



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY

**SHIELDS WERE FOUNDED WITH A UNIQUE MISSION THAT CLOSELY LINKS THE INTERESTS OF BUSINESS WITH A PASSION FOR THE ENVIRONMENT.**

Since August 1979 Shields have been the world leaders in optimising network assets for telecoms operators across the globe and are leaders in the environment. We help turn cost centres into revenue streams and, as a result, we have enabled our clients to manage their networks with maximum financial efficiency and care for the environment.

**THE ENVIRONMENT IS AT THE HEART OF OUR BUSINESS MODEL.**

Shields enable full environmental compliance for our customers across the globe as an integral part of our daily operations. Environmental excellence is part of our DNA and is a strategic part of our business for driving customer value creation and protecting and enhancing customer brands.

We were one of the first companies in the world to minimise and report on our environmental impacts. Social and Governance focus has always been part of Shields focus to drive and enable our growth into many countries across the globe. This year we will publicly report all aspects of our ESG policy to show our employees, customers, and all stakeholders how important this is to us.

Shields are committed to fulfilling all legal, compliance and other requirements and will ensure continual improvement across all areas of the business and our Management System to enhance performance.

The Board has set targets for the issues described and will report publicly on them. Also set out in this policy are Shields commitment to the UN Sustainability Goals

Our 6 step ESG policy focus areas are as follows:





## **ENVIRONMENTAL**



Our environmental policy deals with both the positive effects we have on the environment and the minimisation of negative impacts. Our far largest potential Environmental impact is the management of surplus and redundant equipment from the telecoms sector.

**Quality** is a key driver in reducing global environmental impacts. So long as the quality of re-used equipment is high and customer satisfaction remains a focus not only will the business and all stakeholders benefit, but the wider environment.

1. Creating a global telecoms **circular economy**.

A circular economy is one of the most important aspects in reducing global greenhouse gasses. MarketPlace will enable our clients to reduce their Scope 3 'Purchased Goods and Services' emissions by up to 89%. Shields will continue to research into circular economy savings and global resource depletion.

As part of ensuring a great circular economy the quality of equipment supplied is key. Shields will aim to reduce RMAs and lab failure rates by using best in class practices and working closely with supplier and partners to continually improve.

2. **Reduce our own environmental impact** pursuing efforts to limit global warming to 1.5°C

Shields are committed to the protection of the environment and prevention of pollution, and by reducing our own scope 1 and 2 emissions by 42% from our 2019/2020 Shields will be in line with science-based targets to limit global warming to 1.5°C. Driving energy savings, sourcing energy from renewable providers and switching to greener and more efficient vehicles are some of the key drivers.

## **SOCIAL**



Our Social Policy deals with both the positive effects we have on the community in which we operate and the internal Shields family community.

1. Employee **Satisfaction**





The companies most valuable assets are our People, and we control the impact on welfare and satisfaction in our organisation. The health, safety and welfare of all people comes first. We commit to prevent injury and ill health, eliminate hazards and reduce OHS risks by ensuring the attitude of safe working is integral to all work activities. Employees are to be consulted and participate in the safety structure, providing safe working conditions, monitoring and reviewing health and safety effectiveness.

It's vitally important to ensure employees are happy, motivated and competent. Shields will take development seriously from the very beginning, with a robust onboarding and induction process that allows remote, field and office based workers to start their journey with Shields in the right way. We then focus on learner experience and progression whilst we grow and develop our talent from day 1 all the way through to retirement – competency based learning, all the way through to management delegate programs.

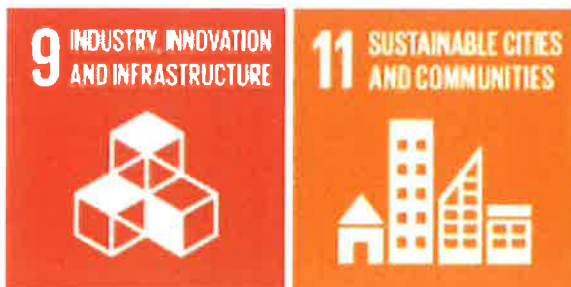
Shields will complete an annual engagement survey to monitor and drive employee satisfaction, and we are committed to sharing our outcomes and results with our teams.

## 2. Enabling *digital connectivity*

The core mission for the telecom industry is to connect the world digitally in both the developed and the developing world. The rollout of the 5G network is progressing well, however, there are still areas which not yet have resources to adopt 5G as their optimum solutions. At present, 90% of developed countries have internet connections while only 57% of developing countries are connected. This is where Shields comes in in this regard.

To achieve global connectivity, Shields helps network providers extend their 3G and 4G infrastructures to avoid coverage gaps in those regions that may not be suitable for 5G yet and improve global connectivity goals. Since 2019, Shields have reused over 2000 units in developing countries. Going forward, Shields aims to increase this number to enable network operators to achieve the mission and the social sustainability of the world.

## GOVERNANCE



Our Governance policy deals with subjects that we strive to put focus on as our business develops and grows

### 1. Sustainable supply chain management

Collaboration with business partners is key to the transition to a sustainable and low-carbon economy by 2050, which not only because the majority of a business's total emissions happen in its value chain, but also because several sustainability opportunities are identified and should be seized during this transition. It is therefore crucial for Shields to work with, develop, and drive the sustainability across its supply chain.

To achieve that, a **Group Sustainable Procurement Policy** is established, with expectations and metrics set. A **Sustainable Procurement Programme** has been launched and several key hardware and recycling partners are engaged and signed ESG-equipped trading agreements to ensure the majority of our spend will be in line with our ESG goals going forward.





Following the sustainable procurement principle of 'focus on needs', two innovative business models are launched – **scanning outsourcing project** and **white label cross shipping project**, which are not only financially beneficial to Shields, but also environmentally rewarding thanks to the CO2e emissions abated from the reduced logistic distance and handling. Shields aims to reach 10% goods delivered from white label cross shipping in FY22/23.

## 2. Corporate Governance

Shields will ensure a risk assessment approach to Governance and to meet the requirements of ISO 9001: 2015, ISO 14001: 2015, ISO 27001:2013 and ISO 45001: 2018 including setting, meeting and exceeding relevant objectives. The integrated management system (IMS) Shields' shall be regularly audited for compliance to ensure continual improvement to improve quality, environmental, safety and information security performance. All legal obligations and requirements shall be identified and included as part of this audit.

It is vitally important to protect the information belonging to individuals, customers and the company and Shields are committed to ensuring that no breaches of security occur. Shields ensure that all information security assets are identified, and the risks known and controlled as appropriate. Shields will ensure compliance to their Information Technology and Security Policy through regular audit.

A key piece of Corporate Governance is company and supply chain ethics. Shields will ensure that key ethics principles are known throughout the company and that key suppliers are signed up with the company code of conduct.

Shields will make all targets and results publicly available to interested stakeholders on the Company website [www.shields-e.com](http://www.shields-e.com)



Daniel Jones  
CEO

