1805

D'Ieteren Group

Integrated Report 2023

Content

Who we are

A family controlled, listed investment company with an international portfolio

Since its foundation in 1805 in Brussels (Belgium), D'Ieteren has been the name of a family of entrepreneurs that has grown over more than two centuries into what is called today the D'Ieteren Group. The mission of the Group is to build a family of businesses that reinvent the industries in which they operate in search of excellence and meaningful impact. Why is the word 'family' so important to us? Because it naturally blends all the qualities we believe are necessary to run a thoughtful, meaningful company for the long term. We are passionate about the companies we invest in and we embark with them on a journey towards long-term value creation for all our stakeholders.

"Our purpose is to build a family of businesses that reinvent industries in search of excellence and meaningful impact"

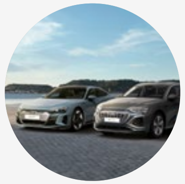
Family of businesses

100%

D'Ieteren

"Building seamless and sustainable mobility for everyone"

- #1 car distributor in Belgium with a market share of 24.2%
- Official distributor of VW brands in Belgium
- Strong network of independent and own dealerships as well as after-sales services
- Offers financing and expands in new mobility services

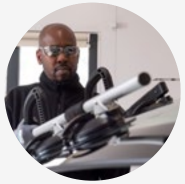


50.3%*

BELRON

"Making difference with real care"

- Worldwide leader in vehicle glass repair, replacement & recalibration ("VGRRR")
- Close to 16m jobs performed across 39 countries
- Very high levels of brand awareness and customer satisfaction
- Also manages vehicle glass insurance claims on behalf of insurance companies



100%

MOLESKINE

"Unleash the human genius through hands on paper"

- Premium and aspirational lifestyle brand
- Develops and distributes iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform

40%**

TVH

"Keeps you going and growing"

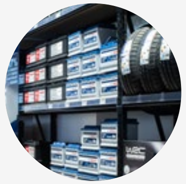
- Leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment
- Unique operating model with exceptional customer service
- Operates 81 branches across every continent

91%***

PHE — PARTS HOLDING EUROPE

"Supporting affordable and sustainable mobility"

- Omni-channel distribution leader in the independent aftermarket for vehicle spare parts
- Present in 6 Western European countries
- Outstanding customer service enabled by its logistical excellence and superior distribution density



100%

D'Ieteren Immo

"Creating timeless living and working spaces adapted to the evolving needs of people and society"

- D'Ieteren Group's real estate arm in Belgium
- Manages assets including offices, workshops, dealerships, logistics centers, residential units, car parks and landbanks, mainly occupied by D'Ieteren Automotive
- Pursues investment projects and carries out studies into possible site renovations

*other shareholders: CD&R/ GIC, H&F and Blackrock/ Management, Employees and Founding Family
** other shareholders: Thermote Family
*** other shareholders: Management, partners and independent distributors

Key figures

FINANCIAL KEY FIGURES

€11,662m
SALES, GROUP'S SHARE

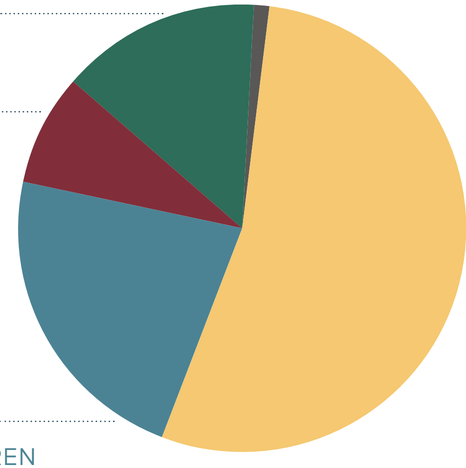
€1,184m
ADJUSTED OPERATING RESULT, GROUP'S SHARE

€971m
ADJUSTED PROFIT BEFORE TAX, GROUP'S SHARE

€176.9
SHARE PRICE AS AT 31 DECEMBER 2023

28.1%
ADJUSTED PROFIT BEFORE TAX, GROUP'S SHARE GROWTH IN 2023

ADJUSTED PROFIT BEFORE TAX GROUP´S SHARE



NON-FINANCIAL KEY FIGURES

50,161
HEADCOUNT AS AT 31 DECEMBER 2023

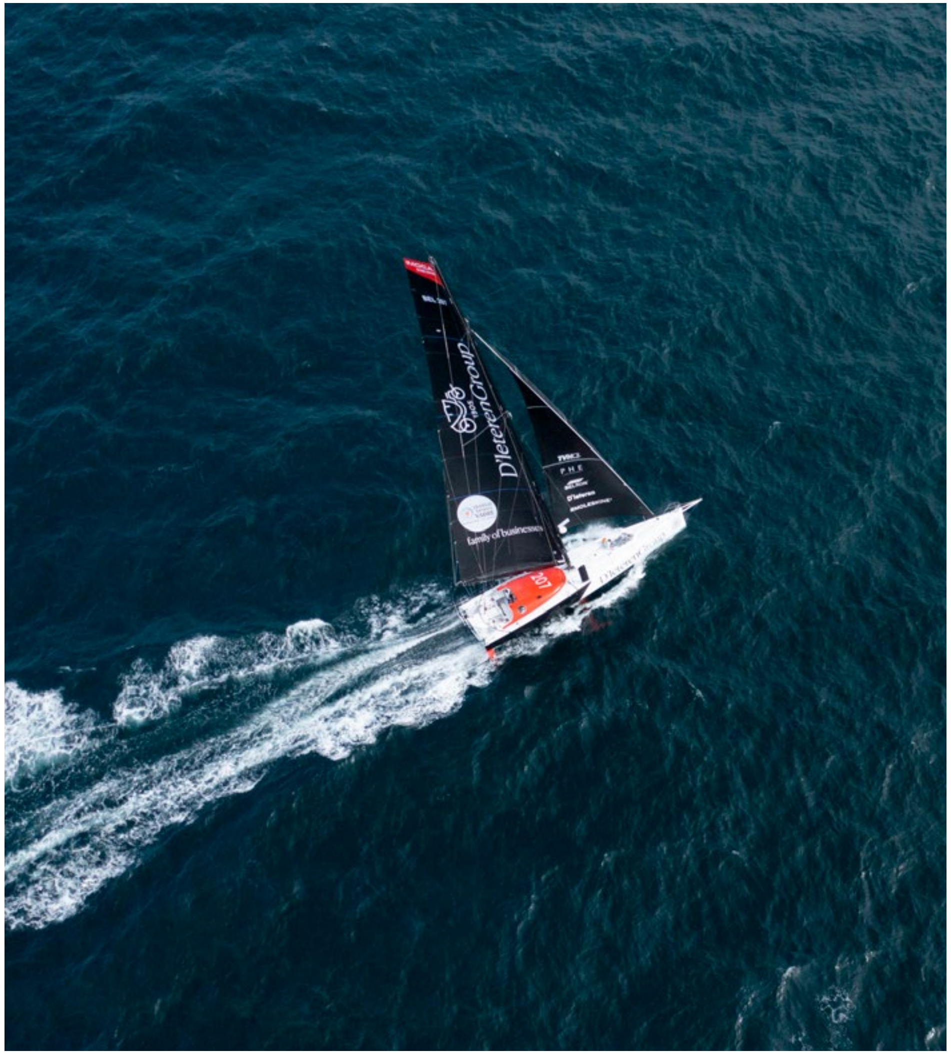
EMPLOYEE ENGAGEMENT
6
OF OUR 6 BUSINESSES RECIEVED SCORES HIGHER THAT 70%

NET PROMOTER SCORE
5
OUT OF 6 BUSINESSES ARE MEASURING IT

SBT
4
OF OUR 6 BUSINESSES ARE ENGAGED TOWARDS SBTI

Message from the Chairman

Just as we are supporting the Belgian skipper Denis Van Weynbergh and his team in their sportive and entrepreneurial project to take part in the 2024 Vendée Globe race, we stand by our businesses to help them successfully deploy their strategy over the long term, both in favourable conditions and when facing headwinds.



Ladies and gentlemen,

Dear shareholders,

2023 was another challenging year for the financial sector, marked by inflation, higher interest rates, slower growth, the continuing Ukraine conflict and the emergence of a new one in the Middle East, both of which are first and foremost a human tragedy.

In such a challenging international context, certain qualities are needed for investment companies to thrive: robustness, a clear vision, commitment, agility and patience. This leads me to believe that D'Ieteren Group is reasonably well positioned to overcome external pressure.

What we think has made the difference for D'Ieteren Group is its focused investment strategy. Rather than multiplying the number of acquisitions, our approach is to focus our energy on continuously deepening our relationship with our businesses – especially the newest – to support their development, expand our expertise in our various selected sectors, and apply this "savoir faire" throughout our participations.

Our capacity to progress in challenging conditions is owed to our businesses' management teams and to the continuous engagement of our people across the world. Our passion for excellence has led us to the high level of customer satisfaction that we enjoy today, following the example of Belron which has, over the years, built exceptional client satisfaction scores through its daily customer culture: "Making a difference with real care".

Our businesses also pursued their growth trajectory by penetrating new geographies and adapting to new market trends. D'Ieteren Automotive continued to develop its electric offering and explore new mobility solutions. Simultaneously, the company launched a new initiative in the luxury segment to meet the needs of more demanding customers. This year, we have also welcomed Maserati alongside Bentley, Lamborghini, Bugatti and Rimac.

Besides engaging with our businesses, the Group continues, systematically and with discipline, to look for new acquisitions that would complement our participations and represent new growth opportunities. This strategy brought us to acquire two leading companies in the last three years, TVH and PHE, which are both active in spare parts sales and distribution. These companies will pursue their development as members of the D'Ieteren Group family and will enrich us with their valuable expertise.

In order to continue to evolve, offer high quality, and meet expectations for years to come, we have strengthened our corporate team with new valued professionals. An expanded Executive Committee has been reinforced with three executive appointments, including Edouard Janssen who joined the group as our new CFO following the departure of Arnaud Laviolette. Furthermore, our Board of Directors welcomed a new generation of non-executive Directors, with the appointment of Allegra Patrizi, Diane Govaerts and Wolfgang de Limburg Stirum who all hold executive mandates in renowned companies. I am convinced that their appointment will bring a fresher look and a wealth of expertise to the Group, combining management skills and experience in business transformation.

I trust that this new organisation is best suited to meet our objectives of sustainable value creation while facing the challenges ahead. 2024 will most certainly be another turbulent year, with almost half of the world's population living in countries holding national elections, including the United States, and with businesses facing the need to reinvent themselves to adapt to customer expectations. We are confident that our businesses have the strength and the agility to evolve seamlessly, and we have high hopes of achieving strong performances.

Just as we are supporting the Belgian skipper Denis Van Weynbergh and his team in their sportive and entrepreneurial project to take part in the 2024 Vendée Globe race, we stand by our businesses to help them successfully deploy their strategy over the long term, both in favourable conditions and when facing headwinds.

I would like to conclude this message by warmly congratulating our corporate team, our businesses' leaders and their people across the globe for their continued commitment to financial performance and customer satisfaction.

> "Our capacity to progress in challenging conditions is owed to our businesses' management teams and to the continuous engagement of our people across the world."

Nicolas D'Ieteren

CHAIRMAN OF THE BOARD

Message from the CEO

Growing Together at D'Ieteren Group

In June 2023, the top 200 managers from all D'Ieteren Group (DIG) businesses got together for a couple of days during our very first Global Meeting: we call it the DIGathering. It was a very energizing, family-like event in the middle of nature. It was all about growing together as members of a group that is more than the sum of its parts, with the objective of connecting, sharing and celebrating. With hindsight, those three words also best summarize the year 2023.

"Our family of businesses has become very coherent. All of our businesses are active in distribution one way or another."

+28%

2023 GROUP-SHARE PROFIT BEFORE TAX VERSUS 2022

Connect

2023 has been the first year where our 6 businesses – Belron, D'Ieteren Automotive, Moleskine, TVH, Parts Holding Europe (PHE) and D'Ieteren Immo – were all part of the Group for the entire calendar year. It was a logical year, therefore, to create and explore connections between the different businesses and their people.

Our family of businesses has become very coherent. All of our businesses are active in distribution one way or another, either for spare parts, as is the case with TVH Parts and Parts Holding Europe, or for the sale and marketing of finished products, like in the case of D'Ieteren Automotive and Moleskine, or by offering service operations themselves (Belron & D'Ieteren Automotive).

Our participations are also more balanced than before. Belron continues to be a major part of our D'Ieteren Group investments. At the same time, our four other businesses combined represented a share of almost half the group's profit before tax (47% to be precise) in 2023, which is a great achievement compared to just a couple of years ago.

Share

Throughout 2023, we have created and brought together a number of functional communities across our different entities. Our existing ESG and legal fora have deepened their collaboration and exchange, with a focus on preparing for the upcoming CSRD reporting requirements. Three new communities were set up for the following areas:

- Logistics and supply chain, where a lot of complementary competencies exist, and where comparing notes and exchanging best practices is a very natural thing to do;
- Cybersecurity, where we used the hacking crisis at TVH as a catalyst to raise awareness across the Group, and accelerate the upgrade of systems and policies;
- Financial planning & control, where colleagues started to exchange knowledge and ideas on forecasting tools and other topics of interest.

As a follow-up to the DIGathering, new bilateral and multilateral exchanges have occurred among IT managers on the use of AI to drive business efficiency, among transformation project teams on lessons learned, and among the innovation crowd on comparing the different approaches used to foster continuous reinvention.

Celebrate

Our global gathering was also a great opportunity to celebrate the success of our journey from 2019 to 2022, not forgetting the fact that 2023 provided lots of reasons for celebration as well. We have delivered record results once more as a Group, reaching group share revenues of close to 12 billion euros, with an adjusted operating result of 1.2 billion euros, and an increase in our guidance KPI of group-share profit before tax of over 28% versus 2022.

There are also many reasons to feel good on the non-financial side of things: we have obtained a first encouraging B rating from CDP (Carbon Disclosure Project) and maintained a low ESG risk rating from Sustainalytics and MSCI. We also obtained validation of our CO_2 emission reduction plan by SBTi. Even more importantly, our businesses made big strides forward. Some noteworthy examples of how they made progress on their sustainability roadmap include:

- D'Ieteren Automotive remained the Belgian leader in electric vehicles with close to 50% of vehicles sold being new energy, close to half of which were fully electric, while providing B2B and B2C clients with charging stations and solar panels to complete their electric offering.
- Belron continued to make significant progress in returning used vehicle glass for recycling, with 97% glass waste recycled in 2023.
- Moleskine recycled 36% (250 tonnes) of unsold products while deploying creative commercial initiatives to give a second life to other unsold products.
- Both PHE and TVH took concrete steps to reduce their packaging waste.

All in all, 2023 has been another year to be extremely proud about. I want to extend my heartfelt gratitude to all my colleagues at Group level and across our entire family of businesses at D'Ieteren Group for their drive, their commitment and their achievements. Thank you!

Francis Deprez
CHIEF EXECUTIVE OFFICER

Highlights 2023

D'Ieteren Group's DIGATHERING event

In June 2023, D'Ieteren Group hosted its very first Group-wide event gathering the top management of each of its businesses, called DIGathering. During this two-day event, the Group set seeds for best practices exchange through presentations made by the businesses themselves. Collaborators from different businesses could meet each other and explore synergies whilst celebrating together key achievements of the D'Ieteren Group family of businesses.

Setting sail towards Vendée Globe 2024

Skipper Denis Van Weynbergh and D'Ieteren Group have joined forces to fly the Belgian flag at the next Vendée Globe, a solitary, uninterrupted, and without assistance round-the-world sailing race taking place in November 2024. This sporting challenge is above all a human adventure carrying the Group's values that the Group intends to promote internationally among its employees.

→ **More info on http://www.dieterengroupsailing.com**

Moleskine takes a detour in London

Detour, the traveling exhibition curated by Moleskine, featuring decorated notebooks by internationally recognized artists continued its journey from Shanghai to Paris, to New York and finally to London in 2023. The display featured 100 author-made notebooks from the Moleskine foundation Collection.

PHE's rating upgrade

In light of PHE's robust operating performance, S&P has upgraded PHE's credit ratings to BB- from B+, outlook stable. Moody's has affirmed the B2 credit rating, and upgraded the outlook from stable to positive.

WB3: TVH's new automated Warehouse

As growth comes with the need for expansion and added system capacity, in 2023 the company met the delivery of their automated and extended warehouse called WB3 located in Waregem, going from 350k to 700k totes capacity, and two additional picking floors.

Belron's dividends distribution

Supported by its strong operational performance, Belron distributed approximately €1.5bn of dividends to its shareholders following a refinancing in April 2023 and the ordinary interim dividend paid in December 2023. D'Ieteren Group's share represents €761m, which will enable the Group to pursue its long-term investment strategy.

Belron validates its SBTi

Belron's near and long-term greenhouse gas (GHG) emission reduction targets have been validated by the Science Based Targets initiative. These targets include a 42% reduction across scope 1 and 2 (direct and indirect) emissions by 2030, a 25% reduction across scope 3 (supply chain) emissions by 2030 and a 90% reduction across scope 1, 2 and 3 emissions by 2050. In addition, Belron commits to reach net-zero GHG emissions across its value chain by 2050.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

D'Ieteren's Transition Plan: Project ZERO

As an integral part of D'Ieteren's ambition to build a low carbon mobility ecosystem, project ZERO is the ambitious plan which will guide the company's strategy towards a net zero emission target by the year 2050.

project ZERO
ACCELERATING THE TRANSITION TOWARDS A LOW-CARBON MOBILITY

Launch of the D'Ieteren House

D'Ieteren Immo launches the construction of the D'Ieteren House in Erps-Kwerps, the new center of gravity for all D'Ieteren Automotive's brands.

New Group CFO

Edouard Janssen has been appointed as D'Ieteren Group's Chief Financial Officer, in September 2023 taking responsibility over the Group's financial operations, management and joining several of the Group companies' boards.

Business environment

$3.2 trillion

GLOBAL VALUE OF M&A DEALS IN 2023

37%

DECREASE IN VALUE OF PRIVATE EQUITY AND VENTURE CAPITAL TRANSACTIONS IN 2023

Sources of information

Global Economic Prospects, January 2024, World Bank

OECD Economic Outlook, November 2023, OECD

World Economic Oulook, January 2024, IMF

Dealogic, PicthBook and MergerMarket data

Global M&A Industry Trends, January 2024, PwC Global Deals Services

Global IPO Watch, January 2024, PwC Global Deals Services

Global M&A report 2024, January 2024, Bain & Company

European PE Cautiously Optimistic for 2024, January 2024, Baird

Unpredicted global economic resilience in 2023 despite concerns for the European economy

Global economic expansion demonstrated unexpected resilience in 2023, on the back of reduced energy costs and diminishing supply chain pressures that led to a quicker-than-expected decline in inflation. With interest rates at high level, the recession that many expected in 2023 did not clearly materialize. Nevertheless, significant disparities exist among nations. While the United States experienced better-than-expected GDP-growth, the Chinese economy faced challenges and the relative economic stagnation in Europe, intensified by geopolitical risks—particularly linked to the ongoing Middle East and Ukraine conflicts—remained a cause for significant concern.

Throughout the initial three quarters of 2023, the prominent central banks upheld a stringent monetary policy, with rates in the US and Europe reaching their highest levels in nearly 15 years. However, in the fourth quarter, rates stabilized as disinflation continued, which further fuelled the hope for a soft economic landing in 2024.

Strong financial markets, particularly in the US

Throughout 2023, global equity markets showed strong growth. However, performance varied across regions. The S&P 500 recording enjoyed a 24% YoY growth, compared to a challenging period in 2022, primarily driven by large technology stocks linked to artificial intelligence. European indices ended the year on a positive note, registering moderate gains. On the contrary, the Shanghai Stock Exchange Composite faced a downturn, attributed to concerns over reduced growth forecasts for the Chinese economy and apprehensions regarding deflation. In 2023, overall IPO activity in the Americas and EMEA remained stagnant compared to 2022, which was a year marked by a substantial decrease in IPO proceeds (-90% vs. 2021).

Significant decline in M&A due to challenging macroeconomic conditions

In 2023, the global M&A market witnessed a significant downturn due to a pervasive misalignment between buyers' offered prices and sellers' valuation expectations due to high interest rates, macroeconomic uncertainty, rising regulatory scrutiny, and new political pressures. Overall, the global value of M&A deals amounted to $3.2 trillion in 2023, or a 15% decrease compared to the previous year, the lowest level in a decade, especially in Europe and Asia.

Private equity and venture capital transactions experienced a 37% decrease in value. These underlying assets were particularly vulnerable to the impact of rising interest rates and the consequent challenges in accessing debt. Conversely, corporate buyers typically possessed stronger balance sheets, with available cash reserves to pursue deals.

Deal activity momentum picked up slightly in the second half of 2023, that was significantly busier than the preceding two quarters, possibly indicating a growing consensus that interest rates were nearing their peak.

The IPO market remained subdued throughout the year, with European IPO value down by 35% YoY, the lowest level in the past decade.

The difficulties in the M&A market combined with the poor IPO market offered limited exit options for private equity funds that translated into longer holdings of assets and increased pressure to find alternative means to access liquidity.

2023, a turning point for ESG

Against a backdrop of record-breaking extreme weather, progress has been made through international collaboration in addressing climate change whereby nature and biodiversity have moved up the regulatory agenda. In 2023, policy-makers continued designing and implementing both ambitious and decisive policy measures to mitigate greenhouse gas emissions, calling for increased transparency from companies. Businesses are expected to pursue ESG practices in 2024 not only for compliance, but also as a means of reinventing their business models.

Concrete implementation of reporting requirements call for increased transparency

CSRD

2024 will mark a significant milestone in the ESG landscape as several laws, notably those pertaining to reporting requirements go into force, thus increasing the spotlight on corporate oversight. Along with the necessity to report in accordance with the EU Taxonomy, many companies based or operating in the EU will prepare their CSRD (Corporate Sustainability Reporting Standard) compliant reports for publication in 2025. In parallel, following the publication of the International Sustainability Standards Board's (ISSB) disclosure standards by the IFRS in 2023, many nations have announced their willingness to integrate ISSB-aligned reporting regulations within their local regulatory frameworks.

CLIMATE RISK IN THE UK AND NATURE-RELATED FINANCIAL DISCLOSURES

The global shift towards mandatory sustainability disclosures initiated by the European Union's CSRD has resonated in a global proliferation of standards. As part of its efforts to mandate climate-related financial disclosures across the United Kingdom by 2025, the UK Government introduced the Climate-related Financial Disclosure (CFD) regulation, imposing companies that meet a threshold criteria to include information of climate related financial risks in their strategic reports.

Over the last years, climate risk and financial risk have been increasingly associated and new reporting standards are including disclosure insights into the performance of investee companies on climate matters as a means to allow investors to make more informed judgements.

Parallelly to climate factors, biodiversity and the safeguarding of our natural systems has also been gaining attention. With more than half of the world's economic production being moderately or heavily dependent on nature, the Task Force on Nature-related Financial Disclosures (TNFD) has finalized its disclosure recommendations highlighting nature related dependencies, impacts, risks, and opportunities for which national governments have yet to adopt the standards.

Businesses transform and revise their strategy, sometimes implementing costly measures

As stakeholders demand more disclosure and international standards align, ESG considerations are increasingly becoming integral elements of corporate strategies. Company boards are also evolving, diversifying and adding new skills for better risk and opportunity oversight capabilities.

As greater-quality data will allow for a more precise identification of strategic actions and better progress measurement, businesses will continue enhancing their internal data collection processes as a foundation for change.

Sources of information

ESG and Climate Trends to watch for 2024, MSCI

Global Risks Report, 2024, World Economic Forum

Trends Report, January 2024, The Sustainability Institute by ERM

Six predictions for ESG, 2024, Thomson Reuters Institute

The EU Corporate Sustainability Reporting Directive, 2023, PWC Belgium

ESG insights, 2024, Harvard Law School Forum on Corporate Governance

Taskforce on Nature-related Financial Disclosures, 2024, TNFD

ESG Resource Hub, 2024 Latham & Watkins

Navigating the wave of greenwashing and social washing, 2023, RepRisk

Climate-related Financial Disclosure, 2023, Ecoact

Value creation model

Resources

GROUP

SOLID FINANCIAL STRUCTURE
€1,188m net cash position at end-23

STABLE SHAREHOLDING STRUCTURE

EXPERIENCED MULTI-DISCIPLINARY TEAM

EXTENSIVE PROFESSIONAL NETWORK

BUSINESSES

LEADERS IN LARGE & GROWING MARKETS

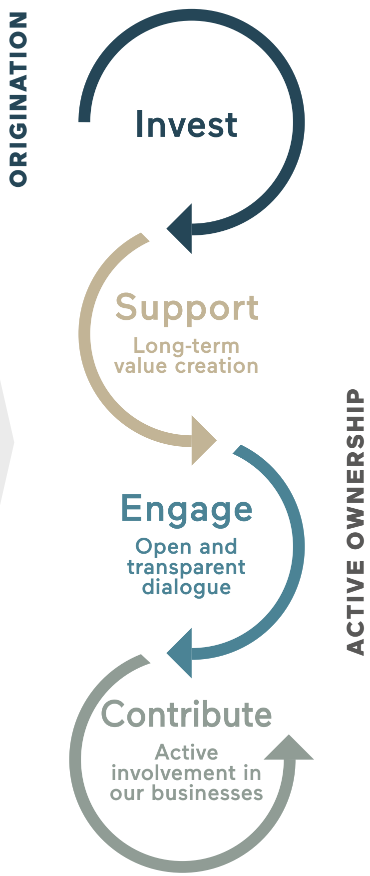
CONSOLIDATION OPPORTUNITIES

SCALABLE BUSINESS MODELS

STRONG & INCENTIVISED MANAGEMENT TEAMS

ENGAGED PERSONNEL

Strategy



Value creation

Value creation for our employees
KPI: EMPLOYEE ENGAGEMENT

Value creation for our customers
KPI: CUSTOMER SATISFACTION

Value creation for society
KPI: CO_2 EMISSIONS

Value creation for our shareholders

€3,110m
EMPLOYEE BENEFITS[1]

€703m
TOTAL INVESTMENT[2]

€54m
RESEARCH & DEVELOPMENT[3]

€338m
INCOME TAX PAID[4]

€10,374m
EXPENSES RECOGNIZED TOWARDS SUPPLIERS[5]

€10m
DONATIONS[6]

€221m
DIVIDEND & SHARE BUYBACKS[7]

* The figures include 100% of TVH and Belron.
1. Including social contributions, post-employment benefits, and other advantages such as LTIP.
2. Including CapEx, acquisition of subsidiaries (net of cash acquired), and capital lease repayments.
3. Research and Development costs incurred by the Group during the reporting year.
4. Paid in jurisdictions where D'Ieteren Group's activities are operating according to the applicable laws.
5. Full scope, excluding Inter-Company transactions.
6. The total monetary amount donated to non- profit organizations during the reporting period on behalf of the organization.
7. Paid in 2023.

Business strategy

Invest - Origination

Our ambition remains to further grow our Group with selective new international platforms that we can develop over the long term. We have a clear vision on which sectors we want to invest in and are looking to reinforce our exposure to sectors which enjoy long term favourable growth trends as well as key investment themes.

We are looking for companies with sustainable operating models and leadership positions. Our approach here is to identify differentiated businesses with strong positions in defined markets, with the option to scale both organically and through synergetic acquisitions. Leveraging our long-term perspective, we can allocate continuous investments in our portfolio companies to fund acquisitions or establish new geographical presence or launch new products or service offering.

Management teams of our portfolio companies are key to our model and success. Ahead of any potential transaction, we always try to spend as much time as possible with management to build relationship and test compatibility of mindset and vision. Management and human dimension are probably the most important elements in our ability to create long-term value.

When considering new acquisitions at D'Ieteren Group's level, we always strive to acquire control or co-control of companies we invest in to be able to operate as an active owner. As co-shareholder, we are used to working with partners at our side and have gained positive experiences at partnering with private equity investors, families, and other long-term investors.

Active ownership

Our active ownership model is first articulated around a clear common strategic vision. In each of our businesses, we design together with the management an ambitious development plan (organic and inorganic) to align on strategy and long-term vision.

We then have regular meetings with management to review performance and exchange on the status and progresses of the different relevant projects. Our intention is to act as a sounding board for management, encouraging, inspiring and sometimes challenging opinions and suggestions to enrich the discussions and lead to better outcomes.

We also provide ad hoc support in several key dimensions where we feel that we have deep expertise:

ACQUISITIONS – We help our companies in performing market analysis and identify possible targets and can assist them in the execution of acquisitions.

FINANCING – We help management design the optimal capital structure and raise potentially required debt with the right instruments, maturities and conditions.

DIGITAL TRANSFORMATION & INNOVATION – We provide ad hoc support in managing large digital and IT transformation projects as well as fostering and conducting corporate innovation.

ESG – We play an instrumental role in helping our companies frame their ESG strategies, implementing the processes and responsibilities to define and track the relevant KPI's and prepare their organization to adapt to the evolving regulatory framework (e.g. CSRD).

LEADERSHIP AND CULTURE – We deeply engage with management teams on dimensions such as leadership and culture to enrich and steer virtuous corporate culture and develop internal resources through career planning, or succession plans elaboration. We also structure equity-based management reward plans with our businesses to align incentives and share a portion of the value created with the management team over time.

Overview 2023

"The adjusting M&A environment we have known in 2023 could result in interesting investment opportunities for D'Ieteren Group. We continue our search for new growth platforms, with more time dedicated to Business Services and Industrials, sectors in which we have built a strong knowledge. We remain overall patient and disciplined."

NICOLAS SAILLEZ,
CHIEF INVESTMENT OFFICER

Invest - Origination

The 2023 macro environment was characterised by high interest rates, gradually declining inflation and general uncertainty on real economy impact making asset pricing a difficult exercise. Fewer M&A transactions took place (especially in the LBO market) and the IPO market was subdued, causing average holding periods of assets to increase at private equity firms and increased pressure to divest assets. This situation, combined with more reasonable transaction multiples, could result in interesting investment opportunities for D'Ieteren Group.

Although we have not formally changed our focus going forward, we have dedicated increased bandwidth of our Investment Team to Business Services and Industrials when trying to find new investment opportunities for D'Ieteren Group. We indeed started to feel that there are common areas and dimensions in the assets of these two verticals that are we are well equipped to better understand, facilitating our analysis as well as possible future value creation. We are not trying to extract synergies out of our portfolio companies but rather to capitalize on our accumulated expertise and extend best practice sharing among them (as explained here below).

We have therefore continued to scan the market for opportunities corresponding to our investment criteria and reviewed approximately 80 investment opportunities for our Group. We have also spent time trying to better understand the wide ecosystem of each of our portfolio companies, identify potential acquisition and merger partners and most of time to engage with their management teams and/or shareholders to build relations and pave the way for possible future partnerships.

For 2024, we intend to continue our constant search to try to find an additional growth platform for D'Ieteren Group, leveraging on what we perceive as more favourable market conditions and on our important available liquidities.

Active ownership

We have continued to encourage our management teams to identify and execute bolt-on acquisitions, that we qualify as low-risk, synergetic acquisitions in the core (several transactions took place).

During 2023, we also had several occasions to actively collaborate with the management teams of Belron and PHE on their capital structure and debt rating. These various projects resulted in Belron being upgraded to investment grade status by S&P (BBB-) and obtaining a similar first-time rating from Fitch (BBB-). S&P also upgraded its rating on PHE to BB- while Moody's upgraded its outlook to positive.

In April 2023 Belron raised a new USD 6-year term loan of €800m equivalent (SOFR+275bps/99.50%OID) to fund a dividend to its shareholders and in December 2023, Belron repriced two outstanding TLB loans to leverage good market conditions and the strong performance of the company. For PHE, the preparation work started in 2023 and the transaction was launched in January 2024 with as strong success. We initially intended to only refinance the 2025 Senior Secured Notes of €580m but the very strong investor appetite enabled us to refinance the entire debt structure of €960m with a new 7-year term loan (Euribor+375bps, no OID).

2023 BOLT-ON ACQUISITIONS

Belron > 23, of wich
- Marks Auto Glass (US)
- Advanced Glass Systems (US)
- New Angle Glass (US)
- Ellevi Servizi (Italy)
- Parabrisas de la Ribera (Spain)
- Bilglasbolaget Avesta AB (Sweden)

TVH > 3
- Wissink Trading (Netherlands)
- GB Global Business (Italy)

D'ieteren Automotive > 1
- Group Jennes (Belgium)

PHE > 3
- AD Basconia (Spain)
- AD Masanes (Spain)
- AD Egido (Spain)

Another area of collaboration with our companies in 2023 has been the organization of Best Practice Exchanges. As expressed, we have observed that there are common areas in our portfolio companies' operations in which it would make sense to foster and encourage exchanges. Our ESG team had already organised this kind of event and our intention is to provide a forum for various expert communities to build relationships, meet and discuss. We have tested our concept with a first attempt during a two-days "Best Practice in Logistics", inviting several expert members of all our companies to visit, present and exchange around the topic. The feedback was very positive and we decided to expand our initiative to two other dimensions (Cybersecurity and Finance FP&A) that we organized in 2023 as well. Going forward we ambition to continue these best practice exchanges, include further dimensions and encourage existing expert communities to continue exchanging.

Finally, we also partnered with each of our portfolio companies when we organized the DiGathering, a unique event where we invited all top management and our partners for a two-days retreat to create a better sense of belonging to our Group, establish connections and celebrate recent successes.

"While our strategy is not to look for hard synergies between our businesses, we have taken steps in 2023 to foster 'soft' synergies in the form of best exchange practices and the set-up of functional communities, as they are all facing similar challenges and opportunities on several topics. These initiatives were well received by our businesses and open a series of others to follow."

ÉDOUARD JANSSEN ,
CHIEF FINANCIAL OFFICER

Sustainability strategy

Our societal commitments as a listed company

Our commitment towards the environment

Ambition: Promoting environmental values in all of the Group's operations by committing to reduce our environmental footprint and that of our portfolio companies.

→ Read our Environmental Policy **driving the sustainability approach and values that govern the D'Ieteren Group team.**

In 2023: the Group obtained validation of its Science Based Target, and pursued its emissions reduction goal to contribute to limiting global warming to 1.5° above pre-industrial levels. The Group continued updating its employees on their company car emissions, rewarding their reduction efforts, and welcomed a series of sustainability related inspiring speakers on topics such as net zero or circular economy.

D'Ieteren Group commits to reducing its absolute scope 1 and 2 greenhouse gas emissions by 30% by 2027, compared to the base year 2021

Status: D'Ieteren Group reduced it´s Scope 1 & 2 emissions by 21% from it's 2021 base-year.

D'Ieteren Group commits to have 100% of its businesses covered by a validated SBT by 2027

Status: 4 out of 6 businesses are committed to SBTi.

Our commitment towards our collaborators

Ambition: Providing a safe, fulfilling and stimulating work environment to enable employees to perform to the best of their abilities and allow them to reach their full potential.

→ Read our Code of Conduct **driving the corporate behaviour of the D'Ieteren Group team**

In 2023: the Group provided trainings for all its employees as part of their willingness to continue to form themselves. Various trainings were held, including leadership trainings led by executive coaches and internal trainings conducted by D'Ieteren Group professionals in their respective fields.

Our responsible governance

Ambition: ESG issues are addressed and overseen at all levels of governance.

In 2023: the Group strengthened the roles and responsibilities of its managing bodies on ESG matters to ensure an increase in their management and oversight.

- At the Board level, ESG performance and strategy are discussed at least twice a year.
- The Audit Committee is responsible for the Corporate Sustainability Reporting Directive (CSRD) and is regularly updated on its progress.
- An ESG Steering Committee composed of the Executive Committee and ESG team has been implemented monthly to address ESG strategic developments at the Group and portfolio level.
- A CSRD Steering Committee composed of the ESG, Finance and Legal Teams has been implemented to oversee the implementation of the CSRD.

Our responsible investment approach: ESG inside the investment cycle

Ambition: D'Ieteren Group's responsible investment approach covers each aspect of the investment cycle.

Since 2020: The Group has been a signatory of the United Nations Principles for Responsible Investment.

→ Read our Responsible Investment Charter **reflecting our commitment include ESG criteria at the in each phase of our investment approach**

1. Targeted search
- ESG as an investment theme
- Sector exclusion

2. Preliminary ESG analysis
- Materiality analysis (desktop research)
- Impact thesis

3. ESG Due Diligence

4. ESG DD conclusions
- Risks/opportunities
- Action plan

5. Active ownership
- Double materiality assessment (incl. stakeholder dialogue)
- Sustainability roadmap
- Progress monitoring
- Annual reporting

Active ownership

Supporting value creation for people, customers and society

Ambition: We help our businesses achieve excellence in the Group's key non-financial areas and support them in implementing a robust measurement process in each of these fields.

In 2023:

	Belron	D'Ieteren	Moleskine	D'Ieteren Immo	TVH	PHE
People engagement	89.2%	83%	71%[2]	84%	85%	90%
Customer satisfaction	84.7	S[3]: 56.2 AS[4]: 50.5	/	29.6	52.3[5]	B2B: 4.56/5 B2C: 4.61/5
CO_2 emissions (Scope 1 & 2)	-11.4%	+1.8%[7]	-18.5%	-8,9%	-4.5%	/

1. The methodologies used to measure customer satisfaction and employee engagement may vary from one company to another. Details of the methodology used can be found in the respective non-financial information.
2. As part of the annual employee satisfaction survey which resulted in a score of 3.8/5 (5 being the highest rate), compared to 3.7/5 in 2022.
3. S: Sales.
4. AS: After-sales.
5. Including BEPCO for the first time.
6. All businesses have followed the GHG protocol methodology for the calculation of their carbon footprint.
7. Data refers to the historical perimeter of D'Ieteren Automotive Scope 1 & 2 emissions. The entities within the perimeter are: D'Ieteren Automotive, D'Ieteren Centres, Porsche Centre Antwerp & Porsche Centre Brussels.

Supporting our businesses on their sustainability journey

Ambition: To create value for all our stakeholders by accompanying our businesses in the development and implementation of sustainable development strategies suited to their sectors and the specific characteristics of their organisations.

In 2023: In line with the Group's mission statement to create a significant impact, the Group continued supporting its six businesses in the development of their sustainability strategies in line with the new European legislation, the CSRD.

DOUBLE MATERIALITY: In 2023 the Group encouraged all of its businesses to conduct a double materiality exercise. The learnings of the double materiality will allow each business to challenge their current focus areas and help them ensure that most strategic ESG aspects are integrated into their business plans.

STRATEGY: Based on the results of the double materiality analysis, our businesses will adapt or launch their sustainability strategies through a sustainability roadmap based on defined strategic pillars.

AMBITION: For each strategic pillar, businesses set quantitative targets to guide and compare their progress year on year.

PROGRESS: D'Ieteren Group's ESG team members, accompanied by investment managers, hold regular discussions with their counterparts in the businesses about progress on sustainability roadmaps and closely collaborate with them to produce their ESG reporting. Businesses' sustainability roadmaps are also monitored at Board meetings and monthly Business Review Meetings.

D'Ieteren Group ESG workshop

In 2023, the Group welcomed the Sustainability and Finance teams of its businesses for the 6th edition of the D'Ieteren Group ESG workshop. During this two-day training, participants addressed their company's sustainability approach and integrated reporting with a focus on the implementation of the European Sustainability Reporting Standards (ESRS). They also worked on improving internal processes to enhance the quality of ESG data, as well as on the deployment of robust ESG governance.

ESG Ratings

In 2023, D'Ieteren Group obtained:

- A "B" score for its first participation in the CDP Climate Change questionnaire.
- A score of 11.5 from Sustainalytics, demonstrating low ESG risk.
- Maintained its AA score at MSCI.

Governance

D'Ieteren Group governance structure

Board of Directors

12 Directors • All non-executive • 6 independent - 30% of women - 57 Average age

Strategic Committee
Nomination & Remuneration Committee
Audit Committee

Executive Committee

Francis Deprez	Édouard Janssen	Nicolas Saillez	Amélie Coens
CEO	CFO	CIO	CLO

Investment team

9 Investment professionals
Private Equity, Investment Banking & Management, Consulting backgrounds

Expert team

10 experts
Legal, Tax, Consolidation, Financial & Non-financial Communication, ESG, Digital

Investment Committee
Portfolio Management Committee
ESG Steering Committee

D'Ieteren	Belron	Moleskine	TVH	PHE	D'Ieteren Immo
5 Directors appointed by the Group + CEO	10 Directors including 5 appointed by the Group, minority shareholders and CEO	5 Directors appointed by the Group + CEO	9 Directors including 3 appointed by the Group	6 Directors appointed by the Group + CEO and CFO	3 Directors appointed by the Group + CEO

Boards of Directors
Monthly Business Review Meetings
Audit Committee
Nomination & Remuneration Committee

Board of Directors

AUDIT COMMITTEE

Number of members: 4

Number of meetings: 6

Roles / duties:

Monitor the Company's financial information and supervise the risk management and internal controls systems of the Company and its businesses

Overview the Company's ESG disclosure obligations as well as ESG risks and opportunities

NOMINATION & REMUNERATION COMMITTEE

Number of members: 5

Number of meetings: 6

Roles / duties:

Present recommendations to the Board of Directors regarding the appointment and the remuneration of:

- Non-executive directors
- The CEO of the Company

Based on the recommendations of the CEO, present recommendations to the Board of Directors regarding the appointment and remuneration of:

- Members of the Executive Committee
- The CEO's of the Group's portfolio companies

Regularly review procedures, principles and policies related to the appointment and remuneration of:

- Managers of the Company
- Managers of the Group's key businesses

Coordinate with the Nominations and Remunerations Committees existing within the Group's key subsidiaries

STRATEGIC COMMITTEE

Number of members: 4

Number of meetings: 18

Roles / duties:

Consider the Group's development priorities, analyse the long-term strategies and objectives of the Group

Examine the progress of strategic projects, analyse future investments and divestments

Monitor the progress of the Group's businesses, and prepare strategic points for discussion and decision at the Board of Directors meetings

"In 2023, D'Ieteren Group continued its pursuit of enhanced governance practices. Three new independent board members were appointed, including two female directors. Additionally, we established a robust governance model which integrates ESG considerations as a strategic focus, empowering the board committees and ensuring a decisive action at board level. Furthermore, our Executive Committee was extended to four members, integrating diversity and ensuring a coverage of all material topics to the company."

AMÉLIE COENS
HEAD OF LEGAL

Executive Committee

Role

The Executive Committee is mainly responsible for the monitoring and development of the Group's businesses, as well as the preparation and implementation of the investments and divestments decided by the Board. They are also in charge of supervising human resources, finance, financial and non-financial communication, treasury, M&A, sustainability, legal and tax matters.

The Executive Committee meets on a weekly basis.

D´Ieteren Group team

D'Ieteren Group consists of a team of 26 people, including four members of the Executive Committee (the CEO, CFO, CLO and CIO), a nine-person investment team as well as ten experts involved in finance, financial and non-financial communication, legal affairs, digital, and ESG. In addition, the team is strengthened by three personal assistants who support the team, and the Executive Committee.

Role

The Investment and Expert teams support portfolio businesses on various dimensions, including their purpose, ambition, strategy, execution, organisation, people, and reinvention. As a cross-cutting theme, sustainability has been integrated into each of these. In doing so, D'Ieteren Group's team acts as an enabler to create value for the employees, customers, and society as a whole.

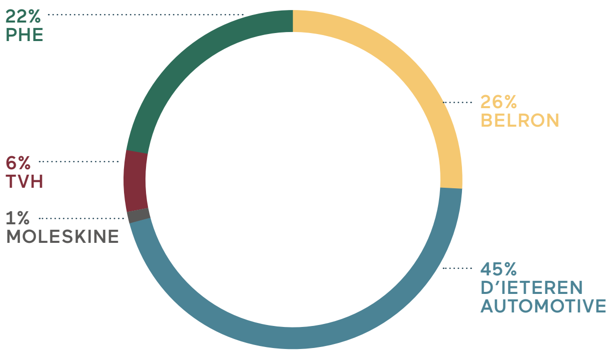
The Investment and Expert teams are also active in preparing and implementing new investment opportunities as well as potential divestments.

Business overview

D'Ieteren | BELRON | MOLESKINE | TVH | PHE PARTS HOLDING EUROPE | D'Ieteren Immo

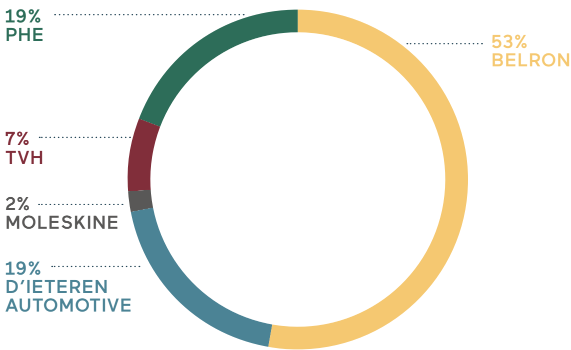
€11,662m

REVENUES, GROUP'S SHARE



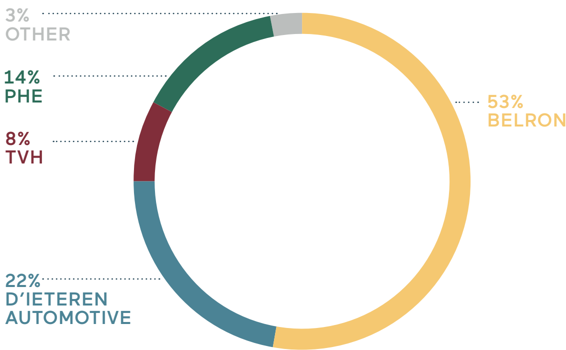
€1,184m

ADJUSTED OPERATING RESULT, GROUP'S SHARE



€970.8m

AJDUSTED PROFIT BEFORE TAX, GROUP'S SHARE



Business Description

D'Ieteren Automotive is the official distributor of Volkswagen brands in Belgium. The company distributes Volkswagen, Audi, SEAT, CUPRA, ŠKODA, Bentley, Lamborghini, Bugatti, Maserati, Rimac, Porsche, and Microlino new vehicles in the Belgian market, holding a substantial market share of 24% in the new car segment. D'Ieteren's operations extend beyond new vehicles sales, with a presence in the used car market, facilitated through MyWay. The distribution network inlcudes both independent and D'Ieteren-owned dealerships, ensuring a widespread and seamless customer experience.

D'Ieteren is also dedicated to providing comprehensive aftersales services and bodyshop repairs with Wondercar, an innovative vehicle smart repair concept to reduce repair costs and environmental impact by favoring repair over replacement. Furthermore, the commitment to offering leasing and financing services is evident through VDFin, a joint-venture with Volkswagen Financial Services. Embracing the evolving landscape of mobility, D'Ieteren also invests in forward thinking initiatives. From Lucien catering to the growing demand for bikes through 20 shops to LabBox, offering mobility services such as shared cars or mobility apps.

Strategy

Positioned as the market leader, D'Ieteren has pursued its mission of providing seamless and sustainable mobility to all. In a strategic move to reinforce its core business in car distribution and retail, the company expanded its portfolio by becoming the importer of complementary brands, including Microlino, Maserati and Rimac. It not only enhanced the product range but also targeted previously untapped customer segments.

D'Ieteren took a proactive step to fortify its after-sales service offerings, broadening the spectrum to include a more extensive range of used cars and mechanical and Bodyshop services, specifically catering to older (beyond 4 years) and multibrand vehicles. This comprehensive service approach positions the company to deliver a complete service offering, capitalizing on various profit opportunities throughout the product's lifecycle.

A key cornerstone of D'Ieteren's strategy is embodied by its subsidiary EDI which holds the market leader position in private and semi-private charging stations. Since mid-2022, EDI has extended its offerings to include solar panels and home batteries, ensuring carbon free electricity for its customers. Further advancing into new mobility initiatives, D'Ieteren introduced Lucien, an (e)-bike retail chain, and supported Poppy, a car-sharing operative active in major Belgian Cities.

In response to growing ecological consciousness and customer demands, D'Ieteren played an active role in driving the electrification of the Belgian car fleet. In FY-23, the company achieved significant milestones, selling over 26,000 electric cars and securing a dominant market segment share of 28%.

Performance

D'Ieteren demonstrated a robust performance in a challenging environment marked by the ongoing recovery from global supply chain disruptions. Despite facing significant volatility and uncertainties in factory deliveries throughout the year, D'Ieteren navigated the landscape with resilience.

The company delivered a noteworthy performance with a remarkable 35% increase in registrations for light commercial vehicles and a substantial 30% growth for passenger cars compared to 2022. This allowed D'Ieteren to achieve a record market share of 24%.

The Belgian automotive landscape is undergoing rapid electrification with BEV representing 19.6% of new car registrations in FY-23, a significant increase from 10.3% in FY-22. This shift is propelled by company car policies and tax incentives. D'Ieteren secured the top spot in the BEV segment with a market share of 28.1% thanks to Volkswagen's early commitment to electric vehicles, a diverse range of electric models and the support provided by EDI in facilitating the transition from combustion engines to electromobility.

In FY-23, D'Ieteren achieved robust financial results with net sales reaching €5.3 billion, a 47% increase from FY-22. This growth was fuelled by a 40% rise in volumes, favourable pricing and mix effects. The adjusted EBIT[1] stood at €223 million, 4.2% of net sales, a 10bps improvement from FY-22, driven by efficient cost control.

Despite ongoing investments in Lab box, the trading cash flow significantly improved, primarily due to a focused approach on working capital, showcasing the company's adaptability and resilience in dynamic market conditions.

The company ended the year with a strong order book, trending back to pre-Covid crisis levels.

Key developments

- **Retail Network:** D'Ieteren strengthened its retail network, initiating the implementation of CROSS, a new dealer management system focused on digital efficiency. The roll-out of CROSS will continue into 2024 and 2025. Additionally, the acquisition of Jennes, a car retailer along the Brussels-Antwerp axis, generates synergies and expands the market presence.
- **Innovation & future mobility:** D'Ieteren's commitment to innovation and future mobility persisted though LabBox with Poppy experiencing significant revenue growth in FY-23, driven by fleet and subscriber expansion. EDI, active in charging stations and solar panels, demonstrated robust development. Lucien expanded its footprint through the acquisition of multiple bike shops in the Belgian Market.
- **People and Customers:** Despite an employee engagement rate of 83%, reflecting D'Ieteren's continued focus on its people well-being and driving the excellent commercial and financial results, Customer satisfaction scores (NPS Sales and After-Sales) were slightly below expectations due to extended delivery times and aftersales capacity constraints.

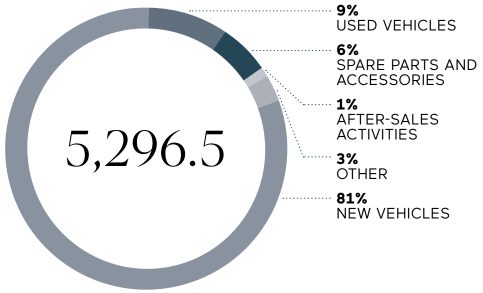
1. Including royalties & management fees

"I'm particularly proud of our achievements in 2023 and express gratitude to our customers for their unwavering loyalty to our products and services. Looking ahead to 2024, we are committed to further developing a comprehensive mobility ecosystem that seamlessly connects all our offerings, aiming to enhance the overall customer journey."

DENIS GORTEMAN,
CHIEF EXECUTIVE OFFICER

REVENUE BREAKDOWN BY ACTIVITY

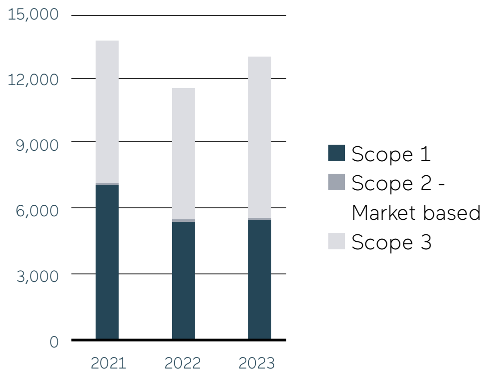
(€ million)	2021	2022	2023
New vehicles	2,615.1	2,893.2	**4,294.5**
Used vehicles	289.0	305.9	**449.2**
Spare parts and accessories	244.1	275.1	**319.2**
After-sales activities	56.5	54.5	**74.8**
Other	34.2	80.9	**158.8**
D'IETEREN AUTOMOTIVE	**3,238.9**	**3,609.5**	**5,296.5**



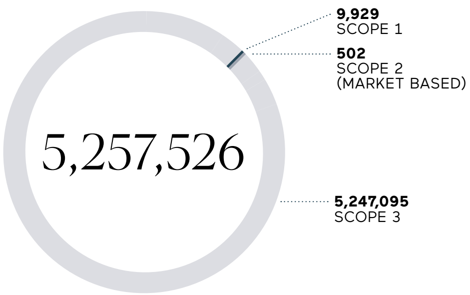
KEY FIGURES

(€ million)	2021	2022[3]	2023
New vehicles delivered (in units)	92,732	89,469	**124,929**
External revenue	3,238.9	3,609.5	**5,296.5**
Adjusted operating result[1]	102.7	146.5	**222.5**
Adjusted operating margin[1]	3.2%	4.1%	**4.2%**
Adjusted result, Group's share[1]			
before tax[2]	110.4	154.3	**210.7**
after tax	78.7	106.1	**146.2**
Headcount (as at 31 December)	2,081	2,269*	**2,762**

CO_2 EMISSIONS (T CO_2E) HISTORICAL SCOPE



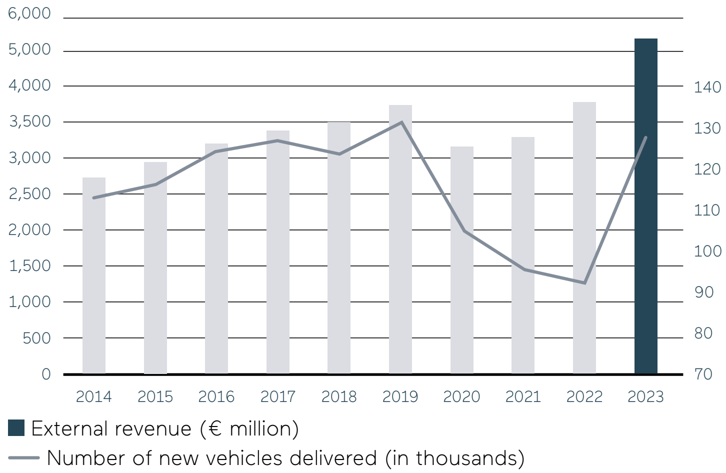
CO_2 EMISSIONS 2023 (T CO_2E) NEW SCOPE[4]



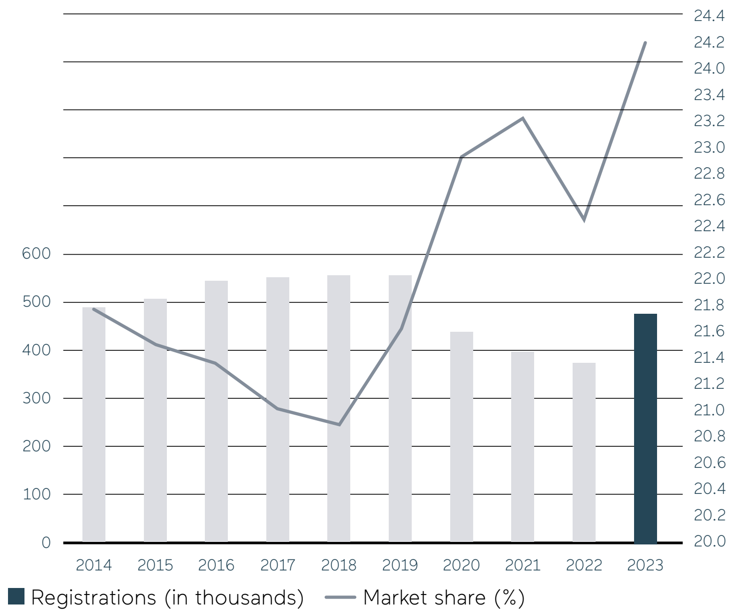
1. Excluding adjusting items. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
2. The adjusted result before tax, Group's share includes the Group's share in the adjusted result before tax of the equity-accounted entities.
3. 2022 figures have been restated to reflect the classification of share-based payments expenses and other long-term incentive plans as adjusting items, and the reversal of the tax income recognised on the additional long-term incentive provision in 2022.
4. Since 2022, the scope has been expanded to include all fully consolidated D'Ieteren Automotive entities. The non-consolidated entities such as Volkswagen D'Ieteren Finance (Vdfin), are inlcuded in D'Ieteren Automotive Scope 3 Categry 15: Investments.

* As restated to reflect the continuous improvement in data collection and calculation.

REVENUE AND NUMBER OF VEHICULES DELIVERED



NEW CAR REGISTRATIONS IN BELGIUM AND MARKET SHARE OF D'IETEREN AUTOMOTIVE (NET)



Business Description

Belron has a clear purpose of "making a difference with real care". It is the worldwide leader in vehicle glass repair, replacement and recalibration, operating in 39 countries across 6 continents through wholly-owned businesses and franchises with market leading brands – including Autoglass®, Carglass®, Lebeau Vitres d'autos®, Speedy Glass®, Safelite® AutoGlass, O'Brien® and Smith&Smith®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance companies.

Strategy

Belron continues to make a difference with real care to its customers, its people, its shareholders and to society. This purpose is shared right across the company and is the driving force behind all its decisions.

Belron aims at delivering continued growth through a relentless focus on its core offering of vehicle glass repair, replacement and recalibration while delivering value-added products and services to its customers. The company remains at the forefront of the windscreen camera recalibration market, where it is established as the industry leader, with deep technical knowledge of current and future systems and trends, covering the full range of recalibration technical requirements.

On the commercial side, Belron continues to strengthen its partnerships with both key suppliers and key accounts in order to remain the preferred choice for customers in all its markets.

Its ongoing transformation programme will further improve processes and leverage technology to provide Belron's customers and people with an even greater experience, while enabling the business to operate more efficiently and hence deliver further profitable growth.

Finally, Belron makes further progress in its Responsible Business agenda based around its core pillars of Sustainable Products and Services, and Investing in People and Society. The company is committed to preserving its unique corporate culture and its long-held values.

Performance

2023 was another very good year for Belron on both financial and non-financial results, despite the challenges of inflation and a tight labour market. This highlights once again the quality of Belron's leadership, its people and the strength of its operating model. Sales reached €6.05bn, an 8.5% increase year on year (11.1% at constant FX), driven mostly by a strong organic growth, an increasing penetration rate of recalibration and small bolt-on acquisitions.

As a result of efficient cost management and operating leverage, profitability further improved with an adjusted operating result of €1,240m at a 20.5% margin, up 226bps or a €223m uplift versus 2022. Cash generation also increased significantly with a free cash flow of €714m for the year, up €415m YoY. At the end of 2023, Belron's Net Financial Debt/ EBITDA leverage ratio stands at 2.95x, in line with the level at the end of 2022. This is despite approximately €1.5bn of cash returned to its shareholders following a dividend refinancing in April and an ordinary dividend in December.

In terms of volumes, Belron completed 12.8m prime vehicle glass replacement and repair ('VGRR') jobs, representing a 2.1% year-on-year increase. In addition, the rising penetration of ADAS within the vehicle fleet is becoming an ever-important revenue driver for Belron, as the company continues to ensure drivers' safety by investing in adequate recalibration tools, processes and training.

In 2023, the company carried out 3 million recalibration jobs, up 23% on 2022. Belron also showed further progress on all non-financial dimensions, including a consistently high customer satisfaction level with an NPS of 84.7, an employee engagement score of 89.2%, 97% vehicle glass recycling rate and €8.9 million given back to its communities around the world.

Key developments

- **New CEO** – Carlos Brito succeeded Gary Lubner as Belron CEO in March 2023.
- **Technician capacity** – technician turnover and capacity remain key priority topics, with significant progress made in 2023, notably in the US and in Germany, where encouraging results of actions taken throughout the year started to materialise.
- **Transformation programme** – 2023 was a key year for Belron's transformation programme, especially in the US, where several workstreams went live, while the programme also intensified in the UK and has started to be rolled out in Europe and ROW.
- **Emissions reduction targets approved** – Belron's near term and long-term net zero emission reduction targets were validated by the Science Based Targets initiative, a year ahead of schedule.
- **Ratings** – reflecting the strong business profile and consistent business performance, Belron was upgraded to investment grade rating (BBB-) by S&P in April and Fitch in December.

"Belron's culture is at the heart of what makes this business special. In my first year as CEO, I've seen a relentless focus on our people and our customers, and how we get them safely back on the road, combined with a determination to improve and grow our business."

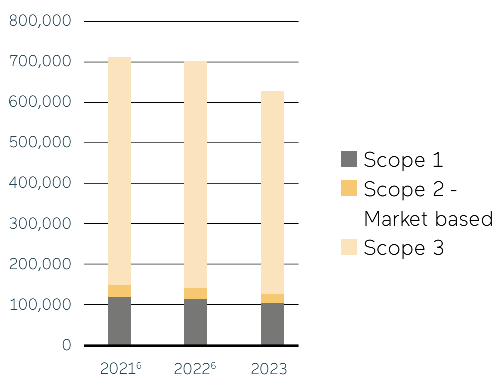
CARLOS BRITO
CHIEF EXECUTIVE OFFICER

	2018	2019	2020	2021	2022	2023
VGRR[1] prime jobs (in million)	12.2	12.3	10.7	12.2	12.6	12.8
NPS[2]	82.8	84.2	84.9	83.4	82.2	84.7

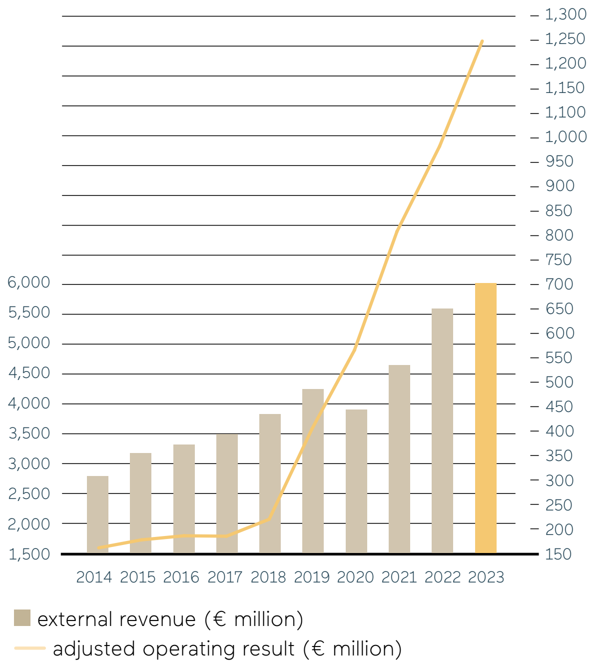
KEY FIGURES

(€ million)	2014	2015	2016	2017	2018	2019[5]	2020	2021	2022	2023
External revenue	2,792.6	3,161.2	3,305.4	3,486.2	3,839.7	4,228.1	3,898.8	4,646.8	5,574.3	6,047.7
Adjusted operating result[3]	165.1	182.0	190.7	189.8	225.7	416.4	583.9	836.0	1,016.7	1,239.5
Adjusted operating margin[3]	5.9%	5.8%	5.8%	5.4%	5.9%	9.8%	15.0%	18.0%	18.2%	20.5%
Adjusted result, Group's share[3,4]										
before tax	123.4	137.6	148.4	134.5	90.3	167.6	248.6	370.6	433.3	511.0
after tax	94.3	112.2	122.6	116.0	74.9	116.5	178.3	272.1	309.6	404.3
Headcount (as at 31 December)*	25,204	26,390	26,340	28,994	30,567	29,121	25,784	30,328	30,598	32,444

CO_2 EMISSIONS (T CO_2E)



REVENUE AND ADJUSTED OPERATING RESULT (€ million)



1. Vehicle Glass Repair and Replacement
2. Net Promoter Score
3. Excluding adjusting items. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
4. Average stake in Belron: 94.85% in 2017, 57.78% in 2018, 52.48% in 2019, 53.75% in 2020, 52.88% in 2021, 50.01% in 2022 and 50.20% in 2023.
5. Post-IFRS 16 as from 2019.
6. To reflect a continous improvement in the calculation of GHG emissions, 2021 and 2022 figures have been restated

* Headcount as of 2021 and onwards. Previous data (2014-2020) is calculated in FTE (full time equivalents as at 31 December)

Business Description

Moleskine is an iconic, inspirational brand born from the heritage of a legendary notebook. Its purpose is to unleash the human genius through hands on paper, to empower creativity and knowledge in each individual and the entire world. The product portfolio encompasses what is needed to capture this human genius and includes writing tools, planners and reading accessories. Moleskine bridges the gap between analogue and digital notetaking with its Smart Writing Set, its digital ecosystem of apps, a digital platform and online publications. The company sells its products globally through a multichannel strategy (Wholesale, Retail, e-Commerce and Strategic Partnerships). Moleskine is based in Milan, Italy, and has offices in Köln, New York, Hong Kong, Shanghai and Tokyo.

Strategy

Pursuing its role of inspirational brand born from the heritage of a legendary notebook, Moleskine lives its purpose to unleash the human genius through hands on paper and has a very solid base of 10 million users. Moleskine wants to continue delighting its highly loyal consumers and increase their attachment to the brand through innovative communication campaigns and new products. While speaking to all generations, great attention is given to attracting Gen Z, our future consumers, with dedicated offering and the breakthrough "Moleskine Loves Student" point of market entry program. Moleskine reaches its consumers through a multi-channel strategy that includes both indirect and direct-to-consumer channels and sees great potential in continuously enriching the shopping experience and accelerating the expansion of its own retail network in the key geographies across the world. Finally, Moleskine believes that creativity can change the world, and is committed to driving positive change through its ESG program and partnership with the Moleskine Foundation.

Performance

In FY23, Moleskine achieved revenues of €130m, or a decline of 9% year-on-year. The year has been marked by inflationary pressure, economic uncertainty, negative FX effects, down-trading and prolonged destocking policies at many retailers. Moreover, Moleskine executed a bold (and market-leading) price increase.

