

ACQUIS ESG POLICY

2024 - 2025

Our environmental, social, and
governance commitments

ESG POLICY

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INTRODUCTION

What is ESG?

ESG (Environmental, Social and Governance) provides an umbrella framework for evaluating a company's impact and dependencies on the environment and society, as well as the quality of its corporate governance. This includes:

Environmental issues like climate change and natural resource scarcity.

Social issues like employee practices, health & safety, and data security.

Governance matters that include board diversity, executive pay, and tax transparency.



Environment

Focuses on minimising negative impact on nature and addressing concerns like climate change and natural resource scarcity.

Includes control of carbon emissions, impact on deforestation and nature loss, over-consumption of non-renewable resources, and production of waste products. Also incorporates positive contributions such as the financing of environmental improvements (e.g., green finance initiatives).



Social

Contributions of a company to fairness in society.

Considers contributions to equality, trust and welfare in society (including improving labour rights and diversity and inclusion) within a company's workforce, and across its supply chain and distribution. Also includes product safety, respect for privacy and data security.



Governance

Processes for decision making, reporting and ethical behaviours.

Focuses on the quality and scope of reporting, the nature and type of accountability, level of independent oversight, and ethical behaviours in a business, on both ESG and non-ESG matters. Considers elements such as board structure, director and audit independence and executive compensation.

What are the different emissions scopes?

Scope 1

Emissions directly caused as an organisation, covering Green House Gas (GHG) emissions.

Scope 2

Emissions indirectly caused from sources such as the electricity or energy bought for heating and cooling buildings.

Scope 3




Emissions the organisation is indirectly responsible for up and down its value chain (for instance, buying products from suppliers, or emissions from products when customers use them).

ESG MATURITY MODEL

Our spectrum of ESG ambition

Commercial insurance solution example

By following a maturity model, we identify which aspects of our services are aligned with our ESG commitments and areas of improvement for our insurance solutions. Now in our emerging stage, we are continuously adapting our products to new opportunities and enhance the quality of our ESG communication and reporting for better transparency and accountability.

 ENVIRONMENT	 SOCIAL	 GOVERNANCE
<p>Minimum Requirement Review product portfolio to ensure it meets minimum requirements for prioritised stakeholders' environmental concerns (e.g. reporting and risk management).</p>	<p>Minimum Requirement Deploy tactical changes to meet minimum requirements for stakeholders' social concerns (e.g. amending product branding).</p>	<p>Minimum Requirement Provide summary reports of ESG impact across of all product lines at a high-level.</p>
<p>Emerging Tactically offer green products and incentives (e.g. electric vehicle fleet coverage preferential premiums for reducing environmental liability).</p>	<p>Emerging Subsidise existing products to support emerging businesses that further social welfare (e.g. to support an adult training start-up).</p>	<p>Emerging Providing reports on how individual products are contributing to ESG objectives (e.g. focusing on electric fleet insurance products).</p>
<p>Mature Offer new products and services which seek to actively minimise environmental impact across the entire supply chain (e.g. energy efficient insurance).</p>	<p>Mature Proactively develop products to support emerging risk areas and underserved markets (e.g. property coverage for social enterprises such as adult training and employment not-for-profits).</p>	<p>Mature Providing data to policyholders on ESG product performance to assist and incentivise their own ESG objectives.</p>
<p>Leading Provide consulting services to support transition to greener business models (i.e. carbon emissions assessment paired with energy efficient insurance).</p>	<p>Leading Provide consulting services to advance to social development goals for insurers (e.g. increasing gender equality in workforce).</p>	<p>Leading Leading industry groups to develop consistent approaches to reporting and providing full transparency of ESG impact of all products.</p>

ENVIRONMENTAL

Our commitment to environmental sustainability goes beyond mere appearances. We want to tackle tangible risks associated with ESG issues while seizing opportunities that align with our core values.

Environmental: What have we achieved so far?

Prioritised office recycling and transitioned to LED lighting and recycled chairs.

Reduced paper usage through digitalisation, notably through:

Introduction of digital versions of lessee letters and development of Acquis-owned API, and exclusive transition to digital letters from January 2024.

