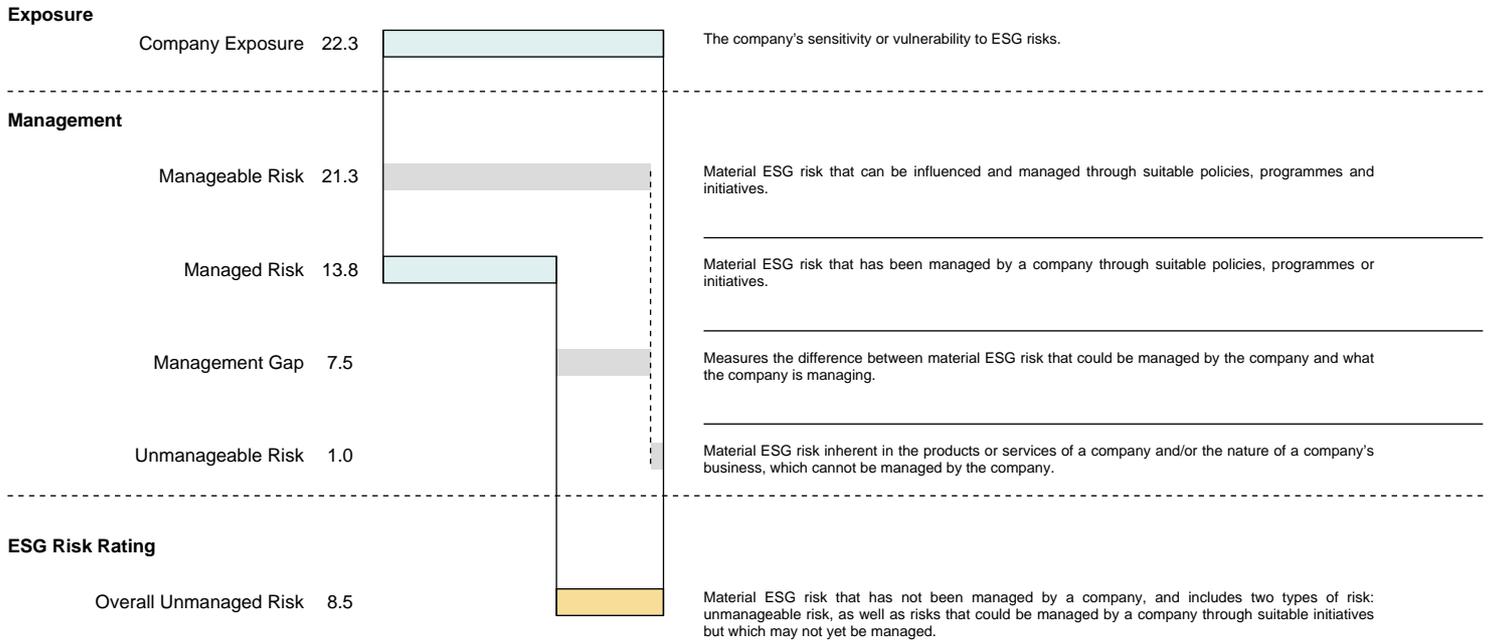
Lobbying and Public Policy

Occupational Health and Safety

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## Risk Decomposition



## Momentum Details



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## GLOSSARY OF TERMS

### Beta (Beta, $\beta$ )

A factor that assesses the degree to which a company's exposure deviates from its **subindustry's** exposure on a **material ESG issue**. It is used to derive a company-specific issue exposure score for a material ESG issue. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

### Corporate Governance Pillar

A pillar provides a signal about a company's management of a specific Corporate Governance issue.

### ESG Risk Category

Companies' **ESG Risk Rating scores** are assigned to five ESG risk categories in the **ESG Risk Rating**:

-  **Negligible risk:** enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
-  **Low risk:** enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
-  **Medium risk:** enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors
-  **High risk:** enterprise value is considered to have a high risk of material financial impacts driven by ESG factors
-  **Severe risk:** enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

### ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the **ESG Risk Rating**; it applies the concept of **risk decomposition** to derive the level of **unmanaged risk** for a company.

### Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

### Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

### Excess Exposure

The difference between the company's **exposure** and its **subindustry** exposure.

### Exposure

A company or **subindustry's** sensitivity or vulnerability to ESG risks.

### Idiosyncratic Issue

An issue that was not deemed material at the **subindustry** level during the **consultation process** but becomes a **material ESG issue** for a company based on the occurrence of a Category 4 or 5 event.

### Manageable Risk

Material ESG risk that can be influenced and managed through suitable policies, programmes and initiatives.

### Managed Risk

Material ESG Risk that has been managed by a company through suitable policies, programmes and initiatives.

### Management

A company's handling of ESG risks.

### Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

### Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

### Material ESG Issue

A core building block of the **ESG Risk Rating**. An ESG issue is considered to be material within the rating if it is likely to have a significant effect on the enterprise value of a typical company within a given **subindustry**.

### Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

### Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

### Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: **unmanageable risk**, as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed (**management gap**).

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