Volume pressure was experienced on core Paper products category (leading category representing 79% of revenues), while Writing Instruments had an accelerated growth in FY23 (+27%). Bags face a decline of revenues, albeit achieved on a more concentrated product range, with consequent destocking sales. Finally, Moleskine smart writing products achieved a strong double-digit growth, all illustrating the robust trajectory of curated adjacencies and digital products.

Given the market environment, and despite the 20%+ growth of the critical Winners segment (top retailer accounts) in key markets – to the exception an unexpectedly soft Italian market, the EMEA region limited its decline to -2%.

US sales faced more sell-in pressure from pursued destocking at many large accounts and price sensitivity of online marketplaces.

Finally, APAC region has suffered from softened wholesale performance in China and Japan.

Next to the wholesale headwinds in several geographies, Strategic partnerships mainly bore the effects of corporate gifting budgets control across regions and declined by €5m (-13% vs. LY). In the meantime, the strategic Direct-to-Consumer channels have achieved a 4% growth (6% in Retail directly operated stores).

Disciplined costs management has allowed a strong gross margin fall-through and Ebitda margin uplift of 1.6 p.p. up to 25%, at best-in-class cash conversion rates of 80%.

Key Developments

- Pursuing its mission to unleash human genius putting pen to paper, Moleskine has once again delighted its highly loyal consumers and community with premium collections, flagship Detour exhibitions and renewed Moleskine Foundation social change initiatives.
- Expecting a return to normalized business environment, Moleskine intends to continue its brand ascension by putting its customers at the centre of its strategy, focusing on innovation, appealing to all generations, at double-digit growth and best-in-class economics.
- In indirect channels, Moleskine's growth in 2024 will be supported by an accelerated deployment of curated assortments across large retailers' doors, by offering the latest digital ordering system for all customers.
- Following the opening of 6 permanent stores and multiple pop-up stores in 2023, Moleskine is determined to pursue its direct-to-consumer strategy by opening several new stores in key cities in the US, China and Japan.
- Milestones in supply chain near-shoring and overall optimization have been crossed and will be further developed to enhance efficiency, agility, and close-to-customers operations.
- Finally, ESG has remained and will remain high on the agenda. Among others, volumes of recycled products have tripled, execution of the 42% scope 1 & 2 SBTi commitment has started, and an engaged and diverse culture has been sustained.

"Despite 2023 being a difficult year due the significant cost inflation and consequent price increase, we have clear evidence that our strategies are working as proved by our direct channels results and growing market shares in key markets like USA, France and Germany.

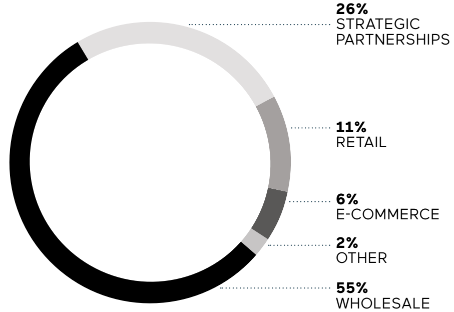
In 2024 we are dialling up the execution and focus our investments on Detour exhibition in Milan during the Design week, a full-scale execution of the "Moleskine loves students" program in Italian Universities and the launch of the first ever postering campaign, creatively romancing the importance of putting pen to paper."

DANIELA RICCARDI,
CHIEF EXECUTIVE OFFICER

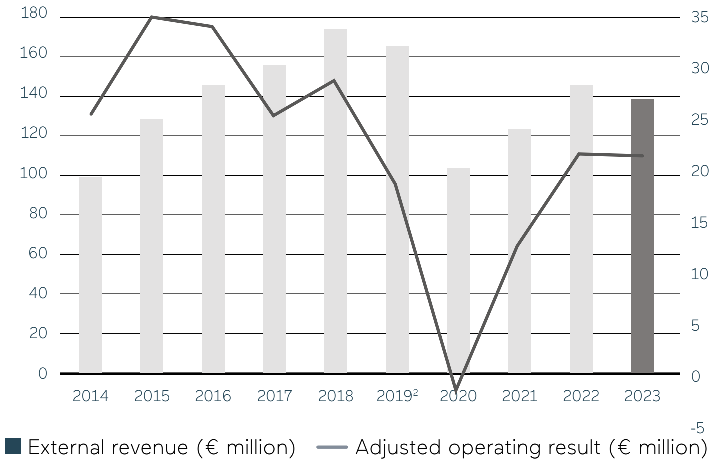
KEY FIGURES

(€ million)	2014	2015	2016	2017	2018	2019[2]	2020	2021	2022	2023
External revenue	98.8	128.2	145.2	155.4	174.1	163.9	102.3	121.6	143.3	130.2
Adjusted operating result[1]	25.3	34.8	34	25.2	28.6	28.9	-2.5	12.3	23.8	23.4
Adjusted operating margin[1]	25.6%	27.2%	23.4%	16.2%	16.4%	17.6%	-	10.1%	16.6%	18.0%
Adjusted result, Group's share[1]										
before tax	24.1	34.6	32.9	15.2	18.9	9.5	-13.5	1.6	12.8	2.2
after tax	16.5	27.1	23.3	10.1	22.8	4.7	-14.1	-3.2	11.8	-2.5
Headcount (as at 31 December)*	278	359	401	468	491	551	390	352	361	373

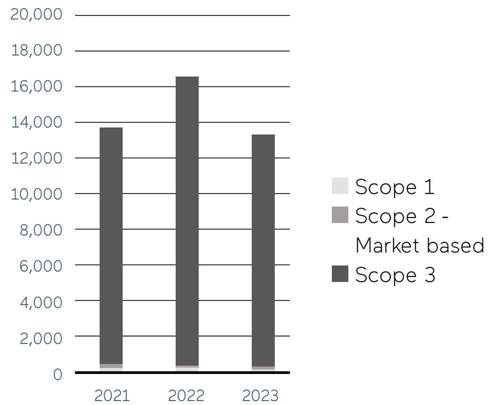
REVENUE BREAKDOWN BY CHANNEL



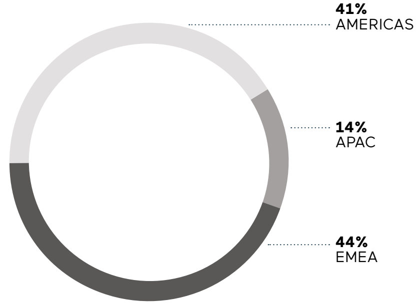
REVENUE AND ADJUSTED OPERATING RESULT (€ million)



CO_2 EMISSIONS (T CO_2E)



REVENUE BREAKDOWN BY GEOGRAPHY



1. Excluding adjusting item. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
2. Post-IFRS 16 as from 2019.
*Headcount as of 2021 and onwards. Previous data (2014-2020) is calculated in number of employees (year-end).

Business Description

TVH is a leading global independent distributor of aftermarket parts for material handling, construction, agricultural and industrial equipment. This client-centric organisation has continuously expanded its footprint to improve its responsiveness and client servicing capacity from a single Belgian location in 1969 to over 90 branches in 28 countries today. Thanks to its client loyalty and global scale, TVH now serves customers throughout 180+ countries across the world and has achieved outstanding service quality levels with 95% of same-day shipments.

Strategy

In 2024, TVH launched its new ambitious strategic plan "FORWARD28", further building on the strong foundations that were laid over the past decades. The commitment to help customers "going & growing" through delivering all products and services to keep their equipment running smoothly has never changed.

The ambition of being a leading aftermarket solution provider is centred around offering a unique customer experience. This objective is backed by unmatched SKU availability for a wide range of brands and quality parts, proximity to the customer that allows a top-tier worldwide service, and very strong technical knowledge of equipment & products to help customers in their repair or maintenance journey either fully digital or through a customer service team in the clients' own language.

The profitable and sustainable growth will come from various markets and regions. The core growth is driven by further strengthening the leading position in material handling and certain construction equipment. Accelerated growth is expected from various construction equipment segments, such as telehandlers and small earth moving machinery, where TVH aims to become the leading independent aftermarket player through continued strong organic growth and as an active consolidator in the market.

Performance

2023 was a year that thoroughly tested the resilience of the TVH organisation. After a strong start of the year, TVH became the victim of a cyberattack in mid-March. This forced TVH to shut down most systems, which disabled the company from operating for almost 4 weeks. Since the restoration of the operations, sales recovered fast to more normalized levels again. However, the lower volume growth environment, strong negative FX effects and lost sales from the CIS region created various headwinds for TVH.

Despite these various headwinds, TVH managed to realize a decent performance, recording a turnover of €1,607m, down -0.9% vs. 2022, and an Adjusted operating result of €218m, representing a -16.1% decrease vs. 2022, mainly driven by the loss of business and increased operating costs, both in SG&A and personnel. Cash conversion resulted in a positive Adjusted free cash flow of €86m, thanks to a better working capital control, partially offset by significant CAPEX investments to enable sustained profitable growth.

The turnover decline was driven by flat organic revenues and little external growth (+0.7%), that were offset by negative FX effects (-1.6%). The absence of organic growth was mainly driven by the cyberattack and the lost sales due to the suspension of activities in Russia. Within the regions, EMEA and Americas performed flat YoY, whereas APAC had more difficulty to recuperate post cyberattack. From a market perspective, the core material handling market was slightly down, but the construction equipment market remove grew at impressive double digits despite the various headwinds. TVH's client-centric mindset remains a cornerstone of the organization, translating into an NPS[1] score of 52.3.

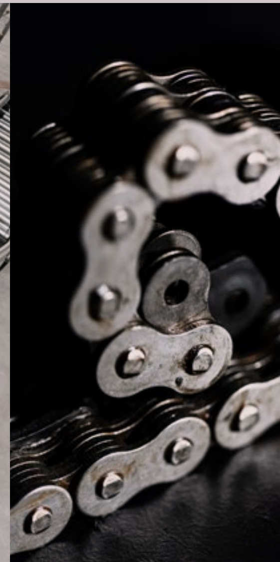
1. Net Promoter Score, measured on a 12M rolling basis.

Key developments

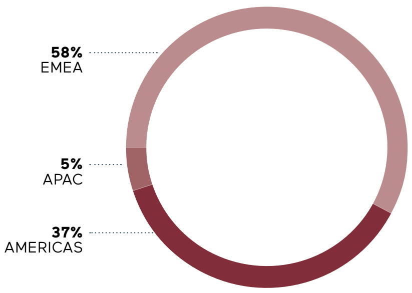
- The investments in developing a small earth moving equipment offering are clearly yielding positive results, as TVH once again delivered a strong performance, growing 17% YoY in this segment.
- The focused M&A strategy of TVH translated into the acquisition of Wissink Trading, a Dutch specialist focused on glass & cabins for construction equipment and GB Global Business, an Italian distributor focused on construction equipment parts.
- TVH continued to invest in growth projects such as the finalisation of the WB3 warehouse expansion (Waregem), doubling the conveyable shuttle block capacity and tripling the picking capacity. Other important footprint projects are the start of a new 50k m2 distribution centre in Waregem and the investments in two new regional distribution centre buildings in South-Africa (Durban & Johannesburg).
- Innovatis, the digital transformation program, has also advanced throughout the year. The 3 new e-commerce platforms were launched globally and customers are currently being migrated. Additionally, a new global Human Resources Management tool and Enterprise Performance Management tool went live in Q4-23.
- Similar to 2022, TVH was awarded a Bronze Medal from EcoVadis in 2023.

"In 2023, TVH faced significant challenges, from the cyberattack to enduring FX headwinds. However, amidst these trials, we also celebrated notable achievements, launching our new e-commerce platforms, forging new partnerships, and proudly assuming the role of main sponsor for Belgian rugby. We maintain unwavering confidence in our path towards profitable growth, propelled by our new strategic plan and the commitment of our global workforce."

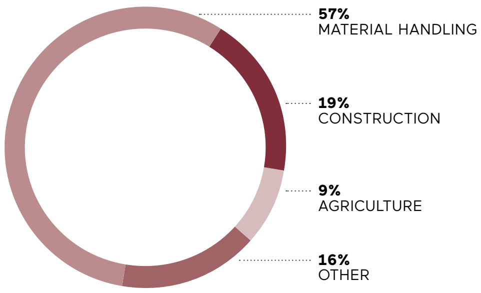
DOMINIEK VALCKE
CHIEF EXECUTIVE OFFICER



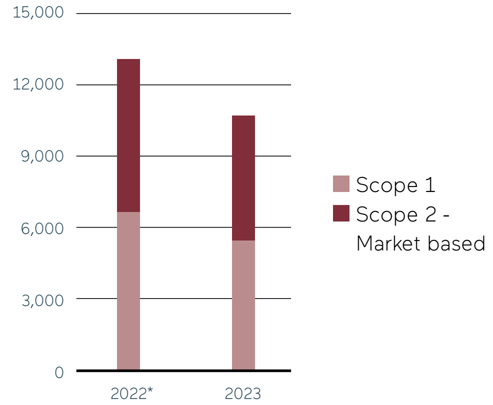
REVENUE BREAKDOWN BY GEOGRAPHY



REVENUE BREAKDOWN BY MARKET



CO_2 EMISSIONS (T CO_2E)



KEY FIGURES

(€ million)	Q4-2021[3]	2022[4]	2023
External revenue	348.0	1,621.7	1,607.0
Adjusted operating result[1]	47.8	259.8	217.9
Adjusted operating margin[1]	13.7%	16.0%	13.6%
Adjusted result, Group's share[1,2]			
before tax	18.6	98.9	74.8
after tax	13.9	77.1	54.4
Headcount (as at 31 December)	4,638	4,944	5,198*

1. Excluding adjusting items. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
2. D'Ieteren Group's share in TVH is 40%.
3. TVH contributes to D'Ieteren Group's results as from Q4-21.
4. 2022 figures have been restated to reflect the classification of share-based payments expenses and other long-term incentive plans as adjusting items.

* As at 24 January 2024 due to a change in HR system

Business Description

PHE is an omni-channel distribution leader in the independent aftermarket for vehicle spare parts, present in 6 Western European countries: France, Spain, Italy, and the Benelux. Its mission is to promote affordable and sustainable mobility. This is made possible by its people and its integrated and digitally enabled operating model based on logistical excellence and superior distribution density.

Strategy

PHE's purpose to 'support affordable and sustainable mobility' centres on delivering the right part at the right time and at the right price to its customers in order to enable the repair rather than the replacement of vehicles.

Based on its omni-channel and virtuous operating model, PHE aims at strengthening its leadership positions across its geographical footprint, with a strategy built around the following three key pillars:

First, Organic growth is driven by market growth thanks to a growing and ageing car parc, increasing regulations, frequency of operations and parts technology inflation. On the other hand it is also driven, by market share gains through an ever-growing assortment enabling superior product availability (including private label offering), a proprietary online order platform, various value-added services enabling garages to adapt to a moving ecosystem via digital data and tools and trainings as well as continuous innovations (e.g. AD institute for training, Grup Eina for technical assistance, ID Garages for online booking, Autossimo PHE's online platform and the in-house return application).

Second, a focus on improved profitability by leveraging its highly efficient distribution and logistics network, increasing purchasing firepower (scale effect), continuous efficiency and productivity improvements and ramp-up of newer geographies profitability.

Third, low-risk and value-accretive M&A in existing markets, which generate purchasing synergies and operational improvements, while also keeping a watch on similar M&A opportunities in new geographies and/or new products categories further strengthening PHE's leadership positions.

Performance

In 2023, the Independent Aftermaket ('IAM') of automotive spare part distribution has continued its growth despite slower H2-23 inflation proving its resilience, structural growth drivers and providing reliable visibility on future opportunities (e.g. technological inflation, ADAS, private label, sustainability, use of data).

In this context, PHE showed strong financial performance with net sales growing at 13% to reach €2.6bn and an EBITDA[1] of €322m, +16.7% YoY and slight margin improvement from 12.2% to 12.6% in FY-23. Sales growth is attributable to both organic perimeters, growing at +9.5% YoY, of which France segment[2] registered +9.7% YoY growth and International segment[3] + 9.4% YoY and M&A[4] contributing to 27% of total YoY growth. This performance has been the outcome of focused product category management and availability, strong purchasing capabilities, consistent commercial strategy driving market share gains and successful M&A.

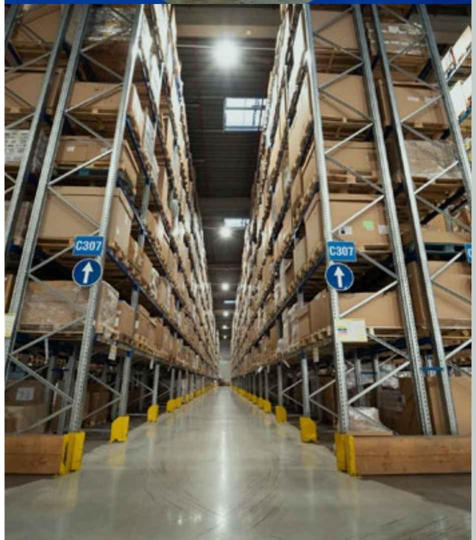
M&A is central in PHE's strategy which continued in 2023 with 3 acquisitions in Spain. 2022 acquisitions have been performing very well, further confirming the successful execution of the M&A strategy.

Overall, 2023 has been a positive year for PHE. PHE has been able to confirm its leadership position in France (B2B and B2C), Spain and Italy, and reinforced its top-3 position in Benelux.

Key developments

- **Ratings:** in October 2023 and based on the company's strong performance, PHE was upgraded to BB- from B+ by S&P and got a positive outlook on its B2 rating at Moody's.
- **Financing:** Towards the end of 2023, PHE initiated the refinancing of its Senior Secured Note of €580m (Jul-25) and Floating Rate Note of € 380m (Jul-27) with a Term Loan B of €960m (Jan-31) at EUR + 375bps and issue price of 100%. The deal was successfully closed on the 6th of February 2024.
- **Congrès AD – Marrakech May 2023 under the baseline 'Engagement 2027':** PHE has held its 5th AD Congress, organized every four years by its French Repair Network Business Unit, gathering c. 3,900 attendees, among them 60% of affiliated AD Garages, as well as 72 key suppliers for 4 days of best-practice sharing, new technologies & products introductions, and market and business updates.
- **Label 2024 "meilleur employeur" from Capital:** PHE ranked as 6th best employer (vs 7th in 2023) and remained for the 9th consecutive year in the top 20 employers in the wholesale category emphasising the quality of people management and social policies within PHE.

1. Adjusted, post-IFRS 16 & post-Ifric SaaS
2. France segment include: Light Vehicle France, Trucks, Oscaro, Central Purchasing Unit, and Platforms (Logisteo, Cora, PTNM and ACR)
3. International Segment include: Doyen Group and Geevers (Benelux), Autodis Italia (Italy) organic perimeter, AD Parts Intergroup (Spain) organic perimeter.
4. M&A include in Spain: AD Levante Parts, Auto recambios Vilber, Auto recambios Peñalver & Auto Industrial Basconia; in Italy : AD Marche, Attrezzauto, Autodistribution Italia and Sarat; in France: Fradis



"2023 was a positive year for PHE. Our organic growth clearly outperformed the IAM trend, showing clear market share gains.

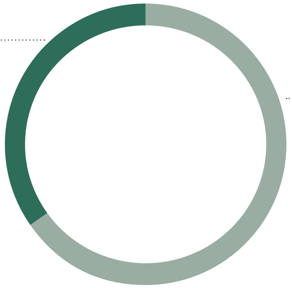
Our recent acquisitions (2021-2022) performed very well, both in revenues and in profitability. We continued our plan acquisition in Spain, strengthening our leading position and our partnership with AD Parts.

We are very proud of the good job of the teams and confident for 2024."

STÉPHANE ANTIGLIO
CHIEF EXECUTIVE OFFICER

SALES BY SEGMENT

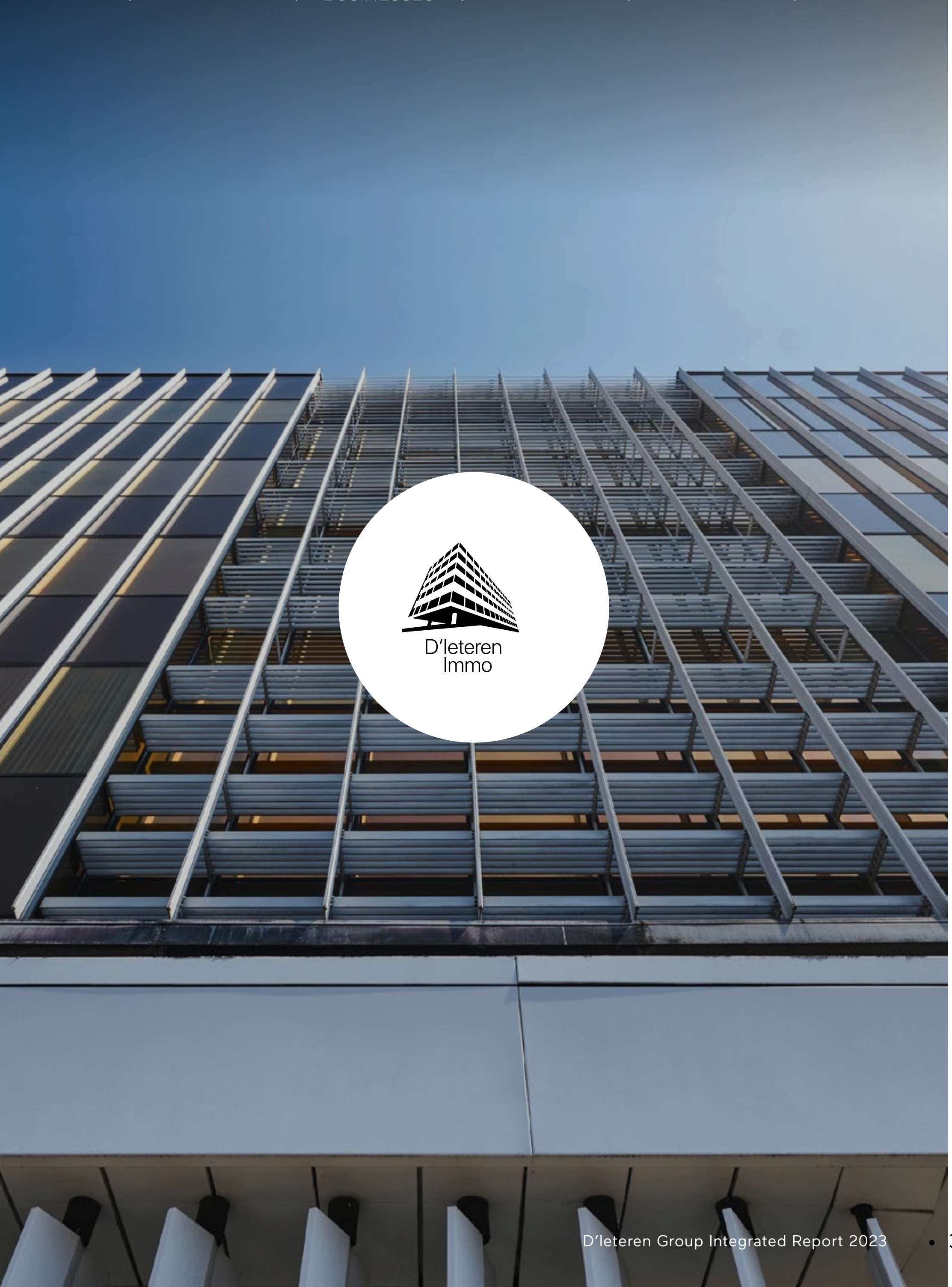
	Aug-Dec-2022[2]	2023
France	65.3%	66.7%
International	34.7%	33.3%



KEY FIGURES

(€ million)	Aug-Dec-2022[2,3]	2023
External revenue	961.8	2 556.9
Adjusted operating result[1]	78.6	231.6
Adjusted operating margin[1]	8.2%	9.1%
Adjusted result, Group's share[1]		
before tax	46.3	137.6
after tax	36.5	105.5
Headcount (as at 31 December)	9,112	9,314

1. Excluding *adjusting* items. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
2. PHE contributes to D'Ieteren Group's results as from August 2022.
3. 2022 figures have been restated to reflect the finalisation of the purchase price allocation of PHE in the first semester of 2023 and the classification of share-based payments expenses and other long-term incentive plans as *adjusting* items.



Business Description

D'Ieteren Immo is the real estate company of the D'Ieteren Group in Belgium. D'Ieteren Immo is responsible for the management of the Belgian real estate assets owned by the D'Ieteren Group, of which most are occupied by D'Ieteren Automotive. The assets include offices, workshops, concessions, logistics centres, residential units, parking lots and landbanks. Part of the activities includes the reconversion and redevelopment of sites that are not used by D'Ieteren Automotive anymore. In addition to managing its assets, the company offers real estate advice and a range of services to the tenants of the properties in the portfolio.

Strategy

The creation of D'Ieteren Immo in 2016 was driven by the ambition to professionalise and consolidate all the real estate activities of the D'Ieteren Group in Belgium. D'Ieteren Immo now ensures the long-term and sustainable development of D'Ieteren Group's real estate assets, which in some cases have been part of the Group for decades. In line with the values of the D'Ieteren Group, the "invest and hold" strategy subscribed by D'Ieteren Immo constitutes the heart of its sustainable approach.

D'Ieteren Immo is positioning itself as a responsible real estate company that continues to innovate in order to create long-term value for all its stakeholders. D'Ieteren Immo is convinced that sustainability is not merely an option but a necessity for the long-term value preservation of the portfolio. It is crucial to strive for a portfolio that is futureproof and attractive for tenants both from a sustainability and cost-efficient point of view.

D'Ieteren Immo wants to be an example in the sustainable management of both existing buildings and new developments by leading the way in the transition to a sustainable society through a reduction of its carbon footprint via a reduced energy consumption, through smarter monitoring, production of green electricity, or storage of autogenerated energy, whilst also being conscious around biodiversity.

Performance

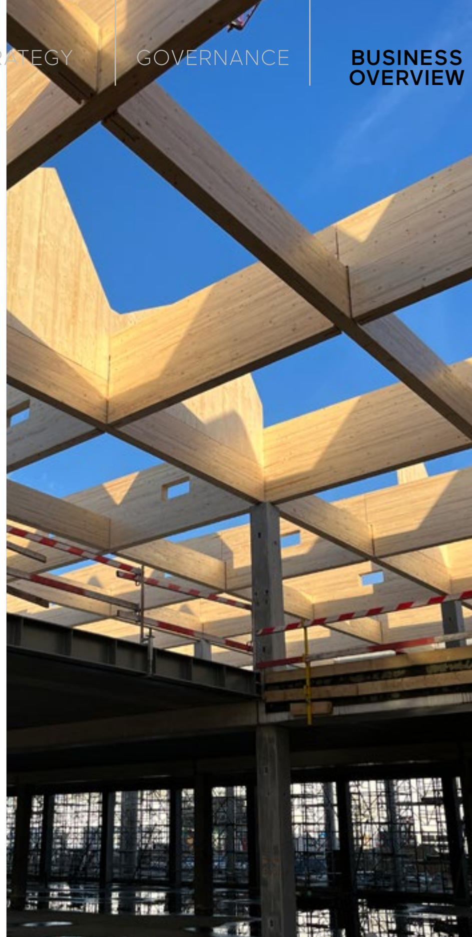
The strong 2023 performance in rental income growth was fuelled by one of the highest inflationary times witnessed in decades, which unfortunately also impacted the construction costs of various redevelopment projects. Nevertheless, with its long-term & sustainable strategy, D'Ieteren Immo continued to invest significant amounts in new projects and in various improvement projects across the portfolio.

The portfolio at the end of 2023 comprised of 37 sites compared to 35 sites at the end of 2022, following the acquisition of a terrain where a new Porsche Centre will be built by 2026. The portfolio of assets, spread across Belgium represented a fair market value of €359m at the end of 2023, generating a net rental yield (incl. vacancies[1]) of 7.1%[2]. D'Ieteren Immo was able to grow its net rental income to €25.5m in 2023 up from €22.3m in 2022, mainly driven by rental indexations and new lease contracts.

D'Ieteren Immo continued to deliver on its promise to be a top employer, as the annual employee satisfaction score remained high at 84% for 2023. It has been innovating by creating a sounding board of the organization with the Athena Forum, a group of 8 representative team members. Making life easier for its customers is part of D'Ieteren Immo's added value, various services have contributed to an improved NPS from 25 in 2022 to 29 in 2023.

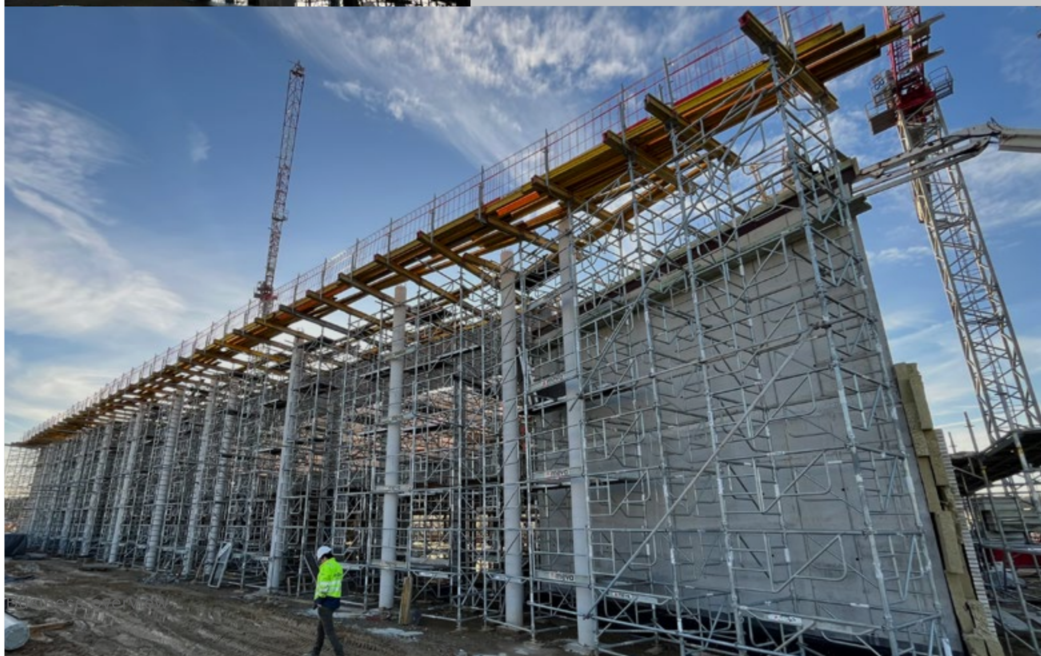
Key developments

- **Mobilis Project:** The construction works of "Mobilis" have advanced a lot in 2023. The site is currently pre-leased at around 60% with various discussions ongoing for the remaining spaces. Unfortunately, due to bad weather delays and the complex design, commercial delivery is now expected for Q3 2024.
- **D'Ieteren Park:** The redevelopment of the "D'Ieteren Park" site for D'Ieteren Automotive is in full construction phase. The construction of the "D'Ieteren House", the brand-new hub for various D'Ieteren Automotive teams was launched in May 2023 and expected to be delivered by end of 2024.
- **Investments:** D'Ieteren Immo is investing a lot in the new retail strategy "Destination Porsche" from Porsche AG. For Porsche Centre Brussels, a large renovation will start in Q2 2024 and is expected to be finished by Q3 2025. Additionally, D'Ieteren Immo also acquired a terrain to construct a brand new Porsche Centre Liege.
- **50RM Project:** The flagship "50RM" project, the redevelopment of the historical headquarters of the D'Ieteren Group is also advancing. The initial design restrictions have been clarified after various interactions with the regional authorities. The aim is now to finalize the design and submit a permit application over the course of 2024.



"Thanks to the strength of the team, D'Ieteren Immo was able to get through 2023 successfully. The strong performance is also the result of our quality portfolio and the progress made on projects such as Mobilis or the D'Ieteren House. Both examples are key projects in making our portfolio futureproof & sustainable to deliver long-term value for our stakeholders."

PAUL MONVILLE
CHIEF EXECUTIVE OFFICER



1. The average LTM vacancy rate at 31/12/2022 stood at 6.0%.
2. Net rental yield refers to the net rental income of 2022 divided by the fair market value of the portfolio on 31/12/2022.

REAL ESTATE PORTFOLIO

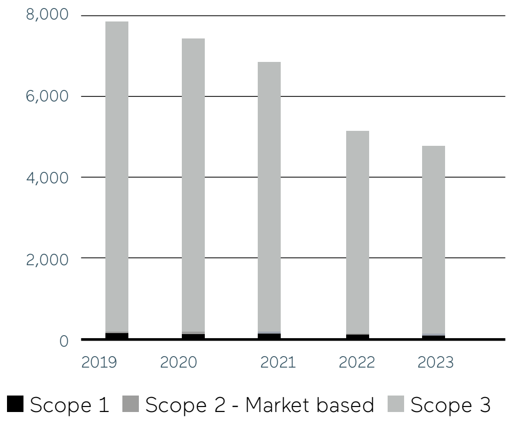
M²	2021	2022	2023
Car Parkings	455,205	452,390	453,240
Workshops	73,607	71,126	71,126
Showrooms	46,482	45,259	45,259
Storage	84,097	83,287	83,287
Offices	36,692	32,234	32,234
Technical / Utility	21,815	21,713	13,160
Residential	5,293	5,293	5,493
Other	156,354	153,246	175,965
TOTAL	**879,545**	**864,548**	**879,764**
of which covered	296,808	291,804	292,854
TOTAL LAND AREA	**805,555**	**794,222**	**808,810**

44
PEOPLE

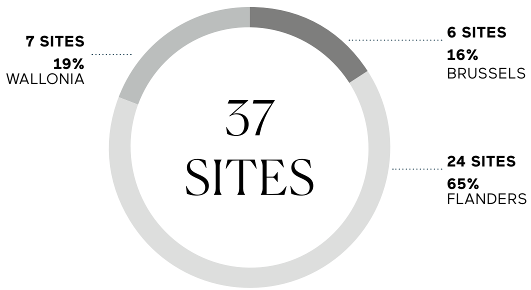
36%
WOMEN

64%
MEN

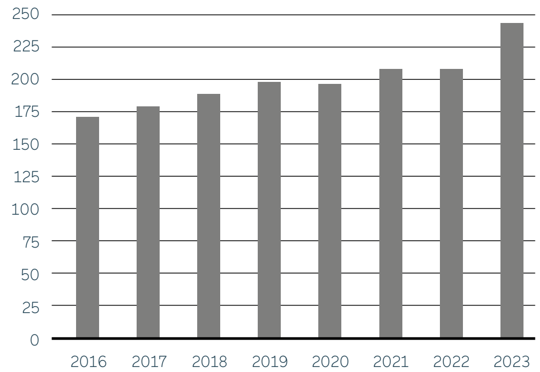
CO_2 EMISSIONS (T CO_2E) HISTORICAL SCOPE



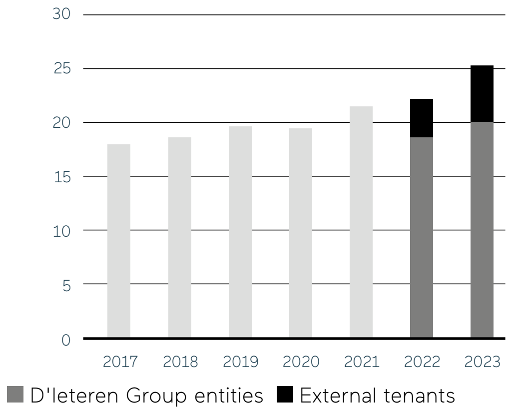
LOCATION



BOOK VALUE OF THE REAL ESTATE PORTFOLIO (€ million)



NET RENTAL INCOME (€ million)



Key financial figures

Consolidated results (€ million)	2014	2015	2016[1]	2017[2]	2018[2]	2019[10]	2020[10]	2021[10,11]	2022[10,11,16]	2023[10]
Revenues (IFRS)	5,453.1	6,035.4	6,471.7	3,455.1	3,578.1	3,798.8	3,318.0	3,360.5	4,714.6	7,983.6
Combined revenues[4]	5,453.1	6,035.4	6,471.7	6,941.3						
Revenues, Group's share[5]					5,799.6	6,017.7	5,413.6	5,956.9	8,161.6	11,662.3
Combined *adjusted* operating result[3,4]	198.6	248.5	281.1	300.9						
Adjusted operating result, Group's share[3,5]					262.6	332.4	391.8	557.2	860.8	1,184.3
Adjusted result, Group's share:										
- before tax[3,5]	157.2	212.1	241.6	247.9	226.1	295.2	328.7	506.1	756.3	970.8
- after tax[3]	144.0	186.5	215.3	194.8	182.2	211.6	228.8	366.5	548.5	733.3
Group's share in the net result for the period[6]	-11.1	130.7	49.9	112.6	1,048.0	66.1	138.8	252.4	332.7	504.7

Financial structure (€ million)	2014	2015	2016[1]	2017[2]	2018[2]	2019[10]	2020[10]	2021[10,11]	2022[10,11,16]	2023[10]
Equity of which:	1,644.8	1,735.1	1,683.5	1,760.5	2,655.4	2,646.9	2,727.2	2,976.3	3,155.9	3,472.9
- Capital and reserves attributable to equity holders	1,644.2	1.733.3	1,683.0	1,764.3	2,655.1	2,646.3	2,723.7	2,975.9	3,143.2	3,456.9
- Minority interest	0.6	1.8	0.5	-3.8	0.3	0.6	3.5	0.4	12.7	16.0
Net debt Group's share[9]	559.9	534.5	952.7	946.3	87.3	477.7	310.4	1,592.3	3,453.9	3,201.8

Data per share (€)	2014	2015	2016[1]	2017[2]	2018[2]	2019[10]	2020[10]	2021[10,11]	2022[10,11,16]	2023[10]
Group's share in the net *adjusted* result for the period[3,6,7]	2.29	3.32	3.92	3.55	3.32	3.88	4.22	6.80	10.19	13.73
Group's share in the net result for the period[6,7]	-0.2	2.38	0.91	2.05	19.12	1.21	2.56	4.68	6.18	9.41
Gross dividend per ordinary share	0.80	0.90	0.95	3.80[8]	1.00	1.00	1.35	2.10	3.00	3.75
Capital and reserves attributable to equity holder	29.73	31.34	30.43	31.90	48.01	47.85	50.10	54.74	57.81	64.36

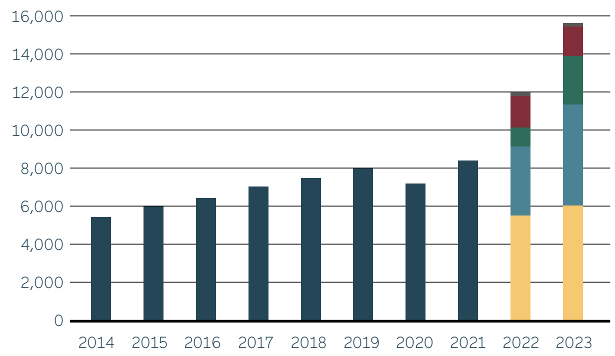
Share Information[7] (€)	2014	2015	2016[1]	2017[2]	2018[2]	2019[10]	2020[10]	2021[10,11]	2022[10,11,16]	2023[10]
Highest share price	37.7	37.6	45.2	45.9	40.1	63.1	68.6	175.7	183.0	191.8
Lowest share price	27.7	27.4	26.1	35.8	32.4	32.5	36.1	65.1	118.0	137.2
Share price as at 31/12	29.3	34.4	42.0	37.5	32.9	62.6	67.8	171.6	179.2	176.9
Average share price	32.0	32.7	37.8	40.9	36.1	43.3	52.4	113.2	154.4	164.8
Average daily volume (in number of shares)	40,302	43,418	47,723	39,457	42,142	54,800	48,005	44,534	66,569	45,899
Market capitalisation as at 31/12 (€ million)	1,620.10	1,903.2	2,322.7	2,035.4	1,782.2	3,461.9	3,686.1	9,329.5	9,742.7	9,501.1
Total number of shares issued	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	55,302,620	54,367,928	54,367,928	54,367,928	53,708,999

Workforce[4] (as at 31 December)	26,810	27,970	28,348	31,222	32,951	31,691	28,455	37,460[12]	47,349	50,161
CO_2 emissions[14] scope 1 & 2 (tCO_2e)							118	98	77	77
CO_2 emissions[15] scope 3 (tCO_2e)							83,268	89,594	82,687*	79,401

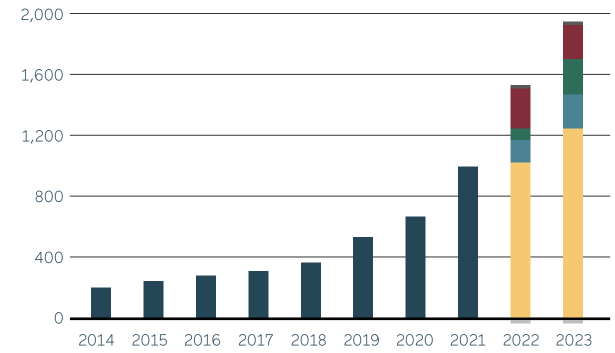
1. Includes Moleskine as from 1 October 2016.
2. Belron is classified under discontinued operations between 1 January 2017 and February 2018. Equity accounting from 7 February 2018 onwards.
3. Excluding adjusting items.
4. Including Belron and TVH at 100%.
5. The Group's share figures include the Group's share in the businesses and the adjusted profit before tax, Group's share include the adjusted result before tax of the entities accounted for using the equity method.
6. Result attributable to equity holders of D'Ieteren Group, as defined by IAS 1.
7. Calculated in accordance with IAS 33.
8. Includes an extraordinary dividend of €2.85.
9. Refer to frameworks and definitions of the Alternative Performance Measurement (APM) section.
10. Post-IFRS 16.
11. TVH included as from Q4-21.
12. As of 2021, workforce data has been restated to reflect the continuous improvement in data collection and calculation. Workforce data is reported in Headcounts as at 31 December of the reporting year.
13. PHE included as from August 2022.
14. D'Ieteren Group Holding.
15. Emissions from investments, category 15 of the GHG protocol englobes more than 99% of the Holding´s scope 3 emissions. These include the scopes 1 & 2 of Belron (equity share), D´Ieteren Automotive´s historical scope for FY-22 and new scope for FY-23, Moleskine, D´Ieteren Immo and equity share of TVH. For more information, see the non-financial disclosures.
16. 2022 figures have been restated to reflect: 1) the finalisation of the purchase price allocation of PHE in H1-2023; 2) the correction of the accounting of some post-employment benefits in the D'Ieteren Automotive and Belron segments; 3) the reclassification of the provisions related to the long-term incentive plans (LTIP) from the lines "provisions" and "Other payables" to "employee benefits" in the D'Ieteren Automotive, Moleskine and TVH segments; 4) the reclassification from put options granted to NCI to other payables in the PHE segment; 5) the reversal of the tax income recognised in the D'Ieteren Automotive segment on the additional LTI provision recognised in 2022; and 6) the classification of share-based payment expenses and other long-term incentive plans as adjusting items at D'Ieteren Automotive, Moleskine, PHE, TVH and Corporate & Unallocated segments.

*2022 figures have been restated following the restatements of TVH and Belron in their respective scopes and to reflect the reporting year's equity share.

COMBINED REVENUES
(€ million)

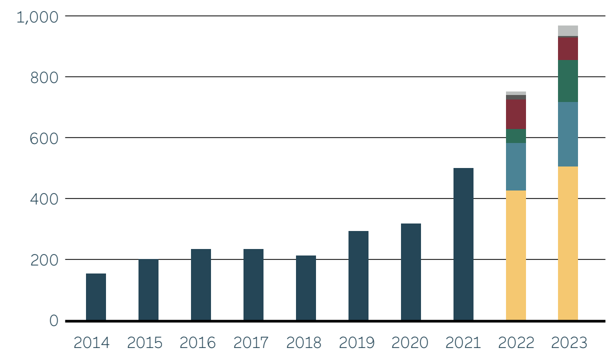


COMBINED *ADJUSTED* OPERATING RESULT**
(€ million)

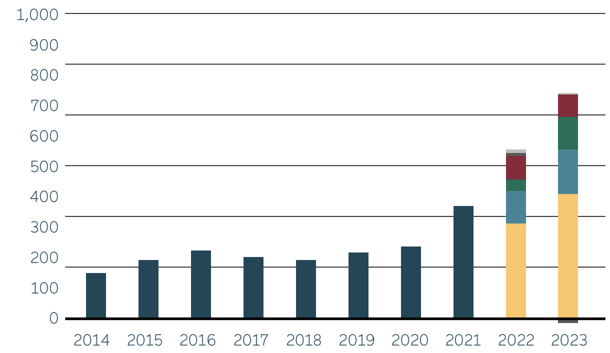


Group (2014-2021) Belron (100%) D'Ieteren Automotive
PHE (100% as from August 2022) TVH (100% as from Q4 2021)
Moleskine Other

ADJUSTED* RESULT BEFORE TAX, GROUP'S SHARE*
(€ million)

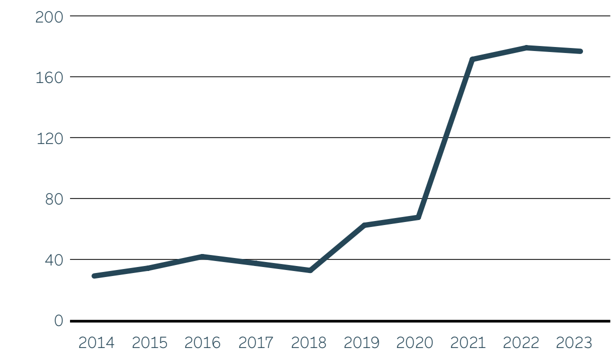


GROUP'S SHARE IN THE *ADJUSTED* NET RESULT**
(€ million)



Group Belron (Group's share) D'Ieteren Automotive
PHE (as from August 2022) TVH (Group's share as from Q4- 2021)
Moleskine Other

D'IETEREN'S SHARE PRICE SINCE 2014 (€)



* As from 2019, post-IFRS16
** As restated to reflect the IFRS® Interpretations Committee final agenda decisions on cloud computing arrangements
*** 2021 figures have been restated at TVH to improve the consistency of accounting policies across all affiliates, to reflect the purchase price allocation of TVH finalized by the Group in the second half of 2022 and at Belron to reflect a reclassification of -€21.0m of fees from system integrators in relation to the business transformation programme from adjusted result to adjusting items in the Belron segment.

Financial and Director's report 2023

Content

Content of the Consolidated Director's Report

Declaration by Responsible Persons

Statement on the true and fair view of the consolidated financial statements and the fair overview of the management report

Nicolas D'Ieteren, Chairman of the Board, and Olivier Périer, Deputy Chairman of the Board, certify, on behalf and for the account of D'Ieteren Group SA/NV, that, to the best of their knowledge, the consolidated financial statements which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of D'Ieteren Group SA/NV and the entities included in the consolidation as a whole, and the management report includes a fair overview of the development and performance of the business and the position of D'Ieteren Group SA/NV, and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

2023 Full-Year results

Strong performance mainly driven by D'Ieteren Automotive, Belron, and the growth and full-year consolidation of PHE

Full-year 2023 highlights

D'Ieteren Group reports another year of strong growth, primarily driven by D'Ieteren Automotive and Belron, as well as strong growth and the full-year contribution from PHE. The Group's key performance indicator (KPI) – the *adjusted* consolidated profit before tax, Group's share[1] – reached €970.8m, up by 28.1% compared to 2022, with Belron at 50.20% for both periods (€968.9m with Belron at 50.01%). On a like-for-like basis, excluding PHE for both periods, the KPI grew by 17.1% YoY.

- **Belron's** *adjusted* profit before tax, Group's share[1] improved by 17.5% YoY to €511.0m, reflecting solid top-line trends despite adverse FX movements and a strong fall-through with a 226bps YoY improvement in its *adjusted* operating margin[1] of 20.5%.
- **D'Ieteren Automotive**, boosted by the restored car production levels and deliveries, market share gains and tight cost management, posted a 36.6% growth in *adjusted* profit before tax, Group's share[1] to a record €210.7m. The Belgian new car market[2] increased by 30.2% YoY.
- **PHE**, consolidated since August 2022, contributed for €137.6m to the Group's *adjusted* profit before tax, Group's share[1]. This performance was mainly driven by a solid level of activity, price inflation and good cost control.
- **TVH** recorded an *adjusted* profit before tax, Group's share[1] of €74.8m, down by -24.4% YoY, the decrease being essentially attributable to the cyberattack incurred on March 19th which led to a significant temporary interruption of activity, combined with adverse FX movements and the sales loss following the suspension of TVH activities in Russia.
- **Moleskine** was impacted by a context of destocking policies at retailers and e-commerce platforms and restrictions on corporate gifting budgets, related to pervasive uncertain economic conditions in 2023.

  In addition, interest costs increased (to the Corporate & unallocated segment) and Moleskine recorded a €2.2m *adjusted* profit before tax, Group's share[1] in 2023 versus €12.8m in 2022. Continued efforts on costs lead to a robust and higher *adjusted* operating result margin[1] of 18.0%.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* profit before tax, Group's share[1] of €34.5m compared to €10.7m in 2022, largely thanks to higher interest income on the net cash position[3] of €915.9m excluding €272.4m of inter-segment loan, versus €322.0m at the end of 2022.
- **Free cash flow[6]** Group's share reached €605.4m versus €49.0m in 2022, with all segments contributing to the YoY improvement, in particular Belron's, D'Ieteren Automotive's and PHE's operational results, and significant working capital improvements at Belron, D'Ieteren Automotive and TVH as the supply chain normalised.
- D'Ieteren Group obtained validation of its GHG emission reduction targets by the **Science Based Targets initiative (SBTi)**. As part of these targets, the Group commits to reduce absolute scope 1 and 2 GHG emissions by 30% by 2027 from a 2021 base year, and to have 100% of its portfolio covered by a validated SBT by 2027.
- The Board of Directors proposes a **gross ordinary dividend** of €3.75 per share related to the financial year 2023 (versus €3.00 in 2022).

Note that 2022 figures have been restated. The **restatements** performed mainly include the following:

- The finalisation of the purchase price allocation of PHE in the first semester of 2023 (see note 26 of the 2023 Consolidated financial statements for more information about the adjustments made to the provisional fair value of assets acquired and liabilities assumed at acquisition date).

- The correction of the accounting of some post-employment benefits schemes in the D'Ieteren Automotive and Belron segments.
- The reversal of the tax income recognised in the D'Ieteren Auto segment on the additional LTI provision recognised in 2022.
- The classification of share-based payment expenses and other long-term incentive plans as *adjusting* items[1] at D'Ieteren Automotive, Moleskine, PHE, TVH and Corporate & Unallocated segments.

Outlook 2024

For 2024, D'Ieteren Group expects its *adjusted* profit before tax, Group's share[1] **to grow by a mid-to high single digit percentage YoY**. This improvement is expected to be driven by the continued growth from the businesses and assumes no further escalation in geopolitical tensions nor other major unforeseen events and in an uncertain macroeconomic environment.

It assumes foreign exchange rates that are in line with the rates that prevailed on December 31st, 2023 and a 50.3% economic interest in Belron for both periods. The comparative figure for 2023 is €962.4m. See appendix for 2023 comparative figures for Belron, TVH and D'Ieteren Group at these foreign exchange rates and a 50.3% stake in Belron.

The following financial performances are expected from the portfolio companies:

- **Belron**
    - Belron expects a mid- to high single digit organic sales growth[5] due to price / mix and increased ADAS recalibration penetration with low single digit volume growth and a normalised inflation rate.
    - Top-line trends, productivity improvements, transformation efficiency gains and lower costs related to the transformation programme should lead to a continued *adjusted* operating result[1] margin improvement versus 2023 (20.5% in 2023), on track to reach the 23% 2025 ambition. Costs related to the transformation programme should amount to around €90m, of which c.€35m in *adjusting* items[1] (2023: €124.1m of which €57.0m in *adjusting* items[1]).
    - Free cash flow[6] is expected to remain at high levels.
- **D'Ieteren Automotive**
    - The Belgian market is expected broadly flat, at 480,000 new registrations (versus gross registrations of 476,675 in 2023).
    - After a record 2023, D'Ieteren Automotive's sales should be supported by a still high order backlog in new vehicles in the first half of 2024, while visibility on the second semester is limited.
    - *Adjusted* operating result margin[1] is expected to slightly erode versus 4.2% reported in 2023 as the mix of deliveries continues to normalise and costs for some IT projects increase.
    - Free cash flow[6] is expected to improve further from 2023 level of €139.2m.
- **PHE**
    - PHE expects a mid-single digit organic sales growth[5] driven by market share gains and a normalised pricing environment.
    - *Adjusted* operating result margin[1] is expected to remain stable compared to 2023 (9.1%) as higher sales might be fully offset by some variable costs inflation.
    - Non-controlling interests related to some of PHE's acquisitions should represent around €10m of PHE's *adjusted* profit before tax, Group's share[1] (€8.9m in 2023).
- **TVH**
    - Organic[5] top-line is expected to improve by around 10%, reflecting a normalised inflationary environment and restored volume growth versus 2023, which was impacted by the cyberattack.
    - For the same reasons, *adjusted* operating result margin[1] is expected to improve by around 100bps versus 2023 (13.6%).
    - Free cash flow generation[6] is expected to be somewhat lower than the €85.6m generated in 2023, due to growth-related investments.
- **Moleskine**
    - Sales are expected to grow by a low double digit percentage compared to 2023, skewed towards the second half of the year.
    - *Adjusted* operating result margin[1] should show at least 150bps improvement, reflecting top-line trend and operating leverage.

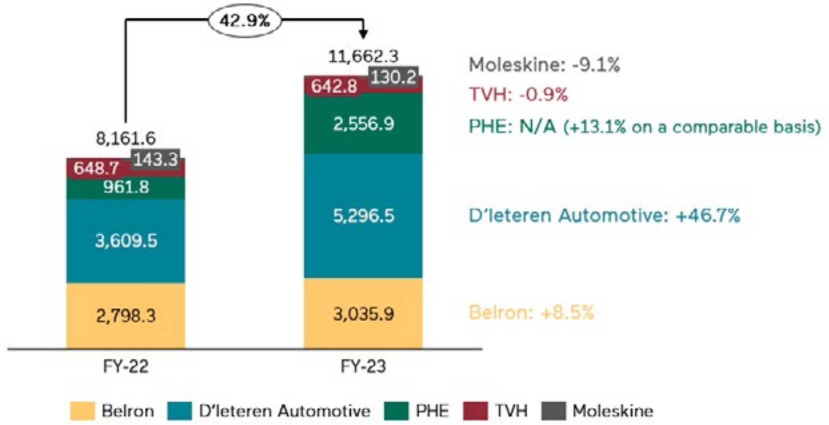
Key developments

- In February 2023, PHE has closed the disposal of Mondial Pare-Brise.
- In April, Belron successfully allocated a new USD term loan of €800m equivalent which, together with c.€300m available liquidity, has been upstreamed to the shareholders of Belron. Also in April, S&P upgraded Belron's credit rating to investment grade. In December, driven by improving capital market conditions and strong operational performance of the business, Belron repriced two outstanding term loans, distributed a €363m interim ordinary dividend (€188m for D'Ieteren Group) and was assigned an Investment Grade rating by Fitch (BBB-).
- In May 2023, D'Ieteren Group completed its solidarity-based share buyback programme of €150m which started on 4 September 2019. D'Ieteren Group announced a new €100m similar programme in November 2023.
- Also in May 2023, D'Ieteren Group and other shareholders bought additional shares in Belron from the Employee Benefits Trust. The new shareholding structure is as follows:
    - D'Ieteren Group: 50.3% (average economic interest for FY-23: 50.20%)
    - CD&R: 20.4%
    - H&F, GIC and BlackRock: 18.2%
    - Management & Atessa: 11.0%.
- After almost 8 years, Arnaud Laviolette retired as Group CFO as of 1 September 2023. Following his departure, Edouard Janssen was appointed Group CFO and Nicolas Saillez was appointed Group CIO (Chief Investment Officer). Together with Amélie Coens (Chief Legal Officer), they joined Francis Deprez in the Group Executive Committee.
- In October 2023, In light of PHE's robust operating performance, S&P has upgraded PHE's credit ratings to BB- from B+, outlook stable. Moody's has affirmed the B2 credit rating, and upgraded the outlook from stable to positive.
- In January 2024, PHE refinanced its outstanding bonds with a €960m TLB with a maturity of 7 years.
- D'Ieteren Group responded for the first time to the Climate Change questionnaire of the CDP. The Group achieved a B score, demonstrating a good environmental management.

Group Summary

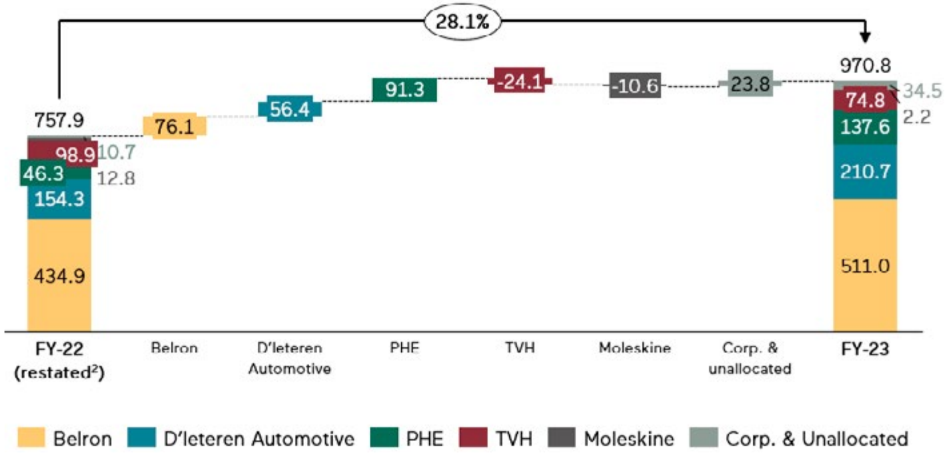
Consolidated sales under IFRS amounted to **€7,983.6m (+69.3% YoY)**. This figure excludes Belron and TVH and includes PHE at 100% for the full-year versus five months in 2022. **Sales, Group's share**[1] amounted to **€11,662.3m (+42.9% YoY)** with Belron at 50.2% for both periods.

Sales, Group's share (€m)



The **consolidated profit before tax under IFRS** reached €612.9m (€388.8m in 2022). The key performance indicator, the ***adjusted* profit before tax, Group's share**[1], amounted to €970.8m, increasing by 28.1% over 2022, and an improvement of 17.1% excluding PHE (Belron at 50.2% for both periods).

Evolution of the *adjusted* consolidated profit before tax, Group's share[1] (€m)



The **Group's share in the net result** equalled €504.7m (€332.7m in 2022). **The *adjusted* net profit, Group's share**[1], reached €733.3m (50.20% stake in Belron) compared to €548.5m (50.01% stake in Belron) in 2022.

The Board of Directors proposes a **gross ordinary dividend of €3.75** per share. If this dividend is approved by the General Meeting of Shareholders on 30 May 2024, it will be paid on 13 June 2024.

The net cash position[3] **of "Corporate & Unallocated"** amounted to **€1,188.3m** at the end of 2023 (€915.9m excluding €272.4m of inter-segment loan) compared to €634.9m at the end of 2022 and €934.9m at the end of June 2023.

Belron

€m	2022			2023				
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total	% change adjusted items	% change total
VGRR prime jobs (in million)	-	-	12.6	-	-	12.8	-	2.1%
External sales	5,574.3	-	5,574.3	6,047.7	-	6,047.7	8.5%	8.5%
Operating result	1,016.7	-155.8	860.9	1,239.5	-169.9	1,069.6	21.9%	24.2%
Net finance costs	-150.6	-198.2	-348.8	-222.6	-2.5	-225.1	47.8%	-35.5%
Result before tax (PBT)	866.5	-354.0	512.5	1,018.0	-172.4	845.6	17.5%	65.0%
Adjusted PBT, group's share[1] (@ 50.20%)	434.9	-	-	511.0	-	-	17.5%	-

Sales and results

Sales

The economic environment during 2023 was one of ongoing inflationary pressures and tight labour markets. Belron responded well to these factors with mitigations including cost and pricing actions.

Belron's total sales (at 100%) **increased by 8.5%** to €6,047.7 in 2023. Sales increase was driven by 2.1% volume growth (VGRR prime jobs), a favourable price / mix effect and a positive contribution from ADAS (penetration rate of 36.4%) and VAPS (attachment rate of 22.1%).

Sales growth is comprised of **9.0% organic[5] growth**, contribution from acquisitions of 1.9% and a negative currency effect of -2.4%.

North America (58% of total) sales grew by 4.7%, resulting from 5.1% organic[5] growth, acquisitions of 2.7% and a negative currency translation of -3.1%. The **Eurozone** (29% of total) sales grew by 14.7%, composed of a 13.9% organic[5] sales growth, 0.7% from acquisitions and 0.1% from currency translation. **Rest of World** (13% of total) sales increased by 12.5%, relating to 16.4% organic[5] growth, acquisitions of 0.5%, and an unfavourable currency translation effect of -4.4%.

Results

The **operating result** (at 100%) for the full year rose by 24.2% YoY to €1,069.6m and the ***adjusted* operating result**[1] improved by 21.9% to €1,239.5m, implying an *adjusted* operating margin[1] improvement of 226bps to 20.5%. The total amount spent on the global **transformation programme** represents €124.1m in 2023 (€122.7m in 2022), of which €57.1m classified as *adjusting* items[1] (€53.0m in 2022), leading to a decrease in *adjusted* transformation costs[1] of -€2.7m YoY. The programme continues to make solid progress, with some of the operational solutions going live in the year.

***Adjusting* items**[1] at the level of the operating result totalled -€169.9m (see details in the Alternative Performance Measurements – APM – section).

The **profit before tax** reached €845.6m (€512.5m in 2022).

The ***adjusted* profit before tax, Group's share**[1] increased by 17.5% YoY to €511.0m on a comparable basis (assuming 50.20% stake in 2022 and 2023).

Net debt and free cash flow

The **free cash flow**[6] (after tax) amounted to €713.5m (€298.8m in 2022). The significant YoY free cash flow[6] improvement is largely explained by:

- a 18.6% improvement (or €235.9m) in *adjusted* EBITDA[1];
- a cash inflow from working capital requirement versus a large outflow in 2022, which was related to the stocking up on the back of inflationary and supply chain pressures;
- a lower acquisitions spend versus 2022;
- a lower cash cost from *adjusting* items[1], stemming primarily from the transformation programme cash costs.

These elements were partially offset by higher cash interest costs on the back of the issuance of new debt in April 2023, higher taxes paid as a result of the better operational results, and higher capital expenditures with the roll-out of the new ADAS equipment and the footprint expansion.

Belron's **net financial debt**[3] reached €4,689.8m (100%) at the end of 2023 compared to €4,020.1m at the end of 2022 and to €4,537.0m at the end of H1-23. The increase of €669.7m since December 2022 is primarily the result of the dividend paid to Belron's shareholders (€1,448.7m, of which €761.0m to D'Ieteren Group) following the additional financing operated in April 2023 and the ordinary interim dividend paid in December 2023, additional lease liabilities and the repurchase of shares to MRP participants, partially compensated by the strong free cash-flow generation, the proceeds from the disposal of own shares to existing shareholders, and favourable exchange rate impact on net financial debt.

Belron's Senior Secured Net Leverage Ratio (Senior Secured indebtedess[3]/proforma EBITDA post-IFRS 16[4] multiple) declined to 2.95x at the end of December 2023 versus 3.03x at the end of June 2023.

Sustainability

In 2023 Belron continued to make significant progress in returning used vehicle glass for recycling. It further increased its global glass vehicle waste recycling to 97% up from 89% in 2022 and 72% in 2021.

D'Ieteren Group KPIs[7]: Belron obtained validation of its near-term (2030) and long-term (2050) net zero emissions reduction targets by the Science Based Targets Initiative (SBTi). In terms of customer satisfaction, Belron achieved once again a world class NPS of 84.7, an improvement on the score of 82.2 recorded in 2022. The annual employee engagement survey showed 89.2% of people actively engaged, up from 86.2% in 2022.

D'Ieteren Automotive

€m	2022 APM (non-GAAP measures)[1] Adjusted items	2022 Adjusting items	2022 Total	2023 APM (non-GAAP measures)[1] Adjusted items	2023 Adjusting items	2023 Total	% change adjusted items	% change total
New vehicles delivered (in units)	-	-	89,469	-	-	124,929	-	39.6%
External sales	3,609.5	-	3,609.5	5,296.5	-	5,296.5	46.7%	46.7%
Operating result	146.5	-0.6	145.9	222.5	-31.1	191.4	51.9%	31.2%
Net finance costs	-3.7	10.2	6.5	-15.9	-	-15.9	329.7%	-
Result before tax (PBT)	149.6	9.6	159.2	208.0	-33.4	174.6	39.0%	9.7%
Adjusted PBT, group's share[1]	154.3	-	-	210.7	-	-	36.6%	-

Activities and results

Market and deliveries

The Belgian new car market significantly rebounded with restored production capacity and deliveries to end-clients. Excluding de-registrations within 30 days[2], the number of Belgian **new car registrations** increased by 30.2% to 468,622 units. The **business segment**'s share in new car sales increased further to 68.8% of total new car registrations (including self-employed) versus 63.9% in 2022. **New energy** share in the market mix continued to increase from 34.8% in 2022 to 49.1%. D'Ieteren Automotive remains the leader in full electric vehicles in Belgium with a 28.1% market share.

D'Ieteren Automotive's overall **net market share** increased by 169bps to a record level of 24.2%. This was mainly driven by VW, Skoda and Cupra.

The total number of **new vehicles**, including commercial vehicles, delivered by D'Ieteren Automotive in 2023 reached 124,929 units (+39.6%). The order book at the end of 2023 was close to 58.000 vehicles which still represents a very high level compared to pre-Covid period.

Sales

D'Ieteren Automotive's **sales** increased by 46.7% to €5,296.5m, notably driven by delivery volumes, market share gains and a positive price / mix as well as another remarkable performance in spare parts.