Introduction of Ecosia search engine across the business.

Provided access to an EV scheme as well as our Cycle to Work scheme.

Environmental: Our commitment to 2024 & 2025

Looking ahead to 2025, our objectives span operations, products and services, and the supply chain.

Reducing emissions in our operations:

Develop a reduction plan for measuring and offsetting emissions by 2030, including scope 1 and 2 emissions.

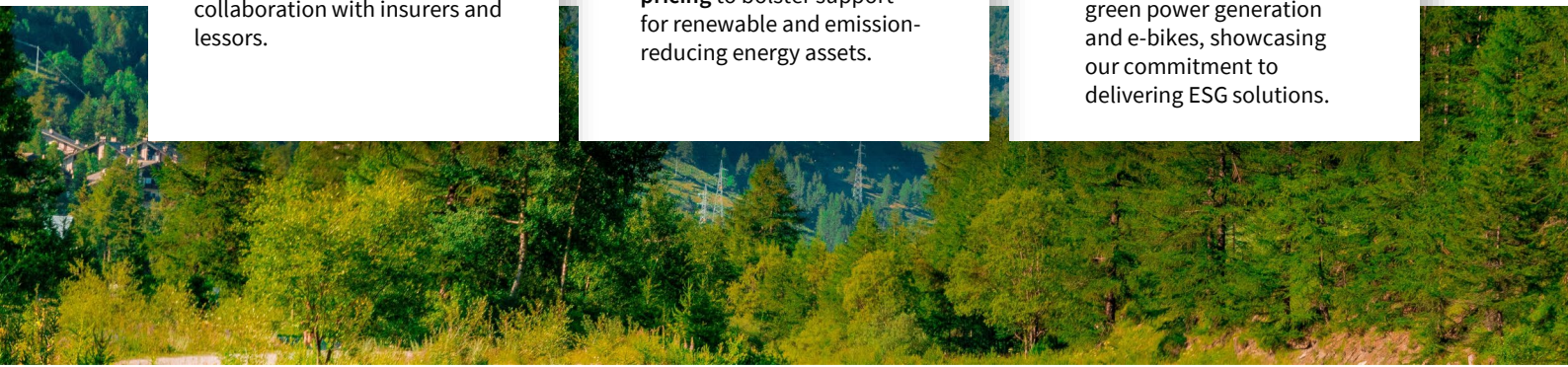
Explore new ways to avoid, reduce or substitute “business as usual” emissions, such as enhancing energy efficiency in our buildings, exploring partnerships with renewable energy providers, and looking into more sustainable business travel practices.

Continue our commitment to minimising plastic use, exploring alternatives like recyclable materials for notebooks.

Products and Services: Supporting Green Asset Finance

As we acknowledge our shared responsibility with our lessor clients in promoting environmentally conscious solutions (supported green asset finance) we are looking to implement holistic, sustainable pricing strategies for assets that help lessees achieve their own sustainability goals.

As we anticipate a surge in renewable and emission-reducing energy assets in 2024 and 2025, this strategic initiative gains significance with the growing interest in insurance programmes covering assets like E-Bikes and Solar Panels.

