

Dubai Aerospace Enterprise (DAE) Ltd.

Trading and Distribution United Arab Emirates

ESG Risk Rating

14.4

Updated Dec 15, 2022

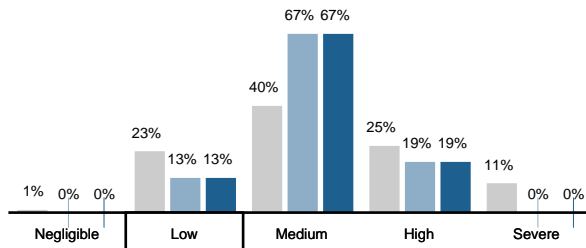
+0.3

Momentum

Low Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = Top Score)
Global Universe	1264/15561	9th
Traders & Distributors INDUSTRY	3/193	2nd
Trading and Distribution SUBINDUSTRY	3/193	2nd

Peers Table

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

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. Dubai Aerospace Enterprise (DAE) Ltd.	27.6 Low	52.8 Strong	14.4 Low
2. LOXAM SAS	28.0 Low	52.4 Strong	14.8 Low
3. Cramo Oyj	26.2 Low	45.4 Average	15.4 Low
4. Avolon Holdings Ltd.	27.6 Low	46.5 Average	16.0 Low
5. Adolf Würth GmbH & Co. KG	27.9 Low	30.8 Average	20.1 Medium

Dubai Aerospace Enterprise (DAE) Ltd.

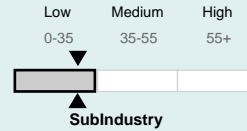
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ESG Risk Analysis

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

27.6 **+2.0**
Low Momentum
 Beta = 0.99



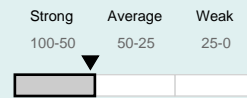
Due to its employee base and qualification needs, the company is exposed to labour relations issues and skill deficit. Companies that are unable to effectively manage its workforce may face obstacles, such as high operational costs, business disruptions and other inefficiencies. Exposure to ethical breaches is mostly derived from the company's business relations within its value chain, as well as countries of operation and size. These may include political lobbying, conflicts of interest, anti-competitive practices, tax and accounting irregularities and others. The company's carbon footprint is affected by the nature of its operations and the source of energy used to power these operations. Increasingly stringent carbon regulations and energy efficiency requirements could lead to higher energy prices, larger associated costs for the company and compliance issues.

The company's overall exposure is low and is similar to subindustry average. Human Capital, Business Ethics and Carbon -Own Operations 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

52.8 **+3.5**
Strong Momentum



ESG reporting is considered to be strong and the company has assigned board level responsibility for overseeing ESG issues. Furthermore, the environmental policy is considered to be strong. However, there is no evidence ESG performance targets are considered in establishing the company's executive compensation. Additionally, the company has a strong whistleblower programme in place.

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	
Human Capital	6.0 Medium	53.0 Strong	3.0 Low	20.6%
Corporate Governance	5.0 Medium	56.0 Strong	2.2 Low	15.2%
Carbon -Own Operations	3.6 Low	54.5 Strong	2.0 Low	14.1%
Human Rights -Supply Chain	2.0 Low	12.5 Weak	1.8 Negligible	12.5%
Resource Use -Supply Chain	2.0 Low	15.0 Weak	1.8 Negligible	12.2%
Business Ethics	5.0 Medium	73.1 Strong	1.5 Negligible	10.6%
Resource Use	2.0 Low	45.1 Average	1.3 Negligible	8.8%
Product Governance	2.0 Low	62.5 Strong	0.9 Negligible	6.1%
Overall	27.6 Low	52.8 Strong	14.4 Low	100.0%

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 (0)

1 Low (0)

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Events Overview

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

Category (Events)

None (17)