- New vehicles sales increased by 48.4% to €4,294.5m
- Used cars sales gained 46.8% YoY, reaching €449.2m
- Spare parts and accessories sales gained 16.0% to €319.2m

- Other revenues from new or developing activities related to mobility increased by 96.3% YoY to €158.8m
- Revenues from after-sales activities amounted to €74.8m (+37.5% YoY)

Results

The **operating result** reached €191.4m (+31.2% YoY) and the ***adjusted* operating result**[1], at €222.5m, increased by 51.9% leading to an *adjusted* operating margin of 4.2%. This positive development was largely driven by the sales trend and tight cost management.

***Adjusting* items**[1] at the operating result level were at -€31.1m, primarily related to the cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounting to -€26.0m (-€7.2m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items[1]). See details in the APM section.

The **profit before tax** reached €174.6m (+9.7%) or €208.0m (+39.0%) excluding *adjusting* items[1].

The ***adjusted* profit before tax, Group's share**[1], improved by 36.6% to €210.7m. The contribution of the equity accounted entities amounted to €2.9m (versus €10.9m in 2022, essentially because of Volkswagen D'Ieteren Finance where the strong increase in interest rates over the last 18 months combined with long delivery times impacted the profit).

Net debt and free cash flow

The **free cash flow**[6] (after tax) returned largely to positive levels, at €139.2m compared to -€101.3m in 2022. The significant increase YoY mainly reflects:

- the strong increase in operational results; and
- a significant cash inflow from working capital, largely driven by a lower cash outflow related to inventory as the produced cars were delivered to end-customers, while 2022 saw a significant working capital outflow as the deliveries from the factories accelerated at the very end of the year; as well as increased trade payables; these elements being partly offset by increased trade receivables.

D'Ieteren Automotive's **net financial debt**[3] increased from €210.8m at the end of 2022 to €250.0m at the end 2023, but declined since the end of H1-23 where it stood at €310.5m, mainly driven by the free cash flow generation. D'Ieteren Automotive's leverage ratio Net debt[3] / *adjusted*[1] EBITDA[4] was at 0.9x at the end of 2023.

Sustainability

D'Ieteren Automotive started to implement "Project Zero", its climate plan aimed at transforming the company into a net-zero business by offering low carbon mobility solutions to its clients. It remained the Belgian leader in electric vehicles, with 22% of its sales volume being BEVs, compared to 11% in 2022. The company's electric services subsidiary EDI installed 8,052 charging stations, up from 6,783 in 2022. Go Solar, the company acquired in 2022 to complete D'Ieteren's electric energy offering served both B2B and B2C clients with photovoltaic panels and home batteries. Lucien opened 9 new bike stores, bringing the total number of stores to 19. The car sharing company Poppy also signed a very good year with a number of trips increasing by 114%, from 504k trips in 2022 to 1,078k trips in 2023.

D'Ieteren Group KPIs[7]: D'Ieteren Automotive committed towards SBTi in 2022 and prepares for submitting its target this year. In terms of customer satisfaction, its NPS score stood at 56.2 for the sales of new cars (vs. 61.5 in 2022), and 50.5 for after sales (vs. 51 in 2022), the decrease in satisfaction related to the sales of new vehicles being mainly explained by extended delivery times and aftersales capacity constraints. D'Ieteren Automotive's people engagement survey which for the first time involved all subsidiaries resulted in a score of 83%.

PHE

NB: The figures presented below represent D'Ieteren Group's PHE segment, composed of PHE operating company and PHE's holding company.

€m	2022 (Aug-Dec)			2023		
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]		
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total
External sales	961.8	-	961.8	2,556.9	-	2,556.9
Operating result	78.6	-39.2	39.4	231.6	-65.2	166.4
Net finance costs	-31.1	-	-31.1	-85.2	-14.6	-99.8
Result before tax (PBT)	47.7	-39.2	8.5	146.5	-79.8	66.7
Adjusted PBT, group's share[1]	46.3	-	-	137.6	-	-

Sales and results

Sales

PHE's **total sales**, (at 100%) were at €2,556.9m (+13.1% versus FY-2022). This strong performance was driven by 9.5% organic growth[5] and 3.6% from acquisitions.

France (66.7% of total) showed a 9.7% organic growth[5], while international activities' (33.3% of total) organic growth[5] was 9.4%, highlighting a high level of activity and market share gains in a context of normalising price inflation.

Results

Operating result for 2023 stood at €166.4m. The ***adjusted* operating result**[1] came in at €231.6m (+29.2% YoY), representing a solid *adjusted* operating margin[1] of 9.1% versus 8.2% in the last five months of 2022 (as restated for the purchase price allocation and the classification of the share-based payment and long-term incentive program expenses as *adjusting* items[1]).

***Adjusting* items**[1] were at -€65.2m at the operating result level (see details in the APM section). These consist primarily of the amortisation of customer relationships recognised as intangibles (-€28.6m) following the purchase price allocation finalised by the Group and following the acquisitions performed by PHE since the closing of the acquisition by the Group on the 4th of August 2022, as well as the cash-settled share-based payment expense of -€29.9m.

The **profit before tax** reached €66.7m and the ***adjusted* profit before tax, Group's share**[1] amounted to €137.6m.

Net debt and free cash flow

Free cash flow[6] for PHE segment after acquisitions and the disposal of Mondial Pare-Brise was at €36.9m, driven by strong operational results and €92.1m proceeds from the disposal of Mondial Pare-Brise, partly offset by:

- a working capital outflow of -€130.3m, primarily related to PHE's decision to contain finance costs by decreasing significantly non-recourse factoring (impact on working capital of -€104.5m, excluding that impact, working capital was stable as a percentage of sales);
- cash interests paid of -€81.8m;
- capital expenditures of -€47.3m (stable at 1.8% of sales);
- -€32.8m invested in acquisitions (mostly 3 acquisitions in Spain); and
- cash taxes of -€31.6m.

Net financial debt[3] according to D'Ieteren Group's definition decreased YoY by -€36.2m to €1,195.6m at the end of 2023 mainly due to the free cash flow generation. This definition does not include the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'Ieteren Group in the holding company of PHE. The leverage ratio net financial debt[3] / EBITDA[4] (post-IFRS 16), according to lenders' definition, was 3.6x at the end of 2023 versus 4.0x at the end of 2022.

Sustainability

PHE carried out a Double Materiality Assessment with the help of an external advisor, based on which an integrated sustainability strategy will be developed in 2024. A new Environmental Director was hired to oversee the implementation of the strategy, while bringing to the company the expertise needed to develop the environmental approach.

D'Ieteren Group KPIs[7]: PHE measured the satisfaction rate of its clients in several BUs. It obtained a score of 4.56 in B2B and 4.61 in B2C on a scale of 5 on the perimeter of the French call centers.
PHE ran for the first time an engagement survey among its 3,600 employees in the automotive parts distribution business, resulting in a score of 90%.

TVH

€m	2022 APM (non-GAAP measures)[1] Adjusted items	2022 APM (non-GAAP measures)[1] Adjusting items	2022 Total	2023 APM (non-GAAP measures)[1] Adjusted items	2023 APM (non-GAAP measures)[1] Adjusting items	2023 Total	% change adjusted items	% change total
External sales	1,621.7	-	1,621.7	1,607.0	-	1,607.0	-0.9%	-0.9%
Operating result	259.8	-87.8	172.0	217.9	-104.4	113.5	-16.1%	-34.0%
Net finance costs	-12.6	6.1	-6.5	-30.8	-6.1	-36.9	144.4%	467.7%
Result before tax (PBT)	247.2	-81.7	165.5	187.1	-110.5	76.6	-24.3%	-53.7%
Adjusted PBT, group's share[1]	98.9	-	-	74.8	-	-	-24.4%	-

Sales and results

Sales

TVH posted **total sales** (at 100%) of €1,607.0m in 2023, which represents a -0.9% decline YoY, representing flat organic[5] revenues, 0.7% growth from acquisitions and -1.6% related to negative currency translation impact. Organic growth[5] was largely impacted by a cyberattack, which prevented most systems from working between March 19th and April 5th. Systems became progressively operational since April 5th and were fully restored by April 17th thanks to significant efforts and energy from the teams. While activity was strong prior to the attack, volumes softened, driven by a lower volume growth environment and to a relative loss of share of wallet at some clients as a direct result of the attack. The one-off sales loss directly attributable to the attack is estimated at c.€85m, additionally TVH also lost c.15m of sales due to the suspension of its activities in Russia.

Results

Operating result (at 100%) stood at €113.5m, and ***adjusted* operating result**[1] at €217.9m (-16.1% YoY), representing an *adjusted* operating margin[1] of 13.6%, mainly reflecting the impact of the cyberattack as well as inflation on personnel and SG&A costs.

Costs related to the IT and business transformation programme Innovatis were at c.€48.0m, primarily related to the new enterprise software tools and increased costs for software licenses. Part of these costs related to system integrators fees (€19.6m) are reported as *adjusting* items[1].

***Adjusting* items**[1] at the operating result amounted to -€104.4m (see details in the APMs section), primarily related to the purchase price allocation of TVH finalised in the second half of 2022. *Adjusting* items[1] also include -€19.6m of fees from system integrators in relation to the IT and business transformation programme (-€10.4m in the prior period).

The **profit before tax** reached €187.1m in 2023 and the ***adjusted* profit before tax, Group's share**[1] amounted to €74.8m (-24.4% YoY).

Net debt and free cash flow

Free cash flow[6] generation significantly improved compared to 2022, at €85.6m (versus -€52.6m), primarily related to:

- a working capital inflow versus a significant outflow in 2022, which was the result of a voluntarily high level of inventory to face supply chain disruption;
- lower cash taxes resulting from the lower results; and
- less acquisitions investments.

These elements were partly offset by a softer operating performance due to the cyberattack and higher cash interest costs.

TVH **net financial debt**[3] (100%) decreased from €900.1m at the end of 2022 to €802.3m at the end of 2023. The decline is primarily attributable to the free cash flow generation. At the end of 2023, TVH concluded a new mid-term loan of €300m. The proceeds from the new loan were used to reimburse the shareholder loan of €100m (of which €40m to the Corporate and Unallocated segment) and a large part of the outstanding straight loans. The leverage ratio net financial debt[3] / LTM *adjusted*[1] EBITDA[4] stands at 3.1x.

Sustainability

TVH carried out a double materiality assessment to prepare for the new EU Corporate Sustainability Reporting Directive (CSRD). As an outcome, most material sustainability risks and opportunities were integrated into its new strategic plans, in line with its vision of achieving sustainable growth in all its meanings.

D'Ieteren Group KPIs[7]: TVH measured their scope 1, 2 and 3 emissions for the second time in 2022. The emission of scope 1 and 2 decreased. For scope 3, TVH is currently working on an action plan to refine the measurement to properly guide their emission reduction efforts. TVH customer satisfaction score (NPS) stood at 52.3, up from 50.2 in 2022. In terms of employee engagement, TVH also noticed a positive trend as the engagement index level moved up with 4%, from 81% in 2022 to 85% in 2023.

Moleskine

€m	2022 APM (non-GAAP measures)[1] Adjusted items	2022 Adjusting items	2022 Total	2023 APM (non-GAAP measures)[1] Adjusted items	2023 Adjusting items	2023 Total	% change adjusted items	% change total
External sales	*143.3*	-	143.3	*130.2*	-	130.2	*-9.1%*	-9.1%
Operating result	*23.8*	-2.6	21.2	*23.4*	3.5	26.9	*-1.7%*	26.9%
Net finance costs	*-11.0*	-	-11.0	*-21.2*	-	-21.2	*92.7%*	92.7%
Result before tax (PBT)	*12.8*	-2.6	10.2	*2.2*	3.5	5.7	*-82.8%*	-44.1%
Adjusted PBT, group's share[1]	*12.8*	-	-	*2.2*	-	-	*-82.8%*	-

Sales and results

Sales

Moleskine's **sales** declined by 9.1% YoY in 2023 to €130.2m, composed of -7.5% organic decline[5], and a negative currency impact of -1.6%. This performance resulted from a context of destocking policies at retailers and e-commerce platforms, and restrictions on corporate gifting budgets, related to pervasive uncertain economic conditions observed in 2023.

Sales evolution by region:

- **EMEA** (44% of total) declined by -2.7%, driven by a soft Italian market and despite the success in the wholesale channel of the "win with the winners" strategy.
- **Americas** (41% of total) declined by -13.7%, including a negative FX effect of -2.3%. The region was the most impacted by the reduced sell-in from destocking policies at retailers and e-commerce platforms.
- **APAC** (14% of total) also declined by -13.7%, suffering from softened wholesale performance in China and Japan.

Results

Operating result increased from €21.2m in 2022 to €26.9m in 2023. *Adjusted* operating result[1] declined by -1.7%, reflecting the negative sales evolution combined with a strict cost discipline, leading to a robust *adjusted* operating result margin[1] of 18.0% versus 16.6% in 2022.

Adjusting items[1] at the operating result level amounted to €3.5m in 2023 (see more details in the APM section). These reflect mainly a full provision reversal on the long-term incentive plan. Other *adjusting* item[1] in the operating result relates to a provision for an exceptional cash bonus granted to the management for the efforts and the business impact achieved these last years.

The **profit before tax** amounted to €5.7m compared to €10.2m in 2022. The ***adjusted* profit before tax, Group's share**[1] was at €2.2m versus €12.8m in 2022, impacted by higher net financial costs.

Net debt and free cash flow

Free cash flow[6] decreased versus 2022, at €4.1m, reflecting primarily the €20.1m interests paid to the Corporate & unallocated segment due on the inter-segment financing and -€1.0m lower *adjusted*[1] EBITDA[4], partially compensated by a working capital inflow versus an outflow in 2022.

Moleskine's net financial debt[3] slightly declined to €269.3m at the end of 2023 compared to €275.7m at the end of 2022, of which €272.4m inter-segment financing. The decline is mainly the result of the positive free cash flow generation. Moleskine's external bank loan has been fully repaid during the first semester (€15m as of 31 December 2022).

Sustainability

Pursuing its waste elimination programme, Moleskine was able to recycle 250 tons of products (representing 36% of unsellable stock) in 2023, compared to 72,5 tons in 2022. The programme aims to gradually cut waste using three main drivers: prevent, repurpose, recycle.

D'Ieteren Group KPIs[7]: Moleskine's GHG emission reduction target was submitted to and validated by SBTi. For the first time, the company measured the engagement of its global corporate staff, resulting in a score of 71%. This process was led as part of the annual employee satisfaction survey which resulted in a score of 3.8/5 (5 being the highest rate), compared to 3.7/5 in 2022.

Corporate and unallocated

€m	2022			2023				
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total	% change adjusted items	% change total
External sales	-	-	-	-	-	-	-	-
Operating result	-2.1	-2.9	-5.0	-2.6	-6.5	-9.1	-	-
Net finance costs	12.8		12.8	37.1	-19.6	17.5	189.8%	36.7%
Result before tax (PBT)	10.7	-2.9	7.8	34.5	-26.1	8.4	222.4%	7.7%
Adjusted PBT, group's share[1]	10.7	-	-	34.5	-	-	222.4%	-

Results

The segment "Corporate and Unallocated" mainly includes the Corporate and Real Estate activities (D'Ieteren Immo S.A.). The ***adjusted* operating result**[1] reached -€2.6m versus -€2.1m in 2022.

***Adjusted*[1] net finance income** evolution was mainly due to significantly higher interests, including €20.1m paid by Moleskine on the inter-segment loan.

***Adjusting* items**[1] at the level of net finance costs relate to a €19.6m of impairment charge recognised on the Group's outstanding investment in the Supply Chain Finance Fund managed by Credit Suisse, which entered into a liquidation process in 2021. The impairment charge takes into consideration the best estimate of the amount of liquidation costs borne by the fund which may be attributable to the Group (€11.5m). Additionally, and given the uncertainty of timing to recover the remaining inventory value, the Group discounted the financial asset for a total amount of €8.1m. At 31 December 2023, the carrying value of the investment amounts to €94.8m. See more details in the APMs section.

***Adjusted* profit before tax, Group's share**[1] came in at €34.5m compared to €10.7m in 2022.

Net cash and free cash flow

Free cash flow[6] generated by the Corporate and unallocated segment improved from €10.1m in 2022 to €32.8m in 2023, primarily relating to the interests received from the Moleskine segment (€20.1m) due on the inter-segment financing.

The **net cash**[3] position of "Corporate & Unallocated", which includes Corporate, increased from €634.9m on 31 December 2022 to €1,188.3m on 31 December 2023, of which €272.4m of inter-segment financing. The increase in the net financial position of €553.4m is mainly the result of the dividends received from Belron (€761.0m) and from D'Ieteren Automotive (€86.9m) and the free cash flow generation at the Corporate & Unallocated segment, partially offset by the dividend paid out to the shareholders of D'Ieteren Group in June 2023 (-€160.7m), the acquisition of treasury shares (-€60.3m), -€37.6m of additional lease liabilities (contracted mainly to finance real estate projects) and the acquisition in May 2023 of additional Belron's shares (-€50.0m, previously held by the Employee Benefit Trust).

Research and development

Research and development costs incurred by the Group totalled c. €54m in 2023.

Belron has its own dedicated Research and Development division, Belron Technical. By continuously developing technical standards and innovations that break new ground in vehicle glass repair, replacement and recalibration, the division enables the business to continue to deliver a high-quality and safe service to all its customers, while improving the skills and safety of its technicians. Belron's R&D budget rose to about €4m in 2023 from €3.1m in 2022, primarily driven by the increasing need for R&D on increasingly complex vehicle safety systems.

D'Ieteren Automotive, notably through its Lab Box subsidiary, explores, analyses and develops sustainable and innovative mobility and software solutions for citizens and corporations, such as Poppy, Mbrella, Mobvious, Joule, … Investments in Lab Box by D'Ieteren Automotive amounted to €10.6m in 2023 versus €34m in 2022 on a different scope, as EDI & Go Solar are now in a separate entity within D'Ieteren Automotive.

At Moleskine, R&D expenditure for 2023 was c. €180k and focused on developing products and materials and on building solutions to create a connection between digital and paper products.

PHE has continued to invest c. €8m in 2023, in the maintenance, development and upgrade of its proprietary digital solutions including Autossimo (B2B light vehicle spare parts web catalogue and ordering system), AD.FR, idGarages.com (online platforms for bookings, online appointments and on demand estimates) and Oscaro, its B2C website. On top of the return application designed to simplify return process for garages, PHE developed in 2023, a proprietary sales force application, HUB360, dedicated to improving the interaction with its customers. Finally, PHE has also invested in a Digital Availability Platform to analyse customer demand on its B2B website, Autossimo, with the goal of maximising product availability based on customer needs.

2023 marked another important year in the books of TVH in terms of R&D activities. An aggregate amount of c. €30m was invested as part of the ongoing efforts to develop and improve solutions for its business operations ranging from automation projects in logistics and warehousing, a further development and release of an integrated e-commerce platform and related tools to support the (rebranded) go-to-market strategy, several projects to make the entire IT and data infrastructure more robust and safe as well as to increase its resilience. An additional amount of €1.5m was spent in the development of software solutions for TVH's telematics systems activities.

Notes

[1] *In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, D'Ieteren Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definitions are not addressed by IFRS. D'Ieteren Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures. See page 60 for the definition of these performance indicators.*

[2] *In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.*

[3] *The net financial debt is not an IFRS indicator. D'Ieteren Group uses this Alternative Performance Measure to reflect its indebtedness. This non-GAAP indicator is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. See page 69.*

[4] *EBITDA is not an IFRS indicator. This APM (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. Since the method for calculating the EBITDA is not governed by IFRS, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.*

[5] *"Organic growth" is an Alternative Performance Measure used by the Group to measure the evolution of revenue between two consecutive periods, at constant currency and excluding the impact of change in perimeter of consolidation or business acquisitions.*

[6] *Free cash-flow is not an IFRS indicator. This APM measure is defined as [Adjusted EBITDA - other non-cash items – change in working capital – capital expenditures – capital paid on lease liabilities – taxes paid – net interest paid – acquisitions + disposals– cash-flow from adjusting items + other cash items]*

[7] *D'Ieteren Group measures three non-financial dimensions throughout its businesses, namely customer satisfaction, employee engagement and CO_2 emissions. Non-financial KPIs are not yet audited. A selection of KPIs, including Group KPIs, will be subject to limited external assurance as part of the annual report to be published in April.*

Auditor's Report

"The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Axel Jorion, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement."

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren Group's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'Ieteren Group. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'Ieteren Group does not assume any responsibility for the accuracy of these forward-looking statements.

Alternative Performance Measurement (APM) – Non-Gaap Measurement

Framework and definitions

In order to better reflect its underlying performance and assist investors, securities analysts and other interested parties in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These alternative performance metrics are used internally for analysing the Group's results as well as its business units.

These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. They are derived from the audited IFRS accounts. The APMs may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's performance or liquidity under IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Each line of the statement of profit or loss (see below), and each subtotal of the segment statement of profit or loss (see below), is broken down in order to provide information on the *adjusted* result and on the *adjusting* items.

The *adjusting* items are identified by the Group in order to present comparable figures, giving to the investors a better view on the way the Group is measuring and managing its financial performance. They comprise the following items, but are not limited to:

(a) Recognised fair value gains and losses on financial instruments (i.e. change in fair value between the opening and the end of the period, excluding the accrued cash flows of the derivatives that occurred during the period), where hedge accounting may not be applied under IAS 39/IFRS 9;

(b) Exchange gains and losses arising upon the translation of foreign currency loans and borrowings at the closing rate;

(c) Impairment of goodwill and other non-current assets;

(d) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation as defined by IFRS 3 of the cost of a business combination;

(e) Share-based payment and long-term incentive program expenses;

(f) Other material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

Adjusted result consists of the IFRS reported result, excluding *adjusting* items as listed above.

The Group uses as key performance indicator the *adjusted* consolidated result before tax, Group's share (*Adjusted* PBT, Group's share). This APM consists of the segment reported result before tax (PBT), taking into account the result before tax of the discontinued operations, and excluding *adjusting* items and the share of minority shareholders.

Presentation of APMs in the consolidated statement of profit or loss for the year ended 31 December

€m	2023			2022(1)		
		Of which			*Of which*	
	Total	*Adjusted result*	*Adjusting items*	**Total**	*Adjusted result*	*Adjusting items*
Revenue	**7,983.6**	*7,983.6*	-	**4,714.6**	*4,714.6*	-
Cost of sales	-6,177.5	*-6,177.2*	*-0.3*	-3,744.0	*-3,744.0*	-
Gross margin	1,806.1	*1,806.4*	*-0.3*	970.6	*970.6*	-
Commercial and administrative expenses	-1,458.0	*-1,353.6*	*-104.4*	-780.9	*-730.3*	*-50.6*
Other operating income	58.1	*52.1*	*6.0*	33.9	*28.5*	*5.4*
Other operating expenses	-30.6	*-30.0*	*-0.6*	-22.1	*-22.0*	*-0.1*
Operating result	**375.6**	*474.9*	*-99.3*	**201.5**	*246.8*	*-45.3*
Net finance costs	-119.4	*-85.2*	*-34.2*	-22.8	*-33.0*	*10.2*
Finance income	24.1	*23.6*	*0.5*	16.8	*6.6*	*10.2*
Finance costs	-143.5	*-108.8*	*-34.7*	-39.6	*-39.6*	-
Share of result of equity-accounted investees, net of income tax	356.7	*460.2*	*-103.5*	210.1	*393.7*	*-183.6*
Result before tax	**612.9**	*849.9*	*-237.0*	**388.8**	*607.5*	*-218.7*
Income tax expense	-102.6	*-111.0*	*8.4*	-58.9	*-61.8*	*2.9*
Result from continuing operations	**510.3**	*738.9*	*-228.6*	**329.9**	*545.7*	*-215.8*
Discontinued operations	-	-	-	2.9	*2.9*	-
RESULT FOR THE PERIOD	**510.3**	*738.9*	*-228.6*	**332.8**	*548.6*	*-215.8*
Result attributable to:					-	-
Equity holders of the Company	**504.7**	*733.3*	*-228.6*	**332.7**	*548.5*	*-215.8*
Non-controlling interests ("NCI")	5.6	*5.6*	-	0.1	*0.1*	-
Earnings per share						
Basic (in €)	9.41	*13.67*	*-4.26*	6.18	*10.18*	*-4.00*
Diluted (in €)	9.34	*13.57*	*-4.23*	6.11	*10.07*	*-3.96*
Earnings per share - Continuing operations						
Basic (in €)	9.41	*13.67*	*-4.26*	6.13	*10.13*	*-4.00*
Diluted (in €)	9.34	*13.57*	*-4.23*	6.06	*10.02*	*-3.96*

(1) As restated – refer to note 1 of the 2023 Consolidated financial statements for more information on the restatement of comparative information.

Presentation of APMs in the segment statement of profit or loss for the year ended 31 December

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine, TVH and PHE (as from 5th August 2022 – including the holding company of the PHE Group). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments". Despite their classification as equity-accounted investees, Belron and TVH remain separate reportable operating segments, reflecting the Group's internal reporting structure.

€m	2023							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
External revenue	5,296.5	6,047.7	130.2	1,607.0	2,556.9	-	-7,654.7	7,983.6
Inter-segment revenue	0.3	-	0.1	-	-	-	-0.4	-
Segment revenue	**5,296.8**	**6,047.7**	**130.3**	**1,607.0**	**2,556.9**	**-**	**-7,655.1**	**7,983.6**
Operating result (being segment result)	**191.4**	**1,069.6**	**26.9**	**113.5**	**166.4**	**-9.1**	**-1,183.1**	**375.6**
Of which Adjusted result	*222.5*	*1,239.5*	*23.4*	*217.9*	*231.6*	*-2.6*	*-1,457.4*	*474.9*
Adjusting items	*-31.1*	*-169.9*	*3.5*	*-104.4*	*-65.2*	*-6.5*	*274.3*	*-99.3*
Net finance costs	-15.9	-225.1	-21.2	-36.9	-99.8	17.5	262.0	-119.4
Finance income	1.5	27.7	0.5	3.6	4.3	15.6	-29.1	24.1
Finance costs	-17.4	-252.8	-1.6	-38.3	-104.1	-20.4	291.1	-143.5
Inter-segment financing interests	-	-	-20.1	-2.2	-	22.3	-	-
Share of result of equity-accounted investees, net of income tax	-0.9	1.1	-	-	0.1	-	356.4	356.7
Result before tax	**174.6**	**845.6**	**5.7**	**76.6**	**66.7**	**8.4**	**-564.7**	**612.9**
Of which Adjusted result	*208.0*	*1,018.0*	*2.2*	*187.1*	*146.5*	*34.5*	*-746.4*	*849.9*
Adjusting items	*-33.4*	*-172.4*	*3.5*	*-110.5*	*-79.8*	*-26.1*	*181.7*	*-237.0*
Income tax expense	-63.2	-171.6	-5.4	-29.1	-25.2	-8.8	200.7	-102.6
Result from continuing operations	**111.4**	**674.0**	**0.3**	**47.5**	**41.5**	**-0.4**	**-364.0**	**510.3**
Of which Adjusted result	*145.0*	*805.3*	*-2.5*	*135.8*	*112.3*	*25.4*	*-482.4*	*738.9*
Adjusting items	*-33.6*	*-131.3*	*2.8*	*-88.3*	*-70.8*	*-25.8*	*118.4*	*-228.6*
Discontinued operations	-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD	**111.4**	**674.0**	**0.3**	**47.5**	**41.5**	**-0.4**	**-364.0**	**510.3**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH (*)	PHE	Corp. & unallocated	Group
Equity holders of the Company(*)	**112.6**	**338.4**	**0.3**	**19.1**	**34.7**	**-0.4**	**504.7**
Of which Adjusted result	*146.2*	*404.3*	*-2.5*	*54.4*	*105.5*	*25.4*	*733.3*
Adjusting items	*-33.6*	*-65.9*	*2.8*	*-35.3*	*-70.8*	*-25.8*	*-228.6*
Non-controlling interests ("NCI")	-1.2	-	-	-	6.8	-	5.6
RESULT FOR THE PERIOD	**111.4**	**338.4**	**0.3**	**19.1**	**41.5**	**-0.4**	**510.3**

(*) Belron at 50.20% (weighted average economic percentage for the period) and TVH at 40.00% – see note 17 of the 2023 Consolidated financial statements.

Presentation of APMs in the segment statement of profit or loss for the year ended 31 December (continued)

€m				2022(1)					
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
External revenue		3,609.5	5,574.3	143.3	1,621.7	961.8	-	-7,196.0	4,714.6
Inter-segment revenue		-	-	-	-	-	-	-	-
Segment revenue		**3,609.5**	**5,574.3**	**143.3**	**1,621.7**	**961.8**	**-**	**-7,196.0**	**4,714.6**
Operating result (being segment result)		**145.9**	**860.9**	**21.2**	**172.0**	**39.4**	**-5.0**	**-1,032.9**	**201.5**
Of which	*Adjusted result*	*146.5*	*1,016.7*	*23.8*	*259.8*	*78.6*	*-2.1*	*-1,276.5*	*246.8*
	Adjusting items	*-0.6*	*-155.8*	*-2.6*	*-87.8*	*-39.2*	*-2.9*	*243.6*	*-45.3*
Net finance costs		6.5	-348.8	-11.0	-6.5	-31.1	12.8	355.3	-22.8
Finance income		11.2	20.5	2.1	15.4	0.2	1.0	-33.6	16.8
Finance costs		-4.7	-369.3	-2.4	-19.6	-31.3	-1.2	388.9	-39.6
Inter-segment financing interests		-	-	-10.7	-2.3	-	13.0	-	-
Share of result of equity-accounted investees, net of income tax		6.8	0.4	-	-	0.2	-	202.7	210.1
Result before tax		**159.2**	**512.5**	**10.2**	**165.5**	**8.5**	**7.8**	**-474.9**	**388.8**
Of which	*Adjusted result*	*149.6*	*866.5*	*12.8*	*247.2*	*47.7*	*10.7*	*-727.0*	*607.5*
	Adjusting items	*9.6*	*-354.0*	*-2.6*	*-81.7*	*-39.2*	*-2.9*	*252.1*	*-218.7*
Income tax expense		-45.9	-211.3	-1.0	-34.3	-8.2	-3.8	245.6	-58.9
Result from continuing operations		**113.3**	**301.2**	**9.2**	**131.2**	**0.3**	**4.0**	**-229.3**	**329.9**
Of which	*Adjusted result*	*105.5*	*619.0*	*11.8*	*192.9*	*34.3*	*7.4*	*-425.2*	*545.7*
	Adjusting items	*7.8*	*-317.8*	*-2.6*	*-61.7*	*-34.0*	*-3.4*	*195.9*	*-215.8*
Discontinued operations		-	-	-	-	2.9	-	-	2.9
RESULT FOR THE PERIOD		**113.3**	**301.2**	**9.2**	**131.2**	**3.2**	**4.0**	**-229.3**	**332.8**

Attributable to:		D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	PHE (5 months)	Corp. & unallocated		Group
Equity holders of the Company(*)		**113.9**	**150.6**	**9.2**	**52.5**	**2.5**	**4.0**		**332.7**
Of which	*Adjusted result*	*106.1*	*309.6*	*11.8*	*77.1*	*36.5*	*7.4*		*548.5*
	Adjusting items	*7.8*	*-159.0*	*-2.6*	*-24.6*	*-34.0*	*-3.4*		*-215.8*
Non-controlling interests ("NCI")		-0.6	-	-	-	0.7	-		0.1
RESULT FOR THE PERIOD		**113.3**	**150.6**	**9.2**	**52.5**	**3.2**	**4.0**		**332.8**

(1) As restated – refer to note 1 of the 2023 Consolidated financial statements for more information on the restatement of comparative information.
(*) Belron at 50.01% and TVH at 40.00% – see note 17 of the 2023 Consolidated financial statements.

In both periods, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month results of Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net results of Belron and TVH presented in the line "share of result of equity-accounted investees, net of income tax", representing the share of the Group in the 12-month net results of Belron and TVH).

Explanations and details of the figures presented as adjusting items

In 2023 and 2022, the Group identified the following items as *adjusting* items throughout the operating segments:

€m	2023						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Total (segment)*
Adjusting items							
Included in operating result	***-31.1***	***-169.9***	***3.5***	***-104.4***	***-65.2***	***-6.5***	***-373.6***
Re-measurements of financial instruments	-	-0.1 *(5)*	-	-	-	-	-0.1
Amortisation of customer contracts	-	-33.7 *(6)*	-	-44.5 *(15)*	-28.6 *(19)*	-	-106.8
Amortisation of brands with finite useful life	-	-3.2 *(7)*	-	-	-	-	-3.2
Amortisation of other intangibles with finite useful life	-	-1.9 *(8)*	-	-30.7 *(15)*	-	-	-32.6
Share-based payment and long-term incentive program expenses	-26.0 *(1)*	-37.5 *(10)*	5.8 *(13)*	-2.6 *(16)*	-29.9 *(20)*	-6.0 *(24)*	-96.2
Other adjusting items	-5.1 *(2)*	-93.5 *(11)*	-2.3 *(14)*	-26.6 *(17)*	-6.7 *(21)*	-0.5 *(25)*	-134.7
Included in net finance costs	***-***	***-2.5***	***-***	***-6.1***	***-14.6***	***-19.6***	***-42.8***
Re-measurements of financial instruments	-	-	-	-1.0 *(18)*	-10.5 *(22)*	-19.6 *(26)*	-31.1
Other adjusting items	-	-2.5 *(12)*	-	-5.1 *(17)*	-4.1 *(23)*	-	-11.7
Included in equity accounted result	***-2.3*** *(4)*	***-***	***-***	***-***	***-***	***-***	***-2.3***
Included in segment result before taxes (PBT)	***-33.4***	***-172.4***	***3.5***	***-110.5***	***-79.8***	***-26.1***	***-418.7***

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron and TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

Explanations and details of the figures presented as *adjusting* items (continued)

€m	2022(1)												
	D'Ieteren Automotive		Belron (100%)		Moleskine		TVH (100%)		PHE (5 months)		Corp. & unallocated		Total (segment)*
Adjusting items													
Included in operating result	**-0.6**		**-155.8**		**-2.6**		**-87.8**		**-39.2**		**-2.9**		**-288.9**
Re-measurements of financial instruments	-		-2.5	(5)	-		-		-		-		-2.5
Amortisation of customer contracts	-		-31.3	(6)	-		-44.5	(15)	-10.8	(19)	-		-86.6
Amortisation of brands with finite useful life	-		-4.5	(7)	-		-		-		-		-4.5
Amortisation of other intangibles with finite useful life	-		-1.1	(8)	-		-30.7	(15)	-		-		-31.8
Impairment of goodwill and of non-current assets	-		-2.7	(9)	-		-		-		-		-2.7
Share-based payment and long-term incentive program expenses	-7.2	(1)	-39.4	(10)	-2.6	(13)	-2.2	(16)	-2.2	(20)	-4.7	(24)	-58.3
Other adjusting items	6.6	(2)	-74.3	(11)	-		-10.4	(17)	-26.2	(21)	1.8	(25)	-102.5
Included in net finance costs	**10.2**		**-198.2**		**-**		**6.1**		**-**		**-**		**-181.9**
Re-measurements of financial instruments	-		-		-		6.1	(18)	-		-		6.1
Foreign exchange losses on net debt	-		-197.7	(12)	-		-		-		-		-197.7
Other adjusting items	10.2	(3)	-0.5	(12)	-		-		-		-		9.7
Included in segment result before taxes (PBT)	**9.6**		**-354.0**		**-2.6**		**-81.7**		**-39.2**		**-2.9**		**-470.8**

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron and TVH segments should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.
(1) As restated – refer to note 1 of the 2023 Consolidated financial statements for more information on the restatement of comparative information.

Explanations and details of the figures presented as *adjusting* items (continued)

D'Ieteren Automotive

(1) The cash-settled share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 amounts to -€26.0m (-€7.2m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(2) In the current period, other *adjusting* items in operating result mainly include -€3.8m of fees from system integrators in relation to the finance transformation program initiated in 2023 and -€1.1m of write off on furniture and equipment no longer used by the Group.

In the prior period, other *adjusting* items in operating result included €5.4m reversal of a provision related to the "Market area" project (optimization of the independent dealer network) and €1.2m of gain recognised on the disposal of furniture and equipment.

(3) In the prior period, other *adjusting* items included in net finance costs related to a consolidated gain of €10.2m recognized on the loss of exclusive control of Lizy and MyMove following the entry into capital by investors for 29% in Lizy and 33% in MyMove (both through capital increases). The consolidated gain represented the difference between the fair value of the non-controlling interests retained in the companies (39% in Lizy and 56% in MyMove) and the carrying amount of the assets and liabilities of the subsidiaries at the date the control was lost. These two entities are accounted for as equity-accounted investees as from the 1st of January 2022.

(4) In the current period, the *adjusting* item included in equity-accounted result relates to the write off of the equity accounted investee MyMove to bring its carrying value to zero.

Belron

(5) Fair value of fuel hedge instruments amounts to -€0.1m (-€2.5m in the prior period) and arises from changes in the "clean" fair value of derivatives. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (i.e. the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.

(6) In the framework of recent acquisitions (mainly in the United States and in Italy), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to -€33.7m (-€31.3m in the prior period).

(7) The amortisation of brands with finite useful lives (certain brands are no longer considered to be intangibles with indefinite useful lives since there is now a limit to the period over which these assets are expected to generate cash inflows) amounts to -€3.2m (-€4.5m in the prior period).

(8) The amortisation of other intangible assets with finite useful lives (mostly franchise agreements recognized on acquisitions) amounts to -€1.9m (-€1.1m in the prior period).

(9) In the prior period, following the full impairment review of all cash generating units in accordance with the requirements of IAS 36, an impairment charge of -€2.7m was recognised in Norway, fully allocated to the goodwill.

(10) In the current period, employee costs of -€37.5m are recognised in relation to the restricted share units ('RSUs') awarded by the Board of Directors of Belron in December 2021 to employees, of which -€32.2m of share-based payment charge and -€5.3m of associated payroll taxes (-€39.4m in the prior period, of which -€37.0m of share-based payment charge and -€6.3m of associated payroll taxes as well as €3.9m release of surplus accrual). This transaction has and will have no economic impact on the Group and on the 50.30% fully diluted stake held by the Group in Belron at 31 December 2023.

(11) In the current period, other *adjusting* items of -€93.5m mainly include -€57.1m of fees from system integrators in relation to the business transformation programme, -€7.5m in respect of restructurings and improvements, -€6.4m of acquisition related costs and -€8.5m one-off costs incurred following the alignment to the new inventory provisioning policy adopted by Belron.

In the prior period, other *adjusting* items of -€74.3m mainly included -€53.0m of fees from system integrators in relation to the business transformation programme, -€8.3m in respect of restructurings and improvements, -€8.5m related to the impairment of a leased property and leasehold improvements no longer being used by the Group and -€6.4m of acquisition related costs (mainly in the US and in Spain).

(12) In the current period, other *adjusting* items of -€2.5m in net finance costs relates to the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years).

In the prior period, foreign exchange losses on net debt and other *adjusting* items in net finance costs were related to the refinancing operated in April 2021 (-€197.7m of non-cash foreign exchange losses arising upon the translation of the USD Term Loan at the closing rate because the foreign exchange movements on these borrowings did not qualify for quasi-equity accounting).

Moleskine

(13) In the period, the outstanding provision for the Long-Term Incentive Program (LTIP) has been fully reversed for an amount of €5.8m. In the prior period, the additional provision amounted to -€2.6m (as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(14) Other *adjusting* item in operating result relates to a provision for an exceptional cash bonus granted to the management for the efforts and the business impact achieved these last years.

TVH

(15) In both periods, the amortisation of customer contracts and other intangible assets with finite useful lives recognised as part of the purchase price allocation finalised by the Group in the second half of 2022 amounts to -€44.5m and -€30.7m, respectively.

(16) The provision for the Long-Term Incentive Program (LTIP) amounts to -€2.6m (-€2.2m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(17) Other *adjusting* items in operating result and net finance costs include -€19.6m of fees from system integrators in relation to the IT and business transformation programme (-€10.4m in the prior period) and -€12.1m (-€7.0m in operating result and -€5.1m in finance costs) related to the full impairment of the net assets of TVH Russia, classified as held for sale since 30 June 2022.

(18) The re-measurement of financial instruments of -€1.0m (€6.1m in the prior period) relates to the change in fair value of interest rates swaps.

PHE

(19) Following the purchase price allocation finalised by the Group during the first semester of 2023 (see note 26 of the 2023 Consolidated financial statements), customer relationships have been recognised as intangible assets with finite useful lives. The amortisation amounts to -€25.9m (-€10.8m in the prior period, as restated). The remaining -€2.7m in the current period relates to the amortisation of customer contracts identified as intangible assets with finite useful lives following the acquisitions performed by PHE since the closing of the acquisition by the Group on the 4th of August 2022.

(20) In the current period, employee costs of -€29.9m include -€26.6m of cash-settled share-based payment expense (-€2.2m in the prior period) that represents the portion of the fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, which is spread over their vesting period (see note 9 of the 2023 Consolidated financial statements for more information) as well as -€3.3m of associated payroll taxes.

(21) In the current period, other *adjusting* items in operating result mainly include costs related to acquisitions (-€1.7m) and to the restructurings and transformation programme (-€5.0m).

In the prior period, other *adjusting* items in operating result included -€18.6m of expert fees and other costs incurred in relation with the acquisition of Parts Holding Europe (closing of the acquisition on the 4th of August 2022), -€3.3m of fees incurred in relation with the disposal of PHE's specialized glass repair activity Mondial Pare-Brise (classified as held for sale at 31 December 2022, the disposal of which has been closed on 13 February 2023) and -€4.3m of costs related to restructurings and transformation programme.

(22) The re-measurement of financial instruments of -€10.5m relate to the change in fair value of interest rates swaps and caps and deferred consideration on acquisitions.

(23) Other *adjusting* items in net finance costs relates to the accelerated depreciation of deferred financing costs following the refinancing operated on 23 January 2024 (see note 34 of the 2023 Consolidated financial statements for more information on the refinancing).

Corporate & Unallocated

(24) In the period, the charge of -€6.0m mainly relates to the equity-settled share-based payment scheme, whereby share options are granted to officers and managers of the Corporate & unallocated segment (€-4.7m in the prior period, as restated to classify the share-based payment and long-term incentive program expenses of the Group as *adjusting* items).

(25) In the period, other *adjusting* items in operating result of -€0.5m include write off on furniture and equipment no longer used by the Group.

In the prior period, other *adjusting* items in operating result included €3.4m of gain on the disposal of properties in Belgium, and -€1.6m of fees incurred in relation with the acquisition of Parts Holding Europe (closing of the acquisition on the 4th of August 2022).

(26) In the period, the remeasurement of financial instruments for €19.6m is related to an outstanding investment (€114.4m at 31 December 2023 prior to the impairment) in the Supply Chain Finance Fund managed by Credit Suisse. In March 2021, Credit Suisse announced that their Supply Chain Finance Fund would enter into a liquidation process.

Credit Suisse has informed that the credit assets held by the funds are covered by insurance.

The impairment charge takes into consideration the best estimate of the amount of liquidation costs borne by the fund which may be attributable to the Group (€11.5m). Additionally, and given the uncertainty of timing to recover the remaining inventory value, the Group discounted the financial asset for a total amount of €8.1m and reclassified it to non-current financial investments. At 31 December 2023, the carrying value of the investment, taking into account the above mentioned charge of €19.6m, amounts to €94.8m.

This fund distributed by Credit Suisse was qualified as low risk in the documentation made available to customers. The FINMA (the Swiss financial-markets regulator) has indicated that in that context Credit Suisse had seriously failed to meet its prudential obligations in terms of risk management and adequate organization, and has ordered corrective measures. The Group has decided to initiate legal proceedings against Credit Suisse.

Adjusted result before tax, Group's share (*adjusted* PBT, Group's share)

€m	2023							2022 (1)						
	D'Ieteren Automotive	Belron (50.20%)	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (50.01%)	Moleskine	TVH (40%)	PHE (5 months)	Corp. & unallocated	Total (segment)
Segment reported PBT	**174.6**	**845.6**	**5.7**	**76.6**	**66.7**	**8.4**	**1,177.6**	**159.2**	**512.5**	**10.2**	**165.5**	**8.5**	**7.8**	**863.7**
Less: Adjusting items in PBT	33.4	172.4	-3.5	110.5	79.8	26.1	418.7	-9.6	354.0	2.6	81.7	39.2	2.9	470.8
Segment adjusted PBT	**208.0**	**1,018.0**	**2.2**	**187.1**	**146.5**	**34.5**	**1,596.3**	**149.6**	**866.5**	**12.8**	**247.2**	**47.7**	**10.7**	**1,334.5**
Share of the group in tax on adjusted results of equity-accounted investees	1.5	-	-	-	-	-	1.5	4.1	-	-	-	-	-	4.1
Share of non-controlling interests in adjusted PBT	1.2	-507.0	-	-112.3	-8.9	-	-627.0	0.6	-433.2	-	-148.3	-1.4	-	-582.3
Segment adjusted PBT, Group's share	**210.7**	**511.0**	**2.2**	**74.8**	**137.6**	**34.5**	**970.8**	**154.3**	**433.3**	**12.8**	**98.9**	**46.3**	**10.7**	**756.3**

(1) As restated – refer to note 1 of the 2023 Consolidated financial statements for more information on the restatement of comparative information.

In May 2023, D'Ieteren Group and other shareholders have bought additional shares in Belron from the Employee Benefits Trust. The additional shares acquired increased the fully diluted percentage of the Group in Belron from 50.01% to 50.30%. In the period, the weighted average percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 50.20% (50.01% in the prior period).

Key Performance Indicator (based on *adjusted* PBT, Group's share)

€m	2023							2022 (1)						
	D'Ieteren Automotive	Belron (50.20%)	Moleskine	TVH (40%)	PHE	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (50.20%)	Moleskine	TVH (40%)	PHE (5 months)	Corp. & unallocated	Total (segment)
Segment adjusted PBT, Group's share	210.7	511.0	2.2	74.8	137.6	34.5	970.8	154.3	433.3	12.8	98.9	46.3	10.7	756.3
Adjustment of the share of the Group (comparable basis with 2023)	-	-	-	-	-	-	-	-	1.6	-	-	-	- -	1.6
Adjusted PBT, Group's share (key performance indicator)	210.7	511.0	2.2	74.8	137.6	34.5	970.8	154.3	434.9	12.8	98.9	46.3	10.7	757.9

(1) As restated – refer to note 1 of the 2023 Consolidated financial statements for more information on the restatement of comparative information.
The column Belron has also been restated based on the weighted average percentage used for computing the segment *adjusted* PBT in 2023 (50.20% in 2023 vs 50.01% in 2022) to make both periods comparable.

Net debt

In order to better reflect its indebtedness, the Group uses the concept of net debt. This non-GAAP measure, i.e. its definition is not addressed by IFRS, is an Alternative Performance Measure ("APM") and is not presented as an alternative to financial measures determined in accordance with IFRS.

Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

€m	31 December 2023						31 December 2022					
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated
Non-current loans and borrowings	106.9	4,694.8	7.9	736.4	1,120.2	39.8	93.5	3,981.2	9.9	625.1	1,124.4	4.7
Current loans and borrowings	164.5	215.4	4.6	173.6	179.3	3.2	121.7	203.1	20.4	325.7	225.3	0.7
Inter-segment financing	-	-	272.4	-	-	-272.4	-	-	272.3	40.6	-	-312.9
Adjustment for hedged borrowings	-	12.6	-	-	-	-	-	-18.2	-	-	-	-
Gross debt	**271.4**	**4,922.8**	**284.9**	**910.0**	**1,299.5**	**-229.4**	**215.2**	**4,166.1**	**302.6**	**991.4**	**1,349.7**	**-307.5**
Less: Cash and cash equivalents	-16.8	-233.0	-15.6	-107.7	-103.9	-621.6	-0.8	-146.0	-26.9	-91.3	-122.0	-196.1
Less: Current financial assets	-	-	-	-	-	-238.3	-	-	-	-	-	-128.6
Less: Other non-current assets	-4.6	-	-	-	-	-99.0	-3.6	-	-	-	-	-2.7
Net debt from continuing activities excluding assets and liabilities classified as held for sale	**250.0**	**4,689.8**	**269.3**	**802.3**	**1,195.6**	**-1,188.3**	**210.8**	**4,020.1**	**275.7**	**900.1**	**1,227.7**	**-634.9**
Net debt in assets and liabilities classified as held for sale	-	-	-	-	-	-	-	-	-	-	4.1	-
Total net debt	**250.0**	**4,689.8**	**269.3**	**802.3**	**1,195.6**	**-1,188.3**	**210.8**	**4,020.1**	**275.7**	**900.1**	**1,231.8**	**-634.9**

In both periods, the inter-segment loans comprise amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition). From the €20.1m of interests recognised in profit or loss in 2023, €20.0m have been paid in December 2023.

At 31 December 2022, the inter-segment loan also comprised the amount lent by the Corporate & unallocated segment to the TVH segment (shareholder loan put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH, which has been reimbursed in full in December 2023.

D'Ieteren Automotive's net debt reached €250.0m at the end of December 2023 (€210.8m at the end of December 2022). The increase of €39.2m mainly stems from a €139.2m free cash-flow generation, more than offset by the dividend paid to the Corporate & unallocated segment (-€86.9m), -€53.3m additional lease liabilities and -€41.5m of gross financial debt acquired from business combination. The strong free cash flow generation arises from a €271.9m *adjusted* EBITDA and €24.4m of cash inflow from change in working capital (mainly thanks to increase in trade payables), partially offset by -€35.0m capex, -€63.9m of tax paid, -€26.6m of capital lease repayments and -€27.6m of acquisitions.

Belron's net financial debt reached €4,689.8m at the end of December 2023. This compares with €4,020.1 at the end of December 2022. The increase of €669.7m is mainly explained by the dividends paid to Belron's shareholders (€1,448.7m, of which €761.0m to D'Ieteren Group) following the additional financing operated in April 2023 and the ordinary interim dividend paid in December 2023, additional lease liabilities (-€54.4m), adverse movement in currency hedges (-€30.8m), and the repurchase of shares to MRP participants (-€90.5m), partially compensated by a strong free cash-flow generation of €713.5m, the proceeds from the disposal of own shares to existing shareholders (€150.0m, of which €50.0m to D'Ieteren Group), and favourable exchange rate impact on cash and external debt (€83.6m). The strong free cash flow generated relies on a €1.5bn *adjusted* EBITDA, partially offset by -€105m capex, -€189m of capital lease repayments, -€188m of tax paid, -€196m of interests and -90m of cash outflow from *adjusting* items (of which -€47m of fees from system integrators as part of the transformation programme).

Moleskine's net debt reached €269.3m (of which €272.4m of inter-segment financing) at the end of December 2023 (€275.7m at the end of December 2022, of which €272.3m of inter-segment financing). The decrease of -€6.4m is mainly explained by a €4.1m free cash flow generation (*adjusted* EBITDA of €32.6m, partially offset by -€3.1m capex, -€5.4m of capital lease repayments and -€20.1m of interests paid to the Corporate & unallocated segment due on the inter-segment financing). Moleskine's external bank loan (€15m as of 31 December 2022) has been fully repaid during the first semester 2023.

TVH's net financial debt decreased from €900.1m to €802.3m at the end of December 2023. The decrease of -€97.8m compared to 31 December 2022 is mainly explained by €85.6m free cash flow generation (mainly arising from an *adjusted* EBITDA of €259.1m and a working capital inflow of €24.2m, partially offset by net capex of -€95.6m, tax paid of -€50.4m and interests paid of -€23.9m). TVH concluded a new mid-term loan of €300m in December 2023. The proceeds from the new loan were used to reimburse the shareholder loan of €100m (of which €40m to the Corporate and Unallocated segment) and a large part of the outstanding straight loan.

PHE's net financial debt decreased from €1,231.8m at 31 December 2022 to €1,195.6m at 31 December 2023. The decrease of -€36.2m is mainly due to the proceeds from the disposal of Mondial Pare-Brise (€92m, net of cash disposed of), and the strong adjusted EBITDA of €321.6m, partially offset by change in working capital (-€130m), net napex (-€47m), lease capital repayments (-€48m), tax (-€32m), acquisitions (-€33m) and interests paid (-€82m). The adverse movement in net working capital is mainly explained by the decision of PHE to decrease significantly non-recourse factoring by using cash received from the disposal of Mondial Pare-Brise (and therefore to reduce associated finance costs).

PHE's net financial debt excludes the put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries (valued at €116.4m at 31 December 2023 and at €103.6m at 31 December 2022) and the put options granted to minority investors (including management and several partners and independent distributors), who invested alongside D'Ieteren Group in the holding company of PHE, up to c.9% (valued at €175.3m at 31 December 2023, increased by €37.9m compared to 31 December 2022, of which €26.6m related to the vesting and change in fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, recognised in profit or loss as *adjusting* items). It also excludes the deferred considerations on acquisitions of €53.7m (€30.7m at 31 December 2022), presented in the lines "other payables" and "trade and other payables" in the consolidated statement of financial position.

The net cash position (including inter-segment financing loans) of the Corporate & unallocated segment increased from €634.9m on 31 December 2022 to €1,188.3m on 31 December 2023. The increase in the net financial position of €553.4m is mainly the result of the dividends received from the Belron segment (€761.0m) and from the D'Ieteren Automotive segment (€86.9m), the interests received from the Moleskine segment (€20.1m) due on the inter-segment financing, partially offset by the dividend paid out to the shareholders of D'Ieteren Group in June 2023 (-€160.7m), the acquisition of treasury shares (-€60.3m), -€37.6m of additional lease liabilities (contracted mainly to finance real estate projects) and the acquisition in May 2023 of additional Belron's shares (-€50.0m, previously held by the Employee Benefit Trust). The additional shares acquired increased the fully diluted percentage of the Group in Belron from 50.01% to 50.30%, leading to a weighted average economic percentage of 50.20% in 2023 (see note 17 of the 2023 Consolidated financial statements for more information).

The net cash position of the Corporate & unallocated segment includes €94.8m of investments in the Supply Chain Finance Fund managed by Credit Suisse (included in the line "Other non-current assets" at 31 December 2023). Refer to the section "Explanations and details of the figures presented as *adjusting* items" for more information on the underlying investment.

Consolidated Financial Statements 2023

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Consolidated Statement of Profit or Loss

Year ended 31 December

€m	Notes	2023	2022[1]
Revenue	5	**7,983.6**	**4,714.6**
Cost of sales	6	-6,177.5	-3,744.0
Gross margin	6	**1,806.1**	**970.6**
Commercial and administrative expenses	6	-1,458.0	-780.9
Other operating income	6	58.1	33.9
Other operating expenses	6	-30.6	-22.1
Operating result	6	**375.6**	**201.5**
Net finance costs	7	-119.4	-22.8
Finance income	7	24.1	16.8
Finance costs	7	-143.5	-39.6
Share of result of equity-accounted investees, net of income tax	17	356.7	210.1
Result before tax		**612.9**	**388.8**
Income tax expense	11	-102.6	-58.9
Result from continuing operations		**510.3**	**329.9**
Discontinued operations	21	-	2.9
RESULT FOR THE PERIOD		**510.3**	**332.8**
Result attributable to:			
Equity holders of the Company		**504.7**	**332.7**
Non-controlling interests ("NCI")		5.6	0.1
Earnings per share			
Basic (in €)	8	9.41	6.18
Diluted (in €)	8	9.34	6.11
Earnings per share - Continuing operations	8		
Basic (in €)	8	9.41	6.13
Diluted (in €)	8	9.34	6.06

(1) As restated – refer to note 1 for more information on the restatement of comparative information.

The notes on pages 78 to 152 are an integral part of these consolidated financial statements.

The Group uses Alternative Performance Measures (non-GAAP measures) to reflect its financial performance – Refer to the consolidated management report and the press release for more information.

Consolidated Statement of Comprehensive Income

Year ended 31 December

€m	Notes	2023	2022[1]
Result for the period		510.3	332.8
Other comprehensive income			
Items that will never be reclassified to profit or loss (net of tax):		-1.3	-7.9
Re-measurements of defined benefit liabilities/assets		*1.6*	*13.1*
Equity-accounted investees - share of OCI	*17*	*-2.9*	*-21.0*
Items that may be reclassified subsequently to profit or loss (net of tax)		-10.8	130.4
Translation differences		*-0.6*	*1.2*
Cash flow hedges: fair value gains (losses) in equity		*-0.5*	*1.3*
Equity-accounted investees - share of OCI	*17*	*-9.7*	*127.9*
Other comprehensive income, net of tax		-12.1	122.5
Total comprehensive income for the period		**498.2**	**455.3**
being: attributable to equity holders of the Company		**492.6**	**455.0**
attributable to non-controlling interests ("NCI")		**5.6**	**0.3**

(1) As restated – refer to note 1 for more information on the restatement of comparative information.

The notes on pages 78 to 152 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

At 31 December

€m	Notes	2023	2022(1)
Goodwill	12	585.8	560.2
Intangible assets	13	1,242.5	1,239.8
Property, plant & equipment	14	690.3	566.1
Investment property	15	40.1	41.8
Equity-accounted investees	17	1,050.1	1,360.6
Financial investments	4	95.8	2.6
Deferred tax assets	11	56.0	58.8
Other receivables	20	39.9	75.8
Non-current assets		**3,800.5**	**3,905.7**
Inventories	16	1,434.3	1,191.7
Financial investments	4	238.3	128.6
Derivative financial instruments		3.8	4.1
Current tax assets	11	84.2	9.2
Trade and other receivables	20	889.2	698.6
Cash & cash equivalents	19	757.9	345.8
Assets classified as held for sale	21	-	131.8
Current assets		**3,407.7**	**2,509.8**
TOTAL ASSETS		**7,208.2**	**6,415.5**

€m	Notes	2023	2022(1)
Capital & reserves attributable to equity holders		3,456.9	3,143.2
Non-controlling interests ("NCI")		16.0	12.7
Equity		**3,472.9**	**3,155.9**
Employee benefits	10	78.9	54.9
Provisions	23	12.7	8.1
Loans & borrowings	24	1,274.8	1,232.5
Put options granted to non-controlling interests	33	184.1	238.3
Other payables	25	11.1	39.3
Deferred tax liabilities	11	275.7	272.3
Non-current liabilities		**1,837.3**	**1,845.4**
Provisions	23	11.9	15.5
Loans & borrowings	24	351.6	368.1
Put options granted to non-controlling interests	33	116.4	5.6
Current tax liabilities	11	94.5	13.5
Trade & other payables	25	1,323.6	984.5
Liabilities directly associated with the assets held for sale	21	-	27.0
Current liabilities		**1,898.0**	**1,414.2**
TOTAL EQUITY AND LIABILITIES		**7,208.2**	**6,415.5**

(1) As restated – refer to note 1 for more information on the restatement of comparative information.

The notes on pages 78 to 152 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

€m	Capital and reserves attributable to equity holders						Total Group's share	Non-controlling interests	Equity
	Share capital	Share premium	Treasury shares reserve	Hedging reserve	Retained earnings	Cumulative translation differences			
At 1 January 2022	**160.0**	**24.4**	**-47.4**	**-3.9**	**2,808.9**	**32.5**	**2,974.5**	**0.4**	**2,974.9**
Restatement[1]	-	-	-	-	-23.7	-	-23.7	-	-23.7
At 1 January 2022 (restated)	**160.0**	**24.4**	**-47.4**	**-3.9**	**2,785.2**	**32.5**	**2,950.8**	**0.4**	**2,951.2**
Profit for the period[1]	-	-	-	-	332.7	-	332.7	0.1	332.8
Other comprehensive income[1]	-	-	-	57.9	-8.1	72.5	122.3	0.2	122.5
Total comprehensive income for the period[1]	**-**	**-**	**-**	**57.9**	**324.6**	**72.5**	**455.0**	**0.3**	**455.3**
Movement of treasury shares	-	-	-86.7	-	-	-	-86.7	-	-86.7
Dividends	-	-	-	-	-113.8	-	-113.8	-	-113.8
Movement arising from transactions with MRP participants	-	-	-	-	24.3	-	24.3	-	24.3
Put options - movement of the period	-	-	-	-	-100.3	-	-100.3	-0.3	-100.6
Other movements[2]	-	-	-	-	21.2	-	21.2	-	21.2
Total contribution and distribution[1]	**-**	**-**	**-86.7**	**-**	**-168.6**	**-**	**-255.3**	**-0.3**	**-255.6**
Disposal of NCI without change in control	-	-	-	-	-7.3	-	-7.3	10.3	3.0
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	1.8	1.8
Disposal of subsidiary with change in control	-	-	-	-	-	-	-	0.2	0.2
Total change in ownership interests	**-**	**-**	**-**	**-**	**-7.3**	**-**	**-7.3**	**12.3**	**5.0**
31 December 2022[1]	**160.0**	**24.4**	**-134.1**	**54.0**	**2,933.9**	**105.0**	**3,143.2**	**12.7**	**3,155.9**
At 1 January 2023[1]	**160.0**	**24.4**	**-134.1**	**54.0**	**2,933.9**	**105.0**	**3,143.2**	**12.7**	**3,155.9**
Profit for the period	-	-	-	-	504.7	-	504.7	5.6	510.3
Other comprehensive income	-	-	-	-31.7	-1.3	20.9	-12.1	-	-12.1
Total comprehensive income for the period	**-**	**-**	**-**	**-31.7**	**503.4**	**20.9**	**492.6**	**5.6**	**498.2**
Movement of treasury shares	-	-	-60.3	-	-	-	-60.3	-	-60.3
Dividends	-	-	-	-	-160.7	-	-160.7	-	-160.7
Movement arising from transactions with MRP participants (see note 17)	-	-	-	-	40.9	-	40.9	-	40.9
Treasury shares - cancellation	-	-	105.9	-	-105.9	-	-	-	-
Put options - movement of the period (see note 33)	-	-	-	-	-20.7	-	-20.7	-	-20.7
Other movements[2]	-	-	-	-	22.0	-	22.0	-1.9	20.1
Total contribution and distribution	**-**	**-**	**45.6**	**-**	**-224.4**	**-**	**-178.8**	**-1.9**	**-180.7**
Acquisition of NCI without change in control	-	-	-	-	-0.1	-	-0.1	-0.5	-0.6
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	0.1	0.1
Total change in ownership interests	**-**	**-**	**-**	**-**	**-0.1**	**-**	**-0.1**	**-0.4**	**-0.5**
At 31 December 2023	**160.0**	**24.4**	**-88.5**	**22.3**	**3,212.8**	**125.9**	**3,456.9**	**16.0**	**3,472.9**

(1) As restated – refer to note 1 for more information on the restatement of comparative information.
(2) The lines "other movements" in 2022 and 2023 mainly include equity-settled share-based payments expenses in the Belron (see note 17) and Corporate & unallocated segments (see note 9).
The notes on pages 78 to 152 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

Year ended 31 December

€m	Notes	2023	2022[(1)]
Cash flows from operating activities - Continuing			
Result from continuing operations		510.3	329.9
Income tax expense	11	102.6	58.9
Share of result of equity-accounted investees, net of income tax	17	-356.7	-210.1
Net finance costs	7	119.4	22.8
Operating result from continuing operations		**375.6**	**201.5**
Depreciation on PP&E (including right-of-use assets)	6/14/15	131.9	68.1
Amortisation of intangible assets	6/13	56.2	25.9
Other non-cash items	4	15.2	-17.5
Share-based payment and other employee benefit expenses	4/9	53.5	24.1
Other cash items		-0.2	1.5
Change in trade and other receivables	4	-81.6	94.2
Change in trade and other payables	4	179.7	6.9
Change in inventories	4	-193.4	-259.9
Cash generated from operations		**536.9**	**144.8**
Income tax paid		-100.0	-57.2
Net cash from operating activities		**436.9**	**87.6**

€m	Notes	2023	2022
Cash flows from investing activities - Continuing			
Purchase of property, plant and equipment and intangible assets	13/14/15	-106.5	-77.0
Sale of property, plant and equipment and intangible assets		14.9	10.4
Net capital expenditure		**-91.6**	**-66.6**
Acquisition of subsidiaries (net of cash acquired)	26	-60.4	-516.8
Acquisition of equity-accounted investees	17	-51.6	-
Disposal of subsidiaries (net of cash disposed of)	4	92.1	-
Contribution of cash from / (to) joint ventures		-	2.4
Proceeds from the sale of / (investments in) financial assets	4	-225.2	415.2
Interest received		23.3	7.2
Dividends received from equity-accounted investees	4/17	765.9	217.0
Movement in shareholder loan with equity-accounted investee	17	40.0	-
Loans to employees in relation to Long Term Incentive Plan and stock options		-2.8	-1.3
Net cash from investing activities		**489.7**	**57.1**

(1) As restated – refer to note 1 for more information on the restatement of comparative information.

The notes on pages 78 to 152 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows (continued)

Year ended 31 December

€m	Notes	2023	2022
Cash flows from financing activities - Continuing			
Acquisition (-)/Disposal (+) of non-controlling interests	26	0.4	53.1
Acquisition of treasury shares	22	-81.6	-117.4
Disposal of treasury shares	22	21.3	30.7
Repayment of lease liabilities	24	-83.3	-37.9
Proceeds from loans and borrowings	24	74.1	107.4
Repayment of loans and borrowings	24	-191.1	-47.3
Interest paid		-102.5	-19.8
Dividends paid by Company	22	-160.7	-113.6
Dividends paid to non-controlling interests of consolidated subsidiaries		-1.9	-
Net cash from financing activities		**-525.3**	**-144.8**
Cash flows from continuing operations		**401.3**	**-0.1**
Cash flows from discontinued operations		**-**	**2.1**
TOTAL CASH FLOW FOR THE PERIOD		**401.3**	**2.0**

€m	Notes	2023	2022
Reconciliation with statement of financial position			
Cash at beginning of period		345.8	354.6
Cash included in non-current assets classified as held for sale		11.2	-
Cash and cash equivalents at beginning of period		**357.0**	**354.6**
Total cash flow for the period		401.3	2.0
Effects of movement in exchange rates		-0.4	0.4
Cash and cash equivalents at end of period		**757.9**	**357.0**
Included within "Cash and cash equivalents"		*757.9*	*345.8*
Included within "Non-current assets classified as held for sale"		*-*	*11.2*

The notes on pages 78 to 152 are an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

Note 1: General information

D'Ieteren Group SA/NV (the Company) is a public company incorporated and domiciled in Belgium. The address of the Company's registered office is: Rue du Mail 50, B-1050 Brussels.