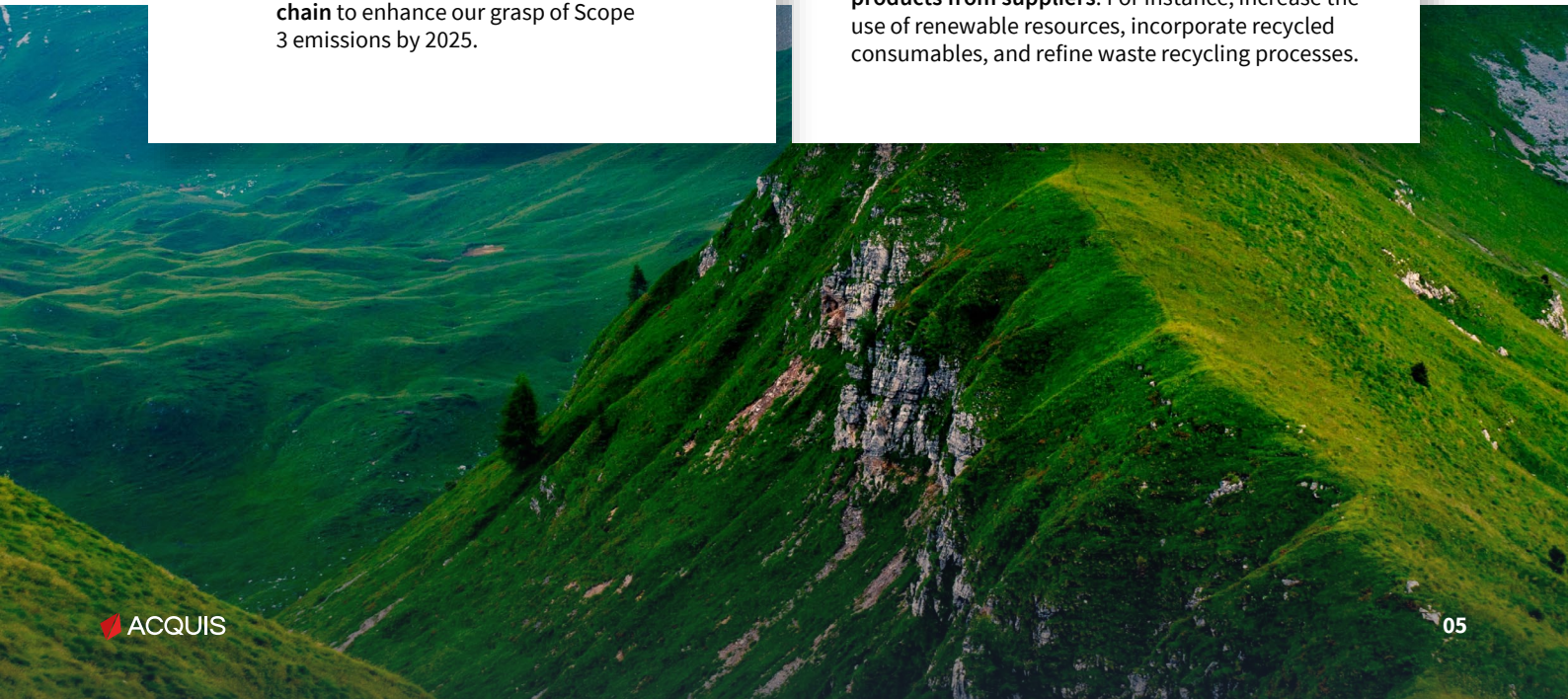


Reducing pricing for selected green assets achieved through collaboration with insurers and lessors.

Introduce underwriting-incentivised pricing to bolster support for renewable and emission-reducing energy assets.

Promote green assets through increased usage of specific class codes like green power generation and e-bikes, showcasing our commitment to delivering ESG solutions.

Supply Chain



Undertake an audit of our supply chain to enhance our grasp of Scope 3 emissions by 2025.

Identify opportunities for improvement in the procurement, utilisation, and disposal of products from suppliers. For instance, increase the use of renewable resources, incorporate recycled consumables, and refine waste recycling processes.

SOCIAL

We prioritise treating our employees with fairness and respect, underscoring our commitment to contributing to a fairer society as a company. This falls under two main pillars: people and community.

Social: What have we achieved so far?

People

Comprehensive benefits package, including pension, Disability Insurance (DiS), and Income Protection.

Access to private healthcare and well-being programmes.

Opportunities for job shadowing and career planning.

Access to training and qualifications.

Personal development plan for all employees.

Bi-annual mentorship programme.

Supported our workforce to achieve industry-based recognition and experience e.g. Leaseurope Future Group, Welsh Contact Centre Awards .

Employee Engagement Index conducted every 6 months.

Annual salary benchmarking to ensure fair pay above the National Living Wage.

Ensured equal pay, treatment and opportunities for all employees (see Equality Act 2010 for full list of protected characteristics).

Supported hybrid working and provided an allowance of 10 days to work from abroad, enabling our international workforce to balance family time and work.

Fostered innovation and collaboration by encouraging contributions through our Bright Ideas submission forum.

