

Sustainability (ESG) Policy

Scope and Purpose of the Policy:

The purpose of an ESG policy is to outline the overall intentions and direction of how the company will relate to its effect on the environment & society and the governance required to do so. All decisions and actions taken by the organization must be consistent with, and designed to accomplish the commitments made in the ESG policy.

This policy applies to all activities, employees (and contractors) and operations within Secto.

Secto ESG Aim and Objectives:

Secto's overall ESG aim is to create value in our operations by managing our Environmental and Societal impacts while also practicing effective and responsible Governance. These practices are integrated into Secto's day-to-day activities and practices to contribute to achieving sustainable development.

Secto further aims to adhere to key relevant legislation, regulations, guidelines, principles and requirements to ensure compliance and to remain an industry leader in ESG impact.

To achieve the above aim, some key ESG-related matters have been identified as being material to Secto's sustainability and will be the focal point of this policy and of supporting policies and plans. These material matters include:

- **Vision and Governance** - Corporate Governance: the system by which Secto is directed and controlled.
- **Human Resources** - Employee engagement: engaging employees through activities such as employee satisfaction, ensuring fair employment in the company.
- **Environmental** – Greenhouse Gas (GHG) emissions and climate transition, including considerations such as waste.
- **Value Chain and Societal Relations**– Human Rights: Ensuring consideration is given to human rights throughout the business value chain in order to secure a social license to operate.

Achieving the ESG aims and objectives:

Secto's ESG objectives will be achieved through the following key focus areas:

- Substantial contribution requirements (zero emission fleet) – Secto aims to be the market leader when it comes to leasing Electric Vehicles (further details can be found in the Environmental and Climate Change Policy).
- Minimum Social Safeguards (MSS) per the EU Taxonomy: Secto aims to adhere to these Safeguards, including the requirement of the OECD guidelines, UN Guiding Principles on Business and Human rights and Labour rights conventions (these are discussed in the supporting policies: Environmental and Climate Change Policy; Human Rights Policy and Social and Labour Policy)

- Do No Significant Harm (DNSH) objectives – Secto aims adhere to these principles (Refer to Secto's Social and Labour Policy).
- Principal Adverse Impact (PAI) Indicators (these are included in the Environmental and Climate Change Policy; Human Rights Policy and Social and Labour Policy) , including:
 - GHG Emissions, Carbon Footprint and Renewable and non-renewable energy consumption and production;
 - Waste Management;
 - Social and employee matters including global principles, unadjusted gender pay gap and board gender diversity.
- Secto aims to report publically on these indicators and continually improve on their impacts associated with these indicators (refer to our ESG reporting plan).
- ESG governance – Secto aims to maintain an ESG governance structure that promotes positive impact and ensures accountability (Refer to the ESG Governance Model and associated roles and responsibilities).
- ESG strategy and policies – Secto aims to maintain ESG-related policies to ensure ongoing improvement in their impact and consideration of key ESG-related issues (Refer to in the Environmental and Climate Change Policy; Human Rights Policy and Social and Labour Policy).
- ESG reporting – Secto aims to publicly report on their material ESG indicators as discussed above to ensure continued transparency (refer to our ESG reporting plan).

Furthermore, Secto aims to proactively engage with our stakeholders on ESG-related matters and to incorporate their inputs into our decision-making. This is also incorporated into the due diligence and risk assessment process.

ESG Reporting and Target Setting:

To track our impact, ESG Reporting is done against a number of key metrics, guidelines and indicators. This enables us to fully understand our current impact and put into place specific actions to improve our ESG impact. The process for ESG reporting can be found in the ESG Reporting Plan.

Together with this, Secto will annually review their performance on ESG-related KPI's and **set annual targets to help improve their ESG performance**. This will be supported by our Sustainability strategy and functional leadership who will integrate strategies into our operational procedures and activities.

ESG Risk Management:

In future Secto will, on a periodic basis, identify and monitor the key ESG Risks and document them. We will also develop responses to these risks to make sure they are sufficiently mitigated and integrated into the business activities. Lastly, we will monitor our response to these risks to ensure that they are sufficiently managed.

Reference to other relevant policies and plans:

Environmental and Climate Change Policy
Social and Labour Policy
Human Rights Policy
ESG Governance Model
ESG Reporting plan