In existence since 1805, and across family generations, D'Ieteren Group (the Group) seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry and geographies. The Group currently owns the following businesses:

- Belron (50.30% in fully diluted economic rights at 31 December 2023, equity-accounted investee): worldwide leader in vehicle glass repair, replacement and recalibration.
- D'Ieteren Automotive (100% owned) distributor of Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra, Rimac, Microlino, Maserati and Porsche vehicles in Belgium and expanding into other mobility services.
- PHE (100% in economic rights – see note 33) is a leader in the independent distribution of spare parts for vehicles in Western Europe, present in France, Belgium, The Netherlands, Luxemburg, Italy and Spain.
- TVH (40% owned – equity accounted-investee): leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment.
- Moleskine (100% owned): develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform.
- D'Ieteren Immo (100% owned): groups together the Belgian real estate interests of D'Ieteren Group.

The Company is listed on Euronext Brussels under the ticker DIE.

These consolidated financial statements have been authorized for issue by the Board of Directors on 29 March 2024.

Restatement of comparative information

In accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows have been restated for 2022.

The restatements performed mainly include the following:

- The finalisation of the purchase price allocation of PHE in the first semester of 2023 (see note 26 for more information about the adjustments made to the provisional fair value of assets acquired and liabilities assumed at acquisition date).
- The correction of the accounting of some post-employment benefits in the D'Ieteren Automotive and Belron segments. The adjustment in the Belron segment is an additional obligation in relation to one of the pension schemes, as identified in note 34 of the 2022 consolidated financial statements.
- The reclassification of the provisions related to the long-term incentive plans (LTIP) from the lines "provisions" and "other payables" to "employee benefits" in the D'Ieteren Automotive, Moleskine and TVH segments.
- Reclassification of some deferred considerations from put options granted to NCI to other payables in the PHE segment following a misclassification in the 2022 consolidated statement of financial position.
- The reversal of the tax income recognised in the D'Ieteren Automotive segment on the additional LTI provision recognised in 2022.

The tables below show the amount of restatement operated in the segment statement of profit or loss for the period ended 31 December 2022 and the segment statement of financial position as at 31 December 2022 and reconcile the segment information to the Group IFRS consolidated figures.

€m - restatement of the segment statement of profit or loss	31 December 2022		
	D'Ieteren Automotive	PHE	Group
Segment revenue	**-**	**-**	**-**
Operating result	**-**	**-5.5**	**-5.5**
Net finance costs	-	-	-
Share of result of equity-accounted investees. net of income tax	-	-	-
Result before tax	**-**	**-5.5**	**-5.5**
Income tax expense	-1.8	1.4	-0.4
Operating result from continuing operations	**-1.8**	**-4.1**	**-5.9**
of which: attributable to equity holders of the Company	***-1.8***	***-4.1***	***-5.9***

€m - restatement of the segment statement of financial position	31 December 2022						
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Eliminations	Group
Goodwill	-	-	-	-	-421.0	-	-421.0
Intangible assets	-	-	-	-	490.2	-	490.2
Equity-accounted investees	-	2.3	-	-	-	-14.3	-12.0
Financial investments	-	-2.3			-	2.3	-
Deferred tax assets	1.4	-	-	-	-	-	1.4
Non-current assets	**1.4**	**-**	**-**	**-**	**69.2**	**-12.0**	**58.6**
Assets classified as held for sale	-	-	-	-	59.6	-	59.6
Current assets	**-**	**-**	**-**	**-**	**59.6**	**-**	**59.6**
TOTAL ASSETS	**1.4**	**-**	**-**	**-**	**128.8**	**-12.0**	**118.2**
Capital & reserves attributable to equity holder of the Company (*)	**-5.9**	**-12.0**	**-**	**-**	**-4.1**	**-**	**-22.0**
Employee benefits	13.6	24.0	1.9	2.2	-	-26.2	15.5
Provisions	-8.1	-	-1.9	-	-	-	-10.0
Put options granted to non-controlling interests	-	-	-	-	-6.4	-	-6.4
Other payables	-	-	-	-2.2	6.8	2.2	6.8
Deferred tax liabilities	-	-	-	-	132.9	-	132.9
Non-current liabilities	**5.5**	**24.0**	**-**	**-**	**133.3**	**-24.0**	**138.8**
Put options granted to non-controlling interests	-	-	-	-	-0.2	-	-0.2
Current tax liabilities	1.8	-	-	-	-	-	1.8
Trade & other payables	-	-	-	-	-0.2	-	-0.2
Current liabilities	**1.8**	**-**	**-**	**-**	**-0.4**	**-**	**1.4**
TOTAL EQUITY AND LIABILITIES	**1.4**	**12.0**	**-**	**-**	**128.8**	**-24.0**	**118.2**

(*) Belron at 50.01%.

In the consolidated statement of changes in equity, the restatement of -€23.7m in the retained earnings on the 1st of January 2022 is related to the adjustments to post-employment benefits as disclosed above and attributable for -€4.1m to the D'Ieteren Automotive segment and for -€19.6m to the Belron segment. In the consolidated statement of other comprehensive income for the period ended 31 December 2022, a restatement of +€7.8m is included in the line "Equity-accounted investees - share of OCI" and represents the share of the Group in the OCI movement recorded on the post-employment benefit obligation in the Belron segment.

Alternative Performance Measurement – Non-GAAP measurement

In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Note 2: Basis of preparation

These 2023 consolidated financial statements are for the 12 months ended 31 December 2023. They are presented in euro, which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated. They have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and the related International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued which have been adopted by the European Union ("EU") as at 31 December 2023 and are effective for the period ending 31 December 2023.

These consolidated financial statements have been prepared under the historical cost convention, except for employee benefits, non-current assets and liabilities held for sale, business combination, financial assets and financial liabilities (including derivative instruments) and put options granted to non-controlling interests that have been measured at fair value.

On 31 December 2022 and 31 December 2023, in the consolidated statement of financial position, financial assets measured at fair value are limited to the portfolio of marketable securities held in the Corporate & unallocated segment (see note 4) and to derivative financial instruments (see note 18). At 31 December 2022 and 31 December 2023, financial liabilities measured at fair value are limited to the put options granted to non-controlling interests (see note 33) and to contingent considerations recognised in the D'Ieteren Automotive and PHE segments (see note 26). There are no other financial liabilities measured at fair value at 31 December 2022 and 31 December 2023 in the consolidated statement of financial position.

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of income, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results may differ from these estimates. If in the future such estimates and assumptions, which are based on management's best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change or prospectively. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are listed below. They are also disclosed in the relevant notes.

- Measurement of defined benefit obligations (key actuarial assumptions used). See note 10.
- Recognition of deferred tax assets (availability of future taxable profit against which deductible temporary differences and carried forward tax losses can be used). See note 11.
- Goodwill and brands with indefinite useful lives. See note 12.
- Impairment tests (key assumptions underlying recoverable amounts). See note 12.
- Recognition and measurement of provisions and contingencies (key assumptions about the likelihood and magnitude of an outflow of resources). See note 23.
- Measurement of expected credit loss (ECL) allowance for doubtful trade receivables (key assumptions in determining the weighted average loss rate). See note 20.
- Provision for inventory obsolescence. See note 16.
- Acquisition of subsidiary (fair value of the consideration transferred and of the assets acquired and liabilities assumed). See note 26.
- Lease term (whether the Group is reasonably certain to exercise extension or termination options). See note 32.
- Put options granted to non-controlling interests and share-based payments (discount rates used and estimates of the future profitability of the business). See note 33 and note 9.
- Contingent consideration on acquisitions. See note 26.
- Measurement of financial investments (key assumptions and valuation techniques used) . See note 18.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Further information is included in the relevant notes. The main areas are employee benefits (see note 10), share-based payments (see note 9), investment properties (see note 15), financial instruments (see note 18), business combinations (see note 26) and put options granted to non-controlling interests (see note 33). When measuring the fair value of an asset or a liability, the Group used observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques (see note 18).

Risks and uncertainties

The ongoing war in Ukraine and the current uncertain economic environment have a significant impact on the world economy and have increased the overall uncertainties, inflationary pressures and market instability. The Board of Directors considered the impact of these risks on the basis of preparation of these consolidated financial statements.

The Group continues to take measures to minimise the impact of these risks on cash flows and is ensuring that it has the necessary liquidity structure in place for the foreseeable future. Taking this into account, the Board of Directors has a reasonable expectation that the Group is well placed to manage its business risks, has enough funds to continue to meet its liabilities as they fall due and to continue in operational existence for the foreseeable future. These consolidated financial statements have therefore been prepared on a going concern basis.

The impact of the ongoing war in Ukraine in the medium and long term remains uncertain. Belron had franchise activities in Russia which have been suspended and in Ukraine, where operations paused at the start of the war, but were resumed in June 2022. The contribution of the franchised activities in those two countries were not financially meaningful. However, Belron sourced some glass (less than 5% of the total) from Russia and had therefore found alternative sources of supply. The conflict is also impacting TVH, which had decided to stop operating in Russia in 2022. The activity in Russia is qualified as "Assets/Liabilities held for sale" since the 30 June 2022, and the net assets of TVH Russia have been fully impaired since the 30 June 2023, as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered. Moleskine's exposure to the region is immaterial. The Group and Group's activities are monitoring the situation on a daily basis, complying with any applicable sanctions.

Note 3: Changes in significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out in note 35. These policies have all been consistently applied to all the years presented, unless otherwise stated.

The Group has adopted "International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12)" upon their release in May 2023.

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The Group has applied the temporary mandatory exception to the accounting for deferred taxes arising from the implementation of the Pillar Two model rules, as provided in the amendment to IAS 12 issued in May 2023.

The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reportings, and financial statements for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%.

Belron and TVH, consolidated in the Group using the equity method, are not in scope of the Pillar 2 assessment performed by the Group.

Belron is considered a Ultimate Parent Entity of a separate MNE Group that is subject to the GloBE Rules itself and is therefore not part of D'Ieteren Group for Pillar 2 purposes. Belron performed an assessment of the potential exposure to Pillar Two income taxes for the year ending 31 December 2024. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which Belron operates are above 15%. However, Belron has identified potential exposure to Pillar Two income taxes in respect of profits earned in the United Kingdom.

TVH is owned 40% by the Group and is therefore not part of D'Ieteren Group for Pillar 2 purposes. TVH performed a simplified simulation based on the 2022 country-by-country data and concluded that almost all of the jurisdiction where TVH operates satisfy to the safe harbour simplifications.

Note 4: Segment information

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine, TVH and PHE (as from 4th of August 2022 – including the holding company of the PHE Group). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

D'Ieteren Automotive comprises the automobile distribution activities of the Group through D'Ieteren Automotive SA/NV and its subsidiaries, affiliates, and joint ventures. Belron comprises Belron Group s.a. and its subsidiaries, affiliates, and joint ventures. Moleskine includes Moleskine S.p.a. and its subsidiaries, affiliates, and joint ventures. TVH includes TVH Global NV and its subsidiaries, affiliates, and joint ventures. PHE includes Parts Holding Europe SAS and its holding company, its subsidiaries, affiliates, and joint ventures. Despite their classification as equity-accounted investees, Belron and TVH remain separate reportable operating segments, reflecting the Group's internal reporting structure. The segment "Corporate & unallocated" comprises the corporate department and the real estate activities of the Group, through its wholly owned subsidiary D'Ieteren Immo SA/NV (see note 1).

These operating segments are consistent with the Group's organisational and internal reporting structure.

Segment Statement of Profit or Loss - Operating Segments (Year ended 31 December)

€m	Notes	2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
External revenue	5	5,296.5	6,047.7	130.2	1,607.0	2,556.9	-	-7,654.7	7,983.6
Inter-segment revenue		0.3	-	0.1	-	-	-	-0.4	-
Segment revenue		**5,296.8**	**6,047.7**	**130.3**	**1,607.0**	**2,556.9**	**-**	**-7,655.1**	**7,983.6**
Operating result (being segment result)	**6**	**191.4**	**1,069.6**	**26.9**	**113.5**	**166.4**	**-9.1**	**-1,183.1**	**375.6**
Net finance costs	7	-15.9	-225.1	-21.2	-36.9	-99.8	17.5	262.0	-119.4
Finance income		1.5	27.7	0.5	3.6	4.3	15.6	-29.1	24.1
Finance costs		-17.4	-252.8	-1.6	-38.3	-104.1	-20.4	291.1	-143.5
Inter-segment financing interests		-	-	-20.1	-2.2	-	22.3	-	-
Share of result of equity-accounted investees, net of income tax	17	-0.9	1.1	-	-	0.1	-	356.4	356.7
Result before tax		**174.6**	**845.6**	**5.7**	**76.6**	**66.7**	**8.4**	**-564.7**	**612.9**
Income tax expense	11	-63.2	-171.6	-5.4	-29.1	-25.2	-8.8	200.7	-102.6
Result from continuing operations		**111.4**	**674.0**	**0.3**	**47.5**	**41.5**	**-0.4**	**-364.0**	**510.3**
Discontinued operations		-	-	-	-	-	-	-	-
RESULT FOR THE PERIOD		**111.4**	**674.0**	**0.3**	**47.5**	**41.5**	**-0.4**	**-364.0**	**510.3**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH (*)	PHE	Corp. & unallocated	Group
Equity holders of the Company(*)	**112.6**	**338.4**	**0.3**	**19.1**	**34.7**	**-0.4**	**504.7**
Non-controlling interests ("NCI")	-1.2	-	-	-	6.8	-	5.6
RESULT FOR THE PERIOD	**111.4**	**338.4**	**0.3**	**19.1**	**41.5**	**-0.4**	**510.3**

(*) Belron at 50.20% (weighted average economic percentage for the period) and TVH at 40.00% – see note 17.

Segment Statement of Profit or Loss – Operating Segments (Year ended 31 December)

€m	2022[1]							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
External revenue	3,609.5	5,574.3	143.3	1,621.7	961.8	-	-7,196.0	4,714.6
Inter-segment revenue	-	-	-	-	-	-	-	-
Segment revenue	**3,609.5**	**5,574.3**	**143.3**	**1,621.7**	**961.8**	**-**	**-7,196.0**	**4,714.6**
Operating result (being segment result)	**145.9**	**860.9**	**21.2**	**172.0**	**39.4**	**-5.0**	**-1,032.9**	**201.5**
Net finance costs	6.5	-348.8	-11.0	-6.5	-31.1	12.8	355.3	-22.8
Finance income	11.2	20.5	2.1	15.4	0.2	1.0	-33.6	16.8
Finance costs	-4.7	-369.3	-2.4	-19.6	-31.3	-1.2	388.9	-39.6
Inter-segment financing interests	-	-	-10.7	-2.3	-	13.0	-	-
Share of result of equity-accounted investees, net of income tax	6.8	0.4	-	-	0.2	-	202.7	210.1
Result before tax	**159.2**	**512.5**	**10.2**	**165.5**	**8.5**	**7.8**	**-474.9**	**388.8**
Income tax expense	-45.9	-211.3	-1.0	-34.3	-8.2	-3.8	245.6	-58.9
Result from continuing operations	**113.3**	**301.2**	**9.2**	**131.2**	**0.3**	**4.0**	**-229.3**	**329.9**
Discontinued operations	-	-	-	-	2.9	-	-	2.9
RESULT FOR THE PERIOD	**113.3**	**301.2**	**9.2**	**131.2**	**3.2**	**4.0**	**-229.3**	**332.8**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	TVH(*)	PHE (5 months)	Corp. & unallocated	Group
Equity holders of the Company(*)	**113.9**	**150.6**	**9.2**	**52.5**	**2.5**	**4.0**	**332.7**
Non-controlling interests ("NCI")	-0.6	-	-	-	0.7	-	0.1
RESULT FOR THE PERIOD	**113.3**	**150.6**	**9.2**	**52.5**	**3.2**	**4.0**	**332.8**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.
(*) Belron at 50.01% and TVH at 40.00% – see note 17.

In 2022 and 2023, the columns "Eliminations" reconcile the segment statement of profit or loss (with the net results of Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net results of Belron and TVH presented in the line "share of result of equity-accounted investees, net of income tax" representing the share of the Group – 50.20% in 2023 and 50.01% in 2022; see note 17 – in the net result of Belron and the share of the Group – 40%; see note 17 – in the net result of TVH).

In the consolidated statement of profit or loss, the increase in gross margin and the increases in the lines "Costs of sales" and "Commercial and administrative expenses" in the period are mainly explained by the integration of PHE in the consolidated statement of profit or loss as from the date of acquisition (12 months in 2023 compared to 5 months in 2022) and to the operating performance of the D'Ieteren Automotive segment.

Similarly, the increase in the lines "Other operating income", "Other operating expenses" and "Net finance costs" are mainly due to the integration of PHE.

D'Ieteren Automotive

In 2023, the line "operating result" includes, amongst other amounts, -€26.0m (-€7.2m in the prior period) of share-based payment expense recognised as part of the Long-Term Incentive Plan (LTIP) put in place in April 2021 (see note 9). This charge is included in the line "commercial and administrative expenses" in the consolidated statement of profit or loss.

In 2022, the line "finance income" included, amongst other amounts, a consolidated gain of €10.2m recognized on the loss of exclusive control of Lizy and MyMove following the entry into capital by investors for 29% in Lizy and 33% in MyMove (both through capital increases). The consolidated gain represented the difference between the fair value of the non-controlling interests retained in the companies (39% in Lizy and 56% in MyMove) and the carrying amount of the assets and liabilities of the subsidiaries at the date the control was lost. These two entities are accounted for as equity accounted investees as from the 1st of January 2022. Excluding this consolidated gain, net finance costs increased by more than €12m in 2023 compared to 2022 as a result of rising interest rates and increased volume of debt.

Belron

In 2023, the line "Operating result" includes, amongst other amounts, -€37.5m of employees costs in relation to the restricted share units ('RSUs') awarded by the Board of Directors of Belron in December 2021 to employees (comprising a share-based payment charge of -€32.2m and associated payroll taxes of -€5.3m – this transaction has and will have no economic impact on the Group and on the 50.30% fully diluted stake held by the Group in Belron). It also includes -€124.1m of costs in relation with the group-wide transformation programme and -€13.9m of costs in respect of restructurings and integrations. In 2022, this line included, amongst other amounts, -€122.7m of costs in relation with the group-wide transformation programme, -€39.4m of employee costs in relation with the restricted share units ('RSUs') and -€14.7m of costs in respect of restructurings and integrations.

In 2022, in the Belron segment, the line "finance costs" included, amongst other amounts, costs related to the refinancing operated in April 2021 (-€197.7m of non-cash foreign exchange losses arising upon the translation of the USD Term Loan at the closing rate). A new structure was implemented in September 2022 which allows the foreign currency movements on these borrowings to naturally flow through the translation reserve in the statement of financial position prospectively, without impacting the profit or loss. In 2023, the net finance costs in the Belron segment includes the additional interests arising from the new financing issued in April 2023 (refer to the section "Segment Statement of Financial Position - Operating Segment" for more information on the refinancing).

Moleskine

In 2023, the line "operating result" includes, amongst other amounts, €5.8m related to the full reversal of the outstanding provision for the Long-Term Incentive Program (LTIP) as well as -€2.3m of provision for an exceptional cash bonus granted to the management for the efforts and the business impact achieved these last years. These amounts are included in the line "commercial & administrative expenses" in the consolidated statement of profit or loss.

TVH

In 2023 and 2022, the line "Operating result" includes, amongst other amounts, -€75.2m amortization on customer contracts and other intangible assets with finite useful lives recognized following the finalization of the purchase price allocation by the Group in the second half of 2022 (see note 17 of the 2022 consolidated financial statements). This line also includes -€48.0m of costs in relation to the IT and business transformation programme (-€18.6m in 2022).

In 2023, the increase in net finance costs compared to the prior period is mainly due to increased short term funding as a result of working capital financing needs and to adverse foreign exchange fluctuation in USD, leading to -€6.0m foreign exchange losses in 2023 compared to €7.5m foreign exchange gains in 2022. The line "finance costs" includes -€5.1m of impairment on financial assets of TVH Russia as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered. The total impairment of TVH Russia amounts to -€12.7m (the remaining amount beeing recorded in operating result for -€7.0m and tax expense for -€0.6m). The line "net finance costs" also includes -€1.0m (€6.1m in the prior period) of change in fair value of interest rates swaps.

PHE

In 2023, the line "Operating result" includes, amongst other amounts, -€25.9m of amortization on customer contracts with finite useful lives recognized following the finalization of the purchase price allocation by the Group in the first half of 2023 (-€10.8m in the prior period, as restated), see note 26. In 2023, the line "Operating result" also includes -€26.6m of share-based payment expense (-€2.2m in the prior period) that represents the portion of the fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, which is spread over their vesting period (see note 9) as well as -€3.3m of associated payroll taxes.

In 2022, the line "Operating result" included -€18.6m of expert fees and other costs incurred in relation with the acquisition of Parts Holding Europe (closing of the acquisition on the 4th of August 2022) as well as -€3.3m of fees incurred in relation with the disposal of PHE's specialized glass repair activity Mondial Pare-Brise.

In 2023, the line "Net finance costs" includes, amongst other amounts, -€10.9m of change in fair value of deferred consideration on acquisitions. It also includes -€4.1m of accelerated depreciation of deferred financing costs following the refinancing closed in February 2024 (see note 34).

In 2022, the line "discontinued operations" included the net result of PHE's specialized glass repair activity Mondial Pare-Brise, from the date of the acquisition of PHE by the Group (4th of August 2022) until 31 December 2022. Assets and liabilities of Mondial Pare Brise were classified as held for sale at 31 December 2022. The disposal of Mondial Pare Brise has been closed on 13 February 2023.

The percentage used to consolidate the net result of PHE is 100% in 2022, 2023 and beyond. The results attributable to non-controlling interests are those attributable to minority shareholders holding minority interests at the level of the direct and indirect subsidiaries of PHE. The Group applies the anticipated-acquisition method under which the non-controlling interests are derecognized when the put liability is recognized because the interests subject to the put options are deemed to have been already acquired by the Group (see section "Segment Statement of Financial Position - Operating Segment" for more information on the put options granted). Profits and losses attributable to non-controlling interests are therefore presented as attributable to the Group, both in the consolidated statement of financial position, in the consolidated statement of profit or loss and in the consolidated statement of comprehensive income.

Corporate & non-allocated

In 2023, the line "finance costs" includes, amongst other amounts, -€19.6m of impairment charge related to an outstanding investment (€114.4m at 31 December 2023 prior to the impairment) in the Supply Chain Finance Fund managed by Credit Suisse. In March 2021, Credit Suisse announced that their Supply Chain Finance Fund would enter into a liquidation process. Credit Suisse has informed that the credit assets held by the funds are covered by insurance. This fund distributed by Credit Suisse was qualified as low risk in the documentation made available to customers. The FINMA (the Swiss financial-markets regulator) has indicated that in that context Credit Suisse had seriously failed to meet its prudential obligations in terms of risk management and adequate organization, and has ordered corrective measures. The Group has decided to initiate legal proceedings against Credit Suisse.

The impairment charge takes into consideration the best estimate of the amount of liquidation costs borne by the fund which may be attributable to the Group (€11.5m). Additionally, and given the uncertainty of timing to recover the remaining inventory value, the Group discounted the financial asset for a total amount of €8.1m and reclassified it to non-current financial investments. At 31 December 2023, the carrying value of the investment, taking into account the above mentioned charge of -€19.6m, amounts to €94.8m.

The increase in the line "finance income" in 2023 is largely explained by the higher interests rates and the higher amount of cash and cash equivalents and other financial assets compared to 2022.

In 2022, the line "Operating result" included, amongst other amounts, €3.4m of gain on the disposal of two properties (included in the line "other operating income" in the consolidated statement of profit or loss).

Segment Statement of Financial Position - Operating Segment

€m	Notes	31 December 2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Goodwill	12	62.8	762.3	48.8	788.6	471.1	3.1	-1,550.9	585.8
Intangible assets	13	35.9	488.9	409.1	1,021.2	797.5	-	-1,510.1	1,242.5
Property, plant & equipment	14	155.7	983.3	14.0	516.5	304.4	216.2	-1,499.8	690.3
Investment property	15	-	-	-	-	-	40.1	-	40.1
Equity-accounted investees	17	124.8	2.3	-	-	7.5	-	915.5	1,050.1
Financial investments		-	9.0	-	-	1.0	94.8	-9.0	95.8
Derivative financial instruments		-	84.6	-	1.4	-	-	-86.0	-
Employee benefits		-	99.8	-	-	-	-	-99.8	-
Deferred tax assets	11	24.1	72.2	-	25.0	15.7	16.2	-97.2	56.0
Other receivables	20	6.1	31.3	1.2	10.0	26.9	5.7	-41.3	39.9
Non-current assets		**409.4**	**2,533.7**	**473.1**	**2,362.7**	**1,624.1**	**376.1**	**-3,978.6**	**3,800.5**
Inventories	16	872.2	419.2	26.9	475.3	535.2	-	-894.5	1,434.3
Financial investments	4	-	-	-	0.2	-	238.3	-0.2	238.3
Derivative financial instruments		-	14.5	-	-	3.8	-	-14.5	3.8
Current tax assets	11	3.2	10.2	1.1	7.3	6.8	73.1	-17.5	84.2
Trade and other receivables	20	356.9	337.2	33.1	332.0	493.3	5.9	-669.2	889.2
Cash & cash equivalents	19	16.8	233.0	15.6	107.7	103.9	621.6	-340.7	757.9
Assets classified as held for sale	21	-	-	-	-	-	-	-	-
Current assets		**1,249.1**	**1,014.1**	**76.7**	**922.5**	**1,143.0**	**938.9**	**-1,936.6**	**3,407.7**
TOTAL ASSETS		**1,658.5**	**3,547.8**	**549.8**	**3,285.2**	**2,767.1**	**1,315.0**	**-5,915.2**	**7,208.2**

Segment Statement of Financial Position - Operating Segment (continued)

€m	Notes	31 December 2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Equity		-	-	-	-	-	**3,472.9**	-	**3,472.9**
Employee benefits	10	46.7	39.9	2.2	11.5	29.6	0.4	-51.4	78.9
Provisions	23	9.8	75.4	-	0.7	2.1	0.8	-76.1	12.7
Loans & borrowings	24	106.9	4,694.8	7.9	736.4	1,120.2	39.8	-5,431.2	1,274.8
Inter-segment loan		-	-	272.4	-	-	-272.4	-	-
Derivative financial instruments		-	26.6	-	-	-	-	-26.6	-
Put options granted to non-controlling interests	33	8.8	-	-	-	175.3	-	-	184.1
Other payables	25	0.4	5.3	-	0.1	10.7	-	-5.4	11.1
Deferred tax liabilities	11	1.0	49.7	108.1	259.7	145.9	20.7	-309.4	275.7
Non-current liabilities		**173.6**	**4,891.7**	**390.6**	**1,008.4**	**1,483.8**	**-210.7**	**-5,900.1**	**1,837.3**
Provisions	23	-	31.9	1.1	2.3	5.6	5.2	-34.2	11.9
Loans & borrowings	24	164.5	215.4	4.6	173.6	179.3	3.2	-389.0	351.6
Inter-segment loan		-	-	-	-	-	-	-	-
Derivative financial instruments		-	5.0	-	-	-	-	-5.0	-
Put options granted to non-controlling interests	33	-	-	-	-	116.4	-	-	116.4
Current tax liabilities	11	18.7	166.4	0.6	12.8	-0.9	76.1	-179.2	94.5
Trade & other payables	25	767.6	735.3	28.8	202.2	512.6	14.6	-937.5	1,323.6
Liabilities directly associated with the assets held for sale	21	-	-	-	-	-	-	-	-
Current liabilities		**950.8**	**1,154.0**	**35.1**	**390.9**	**813.0**	**99.1**	**-1,544.9**	**1,898.0**
TOTAL EQUITY AND LIABILITIES		**1,124.4**	**6,045.7**	**425.7**	**1,399.3**	**2,296.8**	**3,361.3**	**-7,445.0**	**7,208.2**

Segment Statement of Financial Position – Operating Segments (continued)

€m	31 December 2022[1]							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Goodwill	49.2	734.1	48.8	788.1	459.1	3.1	-1,522.2	560.2
Intangible assets	33.8	527.8	410.4	1,056.7	795.6	-	-1,584.5	1,239.8
Property, plant & equipment	83.0	895.7	16.3	497.2	289.6	177.2	-1,392.9	566.1
Investment property	0.1	-	-	-	-	41.7	-	41.8
Equity-accounted investees	128.8	2.3	-	-	5.0	-	1,224.5	1,360.6
Financial investments	0.1	-	-	-	2.5	-	-	2.6
Derivative financial instruments	-	142.1	-	2.3	-	-	-144.4	-
Employee benefits	-	96.5	-	-	-	-	-96.5	-
Deferred tax assets	19.2	53.4	-	15.8	20.0	19.6	-69.2	58.8
Other receivables	4.8	34.2	1.1	9.1	25.7	44.2	-43.3	75.8
Non-current assets	**319.0**	**2,486.1**	**476.6**	**2,369.2**	**1,597.5**	**285.8**	**-3,628.5**	**3,905.7**
Inventories	678.6	445.8	29.7	516.3	483.4	-	-962.1	1,191.7
Financial investments	-	-	-	-	-	128.6	-	128.6
Derivative financial instruments	-	41.3	-	-	4.1	-	-41.3	4.1
Current tax assets	1.6	7.4	4.3	3.6	2.8	0.5	-11.0	9.2
Trade and other receivables	306.4	337.5	34.3	372.9	352.3	5.6	-710.4	698.6
Cash & cash equivalents	0.8	146.0	26.9	91.3	122.0	196.1	-237.3	345.8
Assets classified as held for sale	-	-	-	17.9	131.8	-	-17.9	131.8
Current assets	**987.4**	**978.0**	**95.2**	**1,002.0**	**1,096.4**	**330.8**	**-1,980.0**	**2,509.8**
TOTAL ASSETS	**1,306.4**	**3,464.1**	**571.8**	**3,371.2**	**2,693.9**	**616.6**	**-5,608.5**	**6,415.5**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

Segment Statement of Financial Position – Operating Segments (continued)

€m	31 December 2022[1]							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Equity	-	-	-	-	-	**3,155.9**	-	**3,155.9**
Employee benefits	23.7	27.4	3.8	6.7	26.8	0.6	-34.1	54.9
Provisions	7.5	62.0	-	0.9	-	0.6	-62.9	8.1
Loans & borrowings	93.5	3,981.2	9.9	625.1	1,124.4	4.7	-4,606.3	1,232.5
Inter-segment loan	-	-	272.3	40.0	-	-312.3	-	-
Derivative financial instruments	-	4.8	-	-	-	-	-4.8	-
Put options granted to non-controlling interests	2.9	-	-	-	235.4	-	-	238.3
Other payables	-	9.3	-	0.1	39.3	-	-9.4	39.3
Deferred tax liabilities	1.1	129.6	105.4	278.5	145.0	20.8	-408.1	272.3
Non-current liabilities	**128.7**	**4,214.3**	**391.4**	**951.3**	**1,570.9**	**-285.6**	**-5,125.6**	**1,845.4**
Provisions	-	48.0	4.9	2.2	5.4	5.2	-50.2	15.5
Loans & borrowings	121.7	203.1	20.4	325.7	225.3	0.7	-528.8	368.1
Inter-segment loan	-	-	-	0.6	-	-0.6	-	-
Derivative financial instruments	-	1.4	-	-	-	-	-1.4	-
Put options granted to non-controlling interests	-	-	-	-	5.6	-	-	5.6
Current tax liabilities	11.9	100.4	0.5	10.8	-	1.1	-111.2	13.5
Trade & other payables	527.1	695.6	30.9	229.0	413.7	12.8	-924.6	984.5
Liabilities directly associated with the assets held for sale	-	-	-	1.3	27.0	-	-1.3	27.0
Current liabilities	**660.7**	**1,048.5**	**56.7**	**569.6**	**677.0**	**19.2**	**-1,617.5**	**1,414.2**
TOTAL EQUITY AND LIABILITIES	**789.4**	**5,262.8**	**448.1**	**1,520.9**	**2,247.9**	**2,889.5**	**-6,743.1**	**6,415.5**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

In 2022 and 2023, the columns "Eliminations" reconcile the segment statement of financial position (including the assets and liabilities of Belron and TVH) to the IFRS consolidated statement of financial position (with Belron and TVH presented as equity-accounted investees – see note 17).

At 31 December 2023 and 31 December 2022, the lines "inter-segment loans" include the amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition; increased by €0.1m compared to 31 December 2022, representing €20.2m of capitalised interests and -€20.1m of cash payments in 2023).

At 31 December 2022, the line "inter-segment loans" also included the shareholder loan from the Corporate and unallocated segment to the TVH segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH, of which €0.6m represented capitalised interests, classified in the line "inter-segment loan" in the current liabilities (fully reimbursed in December 2023).

At 31 December 2023 and 31 December 2022, right-of-use assets recognised under IFRS 16 are included in the line "Property, plant and equipment". The related lease liabilities are accounted for under "Loans and borrowings".

D'Ieteren Automotive

At 31 December 2023, the increase in goodwill (+€13.6m) compared to 31 December 2022 reflects the acquisitions performed in 2023 (Jennes and several acquisitions at Lucien). The goodwill recognised reflects the expected synergies and other benefits resulting from the combination of the acquired activities with those of the D'Ieteren Automotive segment. The acquisitions performed in 2023 amounted to -€24.6m (total consideration paid, net of cash and cash equivalents acquired) presented in the line "acquisition of subsidiaries, net of cash acquired" in the consolidated statement of cash flows.

At 31 December 2023, the increase in Property, plant and equipment compared to 31 December 2022 mainly arises from the recognition of capital expenditures and right-of-use assets following acquisitions performed in 2023 (+€28m) and the recognition of additional right-of-use assets in the Retail segment.

At 31 December 2023, the increase of the line "Employee benefits" compared to the 31 December 2022 mainly arises from the additional provision for the long-term incentive program (LTIP) put in place in April 2021 (+€26m compared to the prior period).

Belron

At 31 December 2023, the long-term loans and borrowings include the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years). The proceeds of the new loan, together with available liquidity on the balance sheet allowed for the distribution of a dividend to Belron's shareholders (€1,106.2m of dividend declared, of which €572.9m to the Corporate & unallocated segment). This long-term loan has been repriced in December 2023 from the current [Term Sofr + 250bps] to [Term Sofr + 225bps] together with the sustainability-linked loan of $1,580m outstanding due in April 2028, repriced from the current [Term Sofr + 250bps] to [Term Sofr + 200bps]. In December 2023, Belron has declared and distributed an additional interim dividend of €363.2m to its shareholders out of cash on balance sheet (of which €188.1m to the Corporate & unallocated segment).

At 31 December 2023 and 31 December 2022, the derivative financial instruments included in the non-current assets mainly include interest rates swaps, cross currency interest rate swaps and forward exchange contracts, measured at fair value.

Moleskine

At 31 December 2023, the decrease in short-term loans and borrowings compared to 31 December 2022 is mainly explained by the full reimbursment of the external bank loan in the first semester 2023 (-€15m).

TVH

At 31 December 2023 and 31 December 2022, the lines "Goodwill" and "Intangible assets" include the residual value of the goodwill embedded in the equity investment and the value of the customer contracts and other intangible assets with finite useful lives recognised by the Group following the acquisition of a 40% stake in TVH on 1st October 2021 (see note 17 of the 2022 consolidated financial statements for more information on the purchase price allocation of TVH).

At 31 December 2023, the line "Loans and borrowings" includes the new mid-term loan of €300m concluded by TVH in December 2023. The proceeds from the new loan were used to reimburse the shareholder loan of €100m (of which €40m to the Corporate and Unallocated segment) and a large part of the outstanding straight loans.

At 31 December 2022, the lines "Assets classified as held for sale" and "Liabilities directly associated with the assets held for sale" included the assets and liabilities of TVH Russia. The net assets have been fully impaired in 2023, leading to an impairment charge of -€12.7m (-€7.0m in operating result, -€5.1m in finance costs and -€0.6m in tax expense) as TVH management is uncertain as to whether the carrying value of the remaining assets in Russia can be recovered.

PHE

At 31 December 2023, the line "Goodwill" mainly includes the final goodwill recognised following the acquisition of PHE by the Group on 4th August 2022. At 31 December 2022, the Group had not finalised the acquisition accounting of PHE and hence a provisional goodwill had been booked and no fair value adjustments had been recognised on the acquired assets and liabilities assumed, because the Group was not in a position to reasonably measure those adjustments. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalise the acquisition accounting), the provisional allocation has been reviewed in the first semester of 2023 and reallocated to brands and other intangible assets. Figures as at 31 December 2022 have been restated accordingly (see note 26).

At 31 December 2023, the lines "Put options granted to non-controlling interests" include the put options granted to PHE's non controlling interests holding minority interests in some of PHE's direct and indirect subsidiaries (€116.4m at 31 December 2023 compared to €103.6m at 31 December 2022, as restated – see note 1). They also comprise the put options granted to minority investors (including management and several partners and independent distributors) who invested alongside D'Ieteren Group in the holding company of PHE up to c. 9% (valued at €175.3m at 31 December 2023, increased by €37.9m compared to 31 December 2022, of which €26.6m related to the vesting and change in fair value of the free shares granted to PHE's key management personnel as part of the Management Reward Plan, recognised in profit or loss in employee benefits expenses). With the exception of the free shares granted to PHE management, the increase in the carrying value of the liability associated with these put options is accounted for directly in equity for an amount of €11.3m for the period ended 31 December 2023 on a consolidated basis. Refer to note 9 for more information on this management reward plan.

At 31 December 2023, the line "Trade and other payables" in the current liabilities mainly includes €53.7m of deferred considerations on past acquisitions (compared to €30.7m on the lines "Other payables" and "Trade and other payables" at 31 December 2022, restated). The increase compared to the prior period mainly results from additional deferred considerations recognized on new acquisitions (€12.4m) and from change in fair value of deferred considerations recognized on past acquisitions (€10.6m).

At 31 December 2022, the lines "Assets classified as held for sale" and "Liabilities directly associated with the assets held for sale" included the assets and liabilities of PHE's specialised glass repair activity. The disposal occurred in February 2023. The consideration received (net of cash disposed of) amounted to €92.1m, included in the line "Disposal of subsidiaries, net of cash disposed of" in the consolidated statement of cash flows.

Corporate and unallocated

At 31 December 2023, the line "financial investments" in the non-current assets includes €94.8m of investments in the Supply Chain Fund managed by Credit Suisse. Refer to the section "Segment Statement of Profit or Loss - Operating Segments (Year Ended 31 December)" for more information on the underlying investment. At 31 December 2022, those investments were classified in the line "financial investments" in the current assets.

The line "financial Investments" in the current assets comprises investments in a portfolio of marketable securities (mainly corporate bonds in Europe for a total amount of €238.3m at 31 December 2023 and €10.0m at 31 December 2022). These investments are accounted at amortized costs and have a maturity of less than one year and weighted average returns in 2023 of 3.77%. Amounts of underlying investments being large, with short maturities and very quick turnover, acquisitions and disposals of underlying assets are not separately disclosed.

The increase in the line "Property, plant and equipment" and "Loans and borrowings" compared to 31 December 2022 mainly reflects the additional right-of-use assets recognised and lease liabilities assumed in relation to new real estate projects at D'Ieteren Immo.

Segment Statement of Cash Flows - Operating Segments (Year ended 31 December)

€m	Notes	2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Cash flows from operating activities - Continuing									
Result from continuing operations		111.4	674.0	0.3	47.5	41.5	-0.4	-364.0	510.3
Income tax expense	11	63.2	171.6	5.4	29.1	25.2	8.8	-200.7	102.6
Share of result of equity-accounted investees, net of income tax	17	0.9	-1.1	-	-	-0.1	-	-356.4	-356.7
Net finance costs	7	15.9	225.1	21.2	36.9	99.8	-17.5	-262.0	119.4
Operating result from continuing operations		**191.4**	**1,069.6**	**26.9**	**113.5**	**166.4**	**-9.1**	**-1,183.1**	**375.6**
Depreciation on PP&E (including right-of-use assets)	6/14/15	42.7	241.1	6.0	38.5	73.3	9.9	-279.6	131.9
Amortisation of intangible assets	6/13	7.8	64.3	3.2	78.0	45.2	-	-142.3	56.2
Impairment and write-offs on goodwill and other non-current assets		-	4.8	-	-	-	-	-4.8	-
Other non-cash items	4	11.9	1.6	-1.2	15.5	4.7	-0.2	-17.1	15.2
Share-based payment and other employee benefit expenses	4/9	26.5	32.2	-5.1	1.6	26.6	5.5	-33.8	53.5
Other cash items		-	-	-0.2	-4.7	-	-	4.7	-0.2
Change in net working capital	4	26.4	35.3	5.0	28.0	-130.3	3.6	-63.3	-95.3
Cash generated from operations		**306.7**	**1,448.9**	**34.6**	**270.4**	**185.9**	**9.7**	**-1,719.3**	**536.9**
Income tax paid		-63.9	-187.6	-1.3	-50.4	-31.6	-3.2	238.0	-100.0
Net cash from operating activities		**242.8**	**1,261.3**	**33.3**	**220.0**	**154.3**	**6.5**	**-1,481.3**	**436.9**

Segment Statement of Cash Flows - Operating Segments (Year ended 31 December – continued)

€m		2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Cash flows from investing activities - Continuing									
Purchase of property, plant and equipment and intangible assets	13/14/15	-38.3	-120.6	-3.1	-98.6	-50.7	-14.4	219.2	-106.5
Sale of property, plant and equipment and intangible assets		3.3	9.8	-	3.1	3.4	8.2	-12.9	14.9
Net capital expenditure		**-35.0**	**-110.8**	**-3.1**	**-95.5**	**-47.3**	**-6.2**	**206.3**	**-91.6**
Acquisition of subsidiaries (net of cash acquired)	26	-27.6	-57.5	-	-2.4	-32.8	-	59.9	-60.4
Acquisition of equity-accounted investees	17	-1.6	-	-	-	-	-50.0	-	-51.6
Disposal of subsidiaries (net of cash disposed of)	4	-	5.2	-	0.2	92.1	-	-5.4	92.1
Contribution of cash from/(to) joint venture		-	0.4	-	-	-	-	-0.4	-
Proceeds from the sale of / (investments in) financial assets	4	-	0.8	-	-	-1.2	-224.0	-0.8	-225.2
Interest received		1.4	20.7	-	1.7	4.1	17.8	-22.4	23.3
Dividends received from /(paid by) equity-accounted investees	4/17	4.9	-1,447.5	-	-	-	761.0	1,447.5	765.9
Movement in shareholder loan with equity-accounted investee	17	-	-	-	-40.0	-	40.0	40.0	40.0
Loans to employees in relation to Long Term Incentive Plan and stock options		-1.3	-	-	-	-	-1.5	-	-2.8
Net cash from investing activities		**-59.2**	**-1,588.7**	**-3.1**	**-136.0**	**14.9**	**537.1**	**1,724.7**	**489.7**

Segment Statement of Cash Flows - Operating Segments (Year ended 31 December – continued)

€m		2023							
		D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Cash flows from financing activities - Continuing									
Acquisition (-)/Disposal (+) of non-controlling interests	26	-	-	-	-	-	0.4	-	0.4
Share capital increase		-	5.5	-	-	-	-	-5.5	-
Acquisition of treasury shares	22	-	-	-	-	-	-81.6	-	-81.6
Disposal of treasury shares	22	-	150.0	-	-	-	21.3	-150.0	21.3
Net proceeds from the sale & purchase of own shares (buyback from MRP participants)		-	-90.5	-	-	-	-	90.5	-
Repayment of lease liabilities	24	-26.8	-189.1	-5.4	-13.0	-47.6	-3.5	202.1	-83.3
Proceeds from loans and borrowings	24	61.4	802.0	-	141.9	12.7	-	-943.9	74.1
Repayment of loans and borrowings	24	-100.1	-43.7	-15.0	-174.2	-75.8	-0.2	217.9	-191.1
Inter-segment financing interests		-	-	-20.0	-	-	20.0	-	-
Interest paid		-15.2	-218.8	-0.7	-25.4	-85.9	-0.7	244.2	-102.5
Dividends received from/(paid to) other segment		-86.9	-	-	-	-	86.9	-	-
Dividends paid by the Company	22	-	-	-	-	-	-160.7	-	-160.7
Dividends paid to non-controlling interests of consolidated subsidiaries		-	-	-	-	-1.9	-	-	-1.9
Net cash from financing activities		**-167.6**	**415.4**	**-41.1**	**-70.7**	**-198.5**	**-118.1**	**-344.7**	**-525.3**
Cash flows from continuing operations		**16.0**	**88.0**	**-10.9**	**13.3**	**-29.3**	**425.5**	**-101.3**	**401.3**
Cash flows from discontinued operations		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL CASH FLOW FOR THE PERIOD		**16.0**	**88.0**	**-10.9**	**13.3**	**-29.3**	**425.5**	**-101.3**	**401.3**

Segment Statement of Cash Flows - Operating Segments (Year ended 31 December – continued)

€m	2023							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE	Corp. & unallocated	Eliminations	Group
Reconciliation with statement of financial position								
Cash at beginning of period	0.8	146.0	26.9	91.3	122.0	196.1	-237.3	345.8
Cash included in non-current assets held for sale	-	-	-	10.3	11.2	-	-10.3	11.2
Cash and cash equivalents at beginning of period	**0.8**	**146.0**	**26.9**	**101.6**	**133.2**	**196.1**	**-247.6**	**357.0**
Total cash flow for the period	16.0	88.0	-10.9	13.3	-29.3	425.5	-101.3	401.3
Effects of movement in exchange rates	-	-1.0	-0.4	-2.1	-	-	3.1	-0.4
Effect of impairment on cash and cash equivalents	-	-	-	-5.1	-	-	5.1	-
Cash and cash equivalents at end of period	**16.8**	**233.0**	**15.6**	**107.7**	**103.9**	**621.6**	**-340.7**	**757.9**
Included within "Cash and cash equivalents	*16.8*	*233.0*	*15.6*	*107.7*	*103.9*	*621.6*	*-340.7*	*757.9*
Included within "Non-current assets held for sale"	-	-	-	-	-	-	-	-

Segment Statement of Cash Flows – Operating Segments (Year ended 31 December – continued)

€m	2022(1)							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
Cash flows from operating activities - Continuing								
Result from continuing operations	113.3	301.2	9.2	131.2	0.3	4.0	-229.3	329.9
Income tax expense	45.9	211.3	1.0	34.3	8.2	3.8	-245.6	58.9
Share of result of equity-accounted investees, net of income tax	-6.8	-0.4	-	-	-0.2	-	-202.7	-210.1
Net finance costs	-6.5	348.8	11.0	6.5	31.1	-12.8	-355.3	22.8
Operating result from continuing operations	**145.9**	**860.9**	**21.2**	**172.0**	**39.4**	**-5.0**	**-1,032.9**	**201.5**
Depreciation on PP&E (including right-of-use assets)	24.2	226.3	6.2	37.1	28.4	9.3	-263.4	68.1
Amortisation of intangible assets	4.1	63.7	3.6	76.2	18.2	-	-139.9	25.9
Impairment and write-offs on goodwill and other non-current assets	-	11.2	-	-	-	-	-11.2	-
Other non-cash items	-12.4	-1.0	-1.1	11.8	-0.2	-3.8	-10.8	-17.5
Share-based payment and other employee benefit expenses	7.4	37.0	3.2	3.7	8.8	4.7	-40.7	24.1
Other cash items	-0.3	1.8	1.8	-	-	-	-1.8	1.5
Change in net working capital	-173.0	-159.0	-3.3	-155.6	-3.3	20.8	314.6	-158.8
Cash generated from operations	**-4.1**	**1,040.9**	**31.6**	**145.2**	**91.3**	**26.0**	**-1,186.1**	**144.8**
Income tax paid	-38.3	-162.7	-1.7	-62.2	-17.7	0.5	224.9	-57.2
Net cash from operating activities	**-42.4**	**878.2**	**29.9**	**83.0**	**73.6**	**26.5**	**-961.2**	**87.6**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

Segment Statement of Cash Flows – Operating Segments (Year ended 31 December – continued)

€m	2022							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
Cash flows from investing activities - Continuing								
Purchase of property, plant and equipment and intangible assets	-35.5	-107.7	-3.6	-119.6	-22.4	-15.5	227.3	-77.0
Sale of property, plant and equipment and intangible assets	3.1	6.9	-	25.5	0.6	6.7	-32.4	10.4
Net capital expenditure	**-32.4**	**-100.8**	**-3.6**	**-94.1**	**-21.8**	**-8.8**	**194.9**	**-66.6**
Acquisition of subsidiaries (net of cash acquired)	-10.7	-147.4	-	-13.8	78.5	-584.6	161.2	-516.8
Disposal of subsidiaries (net of cash disposed of)	-	2.3	-	-	-	-	-2.3	-
Contribution of cash from/(to) joint venture	2.4	-	-	-	-	-	-	2.4
Proceeds from the sale of / (investments in) financial assets	-	-	-	0.1	-0.3	415.5	-0.1	415.2
Interest received	0.9	14.4	-	0.7	0.2	6.1	-15.1	7.2
Dividends received from /(paid by) equity-accounted investees	4.5	-403.8	-	-	-	212.5	403.8	217.0
Loans to employees in relation to Long Term Incentive Plan and stock options	-0.6	-	-	-	-	-0.7	-	-1.3
Net cash from investing activities	**-35.9**	**-635.3**	**-3.6**	**-107.1**	**56.6**	**40.0**	**742.4**	**57.1**

Segment Statement of Cash Flows – Operating Segments (Year ended 31 December – continued)

€m	2022							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
Cash flows from financing activities - Continuing								
Acquisition (-)/Disposal (+) of non-controlling interests	2.7	-	-	-		50.4	-	53.1
Share capital increase	-	0.6	-	-		-	-0.6	-
Acquisition of treasury shares	-	-	-	-	-	-117.4	-	-117.4
Disposal of treasury shares	-	-	-	-	-	30.7	-	30.7
Net proceeds from the sale & purchase of own shares (buyback from MRP participants)	-	-7.5	-	-	-	-	7.5	-
Repayment of lease liabilities	-14.4	-187.7	-5.1	-12.9	-17.7	-0.7	200.6	-37.9
Proceeds from loans and borrowings	66.1	-	-	181.2	41.3	-	-181.2	107.4
Repayment of loans and borrowings	-7.9	-32.6	-29.4	-162.3	-9.8	-0.2	194.9	-47.3
Interest paid	-1.8	-160.3	-3.9	-15.7	-12.9	-1.2	176.0	-19.8
Dividends received from/(paid to) other segment	-51.6	-	-	-	-	51.6	-	-
Dividends paid by the Company	-	-	-	-	-	-113.6	-	-113.6
Net cash from financing activities	**-6.9**	**-387.5**	**-38.4**	**-9.7**	**0.9**	**-100.4**	**397.2**	**-144.8**
Cash flows from continuing operations	**-85.2**	**-144.6**	**-12.1**	**-33.8**	**131.1**	**-33.9**	**178.4**	**-0.1**
Cash flows from discontinued operations	**-**	**-**	**-**	**-**	**2.1**	**-**	**-**	**2.1**
TOTAL CASH FLOW FOR THE PERIOD	**-85.2**	**-144.6**	**-12.1**	**-33.8**	**133.2**	**-33.9**	**178.4**	**2.0**

Segment Statement of Cash Flows – Operating Segments (Year ended 31 December – continued)

€m	2022							
	D'Ieteren Automotive	Belron (100%)	Moleskine	TVH (100%)	PHE (5 months)	Corp. & unallocated	Eliminations	Group
Reconciliation with statement of financial position								
Cash at beginning of period	86.0	244.9	38.6	137.0	-	230.0	-381.9	354.6
Cash and cash equivalents at beginning of period	**86.0**	**244.9**	**38.6**	**137.0**	**-**	**230.0**	**-381.9**	**354.6**
Total cash flow for the period	-85.2	-144.6	-12.1	-33.8	133.2	-33.9	178.4	2.0
Effects of movement in exchange rates	-	45.7	0.4	-1.6	-	-	-44.1	0.4
Cash and cash equivalents at end of period	**0.8**	**146.0**	**26.9**	**101.6**	**133.2**	**196.1**	**-247.6**	**357.0**
Included within "Cash and cash equivalents	*0.8*	*146.0*	*26.9*	*91.3*	*122.0*	*196.1*	*-237.3*	*345.8*
Included within "Non-current assets held for sale"	-	-	-	*10.3*	*11.2*	-	*-10.3*	*11.2*

In 2022 and 2023, the column "Eliminations" reconciles the segment statement of cash flows (with Belron and TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of cash flows (with Belron and TVH consolidated under equity-accounting method).

D'Ieteren Automotive

In 2023, the line "other non-cash items" mainly includes movements in provisions, write-down on stocks and write-down on receivables. In 2022, this line mainly included movements in provisions, write-down on receivables and gains on disposals of furniture and equipment.

In 2023 and 2022, the line "share based payment and other employee benefit expenses" mainly includes a share-based payment charge in relation to the long-term incentive plan put in place for management (c. €26m in 2023 and c. €7m in 2022).

In 2023, the cash inflow from change in net working capital reflects a higher level of inventories and trade receivables, partially offset by increase in trade payables. In 2022, the cash outflow from the change in net working capital mainly reflected higher inventories compared to 2021.

In 2023 and 20222, the line "acquisition of subsidiaries (net of cash acquired)" mainly represents the acquisitions of subsidiaries in Belgium.

In 2023 and 2022, the line "Dividends received from/(paid to) other segment" includes the dividend paid to the Corporate & unallocated segment.

Belron

In 2023 and 2022, the line "share based payment and other employee benefit expenses" relates the share-based payment charge in relation to the restricted share units ('RSUs') awarded by the Board of Directors of Belron in December 2021 (see note 17).

In 2022, the cash outflow from change in net working capital mainly arose from an increase in inventories primarily relating to the stocking up on the back of inflationary and supply chain pressures.

In 2023, the line "Dividends received from /(paid by) equity-accounted investees" includes the dividend paid to Belron's shareholders (€1,448.7m, of which €761.0m paid to D'Ieteren Group) following the additional financing operated in April 2023 and the ordinary interim dividend paid in December 2023.

In 2023, the line "Disposal of treasury shares" represents the proceeds from the disposal of own shares to existing shareholders (€150.0m, of which €50.0m to D'Ieteren Group) (see note 17).

In 2023 and 2022, the line "Net proceeds from the sale & purchase of own shares (buyback from MRP participants)" represents the net cash received from the sales and purchase of own shares to MRP participants (see note 17).

In 2023, the line "Increase of other loans and borrowings" mainly includes the additional financing operated in April 2023 (total amount of $870m – or €800m equivalent – with a maturity of 6 years).

Moleskine

In 2023, the line "Share based payment and other employee benefit expenses" mainly includes the full reversal of the outstanding provision for the Long-Term Incentive Program (LTIP) (€5.8m) while in 2022, this line mainly included the additional provision for the LTIP (-€2.6m).

In 2023, the line "Change in net working capital" includes, amongst other amounts, a provision for an exceptional cash bonus granted to the management for the efforts and the business impact achieved these last years (-€2.3m).

In 2023, the line "Inter-segment financing interests" includes the reimbursement to the Corporate & unallocated segment of the 2023 interests on the shareholder loan.

TVH

In 2023 and 2022, the line "other non-cash items" mainly includes write down on inventories and receivables.

In 2023 and 2022, the line "share based payment and other employee benefit expenses" includes the provision for the Long-Term Incentive Program (LTIP) (-€2.6m in 2023 ; -€2.2m in 2022).

In 2022, the cash outflow from change in net working capital mainly arose from a voluntary high level of inventory to face supply chain disruption.

In 2023, the lines "Movement of shareholder loan towards equity-accounted investee", "proceeds from loans and borrowings" and "repayment of loans and borrowings" include the reimbursment of the shareholder loan of €100m (of which €40m to the Corporate and Unallocated segment), and the cash outflow and inflows resulting from the conclusion of the new mid-term loan of €300m in December 2023 and the reimbursment of a large part of the outstanding straight loans.

PHE

In 2023 and 2022, the line "share based payment and other employee benefit expenses" includes, amongst other amounts, the share-based payment expense (-€26.6m in 2023 and -€2.2m in 2022) recognised following the management plan put in place in October 2022 (see note 9).

In 2023, the cash outflow from change in net working capital is mainly explained by the decision of PHE to decrease significantly non-recourse factoring by using cash received from the disposal of Mondial Pare-Brise (and therefore to reduce associated finance costs).

In 2023, the line "Disposal of subsidiaries (net of cash disposed of)" includes the proceeds from the disposal of Mondial Pare-Brise closed in February 2023.

In 2022, the line "cash-flow from discontinued operations" included the cash generated by PHE's specialized glass repair activity Mondial Pare-Brise (classified as held for sale at 31 December 2022) from the date of acquisition of PHE (4th of August 2022). Disposal occurred in February 2023.

Corporate & unallocated

In 2022, the line "other non-cash items" mainly related to the gain realised on the disposal of properties in Belgium (€3.4m).

In 2023 and 2022, the line "share based payment and other employee benefit expenses" mainly includes the equity-settled share-based payment expenses (see note 9).

In 2022, the line "acquisition of subsidiaries (net of cash acquired)" included the acquisition of PHE (closed on the 4th of August 2022). See note 26 for more information on the business combination of PHE.

In 2023, the line "Acquisition of equity-accounted investees" represents the acquisition in May 2023 of additional Belron's shares (-€50.0m, previously held by the Employee Benefit Trust). The additional shares acquired increased the fully diluted percentage of the Group in Belron from 50.01% to 50.30%, leading to a weighted average economic percentage of 50.20% in 2023 (see note 17).

In 2023, the line "Proceeds from the sale of / (investments in) financial assets" mainly comprises the cash movements related to the investments in a portfolio of marketable securities (mainly corporate bonds in Europe).

In 2023 and 2022, the line "Dividends received from/(paid by) equity-accounted investees" related to the share of the Group in the dividends (€761.0m in 2023 ; €212.5m in 2022) received from the Belron segment.

In 2023, the line "movement of shareholder loan towards equity-accounted investee" includes the reimbursment of the shareholder loan of TVH.

In 2023 and 2022, the line "Acquisition (-) / Disposal (+) of non-controlling interests" includes the consideration received from minority investors (including management and several partners and independent distributors) who invested in the holding company of PHE alongside the Group up to c. 9%.

In 2023, the line "Inter-segment financing interests" includes the reimbursement of the 2023 interests on the shareholder loan of Moleskine.

The line "Dividends received from/(paid to) other segment" includes the dividend received from the D'Ieteren Automotive segment (€86.9m in 2023 ; €51.6m in 2022).

The line "Dividends paid by the Company" includes the distribution to shareholders of the ordinary dividend (2023: €3.00 per share; 2022: €2.10 per share).

Geographical Segment Information (Year ended 31 December)

The Group's operating segments (being D'Ieteren Automotive, Moleskine, PHE and Corporate & unallocated) operate in four main geographical areas, being Belgium (main market for the D'Ieteren Automotive segment), France (being the main market for the PHE segment), the rest of Europe and the rest of the world. Figures for the segments Belron and TVH are not presented in the below table since they are equity-accounted investees.

€m	2023					2022[3]				
	Belgium	France	Rest of Europe	Rest of the world	Group	Belgium	France	Rest of Europe	Rest of the world	Group
Segment revenue from external customers[1]	5,369.2	1,713.9	823.4	77.1	7,983.6	3,630.6	648.0	348.1	87.9	4,714.6
Non-current assets[2]	650.6	1,003.3	937.2	7.5	2,598.6	539.1	1,095.4	841.0	8.2	2,483.7

(1) Based on the geographical location of the customers.
(2) Non-current assets, as defined by IFRS 8, consists of goodwill, intangible assets, property, plant and equipment, investment property and non-current other receivables.
(3) As restated – Refer to note 1 for more information on the restatement of comparative information.

Note 5: Revenue

Disaggregation of revenue issued from contracts with customers for the year ended 31 December 2022 and 31 December 2023 is presented in the table below:

€m	2023	2022
D'Ieteren Automotive		
New vehicles	4,294.5	2,893.2
Used cars	449.2	305.9
Spare parts and accessories	319.2	275.1
After-sales activities	74.8	54.4
Other revenue	158.8	80.9
Subtotal D'Ieteren Automotive	**5,296.5**	**3,609.5**
Moleskine		
Europe, Middle-East and Africa (EMEA)	57.8	59.4
America	53.5	62.0
Asia-Pacific (APAC)	18.9	21.9
Subtotal Moleskine	**130.2**	**143.3**
PHE		
France	1,705.3	643.0
International	851.6	318.8
Subtotal PHE	**2,556.9**	**961.8**
Total Revenue	**7,983.6**	**4,714.6**

There was no material revenue recognised in the current reporting period that related to carried-forward contract liabilities (deferred income) or performance obligations satisfied in the previous year. There is no material revenue that is likely to arise in future periods from unsatisfied performance obligations at the Consolidated Statement of Financial Position date.

There is no material contract income or costs recognised on the Consolidated Statement of Financial Position as contract liabilities or contract assets.

Note 6: Operating result

Operating result is stated after charging:

€m	2023					2022(1)				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Purchases and changes in inventories	-4,461.1	-27.7	-1,467.9	-3.6	-5,960.3	-2,999.9	-28.3	-555.0	-1.6	-3,584.8
Depreciation on PP&E & investment property	-42.7	-6.0	-73.3	-9.9	-131.9	-24.2	-6.2	-28.4	-9.3	-68.1
Amortisation	-7.8	-3.2	-45.2	-	-56.2	-4.1	-3.6	-18.2	-	-25.9
Write-down on inventories	-9.7	0.7	-3.3	-	-12.3	-0.4	0.4	2.3	-	2.3
Write down on receivables	-1.9	0.2	-2.9	0.1	-4.5	-1.0	-	-5.1	-	-6.1
Employee benefit expenses (see note 10)	-276.3	-19.5	-498.3	-22.1	-816.2	-208.7	-25.9	-183.3	-19.4	-437.3
Gain on sale of property, plant and equipment	1.7	-	-	-	1.7	2.3	-	-	3.5	5.8
Loss on sale of property, plant and equipment	-1.0	-	-	-	-1.0	-	-	-	-	-
Rental income from investment property	-	-	-	6.6	6.6	-	-	-	5.0	5.0
Sundry(2)	-306.3	-47.8	-299.6	19.8	-633.9	-227.6	-58.5	-134.7	16.8	-404.0
Net operating expenses / income	**-5,105.1**	**-103.3**	**-2,390.5**	**-9.1**	**-7,608.0**	**-3,463.6**	**-122.1**	**-922.4**	**-5.0**	**-4,513.1**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.
(2) Mainly relates to marketing and IT costs, legal and consultancy fees and inter-segment rental income and expenses between the segment "Corporate & unallocated" and D'Ieteren Automotive.

In the consolidated statement of profit or loss, the increases in gross margin, cost of sales, and commercial and administrative expenses compared to 2022 are mainly explained by the integration of PHE in the consolidated statement of profit or loss as from the date of acquisition (12 months in 2023 compared to 5 months in 2022) and to the operating performance of the D'Ieteren Automotive segment. Similarly, the increase in the lines "Other operating income" and "Other operating expenses" are mainly due to the integration of PHE.

In 2022 and 2023, the line "depreciation on PP&E & investment property" includes the depreciation on right-of-use assets recognised in accordance with IFRS 16 (see note 32 for additional information on the right-of-use assets).

Note 7: Net finance costs

Net finance costs are broken down as follows:

€m	2023					2022				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Finance costs:										
Interest expense	-14.3	-0.8	-81.3	-0.3	-96.7	-3.2	-1.6	-31.2	-0.8	-36.8
Interest costs on pension	-0.2	-0.1	-0.9	-	-1.2	-0.1	-	-0.1	-	-0.2
Other financial charges	-2.9	-0.7	-11.4	-0.5	-15.5	-1.4	-0.8	-	-0.4	-2.6
Subtotal finance costs	-17.4	-1.6	-93.6	-0.8	-113.4	-4.7	-2.4	-31.3	-1.2	-39.6
Re-measurements of financial instruments:										
Measured at fair value upon initial recognition	-	-	-10.5	-19.6	-30.1	-	-	-	-	-
Finance income	1.5	0.5	4.3	17.8	24.1	11.2	2.1	0.2	3.3	16.8
Inter-segment financing interests	-	-20.1	-	20.1	-	-	-10.7	-	10.7	-
Net finance costs	**-15.9**	**-21.2**	**-99.8**	**17.5**	**-119.4**	**6.5**	**-11.0**	**-31.1**	**12.8**	**-22.8**

In 2022 and 2023, the line "interest expense" includes, amongst other amounts, the interest charges on lease liabilities recognised in accordance with IFRS 16. Refer to note 24 for more information on the lease liabilities.

The increase in finance costs in the period is mainly due to the integration of PHE in the Group's consolidated statement of profit or loss as from the date of acquisition (12 months in 2023 compared to 5 months in 2022), higher interest expense on the €100m amortising term loan and the €225m revolving credit facility in the D'Ieteren Automotive segment (-€5.7m in 2023; -€1.1m in 2022), and to additional interests expenses on lease liabilities following the increase in interest rates in 2023.

In the PHE segment, the interest expenses mainly include interests on senior secured notes and revolving credit facilities and interest charges on lease liabilities. Other financial charges include, amongst other amounts, the accelerated depreciation of deferred financing costs following the refinancing closed in February 2024 (see note 34).

In 2023, the re-measurements of financial instruments include the change in fair value of interest rates swaps and caps and deferred consideration on acquisitions in the PHE segment, and an impairment charge related to an outstanding investment (€114.4m at 31 December 2023 prior to the impairment) in the Supply Chain Finance Fund managed by Credit Suisse in the Corporate and unallocated segment (see note 4 for more information on this investment).

