

One United Properties SA

Real Estate Development Romania BSE:ONE

ESG Risk Rating

20.0

Updated Sep 23, 2022

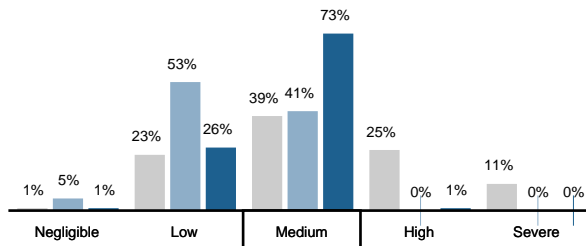
Not
available

Momentum

Medium Risk



ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = lowest risk)
Global Universe	3616/14667	25th
Real Estate INDUSTRY	599/1025	59th
Real Estate Development SUBINDUSTRY	76/281	28th

Peers Table

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

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. Places For People Treasury Plc	28.0 Low	29.8 Average	19.9 Low
2. Bedfordshire Pilgrims Housing Association Ltd.	28.0 Low	29.4 Average	20.0 Medium
3. One United Properties SA	31.1 Low	36.7 Average	20.0 Medium
4. Together Housing Group Ltd.	29.4 Low	30.0 Average	20.8 Medium
5. Onward Homes Ltd.	28.0 Low	25.5 Average	21.1 Medium

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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

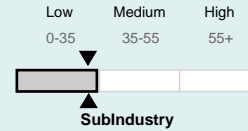
31.1

Not available

Low

Momentum

Beta = 0.97



In the context of an increasing demand for green buildings, as well as the EU's targets to reduce GHG emissions by 55% until 2030 (baseline 1990), developing buildings that are not aligned with environmental standards could expose ONE to compliance issues and a decline in sales. In addition, in FY2021 the company delivered and sold 699 residential units to its clients. Inability to meet evolving customer demands or poor building safety features could trigger complaints, lawsuits and reputational damage. Moreover, ONE's success relies greatly on its ability to attract, train and retain diverse professionals. Failure to hire personnel such as architects, project managers, as well as sales and marketing staff could trigger operational inefficiencies and inability to deliver projects in a timely manner.

The company's overall exposure is low and is similar to subindustry average. Product Governance, Human Capital and ESG Integration -Financials 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.

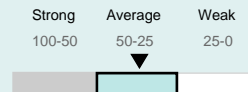
ESG Risk Management

36.7

Not available

Average

Momentum



ONE's overall ESG-related disclosure follows best practice, signalling strong accountability to investors and the public. On the other hand, in FY2021, the company had a Risk and Audit Committee and a Nomination and Remuneration one, overseeing governance issues, but not environmental and social ones, suggesting that these were not 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	56.2 Strong	3.9 Low	19.7%
Product Governance	4.0 Medium	12.5 Weak	3.5 Low	17.5%
Human Capital	4.0 Medium	21.0 Weak	3.2 Low	16.0%
ESG Integration -Financials	5.1 Medium	43.3 Average	2.9 Low	14.5%
Emissions, Effluents and Waste	3.0 Low	15.6 Weak	2.6 Low	12.9%
Bribery and Corruption	4.0 Medium	48.8 Average	2.1 Low	10.7%
Community Relations	2.0 Low	13.8 Weak	1.8 Negligible	8.8%
Overall	31.1 Low	36.7 Average	20.0 Medium	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 (14)

Accounting and Taxation

Anti-Competitive Practices

Bribery and Corruption

Carbon Impact of Products

Community Relations

Emissions, Effluents and Waste

Environmental Impact of Products

Labour Relations

Lobbying and Public Policy

Marketing Practices

Quality and Safety

Sanctions

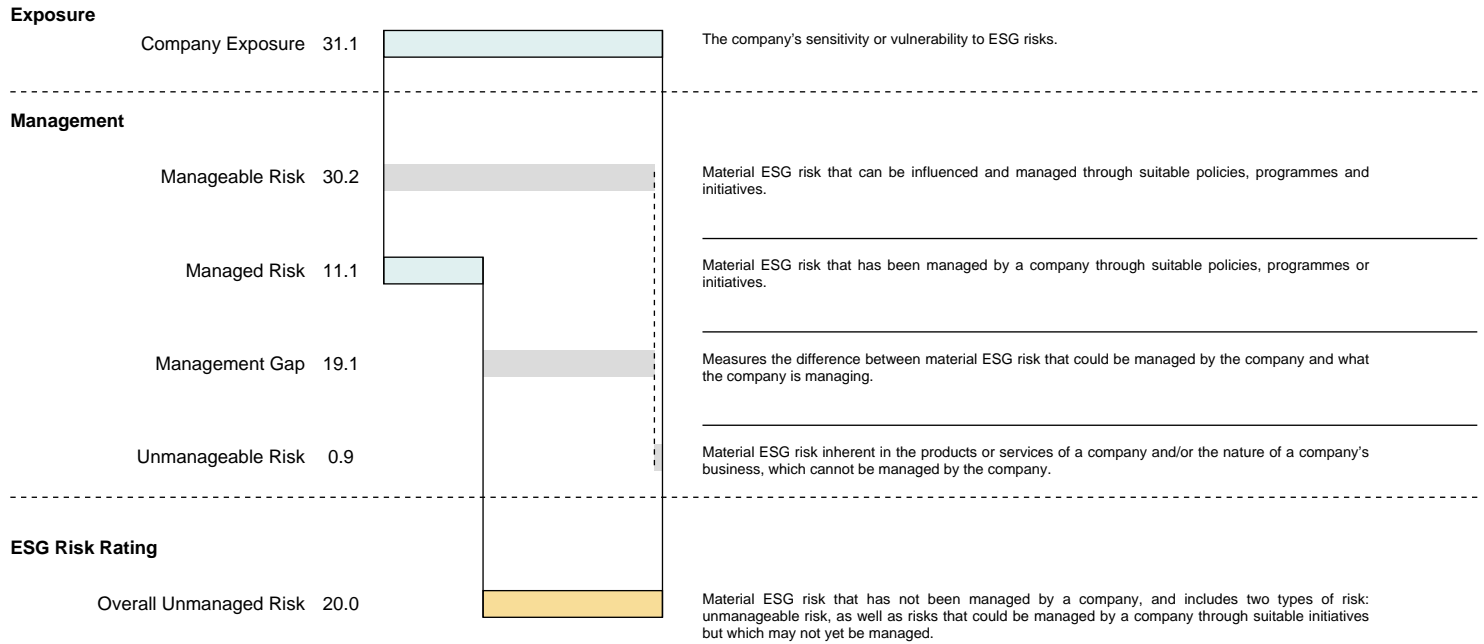
Social Impact of Products

Society - Human Rights

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Risk Decomposition



Momentum Details

Not available due to a lack of comparable historical information.

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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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