

ASTARTA Holding NV

Agriculture Netherlands WAR:AST

ESG Risk Rating

32.6

N/A

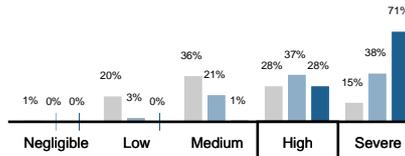
High Risk

Updated Nov 17, 2020

Momentum



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK <small>(1st = lowest risk)</small>	PERCENTILE <small>(1st = lowest risk)</small>
Global Universe	8648/13049	67th
Food Products <small>INDUSTRY GROUP</small>	179/532	34th
Agriculture <small>SUBINDUSTRY</small>	3/89	3rd

ESG Risk Analysis

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

ESG Risk Exposure

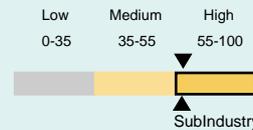
59.0

N/A

High

Momentum

Beta = 1.00



With around 230,000 hectares under management and nine processing assets in Ukraine, water availability is of material concern for ASTARTA. Most cultivated crops are rainfed and Ukraine is deemed at high drought risk according to World Resources Institute. Failure to implement efficiency measures and sound risk assessments could translate in operational disruptions. In addition, the internalization of farming activities with related land expansion needs could be met with opposition from local communities in case of displacements or water pollution from fertilizer runoffs. Finally, with 30% of products exported to the EU, where a border carbon tax is under discussion, failure to implement adequate energy efficiency measures and renewable energy technologies could translate in compliance costs for the company.

The company's overall exposure is high and is similar to subindustry average. Resource Use, Community Relations and Carbon -Own Operations are notable material ESG issues.

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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.

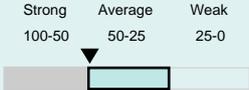
ESG Risk Management

49.6

N/A

Average

Momentum



ASTARTA's overall ESG-related disclosure is written in accordance with GRI Standards: Core Option, signalling strong accountability to investors and the public. The company's ESG-related issues are overseen by CSR Committee, which includes the CEO among its members, suggesting that these are integrated in core business strategy.

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

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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	9.0 High	51.4 Average	4.4 Medium	13.4%
Resource Use	8.0 High	39.1 Average	5.5 Medium	16.9%
Land Use and Biodiversity - Supply Chain	6.0 Medium	32.5 Average	4.4 Medium	13.6%
Carbon - Own Operations	6.0 Medium	39.5 Average	4.1 Medium	12.6%
Human Rights - Supply Chain	4.0 Medium	31.8 Average	3.0 Low	9.2%
Land Use and Biodiversity	5.0 Medium	42.0 Average	2.9 Low	8.9%
E&S Impact of Products and Services	3.0 Low	27.5 Average	2.2 Low	6.7%
Community Relations	6.0 Medium	75.0 Strong	2.0 Negligible	6.0%
Human Capital	4.0 Medium	61.7 Strong	1.7 Negligible	5.1%
Human Rights	5.0 Medium	73.0 Strong	1.4 Negligible	4.1%
Business Ethics	3.0 Low	65.0 Strong	1.1 Negligible	3.5%
Overall	59.0 High	49.6 Average	32.6 High	100.0%

Significant Events Legend

5 Category 5 Severe
 4 Category 4 High
 3 Category 3 Significant

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 (1)

Occupational Health and Safety

0 Negligible (39)

Lobbying and Public Policy

Data Privacy and Security

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Events Overview

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

Quality and Safety

Marketing Practices

Employees - Human Rights

Energy Use and GHG Emissions - SC

Land Use and Biodiversity - SC

Occupational Health and Safety - SC

Labour Relations - SC

Employees - Human Rights - SC

Sanctions

Social Impact of Products

Society - Human Rights

Intellectual Property

Business Ethics

Bribery and Corruption

Business Ethics - SC

Resilience

Carbon Impact of Products

Water Use

Land Use and Biodiversity

Anti-Competitive Practices

Media Ethics

Labour Relations

Water Use - SC

Emissions, Effluents and Waste - SC

Society - Human Rights - SC

Community Relations - SC

Energy Use and GHG Emissions

Community Relations

Weapons

Access to Basic Services

Animal Welfare

Accounting and Taxation

Animal Welfare - SC

Bribery and Corruption - SC

Corporate Governance

Environmental Impact of Products

Emissions, Effluents and Waste

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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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