The increase in finance income compared to 2022 is largely explained by the higher interests rates and the higher amount of cash and cash equivalents and other financial assets held in the Corporate and unallocated segment, partially offset by the consolidated gain recognised on the loss of exclusive control of entities in the D'Ieteren Automotive segment in 2022 (€10.2m).

In 2022 and 2023, the inter-segment financing interests are related to amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition).

Note 8: Earnings per share

Earnings per share ("EPS") and earnings per share from continuing operations ("Continuing EPS") are shown on the face of the consolidated statement of profit or loss. Basic and diluted EPS are based on the result for the period attributable to equity holders of the Company (based on the result from continuing operations attributable to equity holders of the Company for the continuing EPS), after adjustment for participating shares (each participating share confers one voting right and gives right to a dividend equal to one eighth of the dividend of an ordinary share).

The weighted average number of ordinary shares in issue for the period is shown in the table below.

The Group has granted options to employees over ordinary shares of the Company. Such shares constitute the only category of potentially dilutive ordinary shares.

The weighted average number of ordinary shares outstanding during the period is 53,021,486 (53,230,995 in the prior period) and the weighted average number of ordinary shares taken into account for diluted EPS is 53,422,347 (53,810,452 in the prior period). The decrease in the average number of ordinary shares outstanding is the result of the movement in treasury shares.

The options over ordinary shares of the Company were added to the weighted average number of shares of the Company taken into account for diluted earnings per share in 2022 and 2023 as option exercise prices were below the average market share price.

The computation of basic and diluted EPS is set out hereafter:

		2023	2022[1]
Result for the period attributable to equity holders		504.7	332.7
Adjustment for participating shares		-5.9	-3.9
Numerator for EPS (€m)	(a)	498.8	328.8
Result from continuing operations		510.3	329.9
Share of non-controlling interests in result from continuing operations		-5.6	-0.1
Result from continuing operations attributable to equity holders		504.7	329.8
Adjustment for participating shares		-5.9	-3.8
Numerator for continuing EPS (in €m)	(b)	498.8	326.0
Weighted average number of ordinary shares outstanding during the period	(c)	53,021,486	53,230,995
Adjustment for stock option plans		400,861	579,457
Weighted average number of ordinary shares taken into account for diluted EPS	(d)	53,422,347	53,810,452
Result for the period attributable to equity holders			
Basic EPS (in €)	(a)/(c)	**9.41**	**6.18**
Diluted EPS (€)	(a)/(d)	**9.34**	**6.11**
Result from continuing operations attributable to equity holders			
Basic continuing EPS (in €)	(b)/(c)	9.41	6.13
Diluted continuing EPS (in €)	(b)/(d)	9.34	6.06

(1) As restated – refer to note 1 for further information on the restatement of comparative information.

Note 9: Share-based payments

Corporate & unallocated

There is in the Group an equity-settled share-based payment scheme. Since 1999, share option schemes have been granted to officers and managers of the Corporate & unallocated segment, in the framework of the Belgian law of 26 March 1999. The underlying share is the ordinary share of D'Ieteren Group SA/NV. Under these schemes, vesting conditions are three years' service from grant date and holders of vested options are entitled to purchase shares at the exercise price of the related scheme during the exercise period.

Outstanding options are as follows:

Date of grant	Number of options (in units)		Exercise price	Exercise period	
	2023	2022	(€)	From	To
2023	13,333	-	153.60	1/01/2027	7/09/2033
2023	168,500	-	185.17	1/01/2027	8/03/2033
2022	183,000	183,000	118.10	1/01/2026	9/03/2032
2021	172,000	172,000	68.26	1/01/2025	8/03/2031
2020	166,500	166,500	49.36	1/01/2024	7/06/2030
2019	3,000	185,000	33.19	1/01/2023	28/02/202
2018	-	4,250	33.32	1/01/2022	5/06/2028
2016	11,394	13,376	29.18	1/01/2020	13/03/2026
2016	5,866	10,866	26.62	1/01/2020	21/01/2026
2015	17,918	18,938	29.54	1/01/2019	12/03/2025
2015	7,878	8,204	29.54	1/01/2019	12/03/2025
2013	-	4,214	32.20	1/01/2017	24/11/2023
Total	**749,389**	**766,348**			

All outstanding options are covered by treasury shares (see note 22).

A reconciliation of the movements in the number of outstanding options during the year is as follows:

	Number (in units)		Weighted average exercise price (€)	
	2023	2022	2023	2022
Outstanding options at the beginning of the period	766,348	1,009,331	64.55	41.69
Granted during the period	181,833	183,000	182.86	118.10
Exercised during the period	-198,792	-423,918	32.94	33.43
Other movements during the period	-	-2,065	-	26.21
Outstanding options at the end of the period	**749,389**	**766,348**	**101.64**	**64.55**
of which: exercisable at the end of the period	46,056	59,848	29.32	29.39

The average share price during the period was €164.83 (2022: €154.87). Other movements in 2022 related to options that expired and were not exercised. The treasury shares underlying to these expired options are being kept for future plans.

For share options outstanding at the end of the period, the weighted average remaining contractual life is as follows:

	Number of years
31 December 2023	**7.4**
31 December 2022	7.4

IFRS 2 "Share-Based Payments" requires that the fair value of all share options issued after 7 November 2002 is charged to the income statement. A non-cash charge of €5.3m (covering the options granted from 2020 to 2023) has been recognised during the period in employee benefit expenses and presented in the line "Share-based payment and other employee benefit expenses" in the consolidated statement of cash flows and the line "Other movements" in the consolidated statement of changes in equity. The fair value of the options must be assessed on the date of each issue. A simple Black & Scholes valuation model was used at each issue date re-assessing the input assumptions on each occasion. The assumptions for the 2022 and 2023 issues were as follows:

	2023		2022
Number of employees	2	20	21
Spot share price (in €)	153.6	169.7	142.8
Option exercise price (in €)	153.6	185.2	118.1
Vesting period (in years)	3.3	3.8	3.8
Weighted average fair value per option (in €)	30.6	26.7	51.8

As from 2022, expected volatility and expected dividends are based on multidimensional data and provided by an independent expert (long term volatility curve and dividend yields assumptions). The risk-free rate of return is based upon EUR Interest Rate Swap yield curve with an equivalent term to the options granted.

D'Ieteren Automotive

In April 2021, D'Ieteren Automotive implemented a new Long-Term Incentive Plan (LTIP) classified as a cash-settled share-based payment plan. The incentives have been granted in the form of stock options to selected key managers of D'Ieteren Automotive and its subsidiaries. Underlying shares are ordinary shares of D'Ieteren Automotive SA/NV (non-listed shares).

In 2021, D'Ieteren Automotive granted to the managers 272,604 options. In 2022, another 38.339 options have been granted as well as 46.337 options in 2023, translating into 357.280 options granted as of the end of December 2023 (on a total number of available options for this plan of 369,668 options – representing c. 10% of the issued capital). All those options may be exercised from the third calendar year after the offer has been made, the last period ending on the 21 March 2027 for the options granted in 2021 and 2022 and on the 15 May 2028 for the options granted in 2023. All granted options are therefore outstanding as at 31 December 2023 with a weighted average remaining contractual life of 3.4 years.

The fair value of the options granted has been assessed on the 31 December 2023 based on the classical closed-form Black & Scholes formula for European options. IFRS 2 "Share-based Payments" requires D'Ieteren Automotive to remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period. In 2023, a non-cash charge of -€26.0m (2022: -€7.2m) has been recognised in employee benefit expenses for this share-based payment plan. This non-cash charge is presented in the line "Share-based payment and other employee benefit expenses" in the consolidated statement of cash flows.

PHE

Following the acquisition of PHE by the Group, a Management Reward Plan (MRP) has been put in place, whereby the Group granted free shares to PHE's key management personnel. In 2022 the Group granted free "ratchet" shares of the mother company of PHE (Lake SAS). These shares have no economic value until a liquidity event occurs (the holders of the shares will then be entitled to an amount equal to a percentage of the Project Capital Gain). In addition, in March and November 2023, free ordinary shares, free preference shares and free "ratchet" shares were granted to PHE's key management personnel, each category of shares having different rights at liquidity. Free preference shares bear a fixed annual compounding interest of 7%.

This management reward plan is a cash-settled share-based payment in scope of IFRS 2. The Group will therefore account in profit or loss for the fair value of the free shares granted to management over the vesting period (being one year as from the grant date), with a corresponding increase in liability. Before and beyond vesting, the change in fair value of the liability will be accounted for in profit or loss.

At 31 December 2023, the Group accounted for a non-cash share-based payment expense of -€26.6m (presented in the line "Share-based payment and other employee benefit expenses" in the consolidated statement of cash flows) with a corresponding increase in liability. The fair value of these shares has been assessed on the 31 of December 2023 by a third-party based on a binomial approach. There were also -€3.3m of social charges related to this expense and included in "employee benefits" (see note 10).

Note 10: Employee benefits

Note 10.1: Employee benefit expense

The employee benefit expense is analysed below:

€m	2023					2022				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Retirement benefit charges under defined contribution schemes	*-*	*-*	*-2.9*	*-*	*-2.9*	*-*	*-*	*-1.1*	*-*	*-1.1*
Retirement benefit charges under Belgian defined contribution schemes considered as defined benefit schemes	*-4.9*	*-*	*-*	*-0.3*	*-5.2*	*-4.0*	*-*	*-*	*-0.3*	*-4.3*
Retirement benefit charges under defined benefit schemes	*-*	*-0.6*	*-*	*-*	*-0.6*	*-*	*-0.6*	*-*	*-*	*-0.6*
Total retirement benefit charge (see note 10.2)	-4.9	-0.6	-2.9	-0.3	-8.7	-4.0	-0.6	-1.1	-0.3	-6.0
Wages, salaries and social security costs	-245.4	-24.7	-465.5	-15.8	-751.4	-197.5	-22.7	-180.0	-14.9	-415.1
Share-based payments and LTIP expenses	-26.0	5.8	-29.9	-6.0	-56.1	-7.2	-2.6	-2.2	-4.2	-16.2
Total employee benefit expense	**-276.3**	**-19.5**	**-498.3**	**-22.1**	**-816.2**	**-208.7**	**-25.9**	**-183.3**	**-19.4**	**-437.3**

Note 10.2: Post-employment and long-term employee benefits

Long-term employee benefits include post-employment employee benefits and other long-term employee benefits such as provisions for long-term incentive plans.

The amounts recognised in the statement of financial position in the lines "employee benefits" are summarised as follows, depending on the net position of each pension scheme:

€m	2023	2022[1]
Long-term employee benefit assets	-	-
Long-term employee benefit obligations	-44.3	-44.9
Recognised net deficit (-) / surplus (+) in the schemes	**-44.3**	**-44.9**
of which: amount expected to be settled within 12 months	*-1.0*	*-1.4*
of which: amount expected to be settled in more than 12 months	*-43.3*	*-43.5*
Obligation arising from long-term incentive plans	-34.6	-10.0
Total employee benefit obligation (-) / assets (+)	**-78.9**	**-54.9**

(1) As restated – see note 1 for more information

Post-employment employee benefits are analysed below. Where relevant, information relating to long-term incentive programs are disclosed in the relevant notes (see notes 4 and 9).

Post-employment benefits are limited to retirement benefit schemes. Certain Group entities operate schemes which provide retirement benefits, including those of the defined benefit type, which are in most cases funded by investments held outside the Group.

The Group has established pension schemes for its employees in various locations. The major schemes are located in Belgium, France and in Italy. Since Belron and TVH are equity-accounted investees, the schemes in place in those two segments are not separately disclosed. The schemes in Belgium relate to the D'Ieteren Automotive, PHE and "Corporate & unallocated" segments and are funded (in the D'Ieteren Automotive and Corporate & unallocated segment only) and unfunded. The schemes in France relate to the PHE segment and are unfunded, and the schemes in Italy relate to the Moleskine and PHE segments and are unfunded. Independent actuarial valuations for the plans in these countries are performed as required. The Group is and has always been fully compliant with all local governance and funding requirements.

The overall investment policy and strategy for the Group's defined benefit schemes is guided by the objective of achieving an investment return, which together with contributions, ensures that there will be enough assets to pay pension benefits as they fall due while also mitigating the various risks of the plans. The investment strategies for the plans are managed under local laws and regulations in each jurisdiction.

The actual asset allocation is determined by the current and expected economic and market conditions and in consideration of specific asset class risk and risk profile. In addition, consideration is given to the maturity profile of scheme liabilities.

The Group operates one defined benefit scheme in Belgium that was closed to new members in 2005. The retirement capital plan accrues a percentage of annual salary inflated to the point of retirement with an annual average of 2.5% (and a maximum of 4.0%). A full actuarial valuation of the plan is carried out every year by a qualified independent actuary. The Group also operates defined contribution plans with a minimal interest guarantee borne by the employer under the Belgian Legislation.

The Group recognises all actuarial gains and losses directly in the Consolidated Statement of Comprehensive Income.

The main actuarial assumptions are as follows (the assumptions on life expectancy are provided for the D'Ieteren Automotive and the Corporate & unallocated segments only).

	Funded schemes				Unfunded schemes			
	2023		2022		2023		2022	
	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Inflation rate	2.1%	2.2%	2.1%	2.2%	n.s.	n.s.	0.0%	0.0%
Discount rate	3.5%	3.6%	3.1%	3.2%	n.s.	n.s.	3.1%	3.1%
Rate of salary increases	3.1%	3.1%	3.1%	3.1%	3.0%	4.0%	2.5%	2.5%
Life expectancy of male pensioner	18.6	18.6	18.6	18.6				
Life expectancy of female pensioner	22.0	22.0	22.0	22.0				
Life expectancy of male non-pensioner	18.6	18.6	18.6	18.6				
Life expectancy of female non-pensioner	22.0	22.0	22.0	22.0				

For all schemes, the amounts recognised in the statement of financial position are analysed as follows:

€m	2023			2022[1]		
	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Present value of defined benefit obligations	-71.8	-38.8	-110.6	-72.9	-36.2	-109.1
Fair value of scheme assets	66.3	-	66.3	64.2	-	64.2
Net deficit (-) / surplus (+) in the schemes	**-5.5**	**-38.8**	**-44.3**	**-8.7**	**-36.2**	**-44.9**

(1) As restated – see note 1 for more information.

The amounts recognised through the statement of comprehensive income (excluding the share of other comprehensive income in equity-accounted investees and before any deferred tax impact) are as follows.

€m	2023			2022		
	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Actual return less interest return on pension assets net of asset management charges	0.4	-	0.4	2.1	-	2.1
Experience gain (+) / loss (-) on liabilities	0.2	-	0.2	-5.1	-0.1	-5.2
Gain (+) / Loss (-) on change of financial assumptions	0.8	-0.6	0.2	14.4	3.2	17.6
Gain (+) / Loss (-) on change of demographic assumptions	1.2	-	1.2	-	-	-
Actuarial gains (+) / losses (-)	**2.6**	**-0.6**	**2.0**	**11.4**	**3.1**	**14.5**

Changes to financial assumptions during 2023, all of which were prepared on a consistent basis to prior period, impacted the total actuarial gains (+) / losses (-) by +€0.2m (2022: +€17.6m). The actuarial gain of the prior period was primarily the result of an increase of the discount rate in 2022 compared to 2021.

The fair value of scheme assets includes the following items:

€m	2023			2022		
	Quoted in an active market	Other	Total	Quoted in an active market	Other	Total
Other assets	-	66.3	66.3	-	64.2	64.2
Fair value of scheme assets	**-**	**66.3**	**66.3**	**-**	**64.2**	**64.2**

The fair value of scheme assets does not comprise any property or other assets used by the Group, nor any financial instruments of the Group. Other assets are mainly composed of cash.

The movements in the fair value of plan assets are as follows:

€m	2023	2022
	Total	Total
Scheme assets at 1 January	**64.2**	**64.6**
Employer contribution	4.8	4.1
Interest on pension assets	2.1	0.4
Contributions paid by employees	1.2	1.1
Benefits paid	-6.4	-8.1
Actual return less interest return on pension assets	0.4	2.1
Scheme assets at 31 December	**66.3**	**64.2**

The actual return on scheme assets is as follows:

€m	2023	2022
Interest return on pension assets	2.1	0.4
Actual return less interest return on pension assets	0.4	2.1
Actual net return on pension assets	**2.5**	**2.5**

The movements in the present value of defined benefit obligations are as follows:

€m	2023			2022(1)		
	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Defined benefit obligations at 1 January before restatement	-72.9	-36.2	-109.1	-84.8	-5.3	-90.1
Restatement(1)	-	-	-	-	-5.5	-5.5
Defined benefit obligations at 1 January	**-72.9**	**-36.2**	**-109.1**	**-84.8**	**-10.8**	**-95.6**
Items acquired through business combinations	-	-	-	-	-28.0	-28.0
Current service cost	-5.3	-3.4	-8.7	-5.1	-0.9	-6.0
Interest payable on pension liabilities	-2.2	-1.1	-3.3	-0.5	-0.1	-0.6
Benefits paid	6.4	2.3	8.7	8.2	1.3	9.5
Experience gain (+) / loss (-) on liabilities	0.2	-	0.2	-5.1	-0.1	-5.2
Gain (+) / Loss (-) arising from changes to financial assumptions	0.8	-0.6	0.2	14.4	3.2	17.6
Gain (+) / Loss (-) arising from changes to demographic assumptions	1.2	-	1.2	-	-	-
Curtailment and settlements	-	-	-	-	0.2	0.2
Group change	-	0.2	0.2	-	-1.0	-1.0
Defined benefit obligations at 31 December	**-71.8**	**-38.8**	**-110.6**	**-72.9**	**-36.2**	**-109.1**

(1) As restated – see note 1 for more information.

The amounts recognised in the statement of profit or loss are as follows:

€m	2023			2022		
	Funded schemes	Unfunded schemes	Total	Funded schemes	Unfunded schemes	Total
Current service cost	-5.3	-3.4	-8.7	-5.1	-0.9	-6.0
Pension costs within the operating result	**-5.3**	**-3.4**	**-8.7**	**-5.1**	**-0.9**	**-6.0**
Interest payable on pension liabilities	-2.2	-1.1	-3.3	-0.5	-0.1	-0.6
Interest return on pension assets	2.1	-	2.1	0.4	-	0.4
Net pension interest cost	**-0.1**	**-1.1**	**-1.2**	**-0.1**	**-0.1**	**-0.2**
Expense recognised in the statement of profit or loss	**-5.4**	**-4.5**	**-9.9**	**-5.2**	**-1.0**	**-6.2**

The best estimate of normal contributions expected to be paid to the schemes during the 2024 annual period is ca. €6m.

The obligation of defined benefit schemes is calculated on the basis of a set of actuarial assumptions (including among others: mortality, discount rate of future payments, salary increases, personnel turnover, etc.). Should these assumptions change in the future, the obligation may increase. The defined benefit scheme assets are invested in a diversified portfolio, with a return that is likely to experience volatility in the future. Should the return of these assets be insufficient, the deficit might increase (the surplus might decrease).

The net deficit (€44.9m at 31 December 2022 restated – see note 1; €44.3m at 31 December 2023) recognised in the consolidated statement of financial position does not include Belron's net surplus and TVH's net deficit since they are equity-accounted investees.

The following table presents a sensitivity analysis for the discount rate and the inflation rate, showing how the defined benefit obligation at 31 December 2023 would have been affected by changes in the relevant actuarial assumption that were reasonably possible at the balance sheet date. The sensitivity analysis applies to the defined benefit obligation only and not to the net defined benefit pension liability in its entirety, the measurement of which is driven by a number of factors including, in addition to the assumptions below, the fair value of plan assets.

€m	(Increase) / decrease in defined benefit obligation at 31 December 2023	(Increase) / decrease in defined benefit obligation at 31 December 2022(1)
Discount rate		
Increase by 25 basis points	4.1	3.9
Decrease by 25 basis points	-4.4	-4.0
Inflation rate		
Increase by 25 basis points	-3.0	-3.0
Decrease by 25 basis points	2.8	2.8

(1) As restated – see note 1 for more information.

There is a pension plan in Belgium legally structured as defined contribution plan. Because of the Belgian social legislation applicable, all Belgian defined contribution plans are considered under IFRS as defined benefit plan because the employer must guarantee a minimum return on employee and employer contributions. The Group is therefore exposed to a financial risk (legal obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits). Disclosures in tables above include those Belgian defined contribution plans.

The plan is insured at an insurance company. The insurance company guarantees a minimum rate of return on the contributions paid. However, the minimum guaranteed rates have dropped significantly the last years and are currently below the social minimum return borne by the employer on the contributions (according to article 24 of the Law of 28 April 2003 on occupational pensions, the Group has to guarantee an average minimum return of 3.75% on employee contributions, 3.25% on employer contributions paid up to 31 December 2015, and 1.75% on employer contributions paid as from 1 January 2016). The minimum rate might increase as from 2025 due to the increase of the interest rates observed the last months. The financial risk has therefore increased. The Belgian law of 18 December 2015 entered into effect on 1 January 2016 and amended, inter alia, the calculation of the minimum return guaranteed by law (minimum of 1.75% and maximum of 3.75%).

The IFRS valuation and accounting of this kind of plan with contribution-based promises are not envisaged by IAS 19. Taking into account the change in the pension law and the current consensus on this specific matter, and after analysis of the pension plan, the Group considers that a method based on the IAS 19 methodology ("Projected unit credit" method used for defined benefit plan) is appropriate to measure the liability in the Belgian context as from 2016 onwards. The present value of the defined benefit obligation amounts to €67.5m (2022: €67.7m). The calculation is based on the "Projected unit credit" method with projection of the future contributions and services pro-rate for the employer contract and without projection of the future contributions for the employee contract. The fair value of the scheme assets amounts to €62.4m (2022: €60.0m) and is set equal to the contractual assets held by the insurance company (no application of paragraph 115 of IAS 19). The net deficit amounts to €5.1m (2022: €7.7m), recognized in the consolidated statement of financial position.

Note 11: Current and deferred income taxes

Note 11.1: Income tax expenses

Income tax expense is broken down as follows:

€m	2023	2022(1)
Current year income tax	-107.3	-56.3
Prior year income tax	-4.2	-3.4
Movement in deferred taxes	8.9	0.8
Income tax expense	**-102.6**	**-58.9**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

The relationship between income tax expense and accounting profit is explained below:

€m	2023	2022(1)
Result before taxes	**612.8**	**388.8**
Less: share of result of equity-accounted investees, net of income tax	-356.7	-210.1
Result before taxes less share of result of equity-accounted investees	**256.2**	**178.7**
Tax at the Belgian corporation tax rate of 25.00%	-64.0	-44.8
Foreign tax rate differential	-2.9	0.2
Tax effect of non-taxable income and non-deductible expenses	-28.1	-3.2
Tax effect of current and deferred tax adjustments related to prior years	7.5	1.6
Current year tax losses for which no deferred tax asset is recognised	-6.6	-5.5
Derecognition of previously recognised deferred tax assets	-0.1	-
Other	-8.4	-7.2
Actual income tax on PBT	**-102.6**	**-58.9**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

In 2022, in the PHE segment, the difference between the theoretical tax charge (at 25.00%) and the effective tax charge reported since the acquisition of PHE by the Group (-€6.2m), is included in the line "Other" in the above table, since the nature of the reconciling items were not available over the previous reporting period (from the acquisition date until the 31 December 2022).

The Group's consolidated effective tax rate for the year ended 31 December 2023 is 16.7% (15.1% for the year-ended 31 December 2022, restated – see note 1). Excluding the share of the Group in the net result of equity-accounted investees, the Group's effective tax rate is 40.0% (33.0% for the year ended 31 December 2022, restated – see note 1). The increase in effective tax rate (excluding the share of the Group in the net result of equity-accounted investees) is primarily the result of:

- unrecognised deferred tax assets on current year tax losses in the D'Ieteren Automotive segment;
- charges recognised as part of the Long-Term Incentive Plans (LTIP) and share-based payment expenses in the PHE and D'Ieteren Automotive segments that are not tax deductible; and
- charges related to the impairment and discounting of the Group's investments in the Supply Chain Finance Fund managed by Credit Suisse (see note 4) that are not tax deductible.

The Group is subject to several factors which may affect future tax charges, principally the levels and mix of profitability in different jurisdictions and tax rates imposed.

The Group operates in multiple jurisdictions with often complex legal and tax regulatory environments. The income tax positions taken are considered by the Group to be supportable and are intended to withstand challenge from tax authorities. However, it is acknowledged that some of the positions are uncertain and include interpretations of complex tax laws which could be disputed by tax authorities.

The Group judges these positions on their technical merits on a regular basis using all the information available (legislation, case law, regulations, established practice, authoritative doctrine as well as certain third-party tax opinions issued by Belgian and foreign tax lawyers). These positions are based on facts and circumstances existing at the end of the reporting period and will be reviewed at each reporting date.

A liability is recorded for each item that is not probable of being sustained on examination by the tax authorities and after using all legal remedies of defending the position before Court, based on all relevant information.

Note 11.2: Current tax assets and liabilities

Current tax assets (liabilities) are largely expected to be recovered (settled) within 12 months.

Current tax liabilities include €72.6m related to a tax notice received by the Group for prior years. A current tax asset for the same amount is recognized considering the dispute of the full amount and as supported by tax counsel.

Note 11.3: Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

€m	31 December 2023			31 December 2022[1]		
	Assets	Liabilities	Net	Assets	Liabilities	Net
Goodwill & intangible assets	8.1	-319.3	-311.2	6.7	-314.4	-307.7
Property, plant & equipment (excluding right-of use assets)	2.0	-21.7	-19.7	2.4	-22.3	-19.9
Right-of-use assets	-	-69.1	-69.1	-	-61.7	-61.7
Derivative financial instruments	-0.3	-	-0.3	-	-0.5	-0.5
Employee benefits	7.6	-	7.6	7.9	-	7.9
Inventories	10.7	-	10.7	6.9	-	6.9
Provisions	5.5	-	5.5	6.8	-	6.8
Lease liabilities	71.8	-	71.8	63.8	-	63.8
Other assets & liabilities	13.8	-0.9	12.9	9.3	-1.1	8.2
Deferred tax assets/(liabilities) arising from temporary differences	**119.2**	**-411.0**	**-291.8**	**103.8**	**-400.0**	**-296.2**
Tax losses carried forward	72.1	-	72.1	82.7	-	-
Deferred tax assets/(liabilities)	**191.3**	**-411.0**	**-219.7**	**186.5**	**-400.0**	**-213.5**
Set-off of tax	-135.3	135.3	-	-127.7	127.7	-
Net deferred tax assets/(liabilities)	**56.0**	**-275.7**	**-219.7**	**58.8**	**-272.3**	**-213.5**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

The net deferred tax balance includes net deferred tax assets amounting to €24.4m (2022: €29.2m) that are expected to be reversed in the following year. However, given the low predictability of deferred tax movements, this net amount might not be reversed as originally foreseen.

At the balance sheet date, the Group has unused tax losses and credits of €133.9m (2022: €151.5m) available for offset against future profits, for which no deferred tax asset has been recognised, due to the unpredictability of future profit streams. These tax losses and credits may be carried forward indefinitely.

At the balance sheet date, no deferred tax liability has been recognized for the aggregate amount of temporary differences associated with the investments in subsidiaries, branches, associates and interests in joint ventures because the Group is in a position to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future. It should also be noted that the reversal of these temporary differences, for example by way of distribution of dividends by the subsidiaries to the Company, would generate no (or a marginal) current tax effect.

Deferred tax assets are recognised if there is a sufficient probability that they will be recovered in the foreseeable future. Recoverability has been conservatively assessed. However, should the conditions for this recovery not be met in the future, the current carrying amount of the deferred tax assets may be reduced.

The movement in deferred tax assets and liabilities during the period and the prior period is as follows:

€m	2023	2022[1]
Net deferred tax liabilities (negative amounts)		
At 1 January	**-272.3**	**-133.1**
Recognised in profit or loss	4.1	2.2
Recognised in other comprehensive income	-	-0.1
Recognition arising from business combination	-8.3	-146.6
Exchange rate differences	-	0.1
Other variation	0.8	5.2
At 31 December	**-275.7**	**-272.3**

Net deferred tax assets (positive amounts)	**2023**	**2022[1]**
At 1 January	**58.8**	**48.0**
Recognised in profit or loss	4.8	-1.4
Recognised in other comprehensive income	0.4	-0.9
Recognised directly in equity	-0.7	-2.7
Recognition arising from business combination	0.1	24.1
Exchange rate differences	0.2	-
Other variation	-7.6	-8.3
At 31 December	**56.0**	**58.8**

(1) As restated – Refer to note 1 for more information on the restatement of comparative information.

Note 12: Goodwill

The reconciliation of the carrying amount of goodwill is set out below:

€m	2023	2022(1)
Gross amount at 1 January	684.9	207.9
Accumulated impairment losses at 1 January	-124.7	-124.7
Carrying amount at 1 January	**560.2**	**83.2**
Transfer from (to) another caption	-15.1	-
Items acquired through business combinations (see note 26)	40.7	477.0
Carrying amount at 31 December	**585.8**	**560.2**
of which: gross amount	*710.5*	*684.9*
of which: accumulated impairment losses	*-124.7*	*-124.7*

(1) Restated – see note 1.

The line "transfer from (to) another caption" mainly relates to the finalisation of purchase price allocations of subsidiaries in the PHE segment, whereby PHE re-valued previously acquired assets and liabilities assumed (mainly recognising customer contracts as intangible assets with finite useful lives and related deferred tax impacts), therefore reducing the amount of provisional goodwill recognised at the time of the acquisition. The Group decided not to restate comparative information to reflect the finalisation of these purchase price allocations of PHE, since it is not considered material to the Group.

In accordance with the requirements of IAS 36 "Impairment of Assets", the Group completed a review of the carrying value of goodwill and of the intangible assets with indefinite useful lives (disclosed in note 13). The impairment review is based on the value in use calculation and is carried out to ensure that the carrying value of the assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

For the purpose of impairment testing, goodwill relates to the following Group's operating segments:

€m	2023	2022(1)
D'Ieteren Automotive	62.8	49.2
Moleskine	48.8	48.8
PHE	471.1	459.1
Corp. & unallocated	3.1	3.1
Group	**585.8**	**560.2**

(1) As restated – see note 1 for more information on the restatement of comparative information

As a result of their classification as equity-accounted investees, information on the impairment tests performed in the Belron and TVH segments are provided in note 17.

The Group completed the annual impairment test for goodwill and intangible assets with indefinite useful lives and concluded that, based on the assumptions described below, no impairment charge was required. Impairment testing relies on several critical judgments, estimates and assumptions. Management believes that all its estimates are reasonable since they are consistent with the Group's internal reporting and reflect management best estimates. Projected revenue growth rates, competitive and consumer trends, operating margins, discount rates and terminal growth rates are assumptions and estimates that may be revised in future periods. Should these vary adversely in the future, the value in use of goodwill and intangible assets with indefinite useful lives may reduce below their carrying amounts.

D'Ieteren Automotive

In the D'Ieteren Automotive segment, additional goodwill recognised in 2023 (€13.6m) reflects the acquisitions performed in 2023, as disclosed in note 26.

In accordance with IAS 36, the D'Ieteren Automotive segment allocated goodwill across its CGUs, being "D'Ieteren Automotive" (import/support activities), "Retail" (automobile retail activities), "Wonder" (used cars and body shops activities), "Lab Box" (mobility services), "Lucien" (bike retail and services), and "EDI" (charging points provider for electric vehicles and solar panels provider). Management of D'Ieteren Automotive performed a review of the carrying value of the goodwill and intangible assets allocated in each of these CGUs and concluded that no impairment charge is required. D'Ieteren Automotive calculated the present value of the estimated future cash flows, based on D'Ieteren Automotive strategic plan (starting from the budget 2024 figures until 2030) prepared by management, reviewed and approved by the Board of Directors. The pre-tax rates used to discount future cash flows have been computed individually for each CGU, ranging from 8.03% to 15.00% and are based upon the weighted average cost of capital of the D'Ieteren Automotive segment.

Moleskine

At year-end 2023, the Board of Directors of the Company reviewed the carrying amount of the Moleskine cash-generating unit. In determining the value in use of the CGU, the Company calculated the present value of the estimated future cash flows, based on Management's latest business plan (2024-2028). A terminal growth rate of 1.95% was applied to the forecasted cash flows and determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make. The discount rate applied amounts to 10.1% (2022: 9.1%) and is based upon the weighted average cost of capital of the Moleskine segment, considering appropriate adjustments for the relevant risks associated with investing in equities, with the business and with the underlying country (country risk premium).

The Board of Directors of the Company is satisfied that the carrying amount of the Moleskine cash-generating unit is stated at no more than its value in use. Sensitivity analysis prepared by management revealed that an individual 1% adverse movement in either the terminal growth rate or the discount rate would not lead to further impairment. The individual change required for carrying amount to equal value in use is 1.6% for the discount rate or -2.2% for the terminal growth rate. At 31 December 2023, the recoverable amount of the CGU exceeds its carrying amount by €79m. The calculations are highly sensitive and goodwill in respect of the Moleskine cash-generating unit remains at risk of impairment.

Corporate & unallocated

The €3.1m goodwill in the Corporate & unallocated segment arose from past acquisitions performed by D'Ieteren Immo. The fair value less costs to sell of the investment properties and property, plant and equipment held by D'Ieteren Immo (based on the most recent market valuation report prepared by an independent expert) being higher than the carrying value of the assets and liabilities, the Group concluded that the Corporate & unallocated cash-generating unit is stated at no more than its recoverable amount. The fair value of the investment properties is classified in level 2 of the fair-value hierarchy (see note 18).

PHE

At 31 December 2022, the Group had not finalised the acquisition accounting of PHE and hence no fair value adjustments had been recognised on the acquired assets or liabilities assumed, because the Group was not in a position to reasonably measure those adjustments. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalise the acquisition accounting), the provisional goodwill has been reviewed and reallocated in 2023, mainly to brands and other intangible assets (see note 1 for the restatement figures at 31 December 2022 and note 26 for the final figures at acquisition date).

At year-end 2023, the carrying value of the CGU PHE was reviewed using management best estimates for the following five years, a weighted average cost of capital of 7.8% and a terminal growth rate of 2%. The individual change required for the carrying amount to equal the value in use is +4.3% for the discount rate or -6.2% for the terminal growth rate. The Board of Directors of the Company is satisfied that the carrying amount of the PHE cash-generating unit is stated at no more than its value in use.

Note 13: Intangible assets

Goodwill is analysed in note 12. All intangible assets have finite useful lives, unless otherwise specified.

€m	Brands (finite and indefinite useful lives)	Other	Total
Gross amount at 1 January 2023(1)	649.6	670.6	1,320.2
Accumulated amortisation and impairment losses at 1 January 2023(1)	-	-80.4	-80.4
Carrying amount at 1 January 2023(1)	**649.6**	**590.2**	**1,239.8**
Additions:			
Items separately acquired	-	27.4	27.4
Disposals	-	-0.4	-0.4
Amortisation	-	-56.2	-56.2
Transfer from (to) another caption	-	24.0	24.0
Items acquired through business combinations (see note 26)	-	8.0	8.0
Translation differences	-	-0.1	-0.1
Carrying amount at 31 December 2023	**649.6**	**592.9**	**1,242.5**
of which: gross amount	*649.6*	*729.5*	*1,379.1*
of which: accumulated amortisation and impairment losses	-	*-136.6*	*-136.6*
Gross amount at 1 January 2022	402.8	90.8	493.6
Accumulated amortisation and impairment losses at 1 January 2022	-	-54.5	-54.5
Carrying amount at 1 January 2022	**402.8**	**36.3**	**439.1**
Additions:			
Items separately acquired	-	22.3	22.3
Disposals	-	-0.9	-0.9
Amortisation(1)	-	-25.9	-25.9
Transfer from (to) another caption	0.2	-0.6	-0.4
Items acquired through business combinations(1)	246.6	560.8	807.4
Scope exit	-	-1.8	-1.8
Carrying amount at 31 December 2022(1)	**649.6**	**590.2**	**1,239.8**
of which: gross amount(1)	*649.6*	*670.6*	*1,320.2*
of which: accumulated amortisation and impairment losses(1)	-	*-80.4*	*-80.4*

(1) As restated – see note 1 for more information.

The Moleskine brand (€403m; acquired in November 2016) and the brands recognised in the PHE segment have an indefinite useful life, since, given the absence of factors that could cause their obsolescence and in light of the life cycles of the products to which they relate, there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group.

The line "Transfer from (to) another caption" mainly relates to the finalisation of purchase price allocations of subsidiaries in the PHE segment, whereby PHE recognised customer contracts, therefore reducing the amount of provisional goodwill recognised at the time of the acquisition and increasing the value of intangible assets with finite useful lives. The Group decided not to restate comparative information to reflect the finalisation of these purchase price allocations of PHE, since it is not considered material to the Group.

The line "Items acquired through business combination" includes the net book value of the intangible assets acquired by D'Ieteren Automotive and PHE following the acquisitions performed in the period (see note 26).

The caption "Other" mainly includes computer software, other licences and similar rights, and intangibles under development.

The other disclosures required by IAS 36 for intangible assets with indefinite useful lives are provided in note 12.

Note 14: Property, plant and equipment

€m	Property	Plant and equipment	Assets under construction	Total
Gross amount at 1 January 2023	748.5	497.9	32.5	1,278.9
Accumulated depreciation and impairment losses at 1 January 2023	-368.8	-344.0	-	-712.8
Carrying amount at 1 January 2023	**379.7**	**153.9**	**32.5**	**566.1**
Additions	134.8	89.2	31.3	255.3
Disposals	-4.3	-8.2	-12.0	-24.5
Depreciation on PP&E (including right-of-use assets)	-65.7	-64.8	-	-130.5
Reversal of impairment	-	0.7	-	0.7
Transfer from (to) another caption	7.9	12.3	-15.0	5.2
Items acquired through business combinations (see note 26)	10.1	8.0	-	18.1
Translation differences	-0.1	-	-	-0.1
Carrying amount at 31 December 2023	**462.4**	**191.1**	**36.8**	**690.3**
of which: gross amount	*893.2*	*566.0*	*36.8*	*1,496.0*
of which: accumulated depreciation and impairment losses	*-430.8*	*-374.9*	-	*-805.7*
Gross amount at 1 January 2022	411.0	198.7	16.1	625.8
Accumulated depreciation and impairment losses at 1 January 2022	-205.4	-155.1	-	-360.5
Carrying amount at 1 January 2022	**205.6**	**43.6**	**16.1**	**265.3**
Additions	22.9	52.1	17.2	92.2
Disposals	-4.8	-4.7	-1.5	-11.0
Depreciation on PP&E (including right-of-use assets)	-33.1	-33.5	-	-66.6
Transfer from (to) another caption	-17.9	9.3	-2.6	-11.2
Items acquired through business combinations	207.0	89.7	3.3	300.0
Scope exit	-	-2.6	-	-2.6
Carrying amount at 31 December 2022	**379.7**	**153.9**	**32.5**	**566.1**
of which: gross amount	*748.5*	*497.9*	*32.5*	*1,278.9*
of which: accumulated depreciation and impairment losses	*-368.8*	*-344.0*	-	*-712.8*

At 31 December 2022 and at 31 December 2023, assets under construction mainly include property under construction in the segment "Corporate & unallocated", as part of the real estate activities of the Group.

The right-of-use assets, including those previously held under finance lease under IAS 17, are included in the above at the following amounts (see note 32 for more information on the right-of-use assets):

€m	Total
31 December 2023	**324.3**
31 December 2022	231.0

Note 15: Investment property

€m	2023	2022
Gross amount at 1 January	79.9	69.3
Accumulated depreciation at 1 January	-38.1	-35.7
Carrying amount at 1 January	**41.8**	**33.6**
Additions	-	0.1
Disposals	-0.1	-0.1
Depreciation on PP&E & investment property	-1.4	-1.5
Transfer from (to) another caption	-0.2	9.7
Carrying amount at 31 December	**40.1**	**41.8**
of which: gross amount	79.5	79.9
of which: accumulated depreciation	-39.4	-38.1
Fair value	66.7	61.1

The fair value is supported by market evidence and is based on a valuation by an independent valuer who holds a recognised and relevant professional qualification, and who has recent experience in the location and category of the investment property held by the Group. The latest valuations were performed in March 2022.

All items of investment property are located in Belgium and are held by the segment "Corporate & unallocated". The line "transfer from (to) another caption" in 2022 related to the transfer of assets from property, plant and equipment and assets under construction (see note 14).

See also note 32 for other disclosures on investment property.

Note 16: Inventories

€m	2023	2022
D'Ieteren Automotive		
Vehicles	818.2	617.4
Spare parts and accessories	45.1	45.9
Other	8.9	15.3
Subtotal	**872.2**	**678.6**
Moleskine	**26.9**	**29.7**
PHE	**535.2**	**483.4**
GROUP	**1,434.3**	**1,191.7**

The accumulated write-down on inventories amounts to €66.6m (2022: €53.4m). The amount of write down of inventories recognised in the period in the cost of sales (see note 6) is a charge of -€12.3m (2022: an income of €2.3m).

The inventories in the PHE segment are mainly composed of goods bought to suppliers and are generally not modified or transformed.

The inventories are expected to be recovered within 12 months and are mainly composed of merchandises.

Note 17: Equity-accounted investees

In 2022 and 2023, the entities accounted for using the equity method are Volkswagen D'Ieteren Finance, Skipr, Lizzy and MyMove in the D'Ieteren Automotive segment, Belron Group s.a., and TVH. PHE also holds equity-accounted investees, but no further information is provided since they are not considered material to the Group.

€m	2023					2022(1)				
	D'Ieteren Autom.	Belron	TVH	PHE	Group	D'Ieteren Autom.	Belron	TVH	PHE	Group
Interests in joint ventures	124.8	-308.6	1,226.4	7.5	1,050.1	128.8	14.9	1,211.9	5.0	1,360.6
Total of equity-accounted investees	**124.8**	**-308.6**	**1,226.4**	**7.5**	**1,050.1**	**128.8**	**14.9**	**1,211.9**	**5.0**	**1,360.6**
Share of profit in joint ventures	-0.9	338.4	19.1	0.1	356.7	6.8	150.6	52.5	0.2	210.1
Total of share of result after tax of equity-accounted investees	**-0.9**	**338.4**	**19.1**	**0.1**	**356.7**	**6.8**	**150.6**	**52.5**	**0.2**	**210.1**

(1) As restated – refer to note 1 for more information on the restatement of comparative information.

Belron

In 2022 and 2023, Belron Group s.a. ("BGSA"), the joint venture holding the Belron activities (see note 1 for more information), is accounted for as an equity-accounted investee, and is owned 50.30% in economic rights by the Group on fully diluted basis as at 31 December 2023. The Group has joint control over BGSA as a result of some reserved matters being shared with Clayton, Dubilier & Rice ("CD&R"). In May 2023, D'Ieteren Group and other shareholders have bought additional shares in Belron from the Employee Benefit Trust. Belron's shareholding structure is now as follows: 50.30% D'Ieteren Group, 20.44% CD&R, 18.25% H&F, GIC and BlackRock Private Equity Partners, 11.01% management & the family holding company of Belron's former CEO.

Following the transaction described above, the Group's share in the net result of Belron for the period ended 31 December 2023 corresponds to a weighted average economic percentage in the ordinary shares over the period (50.20%). For the period ended 31 December 2022, the Group's share in the net result of Belron was 50.01%, corresponding to the Group's percentage of ownership in the ordinary shares on 31 December 2022.

A Management Reward Plan (MRP) involving key employees was set up in 2018. The participants of the MRP acquired non-voting equity instruments in BGSA (representing the fair value of various classes of equity instruments, being all treated as equity under IFRS). Part of the issued equity consists of "ratchet shares" which will allow management to enjoy additional returns if certain performance hurdles (IRR and Cash on Cash) are satisfied at exit. The share of the Group in the net result of BGSA in 2022 (50.01%) and 2023 (50.20%) already takes into account the dilutive impact of these MRP shares.

The detailed statement of financial position of Belron as included in its own financial statements (not adjusted for consolidated adjustments) is disclosed in note 4 "Segment information".

At year-end 2023, Belron completed a review of the carrying value of goodwill and other intangible assets with indefinite useful lives, as well as the carrying value of all other assets in each of its cash generating units (being the different countries where it operates). The impairment review was undertaken to ensure that the carrying value of the Belron's assets are stated at no more than their recoverable amount, being the higher of fair value less cost to sell and value-in-use. The recoverable amount of the cash-generating units (CGUs) was determined based on value-in-use calculations which requires the use of key cashflow and discount rate assumptions. The cashflows were obtained from Belron's board approved 2024 budget and the five-year plan, while the discount rates were revised using updated cost of equity and cost of debt data. This review did not result in any impairment charge to be recognised.

At year-end 2023, based on IAS28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in Belron (equity-accounted investee) and therefore did not perform an impairment test.

A shareholders' agreement has been signed between the Group and the family holding company of the Belron's CEO, including put options (with related call options) related to the part of the interest held by the family holding company of the Belron's CEO. Based on IFRS requirements, the (financial) obligation to buy the equity instruments in an equity-accounted investee does not give rise to a financial liability in the consolidated statement of financial position (because equity-accounted investees are not part of the Group). This contract is a derivative that is in the scope of IFRS 9 "Financial Instruments", measured at fair value through profit or loss and categorised within the fair value hierarchy as level 3. The fair value of this derivative amounts to nil as at 31 December 2023; the value of the Belron's share based on the put formula being equal to the most recent fair market value of Belron.

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" include -€2.0m of remeasurements of defined benefit assets/liabilities, -€31.2m of movements in cash flow hedges reserve (interest rate swaps and cross currency interest rate swaps used to partially hedge the debt) and €25.1m related to translation differences.

The table below presents the revenue, profit before tax, the net result, and the other comprehensive income for the year ended 31 December 2022 and 31 December 2023. The Group's share in net result is computed based on the Group's percentage of ownership in the ordinary shares (50.01%) in 2022 and the Group's weighted average percentage of ownership in the ordinary shares (50.20%) in 2023.

€m - Belron	2023	2022(1)
Revenue (100%)	6,047.7	5,574.3
Profit before tax (100%)	845.6	512.5
Result for the period (100%)	674.0	301.2
Other comprehensive income (100%)	-16.1	207.7
Profit (or loss) and total comprehensive income (100%)	657.9	508.9
Group's share of profit (or loss) and comprehensive income	**330.3**	**254.5**
Group's share of profit (or loss)	*338.4*	*150.6*
Group's share of comprehensive income	*-8.1*	*103.9*

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

The reconciliation of the Group's share in the net assets of BGSA from 31 December 2022 to 31 December 2023 is presented below. The Group's share in the net assets of BGSA at 31 December 2023 is negative as a result of the dividends distributed by BGSA in 2023. The negative balance does not result in D'Ieteren Group SA/NV being liable for the negative net assets of the joint venture.

€m - Belron	
Group's share of net assets at 31 December 2022(1)	**14.9**
Group's share of profit (or loss) and comprehensive income	330.3
Group's share in gain arising from disposal of MRP shares	40.9
Group's share in dividends	-761.0
Purchase of shares by the Group	50.0
Other movements, Group's share	16.3
Group's share of net assets at 31 December 2023	**-308.6**

(1) As restated. Refer to note 1 for more information on the restatement of comparative information.

In the period, BGSA purchased own shares from previous MRP participants for an amount of €97.6m (2022: €91.9m). As the repurchase transaction took place at fair value (the fair value of the own shares repurchased corresponds to the cash-out made to acquire these shares at transaction date), the transaction did not impact the carrying amount of the equity-accounted investee that the Group owns in BGSA as at 31 December 2023 (these shares will be re-purchased in the future by existing and new participants of the MRP).

However, BGSA sold own shares (previously acquired from MRP participants) to new MRP participants in 2023, leading to a disposal gain of €40.9m (2022: €24.3m), Group's share, being the difference between the fair market value on the disposal and the book value of the shares, resulting in an increase in the carrying amount of the equity-accounted investee that the Group owns in BGSA.

Following the closing of the transaction with Belron's new shareholders on 17 December 2021, Belron's Board of Directors has agreed to reward employees with a cash bonus (paid in December 2021) and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success. Under the proposed terms of the equity-settled component of the scheme, BGSA awarded restricted share units ('RSUs') to each participant in the scheme. On vesting, each RSU will entitle the holder to receive an ordinary non-voting share in BGSA. Vesting period is currently estimated at 5 years and may be revised if subsequent information indicates that the length of the vesting period is likely to differ from this estimate. This equity-settled component of the scheme is a share-based payment arrangement. Accordingly, it is classified, and accounted for, as an equity-settled share-based payment transaction in BGSA own financial statements, in accordance with IFRS 2.

Each year during the expected vesting period, the Group will therefore account for its share in the share-based payment expense of BGSA (in the line "share of result of equity-accounted investee, net of income tax" in the consolidated statement of profit or loss and in the line "other movements" in the consolidated statement of changes in equity) and a corresponding increase in the value of the equity-accounted investee (in the consolidated statement of financial position), to reflect its share in the increase of BGSA shareholders equity. In the period, the increase in the value of the equity-accounted investee relating to this share-based payment plan amounts to €13.3m (2022: €7.2m). This reward will have no economic impact whatsoever on the Group and other shareholders and there will be no dilution to the 50.30% fully diluted stake held by the Group as at 31 December 2023.

TVH

Under the shareholders' agreement, the Group has joint control on TVH with Wehold (the holding company of the family shareholder), some key reserved matters being shared. TVH is therefore accounted for as an equity-accounted investee in the Group's consolidated financial statement. A shareholder loan of €40m has also been put in place between the Corporate & unallocated segment and TVH as part of the acquisition (reimbursed in full in December 2023).

In the second half of 2022, in accordance with IAS 28, the Group finalised the purchase price allocation of TVH. TVH brand has been valued at €341.0m. The brand has an indefinite useful life and is therefore not amortized since the Group considers there is no limit to the period over which the brand is expected to generate cash inflows. Customer contracts have been valued at €490.0m. These customer contracts are amortized on a straight-line basis over their estimated economic useful lives of 11 years. Other intangible assets were valued at €261.8m and consists in the technology used by TVH. The value of technology is amortized on a straight-line basis over its estimated economic useful lives of 9 years (see note 17 of the 2022 consolidated financial statement for more information on the purchase price allocation of TVH).

The detailed statement of financial position of TVH is disclosed in note 4 "Segment information".

The group's share of profit in TVH for the period ended 31 December 2023 is €19.1m, representing a decrease of -€33.4m compared to the period ended 31 December 2022.

This variation is mainly explained by the cyberattack which occured in March 2023 and led to a significant temporary interruption of activities.

The table below presents the revenue, profit before tax and the net result of TVH for the 12-month period ended 31 December 2022 and 31 December 2023.

€m - TVH	2023	2022
Revenue (100%)	1,607.0	1,621.7
Profit before tax (100%)	76.6	165.5
Result for the period (100%)	47.5	131.2
Other comprehensive income (100%)	-11.3	7.5
Profit (or loss) and total comprehensive income (100%)	36.2	138.7
Group's share of profit (or loss) and comprehensive income (40%)	**14.5**	**55.5**
Group's share of profit (or loss)	*19.1*	*52.5*
Group's share of comprehensive income	*-4.6*	*3.0*

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" include -€0.9m of remeasurements of defined benefit assets/liabilities and -€3.6m related to translation differences.

The reconciliation of the Group's share in the net assets of TVH from the 31 December 2022 to the 31 December 2023 is presented below:

€m - TVH	
Group's share of net assets at 31 December 2022	**1,211.9**
Group's share of profit (or loss) and comprehensive income (40%)	14.5
Group's share of net assets at 31 December 2023	**1,226.4**

At year-end 2023, based on IAS 28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in TVH (equity-accounted investee) and therefore did not perform an impairment test.

D'Ieteren Automotive

The largest equity-accounted investee in the D'Ieteren Automotive segment is the joint venture Volkswagen D'Ieteren Finance (VDFin), owned 50% minus one share by the Group and 50% plus one share by Volkswagen Financial Services (a subsidiary of the Volkswagen group), active in a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market.

The following table summarises the financial information of VDFin as included in its own financial statements, adjusted for differences in accounting policies, and reconciles this summarised financial information to the carrying amount of the Group's interest in VDFin.

€m - VDFin (100% - except otherwise stated)	2023	2022
Non-current assets	1,995.2	1,810.5
Current assets (excluding cash and cash equivalents)	1,367.8	980.2
Cash and cash equivalents	163.9	135.2
Non-current liabilities (excluding financial liabilities)	-5.5	-5.9
Non-current financial liabilities	-1,618.4	-1,325.2
Current liabilities (excluding financial liabilities)	-192.6	-182.2
Current financial liabilities	-1,502.0	-1,203.4
Net assets	208.4	209.2
Group's share of net assets (49.99%) and carrying amount of interest in joint venture	**104.2**	**104.6**

€m - VDFin (100% - except otherwise stated)	2023	2022
Revenue	529.0	492.5
Depreciation and amortization	-150.9	-139.1
Net finance costs	8.8	30.5
Profit before tax	12.0	27.9
Tax expense	-3.0	-8.1
Result for the period	9.0	19.8
Other comprehensive income	0.1	0.7
Profit (or loss) and total comprehensive income	9.1	20.5
Group's share of profit (or loss) and comprehensive income (49.99%)	**4.6**	**10.2**

The three other equity-accounted investees in the D'Ieteren Automotive segment are Skipr, Lizy and MyMove.

The financial information of Skipr, Lizy and MyMove are not material to the Group and are not separately disclosed.

The Group's share in the net assets of Skipr at 31 December 2023 amounts to €12.3m and the Group's share in the profit or loss of Skipr for the 12-month period ended 31 December 2023 amounts to -€0.9m.

The Group's share in the net assets of Lizy and MyMove at 31 December 2023 amounts to €8.3m and nil, respectively, and the Group's share in their profit or loss for the 12-month period ended 31 December 2023 amounts to -€1.7m and -€2.8m respectively.

Note 18: Financial instruments – fair value and risk management

Financial instruments - measurement

Financial assets held by the Group at 31 December 2023 are limited to trade and other receivables (see note 20), cash and cash equivalents (see note 19) and financial investments (in the Corporate & unallocated segment – see note 4). Trade and other receivables and cash and cash equivalents are measured at amortised costs under IFRS 9. Financial investments are measured both at amortised costs under IFRS 9 (for corporate bonds) and at fair value through profit or loss (for equity instruments).

Financial liabilities held by the Group at 31 December 2023 consist in loans and borrowings (see note 24), trade and other payables (see note 25), both classified as liabilities at amortised costs under IFRS 9, put options granted to non-controlling interests (see note 33), measured at fair value through equity, and contingent consideration on acquisitions (see note 26) measured at fair value through profit or loss.

In the Belron segment (equity-accounted investee), there is a contingent consideration liability (€7.0m at 31 December 2023; €8.7m at 31 December 2022, presented in the line “other payables” in the segment statement of financial position) recognised on an asset acquisition carried out at fair value using a level 3 valuation method (see below). The other financial instruments held in the Belron segment (equity-accounted investee) are carried out at fair value using a level 2 valuation method (see below) and consist in cross-currency and interest rate swaps to hedge against changes in market interest rates, forward currency contracts used to hedge the cost of future purchases where those payables are denominated in a currency other than the functional currency of the purchasing company (both measured as hedging instruments), fuel derivatives used to hedge the price of fuel purchase (measured at fair value through profit or loss) and other forward exchange contracts used to swap foreign currency cash balances to reduce borrowings and minimise interest expense (measured at fair value through profit or loss).

All Group’s financial assets and liabilities measured at fair value in the consolidated statement of financial position are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted market prices in an active market (that are unadjusted) for identical assets and liabilities;
- Level 2: valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);
- Level 3: valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

At 31 December 2022 and 2023, all Group’s financial assets and liabilities measured at fair value in the consolidated statement of financial position are classified in level 2 except the equity instruments included in the line “financial investments”, classified in level 1 (and level 2 in 2023 for the investment in the Supply Chain Finance Fund managed by Credit Suisse), the contingent considerations and the put options (and associated call options) granted to non-controlling interests classified in level 3.

Valuation techniques

The fair values of derivative instruments are determined using valuation techniques. The Group uses a variety of methods and makes assumptions based on market conditions at the balance sheet date. The fair value of cross currency interest rate swaps and interest rate swaps is calculated as the present value of future estimated cash flows. The fair value of interest rate caps and collars is valued using option valuation techniques. The fair value of forward exchange contracts is determined using forward exchange market rates at the date of the consolidated statement of financial position. The fair value of fuel hedge instruments is determined using market valuations prepared by the respective banks that executed the initial transactions at the statement of financial position date based on the present value of the monthly futures forward curve for gasoline given the volume hedged and the contract period. The fair value of foreign exchange swap contracts is determined using forward foreign exchange market rate at the date of the consolidated statement of financial position.

The main risks managed by the Group under policies approved by the Board of Directors, are liquidity and re-financing risk, market risk, credit risk, counterparty risk and price risk. The Board periodically reviews the Group’s treasury activities, policies and procedures. Treasury policies aim to ensure permanent access to sufficient liquidity, and to monitor and limit interest and currency exchange risks. These are summarised below.

Liquidity and re-financing risk

Liquidity risk is associated with the Group’s ability to meet its obligations. Each business unit of the Group manages liquidity risk by maintaining sufficient cash and funding available through an adequate amount of committed credit facilities to cover its anticipated medium-term commitments at all times. To minimise liquidity risk, the Group ensures, on the basis of its long-term financial projections, that it has a core level of committed long-term funding in place, with maturities spread over a wide range of dates, supplemented by various shorter-term facilities, and various funding sources.

Cash pooling schemes are sought and implemented each time when appropriate in order to minimise gross financing needs and costs of liquidity.

The following is an analysis of the contractual undiscounted cash flows payable under financial liabilities.

€m	Due within one year		Due between one and five years		Due after five years		Total	
	Capital	Interest	Capital	Interest	Capital	Interest	Capital	Interest
At 31 December 2023								
Loans and borrowings								
Public bonds	1.2	-	-	-	-	-	1.2	-
Lease liabilities	81.8	10.0	187.0	19.8	80.6	7.5	349.4	37.3
Other borrowings and private bonds	218.6	4.2	59.3	4.0	0.4	-	278.3	8.2
Loan notes	-	71.3	-	303.2	960.0	79.5	960.0	454.0
Commercial paper	4.3	-	-	-	-	-	4.3	-
Total	305.9	85.5	246.3	327.0	1,041.0	87.0	1,593.2	499.5
Trade and other payables	1,323.6	-	-	-	-	-	1,323.6	-
Total	**1,629.5**	**85.5**	**246.3**	**327.0**	**1,041.0**	**87.0**	**2,916.8**	**499.5**
At 31 December 2022								
Loans and borrowings								
Lease liabilities	61.4	7.0	149.7	13.8	44.3	4.1	255.4	24.9
Other borrowings and private bonds	256.8	4.5	91.6	6.5	0.1	0.1	348.5	11.1
Loan notes	-	62.4	579.5	168.1	376.3	-	955.8	230.5
Commercial paper	4.5	-	-	-	-	-	4.5	-
Total	322.7	73.9	820.8	188.4	420.7	4.2	1,564.2	266.5
Trade and other payables	984.5	-	-	-	-	-	984.5	-
Total	**1,307.2**	**73.9**	**820.8**	**188.4**	**420.7**	**4.2**	**2,548.7**	**266.5**

Interest Rate Risk

The Group's interest rate risk arises from changes in interest rates on interest-bearing assets and from loans and borrowings.

The Group seeks to cap the impact of adverse interest rates movements on its financial results, particularly in relation to the next 12 months. To manage its interest rate exposures, the Group primarily uses forward rate agreements, interest rate swaps, caps and floors. Hedges, or fixed rate indebtedness, beyond 5 years are unusual. The interest rate and currency profiles of loans and borrowings are disclosed in note 24.

A change of 100 basis points in interest rate at the reporting date would have increased/decreased the result from continuing operations (excluding equity-accounted investees) by the amounts shown below. This analysis assumes that all other variables remain constant.

€m	Result from continuing operations	
	1% increase	1% decrease
31 December 2023	**-3.3**	**3.3**
31 December 2022	-6.5	6.5

Currency Risk

The Group's objective is to protect its cash flows, commercial transactions and net investments in foreign operations from the potentially high volatility of the foreign exchange markets by hedging any material net foreign currency exposure.

The Group has certain investments in foreign operations whose net assets and related goodwill are exposed to foreign currency translation risk. Group policy is to hedge the economic value of material foreign currency investments (limited to the net book value of the asset) in a particular currency with financial instruments including debt in the currency of the investment. The proportion to which an investment is hedged is individually determined having regard to the economic and accounting exposures and the currency of the investment. To complement these natural hedges, the Group uses instruments such as forwards, swaps, plain-vanilla foreign exchange options and, when appropriate, cross currency swaps. The hedging levels are reviewed periodically, in light of the market conditions and each time a material asset is added or removed.

The significant exchange rates applied in 2023 and in 2022 are disclosed in note 30.

A 10 percent strengthening/weakening of the euro against the following currencies at 31 December would have increased/decreased result from continuing operations (excluding equity-accounted investees) by the amounts shown below. This analysis assumes that all other variables remain constant.

€m	Result from continuing operations	
	10% strenghtening	10% weakening
31 December 2023		
EUR vs GBP	-0.7	0.8
EUR vs USD	-0.2	0.2
EUR vs CHF	-	-
31 December 2022		
EUR vs GBP	-0.4	0.5
EUR vs USD	-1.0	1.2
EUR vs CHF	0.2	-0.2

Price Risk

Price risk is related to oscillations in the prices of raw materials, semi-finished and finished goods purchased. Specifically, the price risk mainly arises from the presence of a limited number of supplier of goods and the need to guarantee procurement volumes. The Group limits price risk through its procurement policy.

Counterparty risk

Exposure limits to financial counterparties in respect of both amount and duration are set in respect of derivatives and cash deposits. Such transactions are entered into with a limited number of pre-designated banks on the basis of their publicly available credit ratings, which are checked at least once a year. Limits on length of exposure per category of transaction are in place to protect liquidity and mitigate counterparty default risks. The instruments and their documentation must be authorized before entering the contemplated transactions.

Note 19: Cash and cash equivalents

Cash and cash equivalents are analysed below:

€m	2023					2022				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Cash at bank and in hand	7.8	15.6	103.9	160.5	287.8	0.8	26.9	122.0	142.9	292.6
Short-term deposits	9.0	-	-	461.1	470.1	-	-	-	53.2	53.2
Cash and cash equivalents	**16.8**	**15.6**	**103.9**	**621.6**	**757.9**	**0.8**	**26.9**	**122.0**	**196.1**	**345.8**

Cash and cash equivalents are mainly floating rate assets which earn interest at various rates set with reference to the prevailing EONIA, LIBID or equivalent. Their carrying amount is equal to their fair value.

The increase in the cash and cash equivalents in the Corporate & unallocated segment is mainly the result of the dividends received from the Belron segment and from the D'Ieteren Automotive segment, partially offset by the dividend paid out to the shareholders of D'Ieteren Group in June 2023, the acquisition of treasury shares and the acquisition in May 2023 of additional Belron's shares.

Note 20: Trade and other receivables

€m	2023					2022				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Non-current receivables	**6.1**	**1.2**	**26.9**	**5.7**	**39.9**	**4.8**	**1.1**	**25.7**	**44.2**	**75.8**
Trade receivables - net	331.9	30.7	333.1	0.7	696.4	256.7	31.3	279.4	1.1	568.5
Current receivables from equity-accounted investees	12.7	-	-	-	12.7	30.0	-	-	0.8	30.8
Other current receivables	12.3	2.4	160.2	5.2	180.1	19.7	3.0	72.9	3.7	99.3
Trade and other receivables	**356.9**	**33.1**	**493.3**	**5.9**	**889.2**	**306.4**	**34.3**	**352.3**	**5.6**	**698.6**

At 31 December 2022 in the Corporate & unallocated segment, non-current receivables included, amongst other amounts, €40.0m related to the shareholder loan from the Corporate and unallocated segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH, fully reimbursed in 2023.

The trade and other receivables are expected to be recovered within 12 months. Their carrying amount approximates their fair value, and they generate no interest income.

The Group is exposed to credit risk arising from its operating activities (potential losses arising from the non-fulfilment of obligations assumed by trade and financial counterparties). Such risks are mitigated by selecting clients and other business partners on the basis of their credit quality and by avoiding as far as possible concentration on a few large counterparties. Credit quality of large counterparties is assessed systematically, and credit limits are set prior to taking exposure. Payment terms are on average less than one month except where local practices are otherwise. Receivables from sales involving credit are closely tracked and collected mostly centrally in the D'Ieteren Automotive segment, and at the country level in the Belron segment (equity-accounted investee). In the Moleskine segment, the risk of insolvency is monitored centrally with review of the credit exposure. In the PHE segment, the customer base is very diversified and therefore the risk is mitigated. The credit risk is differentiated by sales channel and the acceptance of new customers is monitored by conducting qualitative and quantitative corporate rating services.

In the D'Ieteren Automotive segment, concentration on top ten customers (excluding trade receivables from VW Group), based on the gross receivables, is 6.1% (2022: 5.8%) and no customer is above 3% (2023: 1.4%; 2022: 1.9%). Certain receivables are also credit insured. In the Belron segment (equity-accounted investee), concentrations of risk with respect to receivables are limited due to the diversity of Belron's customer base. In the Moleskine segment, trade receivables are concentrated due to the distribution model. However, there were no specific concentration risks since the counterparties do not present solvency risk and in any event could be replaced, if required, which would not entail operational difficulties. The credit position of certain customers is also partly guaranteed by letters of credit. In the PHE segment, the Group make usage of factoring services to reduce exposure to credit risk.

Statement of financial position amounts are stated net of provisions for doubtful debts, and accordingly, the maximum credit risk exposure is the carrying amount of the receivables in the statement of financial position.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historic payment profiles and the corresponding historical credit losses experienced. The historical loss rates are adjusted where relevant to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

As at 31 December 2023, the provisions for bad and doubtful debt amount to €34.3m (2022: €33.1m).