Accounting and Taxation

Anti-Competitive Practices

Bribery and Corruption

Business Ethics

Employees - Human Rights - SC

Energy Use and GHG Emissions

Intellectual Property

Labour Relations

Labour Relations - SC

Lobbying and Public Policy

Marketing Practices

Occupational Health and Safety - SC

Quality and Safety

Sanctions

Society - Human Rights - SC

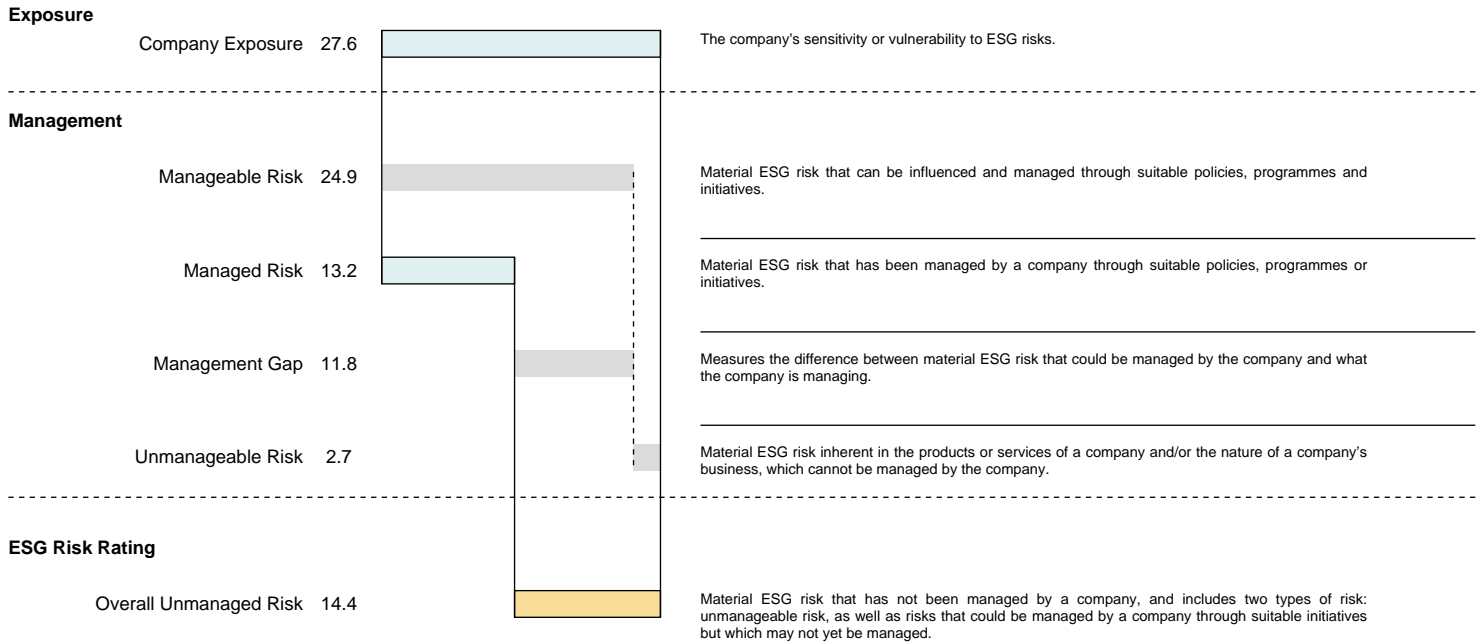
Water Use

Water Use - SC

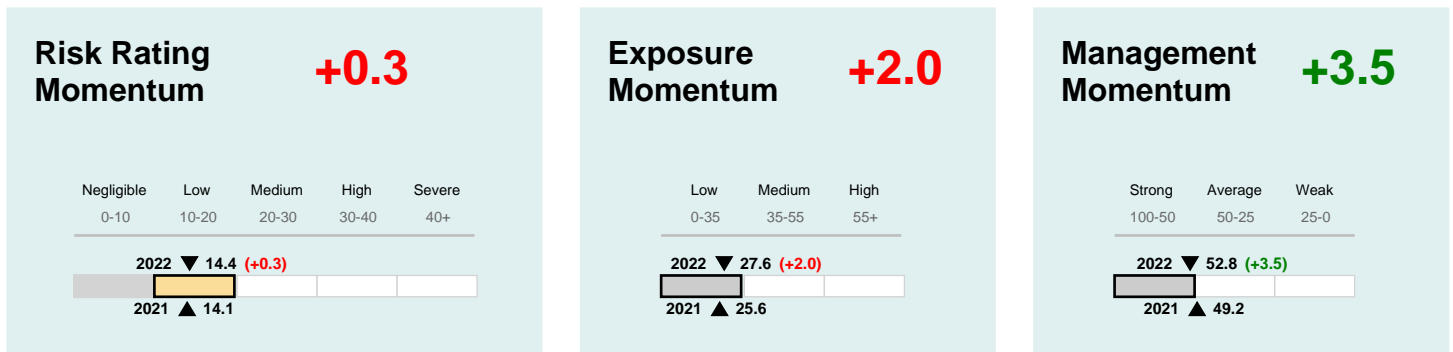
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Risk Decomposition



Momentum Details



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GLOSSARY OF TERMS

Beta (Beta, β)






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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