Community

Carried out fundraising initiatives through our charity committee for Action Bladder UK, Cancer Research UK and Moebius Syndrome Foundation, among others.

Actively contributed to volunteering initiatives both in Newport and in Amsterdam.

Matched all personal fundraising efforts up to £500.

Social: Our commitment to 2024 & 2025

People

Achieve an Employee Engagement Index of over 85%.

Establish the third and fourth cohorts in our internal mentoring program.

Sustain and amplify employee voices through various forums, including the introduction of a dedicated Diversity and Inclusion (D&I) forum.

Community

Develop a more structured plan for our charity and fundraising efforts in 2024-2025, with the dedicated support of our appointed charity ambassador.

Expand the range of causes available for our employees to support and engage with during our dedicated volunteering days, with a particular emphasis on including opportunities that directly benefit their local communities.

GOVERNANCE

In the realm of ESG governance, we address the intricate systems and methodologies shaping the direction and control of our company. This covers the structures and processes that steer decision-making while ensuring accountability through mechanisms like robust reporting. It also serves as a cornerstone for fostering ethical behaviour throughout the organisation.

Our commitment is outlined through three pillars: transparency, accountability, and ethical conduct.



Governance: What we currently do

Transparency

Provide accurate and timely reporting to stakeholders following recognised standards.

We currently have a compliance function and risk committee in place and a cross-functional ESG committee to ensure company-wide participation.

Accountability

Ensure leaders are accountable for performance, risk management, ESG, and pay is aligned to these outcomes within the company.

Address internal and third-party risks as per our bribery and corruption policy.

Yearly company-wide FCA training to ensure our staff has adequate understanding of the risks associated with bribery and corruption.

Ethical Behaviour

Cover corporate governance and ensure appropriate independent oversight, including board composition, diversity and remuneration.

Governance: Our commitment to 2024 & 2025

Transparency

Establish a second line of defence, following the Three Line of Defence Model, through compliance reviews that ensure adherence to regulations and internal policies. These reviews identify risks and vulnerabilities, enabling proactive mitigation. Our compliance function acts as a crucial intermediary between front-line operations and executive leadership, safeguarding Acquis' integrity.

Implementing a robust CAPA (Corrective and Preventive Actions) process that ensures prompt identification, investigation, resolution, and preventive measures, bolstering organisational resilience and performance.

Accountability

Implementing measures to integrate ESG considerations into various aspects of our operations, such as business travel, merchandise ordering, and events management.

Foster greater ESG consciousness among every department and individual, enhancing awareness of their individual responsibility for the emissions generated while working for Acquis.

Ethical Behaviour

Review and update our annual policy in 2025.

Deliver procedure training for our staff that is further aligned with our ESG policy.



Acquis Lumia falls under Acquis Data Services, part of the Acquis Group. Acquis Lumia was created in 2022 as an innovative solution to tackle fraud. It is a central register of asset finance borrowing, providing a clear view of a company's current asset finance arrangements and allows lessors to identify borrowing trends that require further investigations. It provides a unique insight into borrowing data which makes it easier to identify likely large-scale frauds.

CONCLUSION

A Good Thing for Lessors & Insurers, a Good Thing for Acquis

ESG presents transition challenges and opportunities to financial services. Narrowly defined, the transition to a low-carbon economy presents risks for those who do not adapt their business model and products. But it also provides significant opportunities for those in the leasing & insurance sectors who address these topics.

Acquis has been providing services to the finance and leasing industry for more than a decade, and during this time we have built successful long-term relationships with clients across Europe and North America, helping them deliver sustainable results for their asset portfolios through high-quality insurance solutions. Simultaneously, our role as a valued and trusted partner has allowed us to gather insights from finance providers of all sizes, including some of the largest banks in Europe. These relationships have enabled us to reach a holistic understanding of their ESG considerations and how they are used to better understand today's risks and opportunities whilst having a positive impact on our environment, economy and society.

At Acquis, we're proud to be an active part of the leasing community that continues to address ESG issues by embedding them more and more into their business strategies. We're aware of the potential our sector has to make a difference, and for this reason, we will keep encouraging and participating in these critical conversations with our clients.