The ageing analysis of trade and other receivables past due but not impaired is as follows:

€m	2023	2022
Up to three months past due	53.9	59.4
Over three months past due	34.7	31.4
Total	**88.6**	**90.8**

In 2022 and 2023, the amounts presented in the aging analysis only include, in the D'Ieteren Automotive segment, the trade receivables of D'Ieteren Automotive SA.

The charge in 2023 for bad and doubtful debts amounts to -€4.5m (2022: -€6.1m). See note 6.

Note 21: Non-current assets and disposal group classified as held for sale and discontinued operations

Following the closing of the acquisition of Parts Holding Europe (PHE) by the Group on the 4th of August 2022, the European Commission imposed the disposal of PHE's specialized glass repair activities "Mondial Pare Brise". The Board of Directors of the Company concluded that, at 31 December 2022, the PHE segment was committed to a sale plan of Mondial Pare Brise. It had therefore classified in the consolidated statement of financial position at 31 december 2022 all the assets and liabilities of Mondial Pare Brise as held for sale; the recognition criteria defined in IFRS 5 "Non-current assets held for sale and discontinued operations" being satisfied. In the consolidated statement of profit or loss, the line "Discontinued operations" in 2022 related to the net result of Mondial Pare-Brise, from the date of the acquisition of PHE by the Group until 31 December 2022.

The assets classified as held for sale and liabilities directly associated with the assets held for sale, the net result from discontinued operations and the cash flow from discontinued operations in 2022 are presented in note 21 of the 2022 consolidated financial statements.

Closing of the disposal of Mondial Pare-Brise occurred on 13 February 2023.

Note 22: Capital and reserves

A reconciliation of share capital and reserves are set out in the consolidated statement of changes in equity.

Share capital

The change in ordinary share capital is set out below:

€m, except number of shares stated in units	Number of ordinary shares	Ordinary share capital
At 1 January 2022	**54,367,928**	**160.0**
Change	-	-
At 31 December 2022	**54,367,928**	**160.0**
Change	-658,929	-
At 31 December 2023	**53,708,999**	**160.0**

The 5,000,000 nominative participating shares do not represent share capital. Each participating share confers one voting right and gives the right to a dividend equal to one eighth of the dividend of an ordinary share.

Treasury shares reserve

Treasury shares are held by the Company and by subsidiaries as set out below:

€m, except number of shares stated in units	31 December 2023		31 December 2022	
	Number	Amount	Number	Amount
Treasury shares held by the Company	777,223	88.5	1,256,732	134.1
Treasury shares held by subsidiaries	-	-	-	-
Treasury shares held	**777,223**	**88.5**	**1,256,732**	**134.1**

Treasury shares are held in the framework of the share buyback programme and liquidity contract and to cover the stock option plans set up by the Company since 1999 (see note 9).

During the year 2023, a total of 469,836 treasury shares have been acquired by the Company and 290,416 treasury shares have been sold, for a net amount of -€60.3m (of which acquisitions of -€81.6m and disposals of €21.3m). In May 2023, the Company cancelled 658,929 ordinary own shares acquired in the context of the share buyback programme.

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss. Cumulative tax impact related to the net change in the fair value of hedging instruments are separately included in retained earnings.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as from the translation of financial instruments that hedge the Group's net investment in a foreign subsidiary.

Registered shares not fully paid-up may not be transferred except by virtue of a special authorisation from the Board of Directors for each assignment and in favour of an assignee appointed by the Board (art. 7 of the Articles). Participating shares may not be transferred except by the agreement of a majority of members of the Board of Directors, in which case they must be transferred to an assignee appointed by said members (art. 8 of the Articles).

The Group's objectives when managing capital are to safeguard each of its activities ability to continue as a going concern and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors the capital adequacy at the level of each of its activities through a set of ratios relevant to their specific business. In order to maintain or adjust the capital structure, each activity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt, taking into account the existence of non-controlling shareholders.

The controlling shareholders are listed here below:

Shareholders with controlling interest according to the declaration of transparency dated 2 November 2011, and to further communications to the company (as at 31 December 2023).	Capital shares		Participating shares		Total voting rights	
	Number	%	Number	%	Number	%
s.a. de Participations et de Gestion, Brussels	12,762,105	23.76%	1,250,000	25.00%	14,012,105	23.87%
Reptid Commercial Corporation, Dover, Delaware	1,883,375	3.51%	-	-	1,883,375	3.21%
Mr Olivier Périer	10,000	0.02%	-	-	10,000	0.02%
The three abovementioned shareholders (collectively "SPDG Group") are associated.	**14,655,480**	**27.29%**	**1,250,000**	**25.00%**	**15,905,480**	**27.09%**
Nayarit Participations s.c.a., Brussels	17,684,020	32.93%	-	-	17,684,020	30.12%
Mr Nicolas D'Ieteren	10,000	0.02%	3,750,000	75.00%	3,760,000	6.40%
The two abovementioned shareholders (collectively "Nayarit Group") are associated.	**17,694,020**	**32.94%**	**3,750,000**	**75.00%**	**21,444,020**	**36.53%**
The shareholders referred to as SPDG Group and Nayarit Group act in concert.						

The Board of Directors proposed the distribution of a gross dividend amounting to € 3.75 per share (2022: gross dividend of € 3.00 per share), or €200.8m in aggregate (2022: €161.2m).

Note 23: Provisions

The major classes of provisions are the following ones. The other provisions, either current or non-current, are analysed below.

€m	2023					2022[1]				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Non-current provisions										
Dealer-related	0.5	-	-	-	0.5	0.2	-	-	-	0.2
Other non-current items	9.3	-	2.1	0.8	12.2	7.3	-	-	0.6	7.9
Subtotal	**9.8**	**-**	**2.1**	**0.8**	**12.7**	**7.5**	**-**	**-**	**0.6**	**8.1**
Current provisions										
Other current items	-	1.1	5.6	5.2	11.9	-	4.9	5.4	5.2	15.5
Subtotal	**-**	**1.1**	**5.6**	**5.2**	**11.9**	**-**	**4.9**	**5.4**	**5.2**	**15.5**
Total provisions	**9.8**	**1.1**	**7.7**	**6.0**	**24.6**	**7.5**	**4.9**	**5.4**	**5.8**	**23.6**

(1) As restated, refer to note 1.

The changes in provisions are set out below for the year ended 31 December 2023:

€m	Dealer-related	Other non-current items	Other current items	Total
At 1 January 2023[1]	**0.2**	**7.9**	**15.5**	**23.6**
Charged in the year	1.5	7.9	1.3	10.7
Utilised in the year	-	-2.3	-0.9	-3.2
Reversed in the year	-1.2	-1.4	-4.0	-6.6
Transferred during the year	-	0.1	-	0.1
At 31 December 2023	**0.5**	**12.2**	**11.9**	**24.6**

(1) As restated, refer to Note 1.

When the timing of the outflows is uncertain, the provisions are considered as non-current items. The non-current provisions are not discounted since the impact is not considered material to the Group. Current provisions are expected to be settled within 12 months.

In the D'Ieteren Automotive segment, the dealer-related provisions arise from the ongoing improvement of the distribution networks.

Other non-current provisions also comprise:

- Provision for the warranty granted on vehicles sold in the D'Ieteren Automotive segment.
- Provision against legal claims that arise in the normal course of business, that are expected to crystallise in the next couple of years. After taking appropriate legal advice, the outcome of these legal claims should not give rise to any significant loss beyond amounts provided at 31 December 2023.

Note 24: Loans and borrowings

Loans and borrowings are presented as follows:

€m	2023					2022				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Non-current loans and borrowings										
Lease liabilities	55.6	7.9	152.4	39.8	255.7	18.1	9.9	153.2	4.7	185.9
Bank and other loans	51.3	-	967.8	-	1,019.1	75.4	-	971.2	-	1,046.6
Inter-segment loan	-	272.4	-	-272.4	-	-	272.3	-	-272.3	-
Subtotal non-current loans and borrowings	**106.9**	**280.3**	**1,120.2**	**-232.6**	**1,274.8**	**93.5**	**282.2**	**1,124.4**	**-267.6**	**1,232.5**
Current loans and borrowings										
Bonds	-	-	1.2	-	1.2	-	-	1.2	-	1.2
Lease liabilities	26.8	4.6	47.3	3.1	81.8	11.2	5.5	44.0	0.6	61.3
Bank and other loans	133.4	-	130.8	0.1	264.3	106.0	14.9	180.1	0.1	301.1
Commercial paper	4.3	-	-	-	4.3	4.5	-	-	-	4.5
Subtotal current loans and borrowings	**164.5**	**4.6**	**179.3**	**3.2**	**351.6**	**121.7**	**20.4**	**225.3**	**0.7**	**368.1**
TOTAL LOANS AND BORROWINGS	**271.4**	**284.9**	**1,299.5**	**-229.4**	**1,626.4**	**215.2**	**302.6**	**1,349.7**	**-266.9**	**1,600.6**

Obligations under lease contracts are analysed below:

€m	2023		2022	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Within one year	81.8	81.8	61.4	61.3
Between one and five years	186.9	180.5	149.7	144.6
More than five years	80.6	75.2	44.3	41.3
Subtotal	349.3	337.5	255.4	247.2
Present value of lease obligations	**337.5**		**247.2**	

In 2023, the increase in lease liabilities compared to 31 December 2022 in the D'Ieteren Automotive segment mainly arises from the recognition of lease liabilities following acquisitions performed in 2023 and the recognition of additional lease liabilities in the Retail segment. The increase in lease liabilities in the Corporate & unallocated segment mainly reflects the additional lease liabilities assumed in relation to new real estate projects at D'Ieteren Immo.

In 2022 and 2023, the inter-segment loans comprise amounts lent by the Corporate & unallocated segment to the Moleskine segment (non-recourse loan in the framework of the acquisition). In the period, €20.1m of interests have been recognised in profit or loss and -€20.0m have been paid cash.

The €40.6m lent in 2022 by the Corporate & unallocated segment to TVH (fully reimbursed in 2023) was not presented in the line "inter-segment loan" in the table above since TVH is an equity accounted investee but was presented in non-current receivables in the Corporate & unallocated segment (see note 20).

Bank and other loans in the PHE segment mainly consist in Senior Secured fixed and floating rate notes, as well as revolving credit facilities (undrawn at 31 December 2023 ; €62m at 31 December 2022). In January 2024, PHE announced that it has refinanced its €580m July 2025 Senior Secured Notes and its €380m July 2027 Floating Rate Senior Secured Notes with the issuance of a €960m new Term Loan B with a 7-year maturity (see note 34).

Non-current loans and borrowings are due for settlement after more than one year, in accordance with the maturity profile set out below:

€m	2023	2022
Between one and five years	239.2	814.7
After more than five years	1,035.6	417.8
Non-current loans and borrowings	**1,274.8**	**1,232.5**

The interest rate and currency profiles of loans and borrowings are as follows (excluding the lease liabilities accounted for in accordance with IFRS 16 in 2022 and 2023) :

€m	2023			2022		
Currency	Fixed rate	Floating rate	Total	Fixed rate	Floating rate	Total
EUR	665.5	623.4	1,288.9	607.4	746.4	1,353.8
Total	**665.5**	**623.4**	**1,288.9**	**607.4**	**746.4**	**1,353.8**

EUR borrowings are stated after deduction of deferred financing costs of €0.7m as at 31 December 2023 (31 December 2022: €5.1m).

The floating rate borrowings bear interest at various rates set with reference to the prevailing EURIBOR or equivalent. The range of interest rates applicable for fixed rate borrowings outstanding is as follows:

	2023		2022	
Currency	Min.	Max.	Min.	Max.
EUR	1.0%	6.5%	1.0%	6.5%

The fair value of loans and borrowings (both current and non-current) approximates their carrying amount. Certain of the borrowings in the Group have covenants attached. At year-end, there is no breach of covenants.

The table below provides information about the changes in liabilities arising from financing activities:

€m	At 1 January 2023	Items acquired through business combinations	New loans	Loans repayment	Repayment of lease liabilities	Non-cash movements				At 31 December 2023
						Additions/ Disposals IFRS16	Conversion difference	Transfer	Other	
Long-term loans and borrowings	1,046.6	2.5	8.2	-3.1	-	-	-	-39.4	4.3	1,019.1
Short-term loans and borrowings	306.8	43.1	65.9	-188.0	-	-	-	41.8	0.2	269.8
Lease liabilities	247.2	6.4	-	-	-83.3	167.4	-0.1	-0.0	-0.1	337.5
Total liabilities arising from financing activities	**1,600.6**	**52.0**	**74.1**	**-191.1**	**-83.3**	**167.4**	**-0.1**	**2.4**	**4.4**	**1,626.4**

€m	At 1 January 2022	Items acquired through business combinations	New loans	Loans repayment	Repayment of lease liabilities	Non-cash movements				At 31 December 2022
						Additions/ Disposals IFRS16	Conversion difference	Transfer	Other	
Long-term loans and borrowings	129.4	975.2	38.6	-8.8	-	-	-	-88.0	0.2	1,046.6
Short-term loans and borrowings	36.6	130.9	68.8	-38.5	-	-	-	107.4	1.6	306.8
Lease liabilities	45.5	209.6	-	-	-37.9	30.0	-	-	-	247.2
Total liabilities arising from financing activities	**211.5**	**1,315.7**	**107.4**	**-47.3**	**-37.9**	**30.0**	**-**	**19.4**	**1.8**	**1,600.6**

In 2023, the other non-cash movements relate, among other amounts, to the accelerated depreciation of deferred financing costs in the PHE segment following the refinancing operated on 23 January 2024 (see note 34). In 2022, this line included, among other amounts, the impact of the change in consolidation method of Lizzy and MyMove following the loss of exclusive control (see note 17) and the amortization of deferred financing costs in the Moleskine segment.

In 2022, the €19.4m of transfers represented a capitalization of accrued interests on loans and borrowings, previously booked in trade and other payables.

Note 25: Trade and other payables

Trade and other payables are described below:

€m	2023					2022(1)				
	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group	D'Ieteren Automotive	Moleskine	PHE	Corp. & unallocated	Group
Non-current payables	**0.4**	**-**	**10.7**	**-**	**11.1**	**-**	**-**	**39.3**	**-**	**39.3**
Trade payables	543.5	20.3	359.8	3.2	926.8	339.1	23.7	313.6	3.4	679.8
Accrued charges and deferred income	81.6	0.7	2.7	1.0	86.0	64.4	1.0	3.9	0.1	69.4
Non-income taxes	60.2	1.1	16.8	0.2	78.3	52.0	1.5	18.3	-	71.8
Contingent consideration on acquisitions	3.3	-	53.7	-	57.0	1.6	-	0.2	-	1.8
Other current creditors	79.0	6.7	79.6	10.2	175.5	70.0	4.7	77.7	9.3	161.7
Trade and other payables	**767.6**	**28.8**	**512.6**	**14.6**	**1,323.6**	**527.1**	**30.9**	**413.7**	**12.8**	**984.5**

(1) As restated, refer to note 1.

Trade and other current payables are expected to be settled within 12 months. The carrying value of trade and other current payables approximates their fair value.

In the PHE segment, at 31 December 2022, the non-current payables mainly included contingent considerations on past acquisitions. In 2023, these contingent consideration payables are included in the current liabilities, and amount to €53.7m at 31 December 2023

In both periods, the line "Non-income taxes" mainly include VAT payables in the D'Ieteren Automotive and PHE segment.

In both periods, the line "Other current creditors" includes, amongst other amounts, the payroll related payables.

Note 26: Business combinations

Note 26.1: Current year business combination

The details of the net assets acquired, goodwill and consideration of the acquisitions performed by the Group are set out in the following table. The column "D'Ieteren Automotive" relate to the acquisitions performed by the D'Ieteren Automotive segment, and the column PHE relates to the acquisitions performed by Parts Holding Europe (PHE).

€m	D'Ieteren Automotive	PHE	Total provisional fair value(1)
Intangible assets	0.3	7.7	8.0
Property, plant & equipment	8.8	9.3	18.1
Equity-accounted investees	-	0.3	0.3
Deferred tax assets	-	0.1	0.1
Other receivables	-	0.3	0.3
Inventories	41.2	17.5	58.7
Other financial assets	0.1	-	0.1
Trade and other receivables	11.6	11.9	23.5
Cash and cash equivalents	8.0	2.9	10.9
Loans & borrowings	-1.8	-10.4	-12.2
Deferred tax liabilities	-	-1.9	-1.9
Loans & borrowings (short-term)	-39.8	-	-39.8
Current tax liabilities	-0.4	-	-0.4
Trade & other payables	-9.1	-12.1	-21.2
Net assets acquired	**18.9**	**25.6**	**44.5**
Non-controlling interests ("NCI")	0.1	-14.0	-13.9
Goodwill	13.6	27.1	40.7
TOTAL IDENTIFIABLE NET ASSETS ACQUIRED AND LIABILITIES ASSUMED, INCLUDING GOODWILL	**32.6**	**38.7**	**71.3**
Consideration satisfied by:			
Cash payment	31.7	28.7	60.4
Contingent consideration	0.9	10.0	10.9
TOTAL CONSIDERATION	**32.6**	**38.7**	**71.3**

(1) The fair values have been measured on a provisional basis. If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition, then the accounting for the acquisition will be revised.

D'Ieteren Automotive

During the period, the D'Ieteren Automotive segment made the following business combinations:

- Acquisition of 100% of Jennes Group, consisting in 5 car dealerships and 1 bodyshop in Belgium;
- Acquisition of 100% of the shares in Alpha Bikes s.r.l., a bike store in Belgium;
- Acquisition of 100% of the shares in Plum-Ghent b.v., a bike store in Belgium;
- 51% of the shares in Transport Care n.v. (acquisition of 20%, followed by a 31% capital increase), a software dealer specialized in bodyshops and garages in Belgium;
- Acquisition of 100% of the shares in King+ b.v., a bike store in Belgium;
- Acquisition of the inventories and commercial properties of Cyclo Europe b.v., Remory b.v., Robot b.v. and Bike Planet Sport b.v. (through asset deals), four bike stores in Belgium.

The additional revenue and net result arising subsequent to these acquisitions amount to respectively €21.1m and -€0.8m. If the acquisitions had occurred on the first day of the period, revenue would have been €240.4m and net result €1.2m.

The contingent consideration of €0.9m recognised on these acquisitions is initially measured at fair value through profit or loss (FVTPL) and is based on the expected payout that the Group will incur, based on the probability of achievement of financial performances of the underlying acquired businesses (such as target revenue, target gross margin). The fair value calculations require significant judgment and estimates from the management, especially with regards to the revenue growth and gross margin performances). Subsequent change in fair value of the earn-out, if any, will be accounted for in profit or loss. At 31 December 2023, contingent consideration liability amount to €3.7m and is presented in the lines "Other payables" for €0.4m and "Trade and other payables" for €3.3m in the consolidated statement of financial position.

The €13.6m of goodwill recognised reflects the expected synergies and other benefits resulting from the combination of the acquired activities with those of the D'Ieteren Automotive segment. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalize the acquisition accounting), the above provisional allocation will be reviewed and if necessary reallocated to brands and intangible assets.

There are no trade and other receivables acquired that are expected to be uncollectable at the date of acquisition. The provisional goodwill recognised on these acquisitions is not expected to be deductible for tax purposes.

PHE

During the period, the PHE segment made the following business combinations:

- Acquisition of 75% of the shares of AD Basconia in March 2023, a distributor of spare parts active in Spain.
- Acquisition of 75% of the shares of AD Masanes in December 2023, a distributor of spare parts active in Andorra;
- Acquisition of 66% of the shares of Egido in December 2023, a distributor of spare parts active in Spain;

The additional revenue and net result arising subsequent to the acquisition of AD Basconia (the two other acquisitions being closed in December, no revenue or net result have been recognised in 2023) amount to respectively €16.3m and €1.5m. If the acquisitions of AD Basconia and AD Masanes have occurred on the first day of the period, revenue would have been €63m and net result would have been €1.9m. The acquisition of Egido is not material to the Group; revenue and net result for 2023 are not separately disclosed.

The contingent consideration of €10.0m recognised on these acquisitions is initially measured at fair value through profit or loss (FVTPL) and is based on the expected payout that the Group will incur, based on the probability of achievement of financial performances of the underlying acquired businesses (such as target revenue, target gross margin). The fair value calculations require significant judgment and estimates from the management, especially with regards to the revenue growth and gross margin. Subsequent change in fair value of the earn-out, if any, will be accounted for in profit or loss. At 31 December 2023, contingent consideration liability amount to €53.7m and is presented in the line "Trade and other payables" in the consolidated statement of financial position.

The €27.1m of goodwill recognised reflects the expected synergies and other benefits resulting from the combination of the acquired activities with those of the PHE segment. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalize the acquisition accounting), the above provisional allocation will be reviewed and if necessary reallocated to brands and intangible assets.

There are no trade and other receivables acquired that are expected to be uncollectable at the date of acquisition. The provisional goodwill recognised on the acquisition is not expected to be deductible for tax purposes.

PHE finalised the acquisition accounting of prior period's business combinations (mainly through the recognition of customer contracts and related deferred tax liabilities), leading to a decrease in goodwill of -€15.1m. These adjustments are not considered material and not separately disclosed.

Note 26.2: Change to prior year business combination

At 31 December 2022, the Group did not finalise the acquisition accounting of Parts Holding Europe (acquired on the 4th of August 2022) and hence no fair value adjustments have been recognised on the acquired assets and liabilities assumed, because the Group was not in a position to reasonably measure those adjustments. As permitted by IFRS 3 "Business Combinations" (maximum period of 12 months to finalise the acquisition accounting), the provisional allocation has been reviewed in the first semester of 2023 and reallocated to brands and other intangible assets.

The following table summarises the adjustments made to the provisional purchase price allocation as of 4 August 2022.

€m	PHE - provisional fair value	Adjustments	PHE - final fair value
Intangible assets	311.7	495.6	807.3
Property, plant & equipment	280.0	-	280.0
Financial investments	4.7	-	4.7
Derivative financial instruments	2.1	-	2.1
Deferred tax assets	24.2	-	24.2
Other receivables	24.7	-	24.7
Inventories	463.6	-	463.6
Derivative financial instruments (short-term)	0.7	-	0.7
Trade and other receivables	393.7	-	393.7
Cash & cash equivalents (excluding cash included in assets classified as held-for-sale)	91.9	-	91.9
Assets classified as held for sale	75.1	59.6	134.7
Employee benefits	-28.0	-	-28.0
Loans & borrowings	-1,128.2	-	-1,128.2
Put options granted to non-controlling interests	-80.5	-	-80.5
Other payables	-37.8	-	-37.8
Deferred tax liabilities	-13.4	-134.2	-147.6
Provisions (short-term)	-5.6	-	-5.6
Loans & borrowings (short-term)	-165.4	-	-165.4
Put options granted to non-controlling interests (short-term)	-4.9	-	-4.9
Trade & other payables	-455.4	-	-455.4
Liabilities directly associated with the assets held for sale	-30.7	-	-30.7
Net assets acquired	**-277.5**	**421.0**	**143.5**
Non-controlling interests ("NCI")	-1.8	-	-1.8
Goodwill	850.3	-421.0	429.3
TOTAL IDENTIFIABLE NET ASSETS ACQUIRED AND LIABILITIES ASSUMED, INCLUDING GOODWILL	**571.0**	**-**	**571.0**
Consideration satisfied by:			
Cash payment	571.0	-	571.0
TOTAL CONSIDERATION	**571.0**	**-**	**571.0**

The €807.3m intangible assets recognised on acquisition date include €246.6m of brands and €530.9m of customer contracts. The brands recognised in the PHE segment have an indefinite useful life, since, given the absence of factors that could cause their obsolescence and considering the life cycles of the products to which they relate, there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group. The customer contracts in scope of this purchase price, whose value was determined with the excess earnings method, will be amortised over 21 years as from the acquisition date (4th of August 2022). The amount of amortisation of these customer contracts amounts to -€25.9m in 2023 (-€10.8m in 2022, restated).

The adjustment booked in deferred tax liabilities is directly linked to the adjustment booked in intangible assets. The deferred tax liabilities related to the customer contracts will be reversed over the same remaining useful lives of the underlying customer contracts.

The €59.6m adjustment on the assets classified as held for sale relates to the portion of the goodwill allocated to Mondial Pare-Brise, the specialised glass repair activity of PHE, disposed of in February 2023. The net assets disposed of therefore corresponded to the consideration received.

Note 27: List of subsidiaries, associates and joint ventures

The full list of companies concerned by articles 3:104 and 3:156 of the Royal Decree of 29 April 2019 implementing the Company Code will be lodged with the Central Balance Sheet department of the National Bank of Belgium. It is also available on request from the Company head office (see note 1).

The subsidiaries, associates and joint ventures of the Company are listed below:

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
D'Ieteren Automotive			
D'Ieteren Automotive s.a./n.v.	Belgium	100%	100%
P.C. Mechelen n.v.	Belgium	100%	100%
P.C. Paal-Beringen n.v.	Belgium	100%	100%
P.C. Liège s.a.	Belgium	100%	100%
P.C. Louvain-La-Neuve s.a.	Belgium	100%	100%
Garage Rietje n.v.	Belgium	100%	100%
Carrosserie Rietje n.v.	Belgium	100%	100%
Rietje Waasland n.v.	Belgium	100%	100%
Garage Clissen n.v.	Belgium	100%	100%
BAG A/D n.v.	Belgium	100%	100%
ACBornem n.v.	Belgium	100%	100%
Auto Center Kontich b.v.b.a.	Belgium	100%	100%
Automobiel Center Puurs n.v.	Belgium	100%	100%
Don Bosco b.v.b.a.	Belgium	100%	100%
Autonatie n.v.	Belgium	100%	100%
Overijse Automotive n.v.	Belgium	100%	100%
Autobedrijf Y&N Claessens b.v.b.a.	Belgium	100%	100%
Sopadis Knokke n.v.	Belgium	100%	100%
Automobile Center Mechelen 2 b.v.b.a.	Belgium	100%	100%
Auto Natie Wommelgem NV	Belgium	100%	100%
Auto Natie Kontich b.v.b.a.	Belgium	100%	100%
D'ieteren Mobility Company s.a.	Belgium	100%	100%
s.a. Volkswagen D'Ieteren Finance n.v.	Belgium	49.99%	49.99%
s.a. D'Ieteren Lease n.v.	Belgium	49.99%	49.99%
s.a. D'Ieteren Micromobility n.v.	Belgium	100%	100%
s.a. WonderAuto n.v.	Belgium	100%	100%
Lab Box s.a.	Belgium	100%	100%
Poppy Mobility n.v.	Belgium	100%	100%
Skipr n.v.	Belgium	50.44%	50.44%
CarASAP s.a.	Belgium	92.40%	100%
Electric By D'Ieteren (EDI)	Belgium	92.50%	92.50%

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
Lizy n.v.	Belgium	41.41%	39.63%
ACBornem n.v.	Belgium	100%	100%
PC Brussels s.a.	Belgium	100%	100%
PC Antwerp n.v.	Belgium	100%	100%
D'Ieteren Centers s.a.	Belgium	100%	100%
Brussels Auto Group Groot-Bijgaarden n.v.	Belgium	100%	100%
Brussels Auto Group Ternat b.v.	Belgium	100%	100%
Wondercar Groot-Bijgaarden b.v.	Belgium	100%	100%
Autralis b.v.	Belgium	100%	100%
MyMove srl	Belgium	56.00%	56.00%
Mbrella srl	Belgium	91.50%	57.36%
Wondergroup s.a.	Belgium	100%	100%
iBike b.v.b.a.	Belgium	100%	100%
Goodbikes s.r.l.	Belgium	100%	100%
LB RiHa s.r.l.	Belgium	92.40%	100%
Taxi Radio Bruxellois s.a.	Belgium	92.40%	100%
Joule n.v.	Belgium	57.87%	57.87%
Lizy France s.a.s.	France	41.41%	39.63%
EDI Network s.a.	Belgium	100%	100%
LB Sunshine s.r.l.	Belgium	92.50%	92.50%
Waassolar b.v.	Belgium	92.50%	92.50%
Go-Solar n.v.	Belgium	92.50%	92.50%
D'Ieteren Mobility Services s.a.	Belgium	100%	100%
Velofixer b.v.	Belgium	100%	100%
Re Cycle s.r.l.	Belgium	100%	100%
Jennes n.v.	Belgium	100%	-
Jennes Machelen n.v.	Belgium	100%	-
Jennes Leefdaal n.v.	Belgium	100%	-
Jennes Aarschot n.v.	Belgium	100%	-
Jennes Used Cars n.v.	Belgium	100%	-
Carrosseries Jennes n.v	Belgium	100%	-
Alpha Bikes s.r.l	Belgium	100%	-
Plum-Ghent b.v	Belgium	100%	-
Transport Care n.v	Belgium	51.00%	-
King n.v	Belgium	100%	-
Belron			
Belron Group s.a. (in voting rights)	Luxembourg	54.79%	55.00%
TVH			
TVH Global NV	Belgium	40.00%	40.00%

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
Moleskine			
Moleskine s.r.l.	Italy	100%	100%
Moleskine America Inc.	United States	100%	100%
Moleskine Asia Ltd.	Hong-Kong	100%	100%
Moleskine Commerce & Trade Shanghai Co. Ltd.	China	100%	100%
Moleskine France s.à.r.l	France	100%	100%
Moleskine Germany GmbH	Germany	100%	100%
Moleskine Singapore Pte Ltd	Singapore	100%	100%
Moleskine Uk Ltd.	United Kingdom	100%	100%
Moleskine Japan k.k.	Japan	100%	100%
Moleskine Korea Co. Ltd.	Korea	100%	100%
Moleskine Café s.r.l.	Italy	100%	100%
Moleskine b.v.	Netherland	100%	100%
Moleskine Digital Studio Pte. Ltd.	Singapore	55.00%	55.00%
EDO.IO s.r.l.	Italy	55.13%	55.13%
Corp. & unallocated			
s.a. D'Ieteren Immo n.v.	Belgium	100%	100%
D'IM s.a.	Luxembourg	100%	100%
D Participation Management Luxembourg s.a.	Luxembourg	100%	100%
s.a. D'Ieteren Services n.v.	Belgium	100%	100%
D Participation Management s.a.	Belgium	100%	100%
Lys Bidco s.à.r.l	Luxembourg	100%	100%
DImmoLux s.à.r.l	Luxembourg	100%	100%
D'Ieteren Cherry MRP s.à.r.l	Luxembourg	100%	100%
s.a. Spider Bidco n.v.	Belgium	100%	100%
PHE			
Lake SAS (in voting rights)	France	91.26%	91.38%

The percentages below are the ones held by Lake SAS (the mother company of PHE) in those subsidiaries:

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
Parts Holding Europe	France	100%	100%
ACR Group	France	100%	100%
AD Bassin Parisien Nord	France	99.99%	99.99%
Autodistribution Belux	Belgium	100%	100%
AD bosch Industrial	Spain	75%	74.95%
AD bosch Recanvis	Spain	75%	74.95%
AD bosch Serveis	Spain	75%	74.95%
Autodistribution Gobillot Rhone	France	100%	100%
AD Grand Ouest	France	100%	100%
AD International	Belgium	14.90%	14.90%
AD Normandie Maine	France	79.40%	79.40%
AD Parts Intergroup	Spain	99.90%	100%
Aube distribution automobile	France	100%	100%
Marne distribution automobile	France	100%	100%
Ariane	France	100%	100%
Parts Europe	France	100%	100%
Parts Holdings Italie	Italy	55.94%	55.94%
Autodis Holding Italia srl	Italy	84.89%	79.94%
Autodis Italia	Italy	100%	100%
Autodistribution	France	100%	100%
Autodistribution Poids Lourds	France	100%	100%
Autodistribution Sogo	France	99.95%	99.95%
BDN - Grup Eina	Spain	42.00%	42.00%
Bremstar	France	100%	100%
Cofirhad	France	100%	100%
Cogemad	France	100%	100%
Comptoir Vi	France	100%	100%
Cora SAS	France	100%	100%
Digital Aftermarket	France	77.78%	77.78%
Gigital Auto Parts Holding	France	100%	100%
Doyen Auto Belgium	Belgium	100%	100%
Doyen Auto France	France	100%	100%
Doyen Auto	Belgium	100%	100%
Autodistribution Nederland	Netherland	100%	100%
Verviers Freins	Belgium	100%	100%
ETS Rembaud	France	100%	100%
Fournitures Industrielles Automobiles	France	100%	100%
FGL	Italy	84.89%	79.94%
Freinage Poids Lourds Services "F.P.L.S."	France	100%	100%
AD Poids Lourds Gobillot	France	100%	100%

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
Gadest	France	100%	100%
General Auto	Italy	84.89%	79.94%
Go Logistics	Italy	84.89%	79.94%
Glass Auto Service	France	absorbed	100%
Ile de France Poids Lourds	France	100%	100%
Instant Packet Service Maragall	Spain	74.95%	74.95%
Logisteo	France	100%	100%
Loek Autoparts bv	Belgium	100%	100%
Lubrial Oil	Spain	74.95%	74.95%
Ovam	Italy	84.89%	79.94%
Pelter Auto Overpelt	Belgium	100%	100%
Partenaires Produits et Services	France	100%	100%
Autodistribution Italia	Italy	55.94%	55.94%
Plateforme Technique Nationale Montajault	France	100%	100%
Port Marly Accessoires (PMA)	France	100%	100%
Ricauto	Italy	84.89%	79.94%
RM Distribution	France	100%	100%
Sarco	Italy	absorbed	79.94%
sarl Auto Contrôle	France	100%	100%
sarl FRA	France	100%	100%
Sarpi	Italy	84.89%	79.94%
SCI Lorat	France	100%	100%
SLPA	France	49.00%	49.00%
Top Car	Italy	84.89%	79.94%
Truck & Car Services	France	100%	100%
AD Poids Lourds Centre Ouest	France	100%	100%
Vallespir Auto Diffusion	France	100%	100%
Oscaro Holding SAS	France	82.50%	82.50%
Oscaro.com	France	82.50%	82.50%
Olcani	France	82.50%	82.50%
Oscarios Recambios	Spain	82.50%	82.50%
3c.com	France	82.50%	82.50%
Geevers Auto Parts b.v.	Netherland	100%	100%
Geevers Auto Parts België	Belgium	100%	100%
Discount Depot Autoteile	Germany	-	100%
Praefectus	Netherland	100%	100%
Shadeservice Zuid	Netherland	100%	100%
AD Autoparts	Belgium	100%	100%
Autovak	Belgium	100%	100%
2G Padauto	Italy	84.89%	79.94%
EUMA Parts	Spain	75.00%	75.00%

Name	Country of incorporation	% of share capital owned at 31 December 2023	% of share capital owned at 31 December 2022
EUMA Pro 2020	Spain	75.00%	75.00%
AD Marina	Spain	75.00%	75.00%
Regenauto	Spain	75.00%	75.00%
Regenauto Equipos y Servicios	Spain	75.00%	75.00%
Acumuladores Navarra	Spain	75.00%	75.00%
Cida Auto Components	Italy	84.89%	79.94%
AD Levante Parts	Spain	75.00%	75.00%
AD Marche	Italy	84.89%	79.94%
Auto Recambios Vilber	Spain	75.00%	75.00%
Penalver	Spain	75.00%	75.00%
Attrezzauto.com	Italy	84.89%	79.94%
France Distribution - Fradis	France	100%	100%
Sarat	Italy	76.40%	71.94%
Auto Industrial Basconia	Spain	75.00%	-
Masanes	Spain	75.00%	-
Recambios Egido	Spain	66.00%	-
AD Parts SL	Spain	24.64%	-
Mondial Pare Brise	France	-	100%
Loire Pare Brise	France	-	100%
Atlantique Pare Brise	France	-	100%

The Group's average stake (used for the income statement) in Belron equalled 50.20% in 2023 (50.01% in 2022). See note 17. The percentage used to consolidate the net result of PHE is 100% (see note 33 for more information).

The main entities accounted for using the equity method are the joint venture Belron Group SA, TVH Global NV and Volkswagen D'Ieteren Finance SA/N.V. See note 17 for adequate disclosures.

Note 28: Contingencies and commitments

€m	2023	2022
Commitments to acquisition of non-current assets	40.8	116.5
Other important commitments:		
Commitments given	1.0	-
Commitments received	4.5	4.5

In 2022 and 2023, the commitments to acquisition of non-current assets mainly concern property, plant and equipment in the segment "Corporate & unallocated" and commitments to purchase second hand vehicles in the D'Ieteren Automotive segment. Other important commitments received mainly relate to guarantees received from a contractor as part of a construction project in the segment "Corporate & unallocated".

Further to the carve-out of D'Ieteren Automotive into a fully owned subsidiary as of the 1st of January 2021, D'Ieteren Group SA/NV granted a parental guarantee to the VW group in relation D'Ieteren Automotive's obligations under the importers contracts. This parental guarantee was limited to three years (applicable until 31 December 2023) and to an amount of €80m.

In the PHE segment, assets are pledged as collateral for the financing of the Senior Secured Notes and the Revolving Credit Facility Agreement. These assets mainly include equity interests in subsidiaries PHE and bank accounts.

Note 29: Related party transactions

€m	2023	2022
With entities with joint control or significant influence over the Group:		
Amount of the transactions entered into during the period	0.9	0.7
Outstanding creditor balance at 31 December	-	-
With associates:		
Sales	-	-
Purchases	-	-
Trade receivables outstanding at 31 December	-	-
With joint ventures in which the Group is a venturer:		
Sales(*)	194.9	97.0
Purchases(*)	-7.7	-10.8
Trade receivables outstanding at 31 December(*)	12.7	30.8
With key management personnel:		
Compensation:		
Short-term employee benefits	5.1	4.5
Post-employment benefits	0.3	0.2
Termination benefits	-	-
Total compensation	5.4	4.7
Amount of the other transactions entered into during the period	-	-
Outstanding creditor balance at 31 December	2.1	1.5
With other related parties:		
Amount of the transactions entered into during the period	0.2	0.3
Outstanding creditor balance at 31 December	-	-

(*) In 2022 and 2023, due to lack of information, figures from the D'Ieteren Automotive segment only include D'Ieteren Automotive SA and Wonderauto n.v., representing the majority of the transaction and balances of the Group with joint ventures.

The Nayarit group (Nayarit Participations S.c.a. and Nicolas D'Ieteren) and the SPDG group (s.a. de Participations et de Gestion, Reptid Commercial Corporation and Olivier Périer), acting in concert following an agreement pertaining to the exercise of their voting rights with a view to leading a sustainable joint strategy, together hold 63.62% of the voting rights of the Company (see note 22).

In 2023, some of these shareholders and/or entities related to them carried out commercial transactions with the Company and/or its subsidiaries. These transactions (total of €1.1m) relate to automobile repair, supply of spare parts and sale of vehicles carried out by the Company and invoiced to these parties.

Joint Ventures

Refer to note 17 for more information related to the joint ventures.

In 2023, sales to joint ventures mainly consist in sales of new vehicles by the D'Ieteren Automotive segment to VDFin. Purchases mainly relate to used cars purchased by the D'Ieteren Automotive segment from VDFin (former fleet vehicles). The outstanding trade receivables are mainly related to VDFin.

Key management personnel

The key managers comprise the members of the Company's Board of Directors and its Executive Committee (see the Corporate Governance Statement).

In 2023, a total of 73,333 options were issued to key managers (at exercise prices of €185.17 and €153.60 per option). The total fair value of all share options granted to key management personnel charged to the 2023 income statement amounted to €2.6m. For more information on the remuneration of key managers, reference is made to the remuneration report that can be found in the Corporate Governance Statement.

In December 2023, loans granted by the Company to the members of the Executive Committee were outstanding for a total amount of €2.1m. These loans were granted in the context of the stock option plans in order to enable those concerned to pay the taxes due at the moment the options were accepted. The loans granted in 2023 were granted for periods of 5 or 3 years with interest rates of respectively 3.82% and 3.70%.

Note 30: Exchange rates

Monthly income statements of foreign operations are translated at the relevant rate of exchange for that month. Except for the statement of financial position which is translated at the closing rate, each line item in these consolidated financial statements represents a weighted average rate.

The main exchange rates used for the translations were as follows:

Number of euros for one unit of foreign currency	2023	2022
Closing rate		
GBP	1.15	1.13
USD	0.90	0.94
HKD	0.12	0.12
CNY	0.13	0.14
JPY	0.01	0.01
SGD	0.69	0.70
CHF	1.08	1.02
Average rate(1)		
GBP	1.15	1.17
USD	0.90	0.95
HKD	0.12	0.12
CNY	0.13	0.14
JPY	0.01	0.01
SGD	0.69	0.69
CHF	1.03	1.00

(1) Effective average rate for the profit or loss attributable to equity holders.

Note 31: Services provided by the statutory auditor

The external audit is conducted by KPMG Réviseurs d’Entreprises, represented by Axel Jorion, whose audit mandate expires at the General Meeting of 2026.

€m	2023	2022
Audit services	**6.7**	**4.7**
KPMG in Belgium	1.3	1.2
Other firms in the KPMG network	5.4	3.5
Non-audit services	**0.2**	**0.5**
KPMG in Belgium	0.1	0.1
Other firms in the KPMG network	0.1	0.4
Services provided by the Statutory Auditor and its network	**6.9**	**5.2**

Note 32: Leases

Leases as lessee

The Group leases buildings, stores, non-fleet vehicles and items of property, plant and equipment. The Group also leases IT equipment for which no right-of-use assets and lease liabilities have been recognised since these leases are short-term and/or leases of low-value items.

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

Right-of-use assets recognised under IFRS 16 are presented below.

€m	Land and buildings	Plant and equipment	Total
Balance at 1 January 2023	**189.3**	**41.7**	**231.0**
Items acquired through business combinations	6.9	-	6.9
Depreciation charge for the year	-52.3	-29.1	-81.4
Additions to right-of-use assets	121.4	51.6	173.0
Derecognition of right-of-use assets	-3.1	-5.9	-9.0
Others	2.6	1.2	3.8
Balance at 31 December 2023	**264.8**	**59.5**	**324.3**

The increase in the net book value of right-of-use assets in the period is mainly the result of :

- the recognition of right-of-use assets following acquisitions performed in 2023 in the D'Ieteren Automotive segment ;
- the recognition of additional right-of-use assets previously unrecognized in the D'Ieteren Automotive segment, and ;
- the recognition of right-of-use assets recognised in relation to new real estate projects at D'Ieteren Immo.

Some property leases contain extension options exercisable by the Group. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the option if there is a significant event or significant change in circumstances within its control. The impact on the lease liability resulting from the exercise of extension options is not considered material to the Group.

The total amount of expenses related to short-term leases and leases of low-value assets is not considered significant to the Group and is not separately disclosed.

Leases as lessor

The Group leases out its investment property (held in the "Corporate & unallocated" segment). All leases are classified as operating leases from a lessor perspective because they do not transfer substantially all the risks and rewards incidental to the ownership of the assets. Rental income recognised by the Group during 2023 equals €6.6m (2022: €5.1m).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

€m	2023			2022		
	Investment property	Other property, plant and equipment	Total	Investment property	Other property, plant and equipment	Total
Within one year	5.5	-	5.5	4.9	-	4.9
Later than one year and less than five years	18.0	-	18.0	18.3	-	18.3
After five years	5.8	-	5.8	5.3	-	5.3
Total	**29.3**	**-**	**29.3**	**28.5**	**-**	**28.5**

The revenue, expenses, rights and obligations arising from leasing arrangements regarding investment property are not considered material to the Group, and accordingly a general description of these leasing arrangements is not disclosed.

The Group is not acting as a lessor under finance leases.

Note 33: Put options granted to non-controlling interests

PHE

In October 2022, following the closing of the acquisition of Parts Holding Europe, minority investors including management and several partners and independent distributors invested alongside D'Ieteren Group in the holding company of PHE, up to c.9%, in the same proportion between ordinary shares and preference shares. The Group has granted to minority investors put options on the ordinary, preference and "ratchet" shares representing the capital of the holding company of PHE, maturing end of 2026. The exercise price of such put options is reflected as a liability in the line "Put options granted to non-controlling interests" in the consolidated statement of financial position.

The put options on ordinary and preference shares are measured at fair value (based on an EBITDA multiple of PHE at the end of 2026) and a liability is recognized at an amount equal to the discounted present value of the amount of cash that the Group may be required to pay. The estimation of the fair values requires significant judgment and estimates from the management, especially regarding the projected enterprise value, EBITDA multiples and discount rates. At inception, this liability is recognised against shareholders equity and subsequent re-measurements (due to changes in fair value of the underlying and due to the unwinding of the discount) are also recognized against shareholders equity. The Group holds associated call options, which are in scope of IFRS 9 "Financial Instruments", measured at fair value through profit or loss and categorised in level 3 of the fair value hierarchy (see note 18). At 31 December 2022 and 31 December 2023, the fair value of the call options amounts to nil, the underlying exercise prices being equal to the fair value of the underlying ordinary and preference shares.

The "ratchet" shares granted by the Group to PHE's key management personnel as part of the Management Reward Plan (see note 9) are treated as cash-settled share-based payments in scope of IFRS 2. The Group therefore account in profit or loss for the fair value of the free shares granted to management over the vesting period (being one year as from the grant date), with a corresponding increase in liability. Before and beyond vesting, the change in fair value of the liability is accounted for in profit or loss. At 31 December 2023, the Group accounted for a share-based payment expense of -€26.6m (-€2.2m in the prior period), with a corresponding increase in liability.

At 31 December 2023, the carrying value of the put options granted by the Group to non-controlling interests at the level of the holding company of PHE amounts to €175.3m (€137.4m at 31 December 2022) and is presented in the line "Put options granted to non-controlling interests".

The Group applies the anticipated-acquisition method under which the non-controlling interests are derecognized when the put liability is recognized because the interests subject to the put options are deemed to have been already acquired by the Group. Profits and losses attributable to non-controlling interests are therefore presented as attributable to the Group, both in the consolidated statement of financial position, in the consolidated statement of profit or loss and in the consolidated statement of comprehensive income.

The -€20.7m movement presented in the statement of changes in equity in 2023 includes, amongst other amounts, -€3.8m of change in fair value of put options granted to non-controlling shareholders holding minority interests in some of PHE's direct and indirect subsidiaries and the subsequent change in fair value of the put options over ordinary shares and preference shares (-€11.1m).

The interests of the non-controlling shareholders holding put options being entirely recognised as a liability in the consolidated statement of financial position, there will be no attribution of net result to non-controlling interests subject to the put options and 100% of profits and losses of PHE are attributable to the Group. The net result attributable to the preference shares being held by the non-controlling interests are not significant and are therefore not presented as attributable to non-controlling interests.

In the PHE segment, the line "Put options granted to non-controlling interests" in the short-term liabilities also includes €116.4m of put options granted by PHE to non-controlling shareholders holding minority interests in some its direct and indirect subsidiaries.

D'Ieteren Automotive

In the framework of recent acquisitions, put options have been granted to minority interests (with related call options held by the Group). The fair value of the put options amount to €8.8m and have been recognised as a liability in the consolidated statement of financial position, with a corresponding movement in equity, included in the line "Put options - movement of the period" in the consolidated statement of changes in equity.

Note 34: Subsequent events

On 23 January 2024, PHE announced that it has refinanced its €580m July 2025 Senior Secured Notes and its €380m July 2027 Floating Rate Senior Secured Notes with the issuance of a €960m new Term Loan B with a 7-year maturity (January 2031). The new EUR loan of €960m has been successfully allocated and the transaction closed February 2024. The new TLB bears Interest rate of Euribor + 375bps.

No other significant transactions occurred between the closing date and the date these consolidated financial statements were authorised for issue.

Note 35: Accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The new standards and amendments to standards that are mandatory for the first time for the Group's accounting period beginning on 1 January 2023 are listed below:

- IFRS 17 Insurance Contracts (issued on 18 May 2017); including Amendments to IFRS 17 (issued on 25 June 2020 – endorsed by the EU);
- Amendments to IFRS 17 Insurance contracts: initial application of IFRS 17 and IFRS 9 – Comparative information (issued on 9 December 2021 – endorsed by the EU);
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (issued on 7 May 2021 – endorsed by the EU);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021 – endorsed by the EU);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (issued on 12 February 2021 – endorsed by the EU);
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately, disclosures are required for annual periods beginning on or after 1 January 2023 - endorsed by the EU).

These new standards do not have a material impact on the Group's financial statements. For more information on the impact of the Pillar Two legislation on the Group, refer to note 3.

The standards, amendments and interpretations to existing standards issued by the IASB but not yet effective in 2023 have not been early adopted by the Group.

They are listed below:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (effective 1 January 2024);
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective 1 January 2024);
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (effective 1 January 2024 – subject to endorsement by the EU).
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective 1 January 2025 – subject to endorsement by the EU)

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

PRINCIPLES OF CONSOLIDATION

Subsidiaries

Subsidiaries, which are those entities in which the Group has, directly or indirectly, an interest of more than half of the voting rights or otherwise has the power to exercise control over the operations, are consolidated. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date that control is transferred to the Group and are no longer consolidated from the date that control ceases. All inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated upon consolidation.

Transactions with non-controlling interest that do not result in loss of control are accounted for as equity transactions.

Associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Investments in associates and joint ventures are accounted for using the equity method. The investment is initially recognised at cost (including transaction costs), and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss and OCI of the investee after the date of acquisition as well as the investor's share in dividend distribution and other variations in reserves, until the date on which significant influence ceases. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of profit from the associate represents the Group's share of the associate's profit after tax. Profits and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised gains on transactions between the Group and its associate are also eliminated based on the same principle; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Impairment of associates and joint ventures

The Group determines at each reporting date whether there is any objective evidence that the investment in the equity-accounted investee is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount (being the higher of the value in use or fair value less costs to sell) of the associate or joint venture and its carrying value and recognises the amount adjacent to "share of result of equity-accounted investees, net of income tax" in the income statement.

FOREIGN CURRENCY TRANSLATION

The Group consolidation is prepared in euro. Income statements of foreign operations are translated into euro at the weighted average exchange rates for the period and statements of financial positions are translated into euro at the exchange rate at the reporting date (except for each component of equity, translated once at the exchange rates at the dates of the relevant transactions). Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as local currency assets and liabilities of the foreign entity and are translated at the closing rate. The translation reserve, which is recorded in other comprehensive income (except to the extent that the translation difference is allocated to NCI) includes both the difference generated by translating income statement items at a different exchange rate from the period-end rate and the differences generated by translating opening shareholders' equity amounts at a different exchange rate from the period-end rate.

Monetary items that are receivable or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future are, in substance, a part of the Group's net investment in that foreign operation. Exchange differences arising on a monetary item that forms part of the Group's net investment in a foreign operation is recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the net investment.

Foreign currency transactions are accounted for at the exchange rate prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised within the income statement (or within OCI if it relates to equity instruments designated at FVOCI).

On disposal of a foreign operation, gains and losses accumulated in other comprehensive income are recycled in the income statement.

BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. For each business combination, the Group measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

The excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net recognised amount of the identifiable assets acquired and liabilities assumed constitutes goodwill and is recognised as an asset. In case this excess is negative, it is recognised immediately in the income statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured, and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Acquisition-related costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination, are expensed as incurred.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGU's or groups of CGU's that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

INTANGIBLE ASSETS

An item of intangible assets is valued at its cost less any accumulated amortisation and any accumulated impairment losses. Customer contracts and brands acquired in a business combination are recognised at fair value at the acquisition date.

Software-as-a-service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider's application software over the contract period. As such the Group generally does not receive a software intangible asset at the contract commencement date. A right to receive future access to the supplier's software generally does not, at the contract commencement date, give the customer the power to obtain the future economic benefits flowing from the software itself and to restrict others' access to those benefits. Costs incurred for the development of software code that enhances or modifies, or creates additional capability to, existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets.

The amortisation method used reflects the pattern in which the assets' future economic benefits are expected to be consumed. Intangible assets with a finite useful life are generally amortised over their useful life on a straight-line basis. The estimated useful lives are comprised between 2 and 21 years.

Brands for which there is a limit to the period over which these assets are expected to generate cash inflows will be amortised on a straight-line basis over their remaining useful lives which are estimated to be up to 5 years. Amortisation periods are reassessed annually.

Brands that have indefinite useful lives are those, thanks to the marketing spend, the advertising made and the absence of factors that could cause their obsolescence, where there is no foreseeable limit to the period over which these assets are expected to generate net cash inflows for the Group. They are therefore not amortised but tested for impairment annually.

For any intangible asset with a finite or indefinite useful life, where an indication of impairment exists, its carrying amount is assessed and written down immediately to its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Expenditure on internally generated intangible assets which does not meet the capitalization conditions under IFRS is recognised in the consolidated income statement as an expense as incurred. Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then, to reduce the carrying amount of the other assets in the unit, on a pro rata basis.

PROPERTY, PLANT AND EQUIPMENT

An item of property, plant and equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses. The cost comprises its purchase price (including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates), plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating. If applicable, the initial estimate of the cost of dismantling and removing the item and restoring the site is also included in the cost of the item.

The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate
proportion of production overheads if directly attributable. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

The depreciable amount of the item is allocated according to the straight-line method over its useful life. Land is not depreciated. The main depreciation periods are the following:

- Buildings: 40 to 50 years;
- Plant and equipment: 3 to 15 years;
- IT equipment: 2 to 7 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Lessee

At inception of a contract, the Group assesses whether a contract is or contains a lease.

As a lessee, the Group recognizes right-of-use assets and lease liabilities at the lease commencement date.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate at that date. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by reference to the interest rate it would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee and which include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognized.

The lease liability is measured at amortised cost using the effective interest method and is remeasured when there is a change in future lease payments arising from a change in an index or rate or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

In case the lease liability is remeasured, corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets that do not meet the definition of investment property are presented in "property, plant and equipment" in the statement of financial position, under the same line item than the assets of the same nature that it owns. Lease liabilities are presented in "loans and borrowings" in the statement of financial position.

The Group applies the practical expedient whereby short-term leases (less than or equal to 12 months) and leases of low-value assets are not recognized as right-of-use assets and lease liabilities and to recognize the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

In rare situations in which the Group acts as an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

INVESTMENT PROPERTIES

Investment properties are measured at cost less accumulated depreciation and accumulated impairment losses. These items are amortised over their useful life on a straight-line basis method. The estimated useful lives are between 40 and 50 years.

INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Items that are not interchangeable, like new vehicles and second-hand vehicles, are valued using specific identification of their individual costs. Other items are valued using the first in, first out or weighted average cost formula. When inventories are sold, the carrying amount of those inventories are recognised as an expense in the period in which the related revenue is recognised. Losses and write-downs of inventories are recognised in the period in which they occur. Reversal of a write-down is recognised as a credit to cost of sales in the period in which the reversal occurs.

EMPLOYEE BENEFITS

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. On amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service and net interest for the period and the effect of the asset ceiling is disregarded when calculating the gain or loss of any settlement of the plan and is dealt with separately in other comprehensive income.

The Group has various defined benefit pension plans and defined contribution pension plans. The majority of these plans is funded, i.e. they are financed through a pension fund or an external insurance policy. The minimum funding level of these schemes is defined by national rules (see note 10).

Obligations for contributions to *defined contribution pension plans* are charged as an expense as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The Group's commitments under *defined benefit pension plans*, and the related costs, are valued using the "projected unit credit method", with independent actuaries carrying out the valuations at least on a yearly basis. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses are recognised in full in the period in which they occur. They are recognised in other comprehensive income. Past service cost is recognised as an expense at the earlier of the following dates: a) when the plan amendment or curtailment occurs; and b) when the entity recognizes related restructuring costs or termination benefits. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. The long-term employee benefit obligation recognised in the statement of financial position represents the present value of the defined benefit obligations as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of any refunds and reductions in future contributions to the plan.

FINANCIAL INSTRUMENTS EXCLUDING DERIVATIVES

The Group initially recognises loans and receivables and debt securities issued on the date when they are originated. All other financial assets and liabilities are initially recognised when the entity becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The Group derecognises a financial asset when the contractual rights to cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, expire, or are substantially modified.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The Group classifies its financial assets in the following categories on initial recognition: at amortised cost; at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at initial recognition based on a) the business model in which the financial asset is held; and 2) on the assessment whether contractual cash flows are solely payments of principal and interests (see below). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Business model assessment

The Group assesses the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes the stated policies and objectives for the portfolio and the operation of those policies in practice.

These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basis lending risks and costs, as well as profit margin.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL, including all derivative financial assets.

Subsequent measurement of financial assets:

- Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivatives designated as hedging instruments.
- Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
- Debt investment at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
- Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits, excluding any blocked or restricted cash held by the Group. Cash equivalents are short-term (maximum 3 months), highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents are classified and measured at amortised cost.

Financial liabilities

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL (except hedging instruments) are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities (excluding put options to minority shareholders) are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effect(s).

Where the Company (or its subsidiaries) reacquires its own equity instruments, those instruments are deducted from equity as treasury shares. Where such equity instruments are subsequently sold, any consideration received is recognised in equity.

Dividends to holders of equity instruments proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date; it is presented in equity.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives are used as hedges in the financing and financial risk management of the Group.

The Group's activities expose it to the financial risks of changes in foreign currency exchange rates and interest rates. The Group uses foreign exchange forward contracts, interest rate swaps, cross currency interest rate swaps, and options to hedge these exposures. The Group does not use derivatives for speculative purposes. However, certain financial derivative transactions, while constituting effective economic hedges, do not qualify for hedge accounting under the specific rules in IAS 39.

Despite the introduction of IFRS 9, the Group still applies hedge accounting rules of IAS 39 (which is an option under IFRS 9).

Derivatives are recorded initially and subsequently at fair value. Any directly attributable transaction costs are recognised in profit or loss as incurred.

Cash flow hedge

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in other comprehensive income and any ineffective portion is recognised immediately in the income statement. Cumulative tax impact related to the net change in the fair value of hedging instruments are separately included in retained earnings. If the cash flow hedge is a firm commitment or the forecasted transaction results in the recognition of an asset or a liability, then, at the time the asset or liability is recognised, the associated gains or losses on the derivative that had previously been recognised in other comprehensive income are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or a liability, amounts deferred in other comprehensive income are recognised in the income statement in the same period in which the hedged item affects net profit or loss.

Fair value hedge

For an effective hedge of an exposure to changes in the fair value, the hedged item is adjusted for changes in fair value attributable to the risk being hedged with a corresponding entry in profit or loss. Gains or losses from re-measuring the derivative, or for non-derivatives the foreign currency component of its carrying amount, are recognised in profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. In the case of a cash flow hedge, any cumulative gain or loss recognised in other comprehensive income is transferred to profit or loss when profit or loss is impacted by the hedged item. If the forecast transaction is no longer expected to occur, the cumulative gain or loss is reclassified in the profit or loss immediately.

PUT OPTIONS GRANTED TO NON-CONTROLLING INTERESTS

The Group is committed to acquiring the non-controlling interests owned by third parties, should these third parties wish to exercise their put options. The exercise price of such options granted to non-controlling interests is reflected as a liability in the consolidated statement of financial position. A corresponding debit is recognized in equity on initial recognition of the written put on non-controlling interests and is presented as a deduction from shareholders' equity (the non-controlling interests being already fully derecognised at inception). The financial liability related to the put options granted to non-controlling interests correspond to the present value of the cash consideration that the Group may be required to pay, should the third parties wish to exercise their put options, or should the Group wish to exercise its associated call options. Subsequent remeasurements of this liability are realized through reserves.

NON-CURRENT ASSETS (OR DISPOSAL GROUPS) HELD FOR SALE AND DISCONTINUED OPERATIONS

Non-current assets (or disposal groups comprising assets and liabilities) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

A discontinued operation is a component of the Group's business that represents a separate major line of the business or geographical area of operations that either has been disposed of or is classified as held for sale and is disclosed as a single line item in the income statement. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

In the D'Ieteren Automotive segment, the Group generates revenue primarily from the sale of new vehicles to independent dealers and to final customers, the sale of used vehicles to final customers, the sale of spare parts and accessories and the rendering of after-sale services. Upon selling vehicles or spare parts to independent dealers or final customers, the Group satisfies its performance obligations and recognizes revenue at a point in time, when control of the goods transfers to the customers. Since the Group issues invoices to customers upon satisfying its performance obligations, rights to financial consideration immediately become unconditional and are therefore recognized as receivables. A legal warranty of 2 years applies to the sale of new vehicles to customers, which in turn corresponds to the legal warranty that the factory grants to the D'Ieteren Automotive segment. This warranty does therefore not represent a separate performance obligation.

The Group offers to customers the possibility to purchase maintenance contracts together with the sale of a new vehicle. The duration of these contracts ranges from 3 to 12 years. This type of contract represents a separate performance obligation and should not be combined with the sale of a new vehicle. Under such arrangements, the Group transfers the benefit of the maintenance services to the customers as it performs and therefore satisfies its performance obligation over time. The Group recognizes revenue over time by estimating the occurrence of performance obligations using historical data and projected revenue. Revenue recognized according to the percentage of completion method is therefore reasonably estimated using cost curves and historical data.

The difference between the consideration received from the final customers and the costs incurred over time to satisfy the performance obligation represent contract liabilities under IFRS 15. Since the amount of contract liabilities are not considered significant to the Group compared to total revenue, they have not been presented in a separate line item in the consolidated statement of financial position.

When rendering other repair or maintenance services to final customers, the Group recognizes revenue over time if deemed significant. The revenue to be recognized over time for other repair and maintenance was not significant as at the end of the reporting period.

Across all sales channels of the Moleskine segment, revenue is recognized at a point in time, as soon as control of the goods transfers to the customers (i.e. when the good is physically delivered to the final customer).

In the PHE segment, revenue arise primarily from the sale of spare parts to independent dealers and customers. Variable considerations are sometimes attached to contracts with customers, such as fidelity premiums and year-end rebates. These variable considerations are estimated by the Group based on contract specificities and past experience and are included in the transaction prices. The Group also sometimes act as an agent in selling spare parts and equipment to customers. In these cases, the Group recognises in revenue the net amount between the transaction price paid by customers and the amount charged by supplier for the underlying goods. To assess whether the Group acts as a principal or and agent, the Group considers whether it control the underlying good, and assumes the responsibility of execution of the contracts prior to delivering the goods to the final customer.

Disaggregation of revenue from contracts with customers

In selecting the categories to use to disaggregate revenue from contracts with customers, management considered how the information about the Group's revenue is presented for other purpose, including press releases and information presented to the chief operating decision maker, as well as how the nature, amount, timing and uncertainties of revenue and cash flows are affected by economic factors. See note 5 for additional information on disaggregation of revenue.

FINANCE INCOME AND FINANCE COSTS

Finance income and finance costs include interest income, interest expenses, dividend income, and net gains and losses on financial assets and financial liabilities measured at fair value through profit or loss. Interest income and expenses are recognized using the effective interest rate method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

SHARE-BASED PAYMENTS

Share-based payments are made in connection with employee stock option plans ("ESOP") or management reward plans ("MRP").

In accordance with IFRS 2, the cost of share-based payments corresponds to the fair value of the free shares or options granted and is recognized in the income statement over the vesting period of the awards. For equity-settled share-based payments the expense is taken with a corresponding increase in equity. For cash-settled share-based payments, which are the plans where the Group may be required to settle in cash rather in equity instruments, a liability is recognized.

INCOME TAXES

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or other comprehensive income.

Current taxes relating to current and prior periods are, to the extent unpaid, recognised as a liability. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current taxes are measured using tax rates enacted or substantially enacted at the reporting date. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The benefit relating to a tax loss that can be carried back to recover current tax of a previous period is recognised as an asset. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Current tax assets and liabilities are offset only if the following criteria are met:

- the entity has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred taxes are provided using the balance sheet liability method, on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes (such as unused tax losses carried forward).

Deferred tax is not recognised for:

- – temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- – temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- – taxable temporary differences arising on the initial recognition of goodwill.

The amount of deferred tax recognized is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the unused tax losses and credits can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered.

Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balance on a net basis.

IMPAIRMENT OF NON-DERIVATIVE FINANCIAL ASSETS

The Group recognizes loss allowances for ECLs (expected credit losses) on financial assets measured at amortized cost, debt investments measured at FVOCI and contract assets. The Group measures loss allowances at an amount equal to lifetime ECLs, except for debt securities that are determined to have low credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) at the reporting date and other debt securities and bank balances for which the credit risk has not increased significantly since initial recognition which are measured at 12-month ECLs. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information. A financial asset is considered in default, when the debtor is unlikely to pay its credit obligation in full.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses, measured as the present value of all cash shortfalls (the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortized costs and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- breach of contract such as default;
- probability that the debtor will enter bankruptcy or other financial reorganization;
- disappearance of an active market for security because of financial difficulties.

Loss allowances for financial assets measured at amortized costs are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, the Group reviews the carrying amount of its non-financial assets (other than investment property recognized at fair value - if any -, inventories, and deferred tax assets) to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of other assets in the unit, on a pro-rata basis.

An impairment loss in respect of goodwill is never reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Statutory auditor's report to the general meeting of D'Ieteren Group SA on the consolidated financial statements as of and for the year ended 31 December 2023

In the context of the statutory audit of the consolidated financial statements of D'Ieteren Group SA ("the Company") and its subsidiaries (jointly "the Group"), we provide you with our statutory auditor's report. This includes our report on the consolidated financial statements for the year ended 31 December 2023, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 25 May 2023, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee and as presented by the workers' council. Our mandate will expire on the date of the general meeting deliberating on the annual accounts for the year ended 31 December 2025. We have performed the statutory audit of the consolidated financial statements of the Group for 10 consecutive financial years.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the Group as of and for the year ended 31 December 2023, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising material accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 7,208.2 million and the consolidated statement of profit or loss shows a profit for the year of EUR 510.3 million.

In our opinion, the consolidated financial statements give a true and fair view of the Group's equity and financial position as at 31 December 2023 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB and applicable for the current accounting year while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the consolidated financial statements" section of our report. We have complied with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill and intangible assets with indefinite useful lives of the cash-generating unit Moleskine

We refer to note 12 "Goodwill" and note 13 "Intangible Assets" of the consolidated financial statements.

- Description

In accordance with the requirements of IAS 36 "Impairment of Assets", the Group completed an impairment test of its cash-generating unit Moleskine (the "CGU"), which includes goodwill and intangible assets with indefinite useful lives. The impairment review, based on the value in use calculation, was carried out to ensure that the carrying value of the CGU's assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

Based on the results of the impairment test carried out for the year ended 31 December 2023, no additional impairment charge was recognized during the year on the goodwill and intangible assets with indefinite useful lives of Moleskine.

We identified the valuation of the cash-generating unit "Moleskine" as a Key Audit Matter due to the significance of the acquisition value of the goodwill and intangible assets with indefinite useful lives and also because of the significant management judgement and estimation required in assessing potential impairment which could be subject to error and potential management bias. In addition, changes in the key assumptions may have a significant financial impact.

- Our audit procedures

With the involvement of our valuation specialists, our procedures included:

- inquiring with management about the key assumptions used for the impairment test (future cash flow projections, discount rate and perpetual growth rate) and assessing the reasonableness of these assumptions;
- comparing the future cash flow forecasts used by management for the impairment test with the budget approved by the Board of Directors;
- challenging the reasonableness of current forecasts by comparing key assumptions and parameters (in particular the discount rate, forecasted period growth rate and inflation rate) to historical results, economic and industry forecasts and internal planning data;
- evaluating the methodology adopted by management in its impairment test, with reference to the requirements of the prevailing accounting standard (*IAS 36 Impairment of Assets*);
- testing the mathematical accuracy of the discounted cash flow model;
- performing a sensitivity analysis to both the discount rate and forecasted cash flows used by the Group to assess what change thereto would result in a different conclusion being reached, and assessing whether there were any indications of management bias in the selection of these assumptions;
- assessing the disclosures in the consolidated financial statements.

Measurement of D'Ieteren Group's share of result of Belron Group SA ("Belron" or "the Component")

We refer to note 17 "Equity-accounted Investees" of the Consolidated Financial Statements.

- Description

Since 2018, Belron is accounted for using the equity method as a result of the joint control shared between the Company and a third-party investor.

One of the matters of most significance in our audit of the Consolidated Financial Statements of D'Ieteren Group for the year ended 31 December 2023 has been the measurement of D'Ieteren Group's share of result of Belron.

D'Ieteren Group's share of result of Belron can be significantly impacted by Belron's estimate of its uncertain tax positions.

This matter ("the Matter") has been considered as a Key Audit Matter for the year ended 31 December 2023 for the following reasons:

- Misinterpretation of country specific tax laws and regulations could give rise to additional tax liabilities, interests and penalties resulting in material outflows in subsequent years;
- Further assessment of the likely outcome of Belron's uncertain tax positions involved a high degree of judgment and potential estimation bias by the board of directors of Belron;

- Our audit procedures

Our procedures included:

- requesting from the auditor of Belron (the "Component Auditor") to perform an audit on the financial information of Belron for the year ended 31 December 2023 in accordance with our instructions;
- performing risk assessment procedures with the assistance of the Component Auditor and reviewing the Component Auditor's overall audit strategy and audit plan;
- reviewing the Component Auditor's documentation (including the analysis performed by tax specialists engaged by the Component auditor) and assessing whether the Component Auditor has designed and implemented appropriate audit responses to address the identified Matter. In particular, we assessed the adequacy of the audit procedures performed, audit evidence obtained and conclusions reached by the Component auditor with respect to the process in place at Belron to identify, assess and measure the potential financial impact of uncertain tax positions, and any identification of estimation bias therein;
- assessing the correctness of the determination and recording of D'Ieteren's Group's share of result of Belron and the disclosures included in the consolidated financial statements.

Purchase Price Allocation of Parts Holding Europe (« PHE »)

We refer to note 26 "Business Combinations" of the Consolidated Financial Statements.

- Description

On 4th August 2022, the Group completed the acquisition of Parts Holding Europe ("PHE") for a total consideration of EUR 571 million.

In accordance with IFRS 3 Business combinations, on the date of acquisition of PHE, fair values are attributed to PHE's identifiable assets and liabilities ("the Purchase Price Allocation"). Any positive difference between the consideration paid and the Group's share of the fair value of the identifiable net assets acquired is goodwill. Fair value of the identifiable assets and liabilities are measured in accordance with IFRS 13 Fair Value Measurement.

The Purchase Price Allocation was finalized within one year from the acquisition date as a result of which intangible assets (brands and customer relationships) have increased by EUR 495,6 million to reach a fair value of EUR 807,3 million.

We considered the measurement of the fair value of the intangible assets identified as part of the Purchase Price Allocation as a key audit matter due to their significance. In addition, this purchase price allocation requires the exercise of judgment to determine the various assumptions used to estimate the fair value of these intangible assets.

- Our audit procedures

With the involvement of our valuation specialists, our procedures included:

- inspecting the Sale and Purchase Agreement and other relevant documents such as due diligence reports ;
- evaluating the appropriateness of the accounting treatment of the transaction and the related contracts based on the relevant accounting standards, in particular, the requirements of the prevailing accounting standards (IFRS 13 Fair Value Measurement and IFRS 3 Business combinations) ;
- assessing the competence, objectivity and capabilities of the experts engaged by management to determine the fair value of the intangible assets acquired ;
- challenging the identification of the intangible assets acquired as part of the transaction as well as the appropriateness of key assumptions used in the determination of the fair value of the intangible assets acquired and the methodology adopted by management and, by the expert engaged by management ;
- testing the mathematical accuracy of the calculations; and
- assessing the appropriateness of the disclosures in the consolidated financial statements.

Board of directors' responsibilities for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation of these consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

Statutory auditor's report to the general meeting of D'Ieteren Group SA on the consolidated financial statements as of and for the year ended 31 December 2023

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the consolidated financial statements in Belgium. The scope of the statutory audit of the consolidated financial statements does not extend to providing assurance on the future viability of the Group nor on the efficiency or effectivity of how the board of directors has conducted or will conduct the business of the Group. Our responsibilities regarding the going concern basis of accounting applied by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;
- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the Board of directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report on the consolidated financial statements and the other information included in the annual report.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the consolidated financial statements, and the other information included in the annual report, and to report on these matters.

Aspects concerning the board of directors' annual report on the consolidated financial statements and other information included in the annual report

Based on specific work performed on the board of directors' annual report on the consolidated financial statements, we are of the opinion that this report is consistent with the consolidated financial statements for the same period and has been prepared in accordance with article 3:32 of the Companies' and Associations' Code.

Statutory auditor's report to the general meeting of D'Ieteren Group SA on the consolidated financial statements as of and for the year ended 31 December 2023

In the context of our audit of the consolidated financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the consolidated financial statements and other information included in the annual report:

- the "Key Figures" and the "Key indicators" included in the section "Integrated Report"; and
- the "2023 Full-Year Results" and the "Summarized Statutory Financial Statements" included in the section "Financial and Directors' report 2023"

contain material misstatements, or information that is incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

The non-financial information required by article 3:32 §2 of the Companies' and Associations' Code has been included in the board of directors' annual report on the consolidated financial statements, which is part of section "Financial and Directors' report 2023" of the annual report. The Company has prepared this non-financial information based on the GRI ("Global Reporting Initiative") framework. In accordance with art 3:80 §1, 1st paragraph, 5° of the Companies' and Associations' Code, we do not comment on whether this non-financial information has been prepared in accordance with the mentioned GRI framework.

Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the consolidated accounts and our audit firm remained independent of the Group during the term of our mandate.
- The fees for the additional engagements which are compatible with the statutory audit referred to in article 3:65 of the Companies' and Associations' Code were correctly stated and disclosed in the notes to the consolidated financial statements.

European Single Electronic Format (ESEF)

In accordance with the draft standard on the audit of compliance of the Financial Statements with the European Single Electronic Format (hereafter "ESEF"), we have audited as well whether the ESEF-format is in accordance with the regulatory technical standards as laid down in the EU Delegated Regulation nr. 2019/815 of 17 December 2018 (hereafter "Delegated Regulation").

The Board of Directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (hereafter "digital consolidated financial statements") included in the annual financial report.

It is our responsibility to obtain sufficient and appropriate information to conclude whether the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements under the Delegated Regulation.

In our opinion, based on our work performed, the format of and the tagging of information in the English version of the digital consolidated financial statements as per 31 December 2023, included in the annual financial report of D'Ieteren Group SA, are, in all material respects, prepared in compliance with the ESEF requirements under the Delegated Regulation.

Other aspect

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Zaventem, 16 April 2024

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Axel Jorion
Bedrijfsrevisor / Réviseur d'Entreprises

Summarised Statutory Financial Statements 2023

The statutory financial statements of D'Ieteren Group SA/NV are summarised below in accordance with article 3:17 of the Company Code. The unabridged version of the statutory financial statements of D'Ieteren Group SA/NV, the related management report and Statutory Auditor's report shall be deposited at the National Bank of Belgium within the legal deadline and may be obtained free of charge from the internet site www.dieterengroup.com or on request from:

D'Ieteren Group SA/NV

Rue du Mail 50

B-1050 Brussels

Summarised Balance Sheet

At 31 December

€m		2023	2022
ASSETS			
Fixed assets		**3,836.8**	**3,811.6**
II.	Intangible assets	-	-
III.	Tangible assets	8.5	8.6
IV.	Financial assets	3,828.3	3,803.0
Current assets		**906.7**	**320.5**
V.	Non-current receivables	4.3	2.8
VI.	Stocks	-	-
VII.	Amounts receivable within one year	6.0	1.7
VIII	Current financial investments	890.8	182.9
IX.	Cash at bank and in hand	4.3	132.7
X.	Deferred charges and accrued income	1.3	0.4
TOTAL ASSETS		**4,743.5**	**4,132.1**

€m		2023	2022
LIABILITIES			-
Capital and reserves		**4,526.8**	**3,956.2**
I.A.	Issued capital	160.0	160.0
II.	Share premium account	24.4	24.4
IV.	Reserves	4,327.9	3,757.3
V.	Accumulated profits	14.5	14.5
Provisions and deferred taxes		**5.9**	**5.7**
Creditors		**210.8**	**170.2**
VIII	Amounts payable after one year	-	-
IX.	Amounts payable within one year	209.9	170.2
X.	Accrued charges and deferred income	0.9	-
TOTAL LIABILITIES		**4,743.5**	**4,132.1**

Summarised Income Statement

Year ended 31 December

€m		2023	2022
I.	Operating income	15.4	13.3
II.	Operating charges	25.3	21.5
III.	Operating profit	-9.9	-8.2
IV.	Financial income	901.9	286.1
V.	Financial charges	11.3	5.5
IX.	Result for the period before taxes	880.7	272.4
IXbi	Deferred taxes	-	-
X.	Income taxes	-3.8	-
XI.	Result for the period	876.9	272.4
XII.	Variation of untaxed reserves(1)	-	-
XIII.	Result for the period available for appropriation	876.9	272.4

(1) Transfers from untaxed reserves (+) / Transfers to untaxed reserves (-).

Summarised Appropriation

Year ended 31 December

€m	2023	2022
APPROPRIATION ACCOUNT		
Profit (loss) to be appropriated	891.4	286.9
Gain (loss) of the period available for appropriation	876.9	272.4
Profit (loss) brought forward	14.5	14.5
Withdrawals from capital and reserves	3.7	1.9
from capital and share premium account		
from reserves	3.7	1.9
Transfer to capital and reserves	679.8	113.1
to capital and share premium account	-	-
to legal reserve	-	-
to other reserves	679.8	113.1
Profit (loss) to be carried forward	14.5	14.5
Profit to be distributed	200.8	161.2
Dividends	200.8	161.2

This proposed appropriation is subject to approval by the Annual General Meeting of 30 May 2024.

Summary of Accounting Policies

Tangible Fixed Assets are recognised at their acquisition value; this value does not include borrowing costs. The rates of depreciation for fixed assets depend on the probable economic lifetime for the assets concerned. As from 1 January 2003, tangible fixed assets acquired or constructed after this date shall be depreciated pro rata temporis and the ancillary costs shall be depreciated at the same rate as the tangible fixed assets to which they relate.

The main depreciation rates are the following:

	Rate	Method
Buildings	5%	L/D
Building improvements	10%	L/D
Furniture	10%	L
Office equipment	20%	L
Rolling stock	25%	L
Heating system	10%	L/D
EDP hardware	33%	L

L: straight line.
D: declining balance (at a rate twice as high as the equivalent straight-line rate).

Tangible fixed assets are revalued when their value, determined based on their utility for the company, exceeds their accounting value in a definite and long-term way. Depreciation of any revaluation surplus is calculated over the remaining lifetime in terms of the depreciation period of the asset concerned.

Financial Fixed Assets are entered either at their acquisition price, after deduction of the uncalled amounts (in the case of shareholdings), or at their nominal value (amounts receivable). They can be revalued when their value, determined based on their utility for the company, exceeds their accounting value in a definite and long-term way. They are written down if they suffer a capital loss or a justifiable long-term loss in value. The ancillary costs are charged to the income statement during the financial year.

Amounts Receivable within one year and those receivable after one year are recorded at their nominal value. Write-downs are applied if repayment by the due date is uncertain or compromised in whole or in part, or if the repayment value at the closing date is less than the book value.

Treasury Investments and Cash at Bank and in Hand are recorded at their acquisition value. They are written down if their realisation value on the closing date of the financial year is less than their acquisition value.

When these treasury investments consist of own shares held for hedging share options, additional write-downs are applied if the exercise price is less than the book value resulting from the above paragraph.

Provisions for Liabilities and Charges are recorded, where applicable, to cover losses or charges that are clearly limited in nature, but which, at the closing date of the financial year, are probable or certain, but undermined in terms of their amount.

Provisions for Liabilities and Charges are subject to individual valuation, taking into account any foreseeable risks. They are written back by the appropriate amount at the end of the financial year if they exceed the current assessment of the risks which they were set aside to cover.

Amounts Payables are recorded at their nominal value.

Valuation of assets and liabilities in foreign currencies

Monetary items and commitments are valued at the official rate on the closing date, or at the contractual rate in the case of specific hedging operations. Only negative differences for each currency are entered in the income statement.

Corporate governance statement

Contents

In 2023, the Company adhered to the principles laid out in the 2020 Belgian Code on Corporate Governance ("2020 Code"), which is available at www.corporategovernancecommittee.be. The Company's board of directors has approved a new corporate governance charter on February 28, 2019 (the "Corporate Governance Charter"), which is available at www.dieterengroup.com. The Company takes its specific shareholder structure into account, i.e. the stable majority shareholding by the Company's founding family, when applying the principles of the 2020 Code. Page 168 lists which principles of the 2020 Code the Company does not comply with and the relevant explanations.

1. Composition and Functioning of the Board of Directors and Executive Management Bodies

1.1. Board of Directors

1.1.1. COMPOSITION

Following the General Meeting of 25 May 2023, the Board of Directors was comprised of:

- six non-executive Directors, appointed upon proposal of the family shareholders; and
- six independent Directors, chosen on the basis of their competences and experience.

The Chairman and Deputy Chairman of the Board of Directors are selected among the Directors appointed upon proposal of the family shareholders. Four female directors sit on the Board of Directors.

1.1.2. ROLES AND ACTIVITIES

Without prejudice to its legal powers, its powers under the articles of association and the legal powers of the General Meeting, the role of the Board of Directors is to:

- determine the Company's strategy and values;
- approve its plans and budgets;
- decide on material financial transactions, acquisitions and divestments concerning the Group and its key subsidiaries;
- ensure that appropriate organisational structures, processes and controls are in place to achieve the Company's objectives and manage the associated risks;
- appoint the directors proposed by the Company to the boards of directors of the key subsidiaries;
- appoint and dismiss the CEO and, based on a proposal by the CEO, the other members of the Executive Committee and the CEOs of the Group's activities, and set the remuneration of such persons;
- monitor and review the performance of the daily management;
- monitor communications with the Company's shareholders and other stakeholders;

approve the Company's statutory and consolidated accounts, as well as set the dividend which will be proposed to the General Meeting. In that context, the Board of Directors intends to maintain its permanent policy of self-financing to the largest extent possible, which has supported the Group's development, and which aims to strengthen the Company's own funds and maintain qualitative financial ratios. Absent material unforeseen events, the Board of Directors will ensure a stable and, results permitting, steadily growing dividend

Composition of the Board of Directors on 31 December 2023		Joined Board in	End of mandate
Nicolas D'Ieteren (48)[1]	**Chairman of the D'Ieteren Board of Directors, Chairman of Belron Group SA** Nicolas D'Ieteren holds a BSc Finance & Management from the University of London. He is also a graduate from the Asia Int'l Executive Program and Human Resources Management in Asia Program (INSEAD). He led projects at Bentley Germany and Porsche Austria. He worked as a finance director of a division of Total UK from 2003 to 2005. Since 2005, he is the managing director of a private equity fund investing in young companies.	2005	May 2024
Olivier Périer (52)[1]	**Deputy Chairman of the Board and Chairman of the Strategic Committee** Olivier Périer holds a Master's Degree in architecture and urban planning from the ULB, as well as a Degree from the SOLVAY Business School, Brussels, the Executive Programme for the Automotive Industry. He also graduated from INSEAD with a Certificate in Global Management, including the International Executive, Business Strategy Asia Pacific and International Directors Programmes. Founding partner of the architectural firm Urban Platform until 2010, he has since then taken the role of Chief Executive Officer of SPDG, a private holding company. Furthermore, he serves as Chairman and as member of Advisory or Supervisory Boards of several venture capital companies and foundations.	2005	June 2028
CB Management SARL unipersonnelle	**Independent Director– Permanent representative : Cécile Bonnefond (67)** *Cécile Bonnefond has an MBA from the European Business School in Paris. She graduated from the Senior Executive* Program at IMD Lausanne and the International Directors Programme at Insead. Previous positions include Danone (1979-1984), Kellogg's (1984-1994_), Diageo-Foods/Sara Lee (1995-2000), LVMH as CEO of Veuve Clicquot champagne (2001-2008), Bon Marché (2009-2010), EPI Group as President and co-investor at Piper & Charles Heidsieck champagnes and General Manager EPI Group - J.M. Weston, Bonpoint, ... (2011-2015). Since 2015, she sits on boards and specialized Committees of International listed and/or family-run Corporations and is a Senior Advisor for Bpifrance (Banque Publique d'Investissement) for small and medium independent companies.	2018	May 2027
GEMA SRL[1]	**Non-executive Director – Permanent representative: Michel Allé (73)** Michel Allé has master degrees in civil engineering and in economy from the ULB (Brussels). He joined Cobepa in 1987, where he was a member of the Executive Committee from 1995 to 2000. He worked as CFO for the Brussels Airport from 2001 to 2005. He then joined the Belgian railway group SNCB where he was CFO of the Holding from 2005 to 2013, and then CFO of SNCB from 2013 to 2015. He is Director of Elia Group and Chairman of the Board of EPICS Therapeutics and Neuvasq. In addition, he is Honorary Professor at the ULB.	2014	June 2025
Nayarit Participations SA(1)	**Non-Executive Director – Permanent representative: Frédéric de Vuyst (50)** Frédéric de Vuyst holds a Bachelor of Laws (Université de Namur), a BA & BSc Business and Finance (London Metropolitan University) and an Executive MBA (EDHEC Paris). Since 2012, he is Managing Director of Nayarit Participations, a private investment firm. Previously, he held various management and international positions at BNP Paribas in Brussels and Paris. Ultimately, he was Head of Business Development Investment Banking and member of the Management Board Corporate Banking at BNP Paribas Fortis. He holds various directorships including TVH, PHE, and the Advisory Board BNP Paribas Fortis.	2001	May 2027

Pierre-Olivier Beckers SRL	**Independent Director – Permanent representative: Pierre-Olivier Beckers (63)** Pierre-Olivier Beckers holds a Master in Management Sciences from LSM (Louvain-la-Neuve) and an MBA from Harvard Business School. He joined the Delhaize Group in 1983, where he was Chairman of the Executive Committee and Chief Executive Officer from 1999 to 2013. He was President of the Belgian Olympic and Interfederal Committee from 2004 to 2021, is a member of the International Olympic Committee (IOC), Chairman of its Audit Committee and also Chairman of the Coordination Committee for the 2024 Paris Olympics. He is Chairman of the Fondation Louvain. He holds various directorships and is advisor to and investor in start-up and scale-up companies.	2014	May 2026
Société Anonyme de Participation et de Gestion SA (SPDG)[1]	**Non-executive Director – Permanent representative: Denis Pettiaux (55)** Denis Pettiaux has a Degree of civil engineering in physics, and an Executive Master in Management from the ULB (Brussels). He is a director and member of the Executive Committee of SPDG, where he is in charge of finance. He is also a non-executive member of various boards of directors, advisory boards and investment committees. He joined Coopers & Lybrand in 1997. He was director at PricewaterhouseCoopers Advisory in Belgium until 2008, and then director at PricewaterhouseCoopers Corporate Finance in Paris until 2011.	2001	May 2027
Michèle Sioen (58)[1]	**Non-Executive Director** Michèle Sioen holds a Degree in economics. She is currently the CEO of Sioen Industries, a multinational specialised in technical textiles. She holds various directorships in listed Belgian companies, notably Sofina and Immobel. She is Honorary Chairwoman of the FEB (Federations of Belgian companies). She is the Chairwoman of Kanal (museum of contemporary art) and director of Vlerick Management school, concours Reine Elisabeth, Europalia and Fedustria.	2011	June 2028
HECHO SRL	**Independent Director – Permanent representative: Hugo De Stoop (50)** Hugo De Stoop holds a Master in Chemical Engineering (Ecole Polytechnique - ULB), an MBA (INSEAD) and a Degree in Corporate Venture and Innovation (INSEAD). He joined Euronav in 2004 and held various positions including CFO between 2008 and 2019 when he was appointed CEO and Chairman of the Management Board and the Sustainability Committee. He left Euronav in 2023 at which point the company had grown into the largest owner and operator of crude oil tanker ships. He started his career with Mustad International Group, a diversified industrial private group of companies where he worked in the US, EU and Latin America. In 2000 he founded First Tuesday (US and LatAm), the world's largest meeting place for high tech entrepreneurs, investors and corporations. He then joined Davos Financial Corp, a multi-opportunity Private Equity fund manager of UBS where he was an investment manager. His current other positions are: member of the BoD of Victrix (family office) and EBE shipping. He is also a member of the Advisory Committee of the Global Maritime Forum and the Great Whale Conservancy.	2022	June 2025
LSIM SA	**Independent Director - Permanent representative : Wolfgang de Limburg Stirum (52)** Wolfgang holds an MBA from the University of Chicago, Booth School of Business (USA) and a Master in Applied Economics and Business Administration from the Louvain School of Management. During his 25 years of experience in finance and private equity in Europe and the US, he has invested in numerous sectors, including healthcare, speciality chemicals, niche industries, services, leisure and media. Since 2005, he has been the Managing Partner of Apheon, a mid-market private equity investment company with €2.7 billion under management. Prior to this, he had spent most of his career in investment banking (mergers and acquisitions) at Lehman Brothers in New York and London, where he became co-head of the European M&A Healthcare team. Wolfgang de Limburg Stirum’s current other positions are: Director of Haudecoeur, Telenco, opseo, svt, Stationary Care Group, Dental Services Group, Fiabila, Immobel and VPK Group.	2023	May 2026

Allegra Patrizi Unipersonnelle	**Independent Director - Permanent representative: Allegra Patrizi (49)** Allegra Patrizi holds a Master of Business Administration (MBA) from Insead, and a Master and DEA in engineering from Ecole Normale Supérieure, France. Since September 2023 Allegra has joined Virgin Money Bank, where she is Managing Director Business and Commercial in charge of all customers and the bank's revenue base across all of the bank's products and geographies. Allegra has over 25 years' experience in the financial services industry, both working for large international companies and in an advisory capacity. Educated in France, she has extensive international experience, having worked in the UK, Benelux, Czech Republic, France, Germany, Italy, Romania, the US and Russia. Among the youngest ever to be elected as a Partner at McKinsey, Allegra was a member of the leadership team for banking, wholesale banking, and asset management and insurance. In addition, she contributed to a number of initiatives aimed at shaping the financial landscape in Europe. Prior to working in the insurance sector, Allegra held various positions at the UK asset management company F&C Investments. She joined Prudential Plc in 2009, where as a member of the CEO office she was involved in helping define the group strategy and managing the US business, before focusing on risk, culminating in her appointment as Prudential's Group Risk Director in 2013. Allegra joined Aegon at the end of 2015, when she was appointed Chief Risk Officer of Aegon NV and a member of Aegon's Management Board as of 2016. She was appointed CEO of Aegon The Netherlands in 2021.From 2017 until 2022 she was also Supervisory Board Member, and Chairperson of the Risk Committee of Leaseplan NV, world leader in auto and truck leasing and mobility solutions. Allegra Patrizi's current other positions are: Vice-chair of Insurance Europe ECOFIN, member of the Board of the Verbond van Verzekeraars until 2023. In her spare time, Allegra competes in horse-riding international eventing competitions under the Belgian flag.	2023	May 2027
Diligencia Consult SRL	**Independent Director - Permanent representative: Diane Govaerts (39)** Diane holds a Master in Management Engineering from Solvay Business School, a second year MBA from Darden Graduate School of Business Administration, Charlottesville, VA, USA, a financial analyst's diploma awarded by CFA Institute, and an Executive Master in "SME Director" from Solvay Business School. Since 2015, Diane has been Chief Executive Officer of Ziegler Group, an international transport and logistics organisation founded in Brussels in 1908 employing more than 3,200 people and with turnover of 1.3 billion EUR. Ziegler has a very dense world network across 156 operational sites located in 16 countries. As CEO and a member of the Board of Directors, her main achievements have included updating and implementing the group's strategy, its vision and its values, speeding up the pace of innovation and digitalising and defining the company's sustainable development strategy. Trends Tendance elected her "2022 Manager of the Year". Before joining Ziegler Group, Diane began her career at Degroof Bank - Asset Management and Private Banking - as a fund manager and asset management co-ordinator. Diane is a member of the Rotary Club and the YPO, a board member of Logistics in Wallonia and BECI, and a regional advisor to the Banque de France.	2023	May 2026

(1) Director appointed upon proposal of family shareholders.

The Board of Directors meets at least six times a year. Additional meetings are held occasionally if necessary. The Board of Directors' decisions are taken by a majority of the votes, the Chairman having a casting vote in case of a tie. In 2023, the Board met 8 times. All Directors attended the meetings that were fixed in advance, as well as the more occasional meetings with the exception of: Dilgencia Consult SRL who was excused for one meeting.

1.1.3. TENURE OF DIRECTORS

Three mandates expired in 2023: Ms. Michèle Sioen, renewed for a duration of five years ; Mr.Olivier Périer, renewed for a duration of five years ; and Ms Sophie Gasperment, not renewed. Three new Directors were appointed in 2023: Allegra Patrizi Unipersonnelle represented by Ms. Allegra Patrizi ; Diligencia Consult SRL represented by Ms. Diane Govaerts ; and LSIM SA represented by Mr. Wolfgang de Limburg Stirum.

1.1.4. COMMITTEES OF THE BOARD OF DIRECTORS

Composition (at 31/12/2023)	Audit Committee(1)	Nominations and Remuneration Committee (1)	Strategic Committee
Chairman	Frédéric de Vuyst(2)	Nicolas D'Ieteren	Olivier Périer
Members	Denis Pettiaux(3)	Olivier Périer	Nicolas D'Ieteren
	Cécile Bonnefond(4)	Pierre-Olivier Beckers(5)	Frédéric de Vuyst(2)
	Hugo De Stoop(7)	Allegra Patrizi(6)	Denis Pettiaux(3)
		Cécile Bonnefond(4)	

(1) The members of the Audit Committee and the members of the Nominations and Remuneration Committee have the expertise required by law in accounting and audit matters and in remuneration policy respectively in view of their respective education and management experience in industrial and financial companies.
(2) Permanent representative of Nayarit Participations SA.
(3) Permanent representative of SPDG SA.
(4) Permanent representative of CB Management SARL unipersonelle. Independent Director.
(5) Permanent representative of Pierre-Olivier Beckers SRL. Independent Director.
(6) Permanent representative of Allegra Patrizi Unipersonnelle. Independent Director.
(7) Permanent representative of HECHO SRL. Independent director.

The Audit Committee met six times in 2023. All meetings but one were held in the presence of the Statutory Auditor. All of its members attended all of the meetings.

The Nominations and Remuneration Committee met six times in 2023. All of its members attended all of the meetings.

The Strategic Committee met 18 times in 2023.

Each Committee reported on its activities to the Board of Directors.

1.1.5. FUNCTIONING OF THE COMMITTEES

Audit Committee

On 31 December 2023, the Audit Committee was comprised of four non-executive Directors, two of which were independent Directors. The Audit Committee's primary role is to monitor the Company's financial and non financial information and supervise the risk management and internal controls systems of the Company and its key subsidiaries. The Audit Committee reviews the Statutory Auditor's reports on the half-year and annual financial statements of the Company and of the portfolio companies. The Audit Committee meets at least four times a year, including at least once every six months in the presence of the Statutory Auditor, and reports on its activities to the Board of Directors. At least two specific meetings are dedicated to the supervision of the risk management, internal controls systems and ESG reporting. The Statutory Auditor, KPMG, reappointed by the Ordinary General Meeting of May 25, 2023, has outlined the methodology for auditing the statutory and consolidated accounts as well as the applicable materiality and reporting thresholds. The Audit Committee's charter adopted by the Board of Directors is set out in Appendix I of the Governance Charter published on the Company's website.

Nominations and Remuneration Committee

On 31 December 2023, the Nominations and Remuneration Committee was comprised of five Directors, including the Chairman of the Board of Directors, who presides over the meetings, the Deputy Chairman of the Board of Directors and three independent Directors.

The role of the Nominations and Remuneration Committee is as follows:

- To make proposals to the Board of Directors relating to appointments of non-executive Directors, the CEO, and based on a proposal by the CEO, the other members of the Executive Committee and the CEOs of the Group's key subsidiaries, and ensure that the Company has formal, rigorous and transparent procedures to support these decisions.
- To make proposals to the Board of Directors relating to the remuneration of the non-executive Directors, the CEO, and, based on a proposal by the CEO, the other members of the Executive Committee and the CEOs of the Group's key subsidiaries, and ensure that the company has formal, rigorous and transparent procedures to support these decisions.
- To regularly review the procedures, principles and policies relating to the appointment and remuneration of managers of the Company and the Group's key subsidiaries, and to coordinate with the existing Nominations and Remuneration Committees within the Group's key subsidiaries.
- To prepare the remuneration report and policy and to comment on it during the Annual General Meeting.

The Nominations and Remuneration Committee meets at least four times a year and reports on its work to the Board of Directors. The Committee's Charter adopted by the Board of Directors is set out in Appendix II of the Governance Charter available on the Company's website.

Strategic Committee

The Strategic Committee meets at least once a month and brings together the Chairman and Deputy Chairman of the Board of Directors, as well as two Directors representing the family shareholders. The members of the Executive Committee are permanent guests. At the level of the Group and its subsidiaries, and subject to the Board of Director's competence to determine the Company's strategy, the Strategic Committee's role is to consider the Group's development priorities, to analyse the long-term strategies and objectives of the Group, to examine the progress of strategic projects, to analyse future investments and divestments, to monitor progress of the Group's businesses, and to prepare strategic points for discussion and decision at the Board of Directors meetings. The Strategic Committee's Charter, adopted by the Board of Directors, is set out in Appendix III of the Company's Governance Charter available on the Company's website.

Policy on conflict of interest

Without prejudice to the provisions on conflicts of interests contained in article 7:96 and 7:97 of the Company Code, the Corporate Governance Charter (Annex 5) describes the Company's policy on transactions or other potential contractual relations between the Company, including affiliated companies, and Directors, in cases where these transactions or other contractual relations are not covered by legal provisions on conflicts of interest.

Evaluation of the Board of Directors and its Committees

The Board of Directors and its Committees assess on a regular basis, and at least once every three years, their size, composition, procedures, performance and their relationships with management, as well as the individual contribution of each Director to their overall functioning in order to constantly improve the effectiveness of their actions and the contribution of those actions to the Group's proper governance.

The Board of Directors and its Committees carried out an assessment exercise during the first quarter of 2022. This process was conducted with the help of an outside professional who interviewed all Directors and members of the Executive Committee. A summary of the interviews was presented to the Board of Directors along with clear recommendations for the Board of Directors' consideration.

1.2. Group Executive Management

The members of the Executive Committee are responsible for the day-to-day management of the Company. On 31 December 2023, the Group Executive Committee was comprised of the Group CEO (Chairman of the Group Executive Committee), the Group Chief Investment Officer (CIO), the Group Chief Financial Officer (CFO), and the Group Chief Legal Officer (CLO).

Composition of the Executive Committee on 31 December 2023		Start of mandate
Francis Deprez (58)	**Chairman of the Executive Committee and CEO** Degree in Applied Economic Sciences (UFSIA Antwerp) and Master's in Business Administration (Harvard Business School). Associate (1991-1998) and Partner (1998-2006) at McKinsey & Company Belgium. In the Deutsche Telekom Group, served as Managing Director of the Center for Strategic Projects (2006-2011), Chief Strategy and Policy Officer of Deutsche Telekom AG (2007–2011), member of the Supervisory Boards of T-Mobile International (2007-2009) and of T-Systems International (2008-2011), Chief Executive Officer of Detecon International GmbH (2011-2016). Director at Belron and TVH. Chairman of the Boards of D'Ieteren Automotive, Moleskine and PHE.	2019 (CEO) 2016 (as a member of the Executive Committee)
Edouard Janssen (45)	**Member of the Executive Committee – CFO** Edouard Janssen joined D'Ieteren Group on September 1st, 2023, as Group CFO and Member of the Executive Committee. He is currently a member of the Board of Directors or permanent guest at the D´Ieteren Group entities. Edouard Janssen started his career at Morgan Stanley in London. Between 2005 and 2021, he spent most of his career in different financial and executive management roles at Solvay, based in different worldwide geographies. He is currently a Board member at Syensqo, Financière de Tubize, and Union Financière Boël. Edouard Janssen holds a M. of Sc. in Finance and Management from the Solvay Brussels School of Economics and Management (with Magna cum Laude and Prix de Barsy, 2000) and an MBA from Insead (2009).	2023
Amélie Coens (47)	**Member of the Executive Committee – CLO** Amélie Coens graduated from law school (Université Libre de Bruxelles) in 1999 and spent a year studying intellectual property law at the Katholieke Universiteit Brussel. She was as a lawyer for five years at Clifford Chance in Brussels where she practised mainly corporate law and M&A. In 2006, she joined the Dexia Group as Executive Advisor to the CEO, and from 2009 to 2015, she was General Secretary and Head of Legal at the investment firm Petercam. She joined D'Ieteren Group in 2015 as Chief Legal Officer. Today, Amélie is also in charge of HR at D'Ieteren Group and Board member of Moleskine and D'Ieteren Immo.	2023
Nicolas Saillez (52)	**Member of the Executive Committee – CIO** Nicolas was appointed Chief Investment Officer and joined the D'Ieteren Group Executive Committee in September 2023. As Chief Investment Officer, Nicolas heads the Investment Team in its efforts to find new investment opportunities across all verticals and is also responsible for large M&A, financing exercises, or changes in capital structure at existing portfolio companies. He is a member of the Board of Directors of Belron, PHE, and Moleskine. Prior to joining D'Ieteren Group in 2015, Nicolas started his career in M&A at BNP Paribas and PwC. He then worked in London in a venture capital firm, joined ING investment bank (ING Barings) in the Telecommunications and Tech Group, and then became Head of M&A at Proximus. Nicolas holds a degree in Economics from LSM (Louvain School of Management), is a certified European Financial Analyst, and has an MBA from the London School of Economics, NYU Stern, and HEC Paris.	2023

The members of the Group Executive Committee act collegially. At the Group level, they are in charge of origination, monitoring and developing the Group's activities, human resources, finance, financial and non-financial communication, investor relations, treasury, M&A, sustainability, legal and tax matters.

1.3. Executive Management of the six businesses

D'Ieteren Group owns six businesses which each have their own executive management structure: D'Ieteren Automotive, Belron, TVH, PHE, Moleskine and D'Ieteren Immo.

D'Ieteren Automotive, has a board of directors comprised of six directors: five appointed by the Company and the CEO of D'Ieteren Automotive.

Belron, of which the Company owned 54.79% of the voting rights on December 31, 2023, has a board of directors comprised of ten directors: five who are appointed by the Company, two appointed by CD&R (minority shareholder in Belron), one appointed by H&F (minority shareholder in Belron) and the current CEO and the former CEO of Belron. The Belron board of directors is chaired by the Chairman of the Company's Board of Directors.

TVH, of which the Company owned 40% of the voting rights on December 31, 2023, has a board of directors comprised of nine directors: four who are appointed by Wehold (majority shareholder in TVH), three appointed by the Company, one independent chairman and one independent director.

PHE, in which the Company owned 91.3 % of the voting rights on December 31, 2023, has a board of directors comprised of eight members: six appointed by the Company, as well as the PHE CEO and CFO.

Moleskine, a wholly-owned subsidiary of the Company, is governed by a board of directors comprised of six directors: five appointed by the Company and the Moleskine CEO.

D'Ieteren Immo, a wholly-owned subsidiary of the Company, is managed by a board of directors comprised of three directors: two appointed by the Company and the CEO of D'Ieteren Immo.

1.4. External Audit

The external audit is conducted by KPMG Réviseurs d'Entreprises, represented by Axel Jorion, whose mandate to audit the statutory and consolidated accounts for 2023, 2024 and 2025 was renewed at the Ordinary General Meeting of May 25, 2023.

The total fees charged by the Statutory Auditor and linked companies for the work carried out in 2023 on behalf of D'Ieteren Group SA/NV and affiliated companies amounted to EUR 6.9 million excluding VAT. Details of the fees are included in the annexe of the 2023 Consolidated Financial Statements (note 31 of the consolidated financial statements).

1.5. Deviation from the 2020 Belgian Code of Corporate Governance

The Company deviates from the following provisions of the 2020 Code:

DEVIATION FROM PROVISION 3.7.

The group of Directors appointed upon proposal of the family shareholders is in a position to dominate decisions taken by the Board of Directors. In companies where family shareholders hold a majority of the share capital, the family shareholders do not have, as do other shareholders, the opportunity to sell their shares if they do not agree with the orientations defined by the Board of Directors. Their joint or majority representation on the Board of Directors enables them to influence these orientations, thereby ensuring the shareholding stability necessary for the profitable and sustainable growth of the Company. The potential risks for corporate governance resulting from the existence of control by the majority shareholder on the activities of the Board of Directors is mitigated, on the one hand, by the appropriate use of these powers by the Directors concerned in respect of the legitimate interests of the Company and of its minority shareholders and, on the other hand, by the long-term presence of several independent Directors (representing half of the board members), which ensures a genuine dialogue at the level of the Board of Directors.

DEVIATION FROM PROVISION 7.6.

The Directors only receive a fixed remuneration, without any grant of shares. This is justified by the fact that the investment policies of the Company adequately foster a long-term perspective. In addition, several Directors already have a large exposure to the evolution of the Company's value, considering the number of shares they own directly or indirectly.

DEVIATION FROM PROVISION 7.9.

There is no requirement for the members of the Executive Committee to hold a minimum number of shares in the Company. This is justified by the fact that the investment policies of the Company adequately foster a long-term perspective. In addition, the grant of stock options adequately ensures the alignment of interests between the members of the Executive Committee and all shareholders

2. Diversity

D'Ieteren Group aims to put diversity at the heart of its Board of Directors and Executive Committee. This means having directors who differ in terms not only of their background, education, age and gender, but also in their independence, experience and professional expertise. Such diversity will ensure a range of perspectives, insights and the critical thinking that are essential to enabling efficient decision-making and good governance. Enhancing diversity at the Board of Directors and Executive Committee levels also increases the pool of potential candidates and helps to attract and retain talent.

The Nomination and Remuneration Committee reviews and assesses the composition of the Board of Directors and the Executive Committee, and advises the Board of Directors on the appointment of new Board members and Executive Committee members, as well as the the renewal of any existing mandates. During this process, the Nomination and Remuneration Committee considers candidates on merit, without losing sight of the need for diversity (including criteria such as background, education, age, gender, independence (for potential Board members), professional skills, length of service and differing professional and personal experience).

In terms of gender diversity, the Board of Directors aims to comply with legal requirements by having at least one third of the underrepresented gender on the Board. This target has been achieved since May 31, 2018. As at December 31, 2023, the Board of Directors had twelve members, four of whom were women.

Reference is made to section 1 of the Corporate Governance Statement regarding other diversity criteria (age, length of service, education and professional experience) in relation to the members of the Board of Directors and the Executive Committee as of December 31, 2023.

3. Remuneration Report

The remuneration of the Directors and the members of the Executive Committee for 2023, is detailed in this report. Such remuneration is in accordance with the remuneration policy which was approved by the 2021 annual shareholders' meeting by a majority of 83,81% of the votes cast without any specific comments made by shareholders.

3.1. Remuneration of non-executive Directors

A total of EUR 1,690,000 was paid to the Directors in 2023, broken down as indicated in the table below. No other remuneration or benefit, loan or guarantee was granted to them by the Company. All Directors qualify as non-executive Directors.

2023 (in EUR)	Base remuneration	Specialised Committees	Subsidiaries	Total remuneration
D'Ieteren N.	260,000	All in	All in	260,000
Périer O.	210,000	All in	All in	210,000
P.-O. Beckers SRL	80,000	40,000	-	120,000
CB Management SARL (Bonnefond C.)	80,000	55,000	40,000	175,000
HECHO SRL (De Stoop H.)	80,000	40,000	-	120.000
Gasperment S.[3]	33,333	16,667	-	50,000
Gema SRL (Allé M.)	80,000	-	-	80,000
Nayarit Participations SA (de Vuyst F.)	80,000	70,000	80,000 [1]	230,000
Sioen M.	80,000	-	-	80,000
SPDG (Pettiaux D)	80,000	40,000	80,000	200,000
Allegra Patrizi Unipersonnelle.[2]	50,000	15,000	-	65,000
Diligencia Consult SRL (Govaerts D.) .[2]	50,000	-	-	50,000
LSIM SA (de Limburg Stirum W.) .[2]	50,000	-	-	50,000
Total	**1,213,333**	**276,667**	**200,000**	**1,690,000**

(1) Remuneration perceived by Minerva Société de Gestion et de Conseil SRL represented by Frédéric de Vuyst.
(2) Appointed on 25th of May 2023.
(3) Resigned on 25th May 2023.

3.2. Remuneration of the members of the Executive Committee

The remuneration granted to the members of the Executive Committee in 2023 was reviewed by the board of directors on 8 March, 12 June and 7 September 2023. The components of their remuneration are detailed below. Following the retirement of Arnaud Laviolette as from 1st September 2023, three new members joined the Executive Committee on the 1st September 2023 : Edouard Janssen as Chief Financial Officer, Nicolas Saillez as Chief Investment Officer and Amélie Coens as Chief Legal Officer. Their remuneration is therefore mentioned below on a pro-rata basis (from the 1st of September to 31 December 2023).

As regards the variable remuneration related to 2023, the board of directors, on the basis of the recommendations from the Nominations and Remuneration Committee, approved on 5 March 2024 the relevant amounts in light of the achieved targets, as also detailed below.

3.2.1. ANNUAL FIXED BASE REMUNERATION

In 2023, the Chief Executive Officer earned an annual fixed base remuneration of EUR 770,000, the Chief Financial Officer until September 2023 (Arnaud Laviolette) earned a fixed base remuneration of EUR 440,000, the Chief Financial Officer from September 2023 (Edouard Janssen) earned a fixed base remuneration of EUR 166,667, the Chief Investment Officer earned a fixed base remuneration of EUR 150,000 (pro rata since his appointment as member of the Executive Committee in September 2023) and the Chief Legal Officer earned a fixed base remuneration of EUR 97,000 (pro rata since her appointment as member of the Executive Committee in September 2023).

3.2.2. VARIABLE REMUNERATION

Annual bonus

For 2023, the Chief Executive Officer earned an annual bonus of EUR 577,500, corresponding to approximately 75% of his 2023 fixed base remuneration. The Chief Financial Officer until September 2023 (Arnaud Laviolette) earned an annual bonus of EUR 572,000, corresponding to approximately 130% of his 2023 fixed base remuneration. The Chief Financial Officer from September 2023 (Edouard Janssen) earned an annual bonus of EUR 115,500, corresponding to approximately 69% of his 2023 fixed base remuneration. The Chief Investment Officer earned an annual bonus of EUR 115,000, corresponding to approximately 77% of his 2023 fixed base remuneration. The Chief Legal Officer earned an annual bonus of EUR 32,583, corresponding to approximately 34% of her 2023 fixed base remuneration. These amounts were paid in March 2024.

The 2023 annual bonuses were based on the levels of achievement in 2023 of two financial criteria being profit before tax and free cash flow compared to budget, as well as three non-financial criteria namely people (talent succession, governance at activities and corporate team), corporate development (deal flow quality and investor relations) and customers (customer satisfaction) as qualitatively assessed by the Board of Directors. Half of the annual bonus depends on the financial targets, while the other half depends on the non-financial targets. For the different members of the Executive Committee, depending on their respective roles, different weights can be given to the different criteria.

For 2022, the Chief Executive Officer earned an annual bonus of EUR 656,250 and the Chief Financial Officer earned an annual bonus of EUR 512,000. These amounts were paid in March 2023. Please refer to the remuneration report published in 2023 for more information.

Cash LTI

Members of the Executive Committee are eligible to receive a cash amount corresponding to a percentage set within a range of approximately 25% to 50% of their annual fixed base remuneration if the following targets are achieved over a period of three years:

- a minimum financial gain for the shareholders that resulted from the appreciation of the share price plus any dividends paid by the Company to the shareholders (“Total Shareholder Return” or “TSR”), as set by the Board of Directors;
- the annualised TSR being higher than the MSCI Gross World Index CAGR; and
- a limited number of environmental, social and corporate governance (ESG) targets that are particularly relevant to the Group (as qualitatively assessed by the Board of Directors).

Regarding the 2021-2023 Cash LTI, on the basis of recommendations from the Nominations and Remuneration Committee, on 5 March 2024 the board of directors approved the following amount to be paid: EUR 350,000 to the Chief Executive Officer. This amount was based on an assessment of the three targets over the period 2021 - 2023 which had all been met.

In 2023, a new three-year (2023-2025) Cash LTI was granted to the Chief Executive Officer. The target 2023-2025 Cash LTI amounts to EUR 350,000. The corresponding amount will be paid, if the targets are met, at the end of the year 2025.

Stock Option LTI

In 2023, 50,000 stock options were granted to the Chief Executive Officer and 10,000 stock options were granted to the Chief Financial Officer until September 2023 (Arnaud Laviolette), 10,000 stock options were granted to the Chief Financial Officer from September 2023 (Edouard Janssen) and 3,333 stock options were granted to the Chief Investment Officer.

The exercise price is EUR 185.17 for the stock options granted to the Chief Executive Officer and the Chief Financial Officer until September 2023 (Arnaud Laviolette) and 153.60 for the stock options granted to the Chief Financial Officer from September 2023 (Edouard Jansen) and to the Chief Investment Officer. In principle, the options may be exercised from 1 January of the 4th year following the date they were granted and up until the end of the tenth year following their grant.

Additional details on the Stock Option LTI are provided in note 9 of the consolidated financial statements.

Pension and other benefits

In 2023, the Company covered the contributions to disability insurance, life insurance and pension schemes with respect to the Chief Executive Officer for an amount of EUR EUR 128,000, with respect to the Chief Financial Officer until September 2023 (Arnaud Laviolette) for an amount of EUR 84,000, with respect to the Chief Financial Officer as from September 2023 (Edouard Janssen) for an amount of EUR 33,333, with respect to the Chief Investment Officer for an amount of EUR 30,000 and with respect to the Chief Legal Officer for an amount of EUR 19,392.

3.2.3. STOCK OPTIONS GRANTED, EXERCISED AND EXPIRED IN 2023

Name position	Transactions in 2023		
	Options granted	Options exercised	Options expired
Chief Executive Officer	50,000	40,000	0
Chief Financial Officer (Arnaud Laviolette)	10,000	40,000	0
Chief Financial Officer (Edouard Janssen)	10,000	0	0
Chief Investment Officer	3,333	0	0
Chief Legal Officer	0	0	0

3.2.4. GENERAL OVERVIEW OF THE REMUNERATION

2023 (in EUR)	CEO	CFO (Arnaud Laviolette)	CFO (Edouard Janssen)	CIO	CLO	Total
Annual Fixed base remuneration	770,000	440,000	166,667	150,000	97,000	1,623,667
Annual bonus	577,500	572,000	115,500	115,000	32,583	1,412,583
Cash LTI (pay-out 2021-2023)	350,000	0	N/A	N/A	N/A	350,000
Contribution to disability, pension and life insurance	128,000	84,000	33,333	30,000	19,392	294,725

3.2.5.ANNUAL CHANGE OF THE REMUNERATION AND PAY RATIO

The table below provides an overview of the annual change of remuneration for the Directors, the Executive Committee members and the employees (average on a full-time equivalent basis). It also provides an overview of the annual change of performance of the Company.

Annual change in %	2019 vs 2018	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022
Remuneration of the (non-executive) Directors (total)					
	+5.5%	-26.5%	+32.7%	+11.65%	+14.97%
Remuneration of the Executive Committee (total)(1)					
Type of remuneration					
All remuneration excluding stock options(2)	+14%	+3 .7%	+19.1%	+12.7%	+14.7%
Stock options(3)	+/-0%	+18.8%	-5.3%	+/-0%	-18.52%
Company's performance					
Adjusted consolidated result before tax(4)	+39.8%(5)	+11.2%(6)	+52%(6) (7) (8)	+50.9%(6), (7), (10)	+28.1% (6)
Average remuneration on a full-time equivalent basis of employees(9)					
Employees of the Company	+21%	-5.8%	+13.6%	+13.1%	+15.56%

Explanatory notes
(1) This includes the current members of the Executive Committee only. .
(2) This includes the (i) annual fixed base remuneration, (ii) annual bonus paid, (iii) paid-out cash LTI (iv) contribution to disability, pension and life insurance and (v) exceptional payments linked to strategic projects.
(3) In terms of number of stock options.
(4) Numbers on a comparable basis in function of the Company's shareholding in Belron.
(5) On a pre IFRS16 basis.
(6) On a post IFRS16 basis.
(7) 2021 includes TVH Parts as from 1 October 2021.
(8) 2020 has been restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and April 2021.
(9) The average employee remuneration is calculated on the basis of the Company's employees as of 1 January 2023.
(10) 2021 figures have been restated at TVH to improve the consistency of accounting policies across all affiliates, to reflect the purchase price allocation of TVH finalized by the Group in the second half of 2022 and at Belron to reflect a reclassification of -€21.0m of fees from system integrators in relation to the business transformation programme from adjusted result to adjusting items in the Belron segment.

The ratio 2023 between the highest pay and the lowest pay at the Company is 61.07.

4. Internal Control and risk management systems

D'Ieteren Group and its portfolio companies operate in a constantly changing environment which exposes them to multiple risks.

In order to protect their reputation while ensuring sustainable success and the achievement of corporate targets, D'Ieteren Group and its businesses have in place comprehensive risk management and internal control systems. These systems have three main goals:

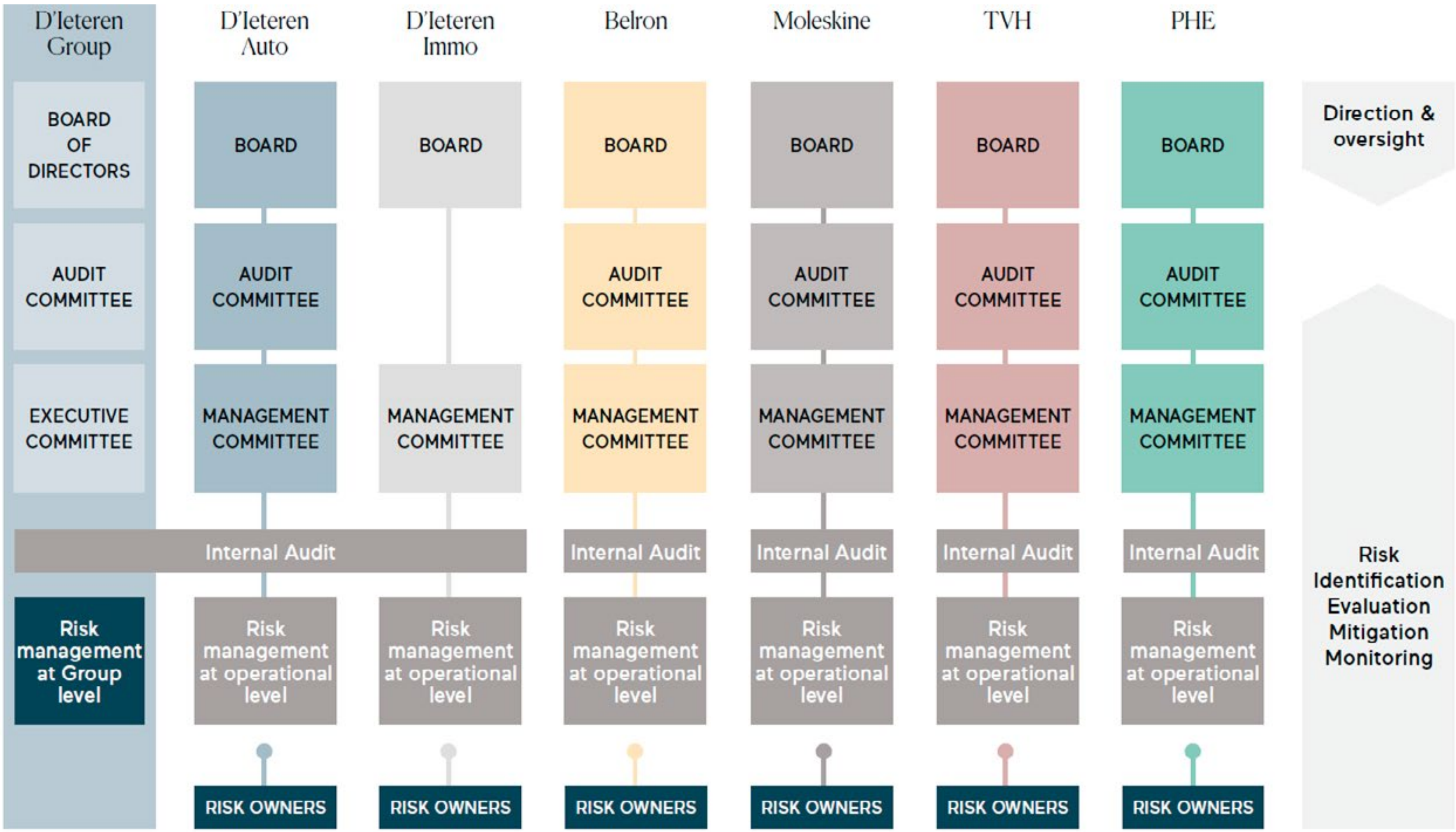
- Identify risks at an early stage;
- Assess the probability and potential impact of the risks;
- Put adequate mitigating measures in place.

D'Ieteren Group manages the risks following the principle of three lines of defence:

- At the operational and risk management level of each business;
- At risk management, compliance & legal levels (Group and businesses);
- As part of the businesses' and the Group's Internal Audits.

4.1. Risk management governance structure and responsibilities

The organisational structure at the level of D'Ieteren Group and the businesses ensures the appropriate delegation of authorities to management and a separation of duties. Governance structure is composed of three bodies that are operating independently: the Board of Directors, the Audit Committee, and the Executive Committee.



(1) TVH is in the process of setting up its Internal Audit.

4.1.1. D'IETEREN GROUP

4.1.1.1 Board of Directors

The Board performs its control duties by:

- ensuring that D'Ieteren Group's businesses correctly perform their own control duties and that Committees entrusted with special duties and control tasks (such as the Audit Committee and Nomination and Remuneration Committee) are put in place and function properly, and
- ensuring that reporting procedures are implemented to allow the Board to follow up the entities' activities at regular intervals, notably regarding the risks they face.

4.1.1.2 Audit Committee

The Board of Directors is assisted by the Audit Committee in the exercise of its control responsibilities for the company's entities. This control focuses in particular on the financial and non-financial information distributed to shareholders and to third parties and the monitoring of the different risk management and internal control mechanisms.

The Group Audit Committee receives regular reports on the work carried out by the Audit Committees of each business before itself reporting to the Board.

4.1.1.3 Executive Committee

The members of the Group Executive Committee act collegially and are also responsible for risk management, and are owners of specific risks at the Group's level, amongst other.

4.1.1.4. External Audit

By being responsible for conducting independent assessments of the Group's financial statements and disclosures, as well as for confirming that these give a true and fair view of the Group's financial position, external auditors can help identify potential risks and are therefore key in the risk control process.

4.1.2. AT THE LEVEL OF THE BUSINESSES

4.1.2.1. D'Ieteren Automotive

Risks are monitored at the level of the Audit Committee, which met four times in 2023. The Committee is chaired by D'Ieteren Group's CFO and includes D'Ieteren Automotive's CFO, ad-hoc members and participants both from D'Ieteren Automotive and from D'Ieteren Group, as well as D'Ieteren Automotive's Head of Internal Audit. The external auditor is also invited. The risk mapping is prepared by the Head of Internal Audit and is approved by the Committee.

Divisional Directors are responsible for risk management on a day-to-day operational level.

4.1.2.2. D'Ieteren Immo

The real estate assets are grouped under a single legal entity (D'Ieteren Immo S.A.). It has its own Board of Directors and Management Committee. The Board of Directors reviews the risk policy once a year and oversees the risk management throughout the year.

4.1.2.3 Belron

Belron has continued to enhance and embed its approach to risk management, including the introduction of a new emerging risk identification process. The Enterprise Risk Management Steering Committee, which is responsible for monitoring risk management activities, and challenging / debating the risk profiles for Business Units and Functions, met monthly throughout the year. Insight from both the emerging risk process and Enterprise Risk Management Steering Committee is reported into the Executive team, who have reviewed and debated the key risks to the business, and to the Audit Committee, which met four times in 2023. The Committee is chaired by D'Ieteren Group's CFO and includes a representative from CD&R. Other (invited) participants include Belron's CFO, and Director of Risk and Internal Audit.

4.1.2.4. Moleskine

Risks are monitored by the Audit Committee, which met four times in 2023. The Audit Committee is chaired by D'Ieteren Group's CIO and it includes Moleskine's CFO, other ad-hoc members (both from Moleskine and from D'Ieteren Group) and Moleskine's Head of Internal Audit as permanent observer. The Committee approves the Risk Map prepared by the Head of Internal Audit after having gathered inputs from the leadership and the shareholder's representatives.

In addition to the internal model, Moleskine has also an external Supervisory Body that oversees the functioning of and the compliance with the "Organisational, Management and Control Model" adopted to prevent crimes provided for in the Legislative Decree no. 231/2001. The outcome of the Supervisory Body's activities is summarized every year in a report sent to Moleskine's Board of Directors. The Supervisory Body is composed of an external member.

4.1.2.5. TVH

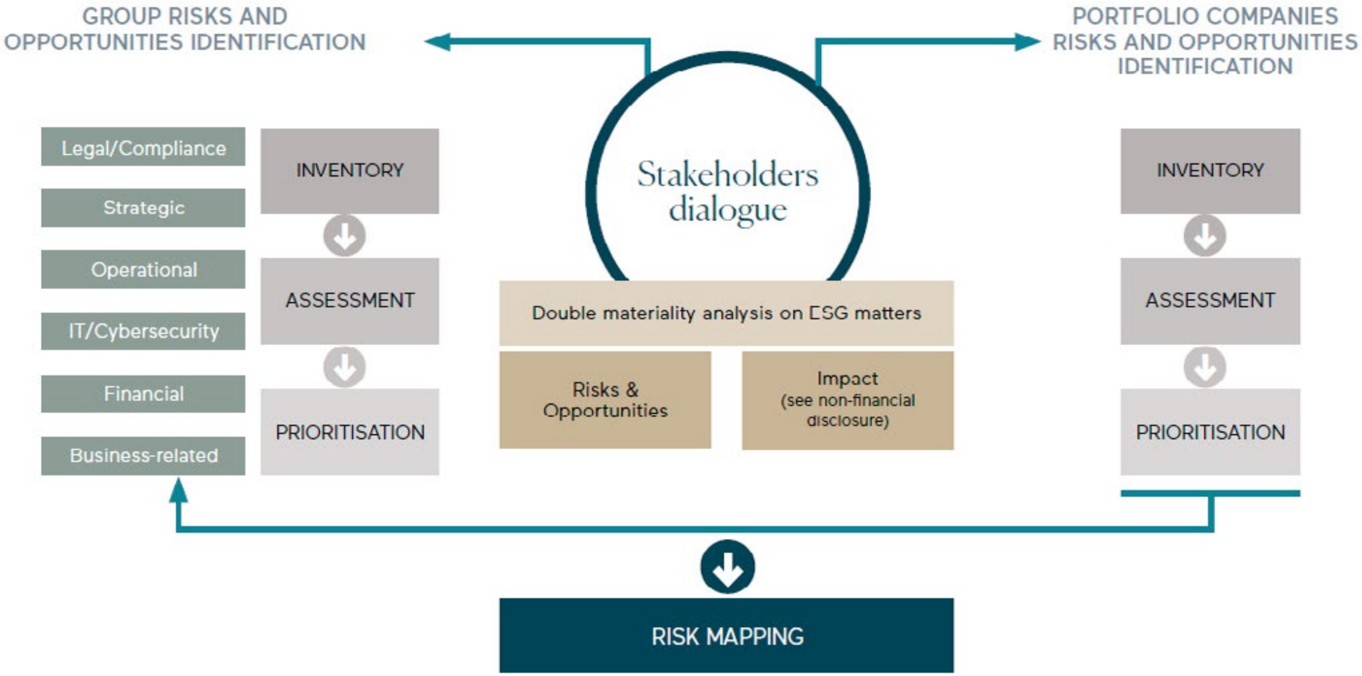
Since the entry of D'Ieteren Group in the capital of TVH, the Board of Directors of TVH has hired a Risk Expert and is currently structuring the risk management process. An Audit Committee chaired by the CFO of D'Ieteren Group has been set up and meets quarterly and includes TVH's CEO and CFO and the external auditor as permanent invitees. TVH is in the process of setting up its Internal Audit.

4.1.2.6. PHE

Risk management and internal control are overseen by the Audit Committee which met four times in 2023. This committee is chaired by a Director appointed by D'Ieteren Group and includes PHE's CEO and CFO, ad-hoc members and participants from PHE and from D'Ieteren Group, as well as PHE's Director of Internal Audit. This Committee ensures the appropriateness, reliability and implementation of the Group's internal control procedures, as well as the procedures designed to identify and manage risks related to its business and its accounting and financial information.

4.2. Risk management process (Group)

4.2.1. RISKS (AND OPPORTUNITIES) IDENTIFICATION / MAPPING



The cornerstone of D'Ieteren Group's risk management is to ensure that the major risks faced by the Group and its portfolio companies have been identified and assessed, and that there are controls either in place or planned to manage them. D'Ieteren Group lets each of its portfolio company full management autonomy on their risk management processes under the supervision of the respective Audit Committees and Boards. However, in the context of its own risk management, the Group keeps a close eye on the risks and opportunities specific to each business, grouped under the heading "Business risks". This supervision is guaranteed by the presence of a representative of D'Ieteren Group in each Audit Committee. The processes of risk mapping inside each business[1], even if different in their methodology, are articulated in three same steps:

(1) Excluding TVH and PHE.

Risk inventory

Risks are inherent to any business. Each portfolio company identifies its key risks and opportunities by assessing events that could affect future operations and financial returns of the business and by dressing a comprehensive risk inventory. This inventory is dressed on the basis of several dialogues with different internal and external stakeholders. Consequently, environmental, social, and governance (ESG) risks that could have a significant impact on the business are included. This is ensured by close collaboration between the Sustainability and Risk Managers.

At the Group level, the same process is undertaken. It gathers the risks faced by D'Ieteren Group, encompassing those at the corporate level such as risks associated with listed companies, as well as the risks tied to its various businesses that are material to the Group and for which the Group can exercise influence and bring support if needed. ESG aspects are also taken into consideration in the process.

ESG risks and opportunities identification

In parallel and feeding this exercise, specific double materiality analysis for ESG risks has been conducted with each of our businesses in 2023.This analysis identified and underlined the most relevant risks thanks to dialogues with internal and external stakeholders.

As part of the Double Materiality assessment undertaken by D'Ieteren Group and its businesses, climate change mitigation and climate change adaptation risks were assessed for each of our operational business. In 2024, D'Ieteren Group will be working the consolidation of their respective results, reflecting the extent to which the topic is material at Group level. This analysis has reinforced the idea that climate change may represent a risk for D'Ieteren Group and that a more thorough analysis is needed to improve our understanding on that matter. The idea is not new to D'Ieteren Group as a TCFD (Taskforce on Climate Financial Disclosure) analysis have been undertaken since 2022. In the coming years, the TCFD exercise will be deepened to improve the understanding of such possible climate financial impacts for the Group offering a more granular view of the different risks encompassed in climate change mitigation and adaptation. Please find current TCFD status on p.208.

Risk assessment

In this second step, each risk is described and correctly understood in order to assess its criticality. This assessment process involves the risks owners to leverage subject-matter expertise. Criticality measure is twofold: the potential impact on the organisation and the probability of occurrence. In order to do that, each of our businesses has its own methodology and scale to fit with the reality of its business. The Group also uses its own methodology.

Risk prioritization

For each risk or event, Management identifies its priorities taking into account the criticality and the maturity of its management approach, i.e. the ability to adapt and react to the risk, the urgency of the required response, the time horizon for the potential materialisation of the risk, the type of action necessary, the level of investment in the risk response as well as the acceptance level vis-à-vis residual risks.

4.2.2. MITIGATING PLANS AND REVIEW

On the basis of their risk mapping a mitigating plan is set up by each business. Mitigating actions include for instance the introduction of strict procedures and policies, Business Continuity and Disaster Recovery Plans, Cybersecurity materiality and maturity assessments, regular reporting and review of all significant treasury transactions and financing activities, procedures for the authorization of capital expenditure, country visits and discussions with local management. Employees are also informed and trained on these subjects to ensure sufficient risks control. Some risks are also mitigated by environmental and social actions initiated by the businesses as each business is working on its sustainability strategy and monitors its performance on some ESG material topics.

The execution of the plans is, where appropriate, supervised by the Internal Audit teams.

Each year, portfolio companies and D'Ieteren Group conduct a risks review, or, in the case of D'Ieteren Automotive, a periodic risk review depending on the nature of the risks, and update their risk register and the measures proposed to mitigate them.

Concerning climate-related risks, more information can be found in the TCFD-disclosure section (p.208).

4.2.3. REPORTING

The Internal Audit Managers of Belron, Moleskine, D'Ieteren Automotive and PHE report regularly to their Executive Committees and respective Audit Committees. The outcome of the work carried out to assess the effectiveness and efficiency of risk management practices across the companies is escalated through the Management to the Audit Committee, which meet regularly during the year.

Reporting includes an assessment of the mitigating actions and recommendations. The Chairmen of the Audit Committees present the risk management report to their Board.

Control issues that arise from Internal and External Audits together with any additional matters are brought to the attention of the Audit Committees.

4.3. Main risks for the Group

The table below serves as a table of content for the risk report that follows. It is composed of the risks specific to D'Ieteren Group, including business risks. These latter are those that have been identified as major in the risk mapping processes at the level of the businesses, and for which the magnitude is considered material for the Group as a whole or on which the Group and its engagement towards the businesses may have an influence. It should not be considered as an exhaustive list of the risks faced by the businesses.

	D'Ieteren Group		Belron	D'Ieteren Automotive	PHE	TVH	Moleskine	D'Ieteren Immo
Governance	■							
Listed companies regulation	■							
Investment / divestment	■				■			
Treasury, liquidity & financing risk	■			■	■			
Health & Safety	■		■		■			
Talent attraction & retention	■		■	■	■	■	■	
Geopolitical issues	■		■			■	■	
Macroeconomic conditions	■		■	■	■	■		
Compliance (incl. tax) & Ethics	■			■	■		■	
Market shift & conditions, brand & reputation	■	Business risks	■	■	■	■	■	
Cybersecurity	■		■	■	■	■	■	
IT infrastructure			■		■	■		
Major Projects & Transformation			■	■	■	■		■
Supply Chain Disruptions			■	■	■	■	■	
Product & service quality			■	■	■	■		
Competition law			■	■				
Critical infrastructure management						■		
Relationship with VW				■				
Climate change	■		■	■	■	■	■	■

Business risk	
Risk description	**Potential impact**
Risks related to a poor performance of D'Ieteren Group's portfolio companies or to the materialisation of the risks faced by D'Ieteren Group's portfolio companies and listed below.	A poor financial performance of D'Ieteren Group's existing portfolio businesses or the materialisation of a risk at the business level could impact D'Ieteren Group's reputation, shareholder value creation and lead to share price underperformance. Investors and analysts could lose their confidence in D'Ieteren Group if these developments are not transparently communicated. This risk could also lead to write-downs and impairment losses.
Mitigating actions	
D'Ieteren Group	• D'Ieteren Group closely and regularly monitors the performance of its businesses. • Any (negative) deviation from budgeted performance is being analysed and D'Ieteren Group suggests action plans to mitigate the impacts at the businesses level. • The diversified nature of D'Ieteren Group's portfolio naturally limits the risk of a simultaneous significant negative performance of the portfolio companies. • The Executive and Investment teams of D'Ieteren Group have established strong relationships with the management teams of businesses, fostering ongoing dialogue between the corporate and business teams. • Should the conditions be met to communicate on negative developments impacting the Group's communicated outlook, D'Ieteren Group would issue a press release.

Governance	
Risk description	**Potential impact**
Risk of a deficient governance (composition and functioning of corporate bodies, decision-making process). Compliance risk related to corporate governance regulations and laws (corporate bodies, remuneration).	A governance default could lead to a failure to achieve long-term strategic objectives. A deficient governance might lead to an imbalance of the interests of all relevant stakeholders (shareholders, management, employees, clients, suppliers, society, etc.).
Mitigating actions	
D'Ieteren Group	• As a listed company, D'Ieteren Group complies with corporate governance regulations which aim to provide adequate checks and balances in the decision-making processes of the company. D'Ieteren Group has approved a Corporate Governance Charter which provides clear guidelines for the functioning of the corporate bodies at the Group level. A Corporate Governance Statement is also included each year in D'Ieteren Group's Annual Report where a detailed review is provided of all corporate governance aspects of the company (including the remuneration of Directors and the Executive team). • D'Ieteren Group adheres to the 2020 Belgian Code of Corporate Governance and reports every year on any deviation from the recommendations of the Code. • D'Ieteren Group's Executive Committee members are Board members at the level of the businesses. The Group ensures that its businesses have governance frameworks and compliance procedures in place and that roles & responsibilities of the different corporate bodies have been formalized and clearly defined. • The Board of Directors at D'Ieteren Group possesses the necessary competencies in financial and sector-specific expertise. Additionally, the Board and its committees undergo annual training sessions covering specific topics such as ESG.

Listed companies regulation	
Risk description	**Potential impact**
Risk that laws and regulations governing listed companies are breached. D'Ieteren Group, as a listed company, is subject to regulations related to financial and non-financial communication, market abuse regulation and corporate governance (see previous risk).	D'Ieteren Group could face significant fines if laws or regulations are breached. That could lead to a loss of confidence from investors and analysts and D'Ieteren Group's share price and market capitalization could be affected. D'Ieteren Group could fail to attract capital under the form of equity or debt if needed. Non-compliance with non-financial reporting requirements at the level of the businesses could lead to reputational damage.
Mitigating actions	
D'Ieteren Group	• The consolidation process is based on a centralized accounting software to ensure consistency across businesses. D'Ieteren Group's Consolidation team checks that the financial figures of its businesses present a complete, accurate and reliable reflection of their financial performance and position. The Executive Committee checks that the consolidated results are aligned with the guidance provided to the market (if any). • The statutory and consolidated accounts are audited by the external auditor, who provides a report on these accounts. • A limited assurance is given on several ESG KPIs and the scope will be extended for the full report for FY-2024. • The financial and non-financial communication reports and press releases related to the full year, half-year results or other intermediary periods are reviewed by Executive Committee members, the Audit Committee and the Board of Directors prior to publication. They are also reviewed by an external auditor and subject to his signature. • The Group and its businesses closely monitor the evolution of reporting requirements and make sure to be properly staffed with experts in order to comply with these. In addition, trainings sessions, ESG workshops and other events are organized in preparation for additional requirements. • Policies and trainings are put in place where necessary, such as the Dealing Code to prevent insider trading. • See previous risk regarding mitigating actions in relation to corporate governance regulation.

Investment / divestment risk

Risk description	Potential impact
Risks related to poor investment / divestment decisions at the corporate level or at the businesses level. Risks related to the timing of those decisions. Risks that can arise from an ineffective execution of acquisition projects or the integration of newly acquired companies	Strategic M&A projects entail significant operational, financial and reputational risks. Failure to integrate operations can lead to disruptions, inefficiencies, or loss of productivity. An ineffective execution or valuation of acquisitions can have a significant financial impact. If the expected benefits of the merger or acquisition fail to materialize, stakeholders may perceive the deal as unsuccessful, which can tarnish the reputation of the acquiring company.

Mitigating actions

D'Ieteren Group	• For new investments, D'Ieteren Group has identified a limited number of investment sectors and determined its investment criteria. D'Ieteren Group has also elaborated a Responsible Investment Charter, which includes a clear governance regarding investment decisions. • For new investments, an in-depth due diligence is carried out and reviewed by an Investment Committee, the Strategic Committee and the Board of Directors. • This due diligence process includes an ESG analysis amongst other streams like IT, Financial, Legal, Commercial, etc. The ESG due diligence takes into account the possible transition and physical impacts of climate change on the potential investment. • D'Ieteren Group's annual strategic reviews considers the performance and the alignment of the different portfolio businesses with the Group's strategy and may lead to divestment decisions.
PHE	• Active in a fragmented industry, PHE acts as a consolidator and has a strong track-record in M&A execution and integration. • Its strong market knowledge as well as strict project management procedures allow PHE to assess the potential synergies and to effectively integrate newly acquired targets.

Treasury, liquidity & financing

Risk description	Potential impact
Risks related to treasury management decisions (indebtedness, dividend policy, share buybacks, treasury investments). Risks related to the timing of those decisions.	Poor treasury management decisions could lead to a lack of financial resources or difficulties to run the businesses' operations, and, at the Group's level, impact shareholder value creation and lead to share price underperformance. Investors and analysts could lose their confidence in D'Ieteren Group. This risk could also lead to write-offs.

Mitigating actions

D'Ieteren Group	• D'Ieteren Group's Board of Directors reviews regularly capital allocation decisions based on the risks and opportunities at the corporate and businesses levels. • D'Ieteren Group invests in activities while maintaining a solid financial structure (currently no external debt). D'Ieteren Group's activities are generally financed independently through non-recourse debt. • At the end of December 2023, D'Ieteren Group's net cash position amounted to €915m excluding shareholder loans. • Financial flexibility is ensured through a generally prudent treasury management policy. A treasury policy and reinforcement of the team and governance are in the process of being reviewed. • All businesses have dividend policies in place.
D'Ieteren Automotive	• D'Ieteren Automotive establishes a pluri-annual treasury plans, which are presented by the CEO and CFO to the Board of Directors. • Those plans foresee a large headroom in order to largely cover peak financing needs over the period.
PHE	• PHE establishes a 5 year business plan including financing and treasury outlook. It closely monitors its liquidity and debt maturity. • PHE's leverage is adapted to its cash flow generation profile and to its M&A strategy. • Based on the strong operating performance and resilience of PHE's operating model, S&P has upgraded PHE's credit rating to BB-, outlook stable. Moody's has affirmed the B2 credit rating, and upgraded the outlook from stable to positive.

Health & safety

Risk description	Potential impact
Risks related to safety and health of employees or third parties. Risks related to a pandemic outbreak (e.g. Covid 19).	Non-compliance with safety regulations and internal policies, processes, and procedures could lead to serious injury to employees or to third parties. These may in turn lead to reputational damage, lawsuits and fines. A pandemic outbreak and the potential related regulations and recommendations from governmental or regulatory bodies could lead to the inability for the businesses to run the operations.

Mitigating actions

D'Ieteren Group	• In case of pandemic, D'Ieteren Group and its portfolio companies comply with all regulations and recommendations issued by governmental or regulatory bodies in terms of health and safety related to a pandemic outbreak, or any event that could impact the safety of its employees (or those of its businesses). Key focus is protecting employees, customers and suppliers and then to prevent disruptions in operations. • In the event of a global health crisis, there is now an established IT infrastructure in place to guarantee both safe working conditions within physical workplaces and seamless transitions to remote work setups, ensuring the continuity of operations while prioritizing the health and well-being of employees. • Financial systems and controls at the level of the Group and its businesses allow to focus on cost mitigation measures and strict working capital, capex and financing policies securing and preserving ample liquidity positions.
Belron	• The Belron Safety, Health & Wellbeing Global Standards have been introduced in 2023, each business unit has conducted a gap analysis against these standards and developed an implementation plan that has been approved by the in-country senior leadership team. • The Belron 'Way of Fitting' processes include safety standards through its 'Quality starts with Safety' procedures. These methods, specialist tools, training courses, and assessments are developed and implemented across all locations. Improvement is supported by root cause analysis and targeted campaigns to address causation. • Extensive training programmes for all its technicians are delivered through locally based technical teams. • Each business unit is responsible for implementing measures to comply with global safety standards at a national level that reflects local safety requirements and standards. • Belron commissioned an independent third party to complete several health & safety reviews across key areas of the business; robust action plans were developed to further enhance performance and maturity.
PHE	• A risk and safety prevention plan, which has already been implemented throughout the company, is being further strengthened at several sites. • PHE supports each person working on its sites by providing them with the information and tools necessary for their safety. • PHE delivers dedicated employee trainings on safety, working conditions, fire safety and first aid.

Talent attraction & retention	
Risk description	**Potential impact**
Risks of failing to attract, motivate, and retain skilled individuals. The potential loss of talents can lead to a depletion of know-how, expertise, and competencies, emphasizing the importance of attracting, motivating, and retaining skilled personnel. Risks of employee dissatisfaction leading to a lower employee engagement, higher churn and absenteeism and potentially to strikes.	At D'Ieteren Group, the departure of key personnel or the failure to attract new talents may impact the monitoring of existing activities and positioning for acquisitions/divestments. Additionally, at the portfolio companies level, such factors as well as potential strikes could have a detrimental effect on strategy execution and financial performance.

Mitigating actions

D'Ieteren Group	• D'Ieteren Group strives at offering an excellent working environment to its employees. • Employee satisfaction surveys are conducted on a yearly basis (at the Group and businesses levels), which are followed by concrete actions. Development opportunities and trainings are offered to employees. • Competitive compensation (short- and long-term) packages vs. market are offered. Several employees benefit from a stock option plan. • The Group also supports its businesses in setting-up management long-term incentive plans, succession planning and in the recruitment of C-level positions.
Belron	• There is an established talent and succession planning strategy in place, that includes ongoing review and discussion at country-level, senior leadership and at the Group Executive Committee. • There is an Annual Global Employee Engagement survey that monitors employee's levels of engagement and their experience working for the company. This is followed up by sharing the results with the employees and creating robust action plans. • The business focuses on the development and growth of its people through specific initiatives on leadership development, ongoing training and internal promotion process.
D'Ieteren Automotive	• The Human Capital Management team aims at empowering and giving autonomy to managers to fully support the growth of D'Ieteren Automotive's high-performance organisation. • Performance planning, talent development and talent review processes are in place to help assess individual performance, detect development needs, reduce churn and anticipate talent needs. • The relationship with trade unions is subject to strict regulation, yet D'Ieteren is actively fostering a relationship that surpasses regulatory requirements.
PHE	• PHE focuses on developing employees' skills, which are key to the Group's performance and business development. Training projects are organised around three pillars: 1) discovering employees' skills, 2) guiding employees throughout their development, and 3) training employees through in-person sessions and online learning. • HR strategy is well structured and high-potential talents are identified and followed-up through an established people review system. • A succession planning strategy is in place for key executives. • PHE ran for the first time an engagement survey among its 3,600 employees in the automotive parts distribution business, resulting in a score of 90%.
TVH	• TVH did a detailed strategic Workforce Planning exercise in 2023, with every executive member, to determine the demand and supply for talent in the next few years. This model continues to be refined iteratively, with the input of all functional leadership teams. It also led to exploring additional talent hubs around the world. All of this will lead to a more systematic approach of managing talent.
Moleskine	• Moleskine pays great attention to talent retention through several initiatives encompassing talent development & career plans, assignment of responsibilities and rewards systems.

Geopolitical issues

Risk description	Potential impact
Risks that can arise from world geopolitical tensions on operations through the whole value chain.	Geopolitical tensions pose potential disruptions to the group's entire value chain, impacting sourcing, logistics, and distribution. It can lead to financial and operational challenges, negatively impacting revenues, and profitability.

Mitigating actions

D'Ieteren Group	• The Group's businesses closely monitor the geopolitical tensions and the potential impact they could have on operations. In general, the risk is relatively limited at the Group level given the generally diversified or diversifying exposure of its activities in terms of sourcing and of operations. • Businesses exposed to Russia / Ukraine comply with all EU sanctions.
Belron	• Belron has halted its franchise operations in Russia. • The Group actively monitors developments and potential impact of geopolitical issues, this process provides management with a base for making decisions.
TVH	• A specific track has been set-up to further define measures to tackle geopolitical risks related to TVH's activities. • Specifically related to Russia, TVH decided to disinvest and refrain from future operations.

Macroeconomic conditions	
Risk description	**Potential impact**
The Group and its businesses may be impacted by macroeconomic conditions (consumer demand, energy shortages, inflation, interest rates, foreign exchange).	The Group and its businesses can be negatively financially impacted by a general economic slowdown (less demand for new cars, notebooks, less miles driven, lower usage of equipment for which TVH or PHE distribute parts, ...). The Group and its businesses can be impacted by rising cost inflation, interest rates and by changes in foreign exchange rates.
Mitigating actions	
D'Ieteren Group	• The operations have historically proven to be relatively resilient to economic cycles. Nevertheless, none of the businesses are immune to a severe economic downturn. The businesses are constantly monitoring and responding to changes in market conditions. • Given their market positioning, the Group's businesses have the ability to mitigate cost inflation through supply diversification, relationship with suppliers and customer price increases. • Interest rates and foreign exchange exposures are managed and if deemed appropriate, mitigated by relevant financial instruments (hedges, caps,etc.). • Financial systems and controls at the level of the Group and its businesses allow to focus on costs mitigation measures and strict working capital, capex and financing policies securing and preserving ample liquidity positions.
Belron	• The Group actively monitors developments and potential impact through ongoing budgetary reviews, including any impact on key performance indicators. This process provides management with a base for making decisions regarding the range of products and services offered, their pricing and the optimum size of the operational platform. • There is ongoing monitoring of early warning signs for macro-economic changes in all business units and regular updates are shared with key stakeholders.
D'Ieteren Automotive	• D'Ieteren Automotive is exposed to interest rates fluctuations and regularly reviews its exposure and the appropriateness of its hedging policies. • New car sales are dependent on consumer confidence. D'Ieteren Automotive has historically proven to be able to cope with the possible consequences and meet the reorganising needs of its activities. In addition, the company is developing other mobility initiatives, aiming at building seamless and sustainable mobility for everyone.
PHE	• PHE's operations have historically proven relatively resilient. • Market studies also indicate that since 2021, several trends seem to be in favour of the automotive aftermarket: ageing car fleet, inflation, increasing regulation, electric vehicles, private label, increasing technology and complexity, sustainability and green parts.
TVH	• TVH has historically grown in markets that have shown resilience to economic cycles and is constantly monitoring and responding to changes in the market, and in customer or supplier behaviors, including OEMs. • TVH benefits from a low relative concentration of customer and supplier base, active in very different markets (i.e. different equipment types such as material handling, construction, industrial and agricultural equipment) and geographies, making its operating model relatively resilient to sudden disruptions. • Interest rate risk is regularly monitored and TVH keeps a financial structure that is suitable to its needs and cash-flow generation. • Inflation risk is managed through a diversified suppliers base and through a smart pricing tool allowing for efficient inflation pass-through to customers.

Compliance & Ethics

Risk description	Potential impact
Risks arising from a lack of compliance, among others related to fiscal regulations, anti-money laundering and bribery, GDPR or a lack of compliance with ethical business practices (human rights, labour rights, environmental restrictions, etc) through the whole value chain.	If D'Ieteren Group or its businesses fail to comply with applicable laws and regulations or operate unethically it could lead to claims and fines. It could have adverse financial and reputational impact. Not ensuring compliance, particularly regarding fiscal matters and transactions vulnerable to money laundering, may result in both financial penalties and a damaged reputation.

Mitigating actions

D'Ieteren Group	• Raising and maintaining awareness of compliance procedures, fraud and anti-money laundering measures • Control processes for tax regulation compliance include internal reviews and external audits. • Codes and procedures, supervised by the Chief Legal Officer, are being implemented and well-advertised internally to ensure compliance with laws and regulations. The evolution of laws and regulations are being monitored on a continuous basis. • D'Ieteren Group implemented a Code of Conduct in 2022 and employees have received a training on the subject. The code covers compliance and ethical aspects. A whistleblowing policy has been implemented and presented to each employee.
D'Ieteren Automotive	• Legal advisory proactively provides guidelines with regards to customer protection law. • Control processes for tax regulation compliance include internal reviews and external audits. • An independent Data Protection Officer has been appointed and various trainings are organized for high risk profile employees who have access to personal data. Actions to protect data and ensure compliance with GDPR including continuous assessment of suppliers as well as a dedicated department in charge of GDPR related topics have been put in place. • "The Way We Work" is a guide providing guidance on how to behave when working at D'Ieteren Automotive. All Staff Members should comply with it. This guide, as well as D'Ieteren Automotive's values are available on the Intranet and shared to all Newcomers at the signature of the working contract
PHE	• A dedicated team under the responsibility of the Internal Audit and Compliance Director monitors the compliance of anticorruption and GDPR systems. • A maturity index of regulatory compliance domains has been launched in 2023. • A dedicated Code of Conduct is being prepared and should be publish in 2024.
Moleskine	• The risk of non-compliance with GDPR is monitored by an external Data Protection Officer. • Moleskine updates and maintains continuously its privacy processes and procedures. The cookie policy is compliant with the latest guidelines. • Moleskine engages proactively with suppliers on their environmental performance and on social well-being and human rights respect: 100% of relevant suppliers of finished products in 2023 were SEDEX members (they share their social audits and other certifications with third parties). • After external assurance process for 2023 KPIs: 97,4% of purchases come from suppliers of goods that have ISO14001 and 98,3% from suppliers with SA8000 certifications.

Market shifts and conditions, brand & reputation	
Risk description	**Potential impact**
Risks associated with changing economic conditions, disruptive technologies, competition, as well as changing consumer habits or behaviour. Risk arising from the potential that negative stakeholder opinion or negative publicity regarding business practices or any other event or behaviour, or rumour, whether true or not, adversely impacts the perception on the company of the public and other stakeholders. These include the risk of changes in consumer behaviour driven by shifts in automotive or mobility policies, influenced by factors such as fiscal policies and climate change.	Economic conditions, market trends, regulations, and disruptive technologies can influence financial outcomes. Changes in regulations and market trends can affect the sales volume, and pricing. Slow adaptation to changing customer behaviour pose risks to sales and consequently revenues. A negative perception of stakeholders can lead to a higher trading discount, a decline in market capitalisation, difficulties to attract talent, less investment opportunities and constrain the development of the Group's businesses.

Mitigating actions

D'Ieteren Group	• As a listed company, D'Ieteren Group complies with the corporate governance regulations and ensures a transparent and open communication towards the market. The regular financial communication is reviewed internally and audited. Additionally, roadshows and investor days are being organised to ensure a good understanding of the Group's strategy and financial performance. The Head of Financial Communication maintains dialogue with investors, soliciting and gathering feedback from analysts and stakeholders on a regular basis. • The Head of Corporate Communication ensures that all communication channels are effectively utilized to disseminate pertinent information to shareholders, stakeholders, and the broader market, fostering trust and transparency. • In terms of Sustainability, regular stakeholder dialogues are being organized in order to better assess stakeholders' expectations or concerns. D'Ieteren Group reports on its ESG progress annually.
Belron	• Belron monitors the potential introduction, or changes, to industry regulation, and determines appropriate responses and actions. • Through lobbying and other activities, Belron seeks to ensure continued aftermarket access to necessary RMI and parts/technology, including through participation on working groups/lobbying the European Commission on the current Motor Vehicle Block Exemption renewal, to allow for a healthier competitive environment.
D'Ieteren Automotive	• D'Ieteren Automotive's vision aims at building seamless and sustainable mobility for everyone with the ambition of being the natural choice in Belgium for mobility. New mobility solutions are being explored and developed. • The rising penetration of electric vehicles and new digital products also creates new opportunities (e.g. Electric by D'Ieteren) and Volkswagen's hybrid and full electric vehicle offering is also set to expand with an attractive pipeline of products. • D'Ieteren Automotive closely monitors customer satisfaction, which is a management short-term incentive KPI and is addressed and analysed once a month. Action plans are then put in place in order to further improve customer satisfaction.
PHE	• Given its market positioning, PHE has a very deep knowledge of any market trends and is well positioned to seize potential opportunities arising from the gradual shift towards electric powertrains or other changing technological specifications. It maintains a wide and diversified product offering to meet its customers' needs. • PHE is constantly monitoring and responding to changes in the market, and in customer or supplier behaviour, including OEMs. The markets in which PHE operates tend however to be fragmented and PHE is positioning itself as a consolidator to strengthen its market share and economies of scale. The Group company also differentiates itself on the basis of its wide product offering, superior better delivery times and offering of value-added services.
TVH	• TVH has over the past years drastically invested in its assurance activities including identification of legislative and stakeholders requirements and measures to meet these requirements.
Moleskine	• Moleskine's multi-channel strategy, including Wholesale, Strategic Partnerships, Retail and e-Commerce mitigates the risk of failure of distribution partners through business diversification. • Moleskine focuses and invests on positioning and branding and on technology in order to keep its premium positioning and brand value.

Cybersecurity

Risk description	Potential impact
Risks of cybersecurity threats, including the potential for prolonged outages or data privacy incidents. Additional concerns encompass information security, cyber-crime, customer platform malfunctions, and obsolescence of critical IT services.	Cyber-attacks or disruptions in customer-facing platforms may lead to business interruptions, ransom payments, and financial and reputational harm. Data leaks and privacy non-compliance can result in fines, reputational damage, and loss of trust from consumers, factories, and employees.

Mitigating actions

D'Ieteren Group	• D'Ieteren Group has a SLA (Service Level Agreement) in place with D'Ieteren Automotive regarding IT. D'Ieteren Automotive also monitors cybersecurity and technical / software and physical controls are installed. A cyber roadmap has been prepared to enforce controls that protect against cyber threats and prevent compliance / confidentiality breaches. Cyberinsurance has been contracted by D'Ieteren Automotive. • A learning Program is in place to raise awareness of our employees. • D'Ieteren Group has hired in 2022 a Digital and Innovation Director who is facilitating cybersecurity best practice sharing across our activities in terms of cybersecurity. • D'Ieteren Group ensures that cybersecurity remains high on the agenda of the management teams.
Belron	• The Group's global cybersecurity programme continues to be embedded, this includes global cybersecurity tools, a global employee education and awareness campaign and governance framework. • Belron conducts annual internal and external assessments of general IT controls, measured against industry recognized security, risk and compliance frameworks for control effectiveness and continued relevance. Remedial actions are captured, risk assessed, and appropriate actions are taken by business units as required. • Annual, third-party, comprehensive penetration testing is conducted against all areas of the business (internally and externally facing systems and networks). Remedial actions are prioritised and tracked by global cybersecurity programme, with management oversight.
D'Ieteren Automotive	• Technical / software and physical controls are installed. The Chief Information Security Officer (CISO) reports directly to the CIO, who also has the responsibility of Business Resilience. It includes for instance the capacity to anticipate major problems and risks and to put in place the right action plans. A cyber roadmap to enforce controls that protect against cyber threats and prevent compliance breaches has been defined and is being implemented.
PHE	• PHE has implemented security policies governing its IT infrastructure (including hardware, network, websites, ordering platforms, applications and other IT platforms). • PHE also employs a range of physical and digital safeguards designed to provide security around the collection, storage and access of information that it has in its possession.
TVH	• TVH has conducted an extensive lessons learned exercise after a recent cyber-attack and has taken immediate measures and defined medium and long term measures to further strengthen its cybersecurity capabilities. • TVH has a global CISO in place, supported by a central cyber security team. This team sets the overall strategy and implements industry-standard capability in cybersecurity, guided by international standards and maturity targets (e.g., NIST). Significant investments in the last few years to ramp up cyber defence and disaster recovery have been made and are further planned. • TVH conducts regular internal and external assessments of general IT controls, security and system risk. • TVH manages data protection through a set of processes, training and GDPR-compliant policies. GDPR and data-compliance is managed by a specialist in the global legal department, who acts as the Data Protection Officer.
Moleskine	• While the cybersecurity maturity assessment has been completed, a number of actions have already been implemented in 2023 such as the hiring of the CISO, the training on cyber risks for employees, the third phishing campaign, the segregation of duties implementation and the Third-party risk management Policy. The full roadmap to reach the expected maturity level has been approved by the Audit Committee that is regularly updated about its progresses.

IT infrastructure	
Risk description	**Potential impact**
A prolonged failure of IT systems / functionality, due to ageing systems in place, could lead to delays in customer service delivery.	IT system and protocol failures can also cause business disruptions, negatively impacting sales and financial results. IT failure or inefficient disaster recovery plans could lead to a decline in service levels and customer satisfaction and, hence, to reputational damage and potential compliance breaches.

Mitigating actions	
Belron	• Disaster recovery plans are in place for all key systems across the business, these continue to be reviewed to assess their adequacy and identify any areas of improvement. • The Group has a Technical Discovery Programme to assess its IT systems / functionality in relation to the major technology projects and sequencing of systems being replaced. • There is an established global incident and problem management process in place to support key IT infrastructure.
PHE	• A comprehensive ERP change roadmap has been established and is now being deployed at Group level. • Back up and redundancy measures has been taken in order to improve the Group IT infrastructure resilience
TVH	• Disaster recovery plans have been made and are further planned. • Substantial investments in safety protocols, regular audits, and monitoring systems reinforce TVH's commitment to a secure and resilient operational environment, aiming to enhance shareholder value through sustained excellence.

Major Projects & Transformation	
Risk description	**Potential impact**
Risk of not achieving (or with significant delay) the intended benefits in major projects due to their extensive scope and complexity. This risk extends to any critical project & transformation plan essential for executing the overall strategy.	Strategic projects pose significant operational, financial, and reputational risks. The company's ability to achieve growth and profit goals is fundamentally tied to the success of these initiatives. Failing to deliver the intended benefits could lead to turnover loss, service delays, and additional costs.
Mitigating actions	
Belron	• Belron has established a comprehensive Programme Management approach for the Acceleration & Transformation (Fit for Growth) project. Each work stream has an executive responsible for its success, with overall co-ordination of the project being controlled by a member of the Group Executive committee. • We have ongoing independent third-party assurance reviews on our Programme Management approach and activities, the results for which have been and continue to be incorporated into our Fit for Growth project. • Financial and non-financial performance metrics are in place for each work stream which are collected, reviewed, and acted upon monthly.
D'Ieteren Automotive	• The governance related to projects has been defined and the Transformation Office ensures the follow-up and implementation of the initiatives. Division program managers are responsible for overseeing projects in every department and have been trained in project management.
PHE	• PHE has established a robust Governance framework to follow up the progress and mitigate risk of the transformation projects, including ISIT, Business and Finance teams.
TVH	• There is a governance framework in place for the TVH transformation programme. The programme is governed through steering committees, sponsors, project leads and dedicated teams. There is a corporate programme management & change team, regularly reviewing the programme progresses, KPIs and milestones. • The program portfolio is monitored by the Global management team on a regular basis.
D'Ieteren Immo	• The financial situation of the contractors is thoroughly screened. For example, credit reports are consulted when large projects are undertaken and insurance coverage is taken. • A safety coordinator is assigned by D'Ieteren Immo. During site meetings contractors are repeatedly reminded of the safety requirements. • Projects are carefully scrutinized before being approved. D'Ieteren Immo has not only expertise in dealership real estate but also in other segments (e.g. offices, retail and residential). During construction an analysis is made when cost overruns occur in order to choose the best scenario: postpone, stop or adapt the timeline of the different phases of the construction project. • Warranties are requested from the contractor in order to ensure the risk of responsibilities during construction phases. • A climate impact analysis has made D'Ieteren Immo more aware of the risk climate change poses to construction projects and the company continues its work to build climate resilience across its real estate assets.

Supply Chain Disruptions

Risk description	Potential impact
Risks concerning potential disruptions in the supply chain, including external events or geopolitical situations affecting various aspects like suppliers, materials, workforce, and transportation.	Disruptions in the supply chain and logistics may cause delays in customer service, impacting satisfaction, reputation, and potentially resulting in lost turnover or increased costs. Risks to revenues and results exist if suppliers fail to meet contractual obligations, with increasing costs of resources due to climate change also posing a threat.

Mitigating actions

Belron	• Business Continuity Plans are designed to ensure resilience of operations should a significant adverse event occur. • The Belron Supplier Code of Conduct sets out the underlying principles on which supply chain relationships at Belron are based, including environmental considerations, responsible sourcing, and sustainability. • A Supplier Sustainable Procurement programme monitors suppliers’ adherence to the Code of Conduct and supplier due diligence/ audits are carried out on an annual basis to help support the transparency and robustness of the supply chain. • Established process in place for continuous assessment and forecasting of inventory levels based on external environment, risk and lead time.
D’Ieteren Automotive	• D’Ieteren Automotive is dependent on the delivery of cars by VW factories. In case of disruptions in supply chains, D’Ieteren Automotive maintains close dialogue with the VW Group and manages the customer relationships. • D’Ieteren Automotive has been relatively agile in financially mitigating the effects of lower production levels in 2021 and 2022.
PHE	• PHE maintains two distribution flows for spare parts: a direct delivery flow from suppliers to distributors and a platform-based flow from suppliers to distributors via the Group’s logistics platforms, thereby reducing the risk associated with potential disruption. In addition, for some of PHE’s logistics platforms, temporary disruptions may be partially or entirely offset by shifting operations to nearby logistics platforms.
TVH	• TVH has (1) a very dispersed supplier base which allows generally to mitigate risks when one supplier is unable to deliver, and (2) there is a constant monitoring of demand and inventory levels, service levels and lead times. • Moreover, TVH has built up significant inventory, which, particularly when faced with global supply chain issues and even with sudden increases in demand, has allowed it to service customers. • Inventory levels, stockouts, lead-times and customer delivery times are monitored and action is taken when KPIs deviate from the target.
Moleskine	• Moleskine maintain multiple sources of production of raw materials and finished products in order to balance supply flows in case of potential disruptions, global supply chain issues and criticalities with a single supplier. Risk can be mitigated shifting production promptly across regions and different suppliers.

Product & service quality	
Risk description	**Potential impact**
Risk in product failure, potential for defects, inconsistencies, or compliance with standards. Risks related to the consequences of defective products for clients.	Product failure may impact operations and reputation resulting in reduction of sales volumes and erode customer loyalty. Additionally, it can incur material losses and costs as a result of product liability, warranty or recall claims.
Mitigating actions	
Belron	• The key fitting steps are codified within the Belron 'Way of Fitting' processes. These methods, specialist tools, training courses, and assessments are developed and implemented across all locations, with local assurance assessments carried out. • Extensive training programmes for all its technicians are delivered through locally based technical teams. • Established global serious incident escalation process is in place across the business, including mechanism for learnings and improvement to be made.
D'Ieteren Automotive	• A complete and mature process is in place to manage the recall actions launched by the factories. That reduces the importance and the probability a failure happens in a recall action. • The good relationship between D'Ieteren Automotive and the factories allows to receive information about the potential problems/stories experienced in other countries or other brands. This provides the opportunity to alert and reduce the potential magnitude and probability of the risk.
PHE	• Parts are rigorously selected and are subject to enhanced quality control. • With respect to PHE's logistics platforms, ACR, Cora, and Doyen are ISO-9001-certified
TVH	• TVH has implemented a quality assurance approach for each of its products and suppliers, due to which quality issues are detected and handled before placing products on the market.

Competition law	
Risk description	**Potential impact**
Risks encompass potential breaches of competition laws, prohibiting anticompetitive practices and abuse of dominance, as well as violations of laws and regulations governing consumer-facing businesses.	An infringement could result in legal proceedings, regulatory fines or remedies, damages to affected parties and potential criminal charges.
Mitigating actions	
Belron	• Established policies, procedures, and guidance/training related to such risks are in place as appropriate and are updated as necessary. • Internal and external led Competition law audits/assessments are carried out where necessary, across the business. • Outcomes arising from this assurance work are separately reported to the Audit Committee and/or the Board. • Advice and opinions are also sought from specialist external counsel, as and where thought appropriate.
D'Ieteren Automotive	• The Legal Advising department contributes to avoid substantial non-compliance with laws and regulation, in particular the Competition Law. The team is often consulted for advice. • In particular, the Legal Advising department benefits from a close cooperation with a law firm specialised in Competition law. • Individual and collective trainings are also organised to raise awareness of best practices to make sure to avoid any breach.

Critical infrastructure management

Risk description	Potential impact
Risk of potential catastrophes, resulting from but not limited to natural disasters, firesand explosions at critical sites.	Potential catastrophes at infrastructure situations may pose threats to people's safety, accessibility and operations of critical facilities.

Mitigating actions

TVH	• TVH has ensured full sprinkler coverage and maintained a good level of compartmentation at critical locations, invested substantially in advanced early detection systems, and implemented rigorous training programs for employees and contractors. • For flood mitigation, ongoing investments include a comprehensive maintenance program for water drainage systems and collaborative efforts with relevant authorities. TVH strategically consults with insurers during project planning to incorporate flood protection measures. • Overall, substantial investments in safety protocols, regular audits, and monitoring systems reinforce TVH's commitment to a secure and resilient operational environment.

Relationship with VW

Risk description	Potential impact
Risk related to the loss of one or more distribution contracts with Volkswagen Group. Risk that Volkswagen Group might take strategic directions which could harm D'Ieteren interests.	A change in the relationship D'Ieteren Automotive has with Volkswagen Group could have a negative financial impact, and lead to redundancies and reputational damage.

Mitigating actions

D'Ieteren Automotive	• The relationship with its key supplier is based on D'Ieteren Automotive's ability to demonstrate its added value through state-of-the-art logistics, the professionalisation of the Belgian dealer network and in-depth knowledge of the Belgian market. A transparent and trust-based relationship allows D'Ieteren Automotive to always keep an open dialogue with the Volkswagen Group.

Climate change

Risk description	Potential impact
Physical and transition risks related to climate change.	Physical risks could impact our businesses' property and infrastructure. Transition risks, related to policy, legal, and technological changes could have a significant impact on high-emissions industries in our values chains and in the availability of certain resources. Changes in consumer behaviour and attitudes could also impact our businesses.

Mitigating actions

D'Ieteren Group	• D'Ieteren Group recognizes the importance to assess and manage climate-related risks in a proactive manner. Therefore, D'Ieteren Group is undertaking since 2021 an analysis of Climate risks through its portfolio following the TCFD framework. In the coming years, the idea is to continue deepening the understanding of the Group exposure to these risks and adopt the appropriate mitigating actions where needed (p.208).
Business	• As part of the Double Materiality assessment undertaken by D'Ieteren Group and each of its businesses, climate change mitigation and climate change adaptation risks were assessed. For more information on their environmental approach see their respective non-financial disclosure.

5. Capital information

5.1. Denominator

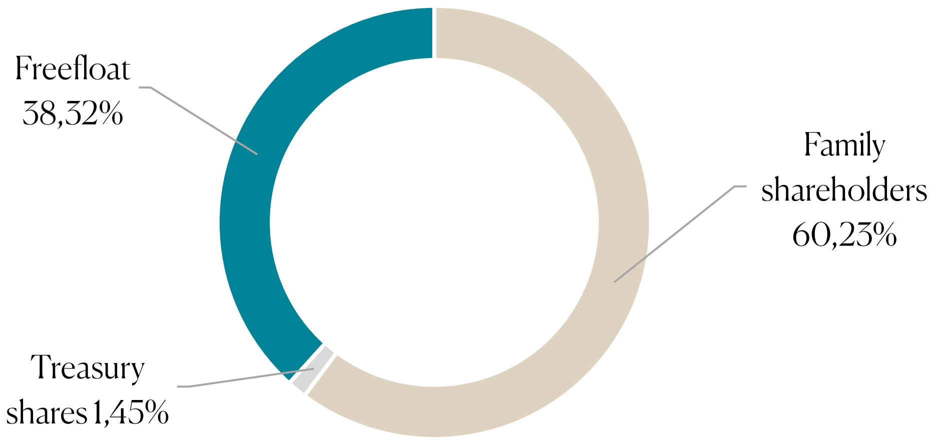
At 31 December 2023	Number	Related voting rights
Ordinary shares	53,708,999	53,708,999
Participating shares*	5,000,000	5,000,000
Total		**58,708,999**

* Participating shares means shares with voting rights and economic rights equal to 1/8th of the dividend and liquidation rights.

5.2. Shareholder structure

At 31 December 2023	In share capital	In voting rights
Family shareholders	60.23%	63.62%
of which Nayarit Group	*32.94%*	*36.53%*
of which SPDG Group	*27.29%*	*27.09%*
Treasury shares	1.45%	1.32%
Freefloat	38.32%	35.06%

Pie chart in share capital



5.3. Disclosure of significant shareholdings (transparency law)

In compliance with article 14, paragraph 4 of the law of 2 May 2007 on the disclosure of significant shareholdings, the Company's shareholding structure as at 31 December 2023, on the basis of notifications received by the Company, is presented in Note 22 of the financial statement.

The Company is not aware of any subsequent notification modifying the information presented in Note 22.

5.4. Elements that can have an influence in case of a takeover bid on the shares of the company

In accordance with Article 74 § 7 of the Law of 1 April 2007 on takeover bids, the Company received on 14 December 2023 a notification from the Nayarit group (whose members are listed in Note 22 of the Consolidated Financial Statements, which mentions that, either separately or acting in concert with other people, this group held more than 30% of the voting shares issued by the Company. This notification remains relevant at the date of this report.

The Extraordinary General Meeting of 6 June 2019 renewed the authority of the Board:

- To increase the share capital once or several times by no more than EUR 60 million. The capital increases to be decided upon in the framework of the **authorised capital** can be made either in cash or in kind within the limits set by Belgium's Companies and Associations Code, or by incorporation of available as well as non-available reserves or a share premium account, with or without the creation of new shares, either preference or other shares, with or without voting rights and with or without subscription rights. The Board of Directors may limit or waive, in the Company's best interest and in accordance with the conditions determined by the law, the preferential subscription rights to the capital increases it decides upon, including in favour of one or more determined persons;
- To issue, within the framework of the authorised capital, convertible bonds, subscription rights or financial instruments, which may grant rights to Company shares, under the conditions defined by the Companies and Associations Code, up to a maximum, such that the amount of the capital increases that might result from the exercise of the above-mentioned rights and financial instruments does not exceed the limit of the remaining authorised capital, as the case may be without taking into account the preferential subscription rights of bondholders.

Without prejudice to the authorisations given to the Board of Directors described in the preceding paragraphs, the Extraordinary General Meeting of 25 May 2023 also renewed the authority of the Board of Directors, for a renewable 3-year period, to proceed – in the event of takeover bids on the Company's shares and provided the required notification has been made by the FSMA within 3 years of the decision of the General Meeting – with capital increases by contribution in kind or in cash, as the case may be without taking into account the preferential subscription rights of shareholders.

The Extraordinary General Meeting of 25 May 2023 also approved the renewal of the 5-year authorization granted to the Board concerning the acquisition, transfer or cancellation of own shares under legal conditions, notably to cover stock option plans for managers of the Company, and to carry out the share buyback programmes decided by the Board of directors.

In the event of a risk of serious and imminent harm occurring to the Company, the Board of Directors has the authority to transfer treasury shares either on the market or through a sale under the same conditions to all shareholders in compliance with the applicable legal conditions. This authorisation applies, under the same conditions, to the purchase or transfer of shares held in the Company by its subsidiaries as stated in articles 7:221 to 7:225 of the Companies and Associations Code.

The rules governing the appointment and replacement of Board members and the amendment of the Company's articles of association are those provided for by the Companies and Associations Code.

Non-Financial Disclosure

Content

Introduction to Non-financial Disclosure

In the ever-evolving ESG environment, Non-Financial Disclosure has become an integral part of any corporate commitment to sustainability. This disclosure includes all the information, both quantitative and qualitative, related to D'Ieteren Group's responsible investment approach and the ESG performance of its businesses.

The first section covers D'Ieteren Group as an investment company. It includes the responsible approach led by the Corporate Team and its ESG performance. Taking into account D'Ieteren Group investor profile, the carbon footprint is presented according to the GHG protocol for Financial Institutions (as used for SBT and CDP reporting by D'Ieteren Group). In that protocol, the scopes 1 and 2 emissions of the Group's businesses are included into Scope 3 (category 15). The EU Taxonomy reporting, according to the EU requirements, presents its taxonomy-KPIs consolidated as the financial consolidation, i.e. taking into account the Group's businesses that are fully consolidated.

The following sections are dedicated to the respective reporting of its businesses: Belron, D'Ieteren Automotive, TVH, Moleskine, D'Ieteren Immo and, for the first time, PHE. Although the GRI reporting standard has been used as a basis over the past years, this year D'Ieteren Group decided to base some information on the European Sustainability Reporting Standards (ESRS) to prepare for the forthcoming European sustainability reporting regulation.

Collecting and processing information and metrics is key for the development of the Group's ESG approach, as they enable the Group to assess the current situation, set targets and monitor progress. The Group is therefore working on the continuous improvement of the data, which implies some necessary restatements over the years. Any significant restatements are highlighted and clarified in the accompanying notes to ensure that stakeholders are provided with comprehensive information about the reasons and implications of such adjustments.

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG. All social data presented in this report reflect the status as of 31 December 2023 (except for TVH). Any changes or developments occurring after this period are not reflected in the data provided herein. Additional background information on the calculations and formulas used for ESG data can be found on p.315.

D'Ieteren Group

1. D'Ieteren Group

Based in Brussels, D'Ieteren Group is a family-controlled listed investment company with businesses operating internationally. The Group aims to build a family of businesses that reinvent industries in search of excellence and meaningful impact. The Group plans to create a positive impact by investing in purposeful companies and supporting their development. This vision is underpinned by a particular investment strategy characterised by long-term support to a limited number of companies. D'Ieteren Group upholds five fundamental values: Entrepreneurship, Curiosity, Courage, Care and Respect.

D'Ieteren Group consists of a team of 26 people, including four members of the Executive Committee (the CEO, CFO, CLO and CIO), a nine-person investment team as well as ten experts involved in financial reporting and communication, legal affairs, digital, and ESG. In addition, the team is strengthened by three personal assistants who support the team.

The Group is currently invested in six businesses:

- Belron (54.79% of voting rights), a worldwide leader in vehicle glass repair, replacement and recalibration ("VGRRR").
- D'Ieteren Automotive (100%), the distributor of VW brands in Belgium which is evolving towards becoming a provider of mobility products and services.
- PHE (91.26% of voting rights), an omnichannel distribution leader in the independent aftermarket for vehicle spare parts, holding strong positions in Western Europe.
- TVH (40%), a global one-stop shop for parts and accessories for material handling and industrial and agricultural equipment.
- Moleskine (100%), an iconic and aspirational brand born from the heritage of a legendary notebook which designs and distributes its writing and travel accessories through a multichannel strategy.
- D'Ieteren Immo (100%), responsible for managing the real estate assets owned by D'Ieteren Group in Belgium, most of which are rented by D'Ieteren Automotive.

2. Strategy for Value Creation

D'Ieteren Group seeks to invest in growth platforms that fit D'Ieteren Group culture and have a strong approach to people and customers; businesses that are or could become leaders in their market and have demonstrated the sustainability and scalability of their business model. D'Ieteren Group believes that this is the best formula for value creation.

The investment and expert teams support businesses in relation to various dimensions, including their purpose, ambition, strategy, execution, organisation, people, and reinvention. As a cross-cutting theme, sustainability has been integrated into each of these. In doing so, D'Ieteren Group's team acts as an enabler to create value for employees, customers, and the society as a whole.

D'Ieteren Group focuses on five priorities to create value with its businesses:

- creating fair and stimulating work environments which fosters employee engagement,
- helping its businesses provide high-quality products and services to generate world-class customer satisfaction rates,
- helping its businesses monitor and reduce their environmental footprint,
- encouraging and supporting innovation within its businesses in the interest of all their stakeholders, and
- applying responsible governance.

To create shared value for all its stakeholders, the Group must understand their needs and expectations. As a family-controlled listed company, engaging with shareholders and investors and answering their questions is part of the day-to-day business. In 2019, the Group also initiated a dialogue with other stakeholders, such as financial authorities and civil society representatives as part of a group-wide materiality analysis. This dialogue was aimed at identifying areas of focus for sustainability and at ensuring that the expectations of the Group's stakeholders were not taken for granted. This exercise was renewed in 2023-2024, in the form of a Double Materiality Analysis as part of the Corporate Sustainability Reporting Directive (CSRD) implementation process.

3. ESG Governance

3.1. Roles and responsibilities

ESG issues are addressed at all levels of governance.

D'Ieteren Group's Board of Directors ensures oversight of the Group-wide ESG strategy. Its members are updated at least twice a year on the evolution of the Group's ESG strategy and performance. In 2023, specific sessions of the Board's meetings were dedicated to Sustainability, with businesses presenting their strategy.

The Strategic Committee reviews ESG aspects in the context of new investments and monitoring of the existing businesses.

The Audit Committee reviews the risks, including ESG risks faced by the Group and its businesses, at least twice a year. The Audit Committee is also responsible for the Corporate Sustainability Reporting. It is therefore regularly updated on the implementation of the European Sustainability Reporting Standards which the Group has to apply next year.

The Nomination and Remuneration Committee approves and reviews the non-financial targets included in the variable remuneration of the Group's Executive Committee and the businesses' CEOs. Its role is also to ensure that the composition of the leadership allows ESG issues to be properly managed and integrated.

Through the ESG Steering Committee, composed of the Executive Committee and the ESG team, the Executive Committee supervises the development and implementation of the Group's ESG strategy. This Committee meets on a monthly basis.

The ESG team is responsible for developing and implementing the Group's ESG approach. Its members support businesses in developing and implementing their sustainability strategy. In addition, they engage in a dialogue with the Group's stakeholders and keep abreast of the evolving trends in the fields of ESG and sustainable finance in order to act as a knowledge hub in support of the whole team, thereby ensuring effective ESG integration.

A CSRD Steering Committee has been implemented to oversee the implementation of the new EU sustainability reporting standards. It is composed of the ESG, Finance and Legal Teams, thereby combining financial and non-financial expertise to best prepare for the requirements of the new standards in terms of data accuracy and audit. This Committee is meeting on a monthly basis until new reporting processes are well established.

The Investment Team is responsible for ensuring that ESG aspects are embedded in each stage of the investment cycle. Throughout the process, they liaise with the ESG Team which ensures that key ESG drivers are properly incorporated into their analyses. They also receive regular training from the ESG team on the evolving ESG landscape to help them identify related business opportunities and best support operating businesses managing these aspects.

Businesses are expected to appoint each at least one person to coordinate their sustainability approach. D'Ieteren Group's ESG team members, accompanied by Investment Managers, hold regular discussions with their counterparts in the businesses about progress on sustainability roadmaps and closely collaborate with them to produce their ESG reporting. At least once a year, Businesses' Sustainability Experts gather at D'Ieteren Group's headquarters to address current and emerging challenges and exchange best practices.

For more information on the composition of governance bodies and executive remuneration please refer to the Corporate Governance Statement.

3.2. Group-level policies

D'Ieteren Group has adopted various policies governing both its business conduct (at the Corporate level) and its investment approach (at the operating businesses level).

First, the Responsible Investment Charter drives D'Ieteren Group's integration of ESG considerations across its entire investment cycle, from the initial screening to the ownership phase. However, due diligence does not stop with the investment decision: being an active owner includes important responsibilities such as managing the environmental and social impacts of our investees. As a responsible owner, the Group ensures that each of its businesses has the relevant policies and processes in place to manage the impacts of its operations and value chain on society.

Second, D'Ieteren Group has formalised certain policies and guidelines to drive the corporate conduct of its own Corporate team. The Code of Conduct, implemented in 2022, sets minimum standards in selected areas to which every employee is expected to adhere. It sets guidelines for business management and compliance with legal and ethical standards. It also expects suppliers, service providers, and other business partners to be aware of and to comply with the provisions of the Code of Conduct that applies to them.

The Code of Conduct covers several important topics:

- Promoting equity and inclusion within the context of D'Ieteren Group's operations and prohibiting any form of discrimination against employees or applicants;
- Ensuring the best possible working environment and respecting work-life balance to support people welfare;
- Committing to respect the UN Universal Declaration of Human Rights and the conventions and recommendations of the International Labour Organisation;
- Defining and implementing processes in the event of a conflict of interest or related-party transactions;
- Providing guidelines on the way D'Ieteren Group should interact with its suppliers and business partners;
- Complying with the Dealing Code to ensure the confidentiality of inside information and prevent market abuse;
- Complying with GDPR in terms of data protection, in line with the Group's Privacy Policy;
- Prohibiting any act of corruption or bribery, money laundering, as well as the financing of political parties.

Compliance with the Code of Conduct is everyone's responsibility. The legal team provided a specific training to the entire team in 2022 and provides a similar training to new employees. Due to the small size of the D'Ieteren Group Corporate team, the legal team is easily approachable as an advisor in the implementation of these policies.

D'Ieteren Group's legal department is responsible for the monitoring and reporting of any breach of the Code of Conduct (to the Board of Directors) and serves as first point of contact for any questions or comments relating to this Code of Conduct. The principle of non-retaliation is applicable and the whistleblowing policy was implemented in 2023. In the event of a breach, D'Ieteren Group may take disciplinary actions (e.g., warning, suspension with or without pay, or dismissal for cause).

Both the Responsible Investment Charter and the Code of Conduct have been approved by the Board of Directors and will be reviewed every three years.

4. Responsibility as an Investor

4.1. ESG roadmap

As part of its commitment to sustainability and responsible investment practices, D'Ieteren Group has implemented a comprehensive 2020-2025 ESG roadmap. The table below outlines the goals and key achievements of the Group in this respect.

		Ambition 2025		2023 status
Responsible Investment	Investment process	ESG is embedded in every stage of the investment process.	Achieved	As a signatory of PRI, in 2021 D'Ieteren Group formalised its responsible investment approach covering the entire investment cycle, from screening investment opportunities and formulating investment theses to the due diligence, deal completion and ownership phases, in the form of a Responsible Investment Charter. On top of the minimum safeguards and legal and ethical principles, the latter includes a policy excluding investment in companies directly involved in the following sectors: tobacco, weapons, pornography, and gambling. Considering the impact on climate change of energy obtained from fossil fuels, no investments are made in companies with revenues predominantly derived from coal, oil or gas extraction.
Responsible Investment	Non-financial reporting	Non-financial reporting gets limited independent assurance and is aligned with the most recognised standards and recommendations. This ambition will evolve to fit the new EU standards.	Ongoing	In 2023, D'Ieteren Group continued helping its businesses to prepare for the upcoming Corporate Sustainable Reporting Directive. In November, the businesses' Sustainability and Finance teams gathered at the D'Ieteren Group Headquarters to train on these new EU requirements. Since 2020, a specific set of ESG Key Performance Indicators (KPIs) has been subject to limited external assurance, paving the way for the development of enhanced collection process for sustainability data and allowing for better data quality and reliability. In 2023, this exercise has been reinforced with particular attention paid to the governance of ESG reporting, both at the Group and at the businesses levels.
Active ownership	Businesses-specific aspects	Each business has a strong sustainability strategy focusing on its most material aspects, including quantitative targets and a proper measurement process.	Achieved	D'Ieteren Group is committed to supporting its six businesses in developing a sustainability strategy tailored to their own company profile. This is why, four years after facilitating a materiality exercise for each of its businesses, the Group renewed this process in 2023-2024 in the form of Double Materiality Analyses, in line with the requirements of the CSRD. The learnings from these processes will allow businesses to challenge their current focus areas and help them ensure that the most strategic ESG aspects are integrated into their business plans.
Active ownership	Group-wide aspects	Each business measures the Group's three non-financial KPIs - people engagement, customer satisfaction, and CO_2 emissions – aiming to reach a level of excellence in each of them.	Ongoing	Since 2020, D'Ieteren Group has asked its businesses to focus on three particular non-financial areas (customer satisfaction, employee engagement, GHG emissions reduction) and to implement a robust measurement process in each of these fields. In 2024, D'Ieteren Group, as an investment company, obtained validation of its GHG emissions reduction target by the Science Based Target initiative (SBTi) (under the financial institutions framework). On top of reducing the Group's own direct emissions, this target implies having 100% of the portfolio covered by a validated SBTi by 2027. Belron and Moleskine have already received validation of their own SBT while D'Ieteren Automotive and D'Ieteren Immo have committed to SBTi and plan to submit their target in the near future. The latest acquisitions, TVH and PHE, are both working to better understand their carbon footprint and value chain as a prerequisite to setting their carbon reduction targets.

Ongoing Achieved

4.2. Beyond 2025

The results of the double materiality analysis at D'Ieteren Group level will be used to refine the Group's ESG strategy. New objectives will be given in order to support its businesses in navigating emerging challenges and capitalising on opportunities.

5. Responsibility as a listed company

5.1. Priorities and Ambitions

D'Ieteren Group is committed to acting responsibly and fairly in all its operations. The materiality exercise completed in 2021 at the Corporate Team level enabled the Group to identify several priorities for its own ESG approach.

Priorities	Ambition	2023 Status
ESG risk management and internal control	Implement strong ESG risk management process and disclosure aligned with the new upcoming EU regulations.	In 2023, guided by the ESRS framework for ESG risk and opportunity identification, D'Ieteren Group undertook an assessment of ESG risks and opportunities. This process leveraged stakeholder dialogue and incorporated insights from the businesses' own identification efforts, enhancing the overall understanding and management of ESG factors across the whole family of businesses. D'Ieteren Group and its businesses have been assisted in that process by external advisors ensuring the coherence of approach across the group as well as its compliance with CSRD requirements. The Group Audit Committee, responsible for overseeing risk management processes, has been consulted and informed on a regular basis.
Climate change vulnerability	Provide financial markets with clear, comprehensive, high-quality information on financial risks and opportunities related to climate change.	In 2022, Belron, D'Ieteren Automotive, and TVH embarked on an exercise to identify risks and opportunities specific to their respective operations. In 2023, the Group proceeded with a first attempt at risk quantification for one of its businesses, the results of which will be challenged through alternative methodologies and increased data availability. Belron performed a new (qualitative) risk identification exercise to comply with the law in force in the UK.
Group Impact on Climate Change	Promote environmental values and adopt an emission-reduction path in line with the Paris Agreement.	In February 2024, D'Ieteren Group announced the validation of its Science Based Targets (SBTs) (under the finance framework), marking a significant milestone in its commitment to sustainability. The Group is now formally committed to reducing its absolute scope 1 and 2 greenhouse gas emissions by 30% by 2027 (corporate team's emissions), compared to the base year 2021 and to have 100% of its businesses covered by a validated SBTi by 2027.
Corporate Team Training and Development	Maintain a skilled corporate team able to deliver the Group's ambition.	D'Ieteren Group ensures that its employees receive regular trainings enabling them to always stay one step ahead. In 2023, the team received a three-day leadership training. Trainings were also given internally by D'Ieteren Group's experts on their own area of expertise, such as ESG or Corporate governance. Furthermore, guest speakers are regularly invited to give inspiring sessions the team, on topics as diverse as circular economy, net-zero transition, cyber-criminality or geopolitics, fostering continuous learning and curiosity among team members.
Business Ethics (incl. anti-bribery, corruption and whistleblowing)	Maintain exemplary business conduct.	In 2022, D'Ieteren Group introduced a new Code of Conduct, reflecting its commitment to ethical standards and integrity. Comprehensive training sessions were conducted to ensure that every member of the team fully understood and adhered to the principles outlined in the code. Additionally, a new whistleblowing policy was included as an annex to the Code of Conduct in 2023 and shared with the team through a dedicated session, emphasizing the importance of transparency and accountability within the Corporate team.

5.2. Environmental performance

The urgency of the climate crisis is unprecedented and D'Ieteren Group takes its responsibility seriously. It wants to contribute to the joint effort to keep the rise in temperature to 1.5°C above pre-industrial levels, in line with the Paris Agreement.

The environmental impact of D'Ieteren Group as a company is less significant than the impact of its operating businesses. However, it is essential that D'Ieteren Group makes its contribution. To this end, D'Ieteren Group measures its carbon footprint and identifies areas where it can be reduced.

D'Ieteren Group is committed to reducing absolute scope 1 and scope 2 GHG emissions by 30% by 2027 from a 2021 base year, a target which was officially validated by SBTi in February 2024. To support this plan, D'Ieteren Group switched to green electricity in 2021 and plans to continue to do so.

D'Ieteren Group employees are also asked to be mindful of the emissions generated by the use of their company cars (part of the scope 1). People are therefore updated quarterly on their personal footprint to allow them to take ownership of their individual reduction journey and contribution to the common reduction goal. This approach is backed by D'Ieteren Group's environmental policy inviting all employees to participate in the Group's reduction goal.

This year, despite the increase in the size of the team (and consequently in car fleet), Scope 1 & 2 emissions have remained stable compared to last year. Compared with the 2021 baseline, a 21% decrease in scopes 1 and 2 has already been observed.

Carbon footprint	Retrospective				Milestones and target years	
	2021 - base year	2022	2023	% 2023/2022	2027	Reduction target
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	98	77	77	100.2%	69	-30%
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO_2eq)	-	14	9	68.5%		
Gross market-based Scope 2 GHG emissions (tCO_2eq)	0	0	0	585.7%		
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	-	82,783	80,488	97.0%	Regarding Scope 3, D'Ieteren Group has committed to 100% of the portfolio covered by a validated SBT by 2027.	
1 Purchased goods and services	-	-	1,026	-		
2 Capital goods	-	-	6	-		
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	-	18	17	96.2%		
5 Waste generated in operations	-	-	0	0.0%		
6 Business traveling	-	47	37	78.1%		
7 Employee commuting	-	29	-	-		
15 Investments	-	82,688	79,401	95.7%		
Total GHG emissions						
Total GHG emissions (location-based) (tCO_2eq)	**-**	**82,874**	**80,575**	**97.2%**		
Total GHG emissions (market-based) (tCO_2eq)	**-**	**82,860**	**80,566**	**97.2%**		

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.

This carbon footprint represents the footprint of the Corporate Team (thus excluding D'Ieteren Gallery) and is presented using the Financial institution guidance of the GHG protocol.

Notes by scope category (GHG protocol):
Scope 1: Including emissions from company cars and natural gas consumption.
Scope 2: D'Ieteren Group switched to green electricity in 2021. On top of green electricity, this category includes the grey electricity used by employees when they are charging their car outside of the office.
Scope 3:

1. This category encompasses goods and services for which measurement has been introduced for the first time, employing a spend-based approach.
2. Measurement for capital goods has been introduced for the first time within this reporting period.
5. A proxy using the number of employees (26) and the sector have been used to compile the data.
7. Previously accounted in the employee commuting, the Executive Committee has been integrated into scope 2 emissions (company cars) in 2023.
15. Category 15 green house gas emissions from investments includes the full scope 1 & 2 of D'Ieteren Immo, Moleskine, D'Ieteren Automotive (Historical scope for FY-2022 and New scope for FY-2023, for more information see p.251). Equity methods have been applied for TVH's (40%) and Belron's (50.20%) scope 1 & 2. However, data for PHE are not yet available. This category has been restated in 2022 to reflect TVH and Belron's own restatement (FY-2022 published data: 91,612 tonnes) (for more information see p.228 (Belron) and p.295 (TVH).

Energy consumption and mix	Unit	2021	2022	2023
(1) Fuel consumption from coal and coal products	MWh	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	466	198	211
(3) Fuel consumption from natural gas	MWh	282	174	159
(4) Fuel consumption from other fossil sources	MWh	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	32	11	2
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**780**	**382**	**372**
Share of fossil sources in total energy consumption (%)	%	88.1%	85.4%	72.5%
(7) Consumption from nuclear sources (MWh)	MWh	-	-	3
Share of consumption from nuclear sources in total energy consumption (%)	%	-	-	0.5%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	MWh	0	0	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	MWh	105	65	133
(10) The consumption of self-generated non-fuel renewable energy (MWh)	MWh	-	-	6
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**MWh**	**105**	**65**	**139**
Share of renewable sources in total energy consumption (%)	%	11.9%	14.6%	27.0%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**MWh**	**885**	**447**	**513**

5.3. Social performance

5.3.1. CORPORATE TEAM TRAINING AND DEVELOPMENT

D'Ieteren Group believes it is essential to offer people a safe and fulfilling working environment that enables them to achieve their full potential. Therefore, each year, an employee engagement survey is undertaken and the results are shared with the whole team followed by an action plan to improve employee wellbeing and fulfilment. In 2023, the results reflected a strong team spirit which D'Ieteren Group explained by its substantial value of care and its family culture. Low employee turnover is also a good indication of the Corporate team's engagement.

Turnover	2021	2022	2023
Total number of permanent employees who have left the undertaking	0	2	1
Rate of employee turnover in the reporting period.	0%	10%*	4%

* As restated to reflect the continuous improvement in data collection and calculation (FY2022 published data: 11%).

The small size of the team allows for learning on the job and vibrant daily exchanges. The Group creates a working environment which is favourable to dialogue, critical thinking, questioning, and coaching. Thanks to a flexible schedule, experts are encouraged to attend any external training courses they may require. Each year the team gathers during a two-days seminar where working sessions are organised and led by the different teams. It is essential that employee skills and knowledge meet the Company's needs and match its mission to support the growth of its businesses.

D'Ieteren Group ensures that its employees receive appropriate incentives through fair compensation, in accordance with national remuneration laws. Once a year, a formalised performance appraisal takes place where bonuses, potential pay raises, and succession planning are discussed, and where targets for the following year are set. In 2023, some employees were also granted stock options as part of their remuneration. These incentives, combined with a caring environment and a strong feedback culture, allow employees to perform to the best of their abilities and achieve their full potential.

Training and skills development metrics	2021	2022	2023
Percentage of employees that participated in regular performance and career reviews	**100%**	**100%**	**100%**
Female	100%	100%	100%
Male	100%	100%	100%

5.3.2. DIVERSITY AND INCLUSION

As an employer, D'Ieteren Group promotes a positive, diverse, and inclusive workplace for all, with a zero-tolerance policy for any form of discrimination, or any sexual or non-sexual harassment. This means no discrimination will be tolerated against any employee or applicant based on race, ethnicity, religion, nationality, gender, sexual orientation, disability, health condition, age, marital status, or any other basis (more information is available in the Code of Conduct published on the Group's website). With the launch of the new Code of Conduct in 2022, every employee received training on this topic. Even if such values are deeply rooted in the Company's culture, people were reminded that any questionable behaviour should be reported.

The team has a fair gender balance thanks to its recruitment approach based on merit, skills, talent, and the alignment of values. The Group strongly encourages its employees to treat each other with mutual respect, dignity, and fairness. It makes sure that equal opportunities are granted for all team members in terms of development and remuneration. Further details on D'Ieteren Group's diversity policy applied to the governance bodies can be found in the Corporate Governance Statement.

Number of employees (headcount) by gender	2021	2022*	2023
Male	10	12	13
Female	12	11	13
Total	22	23	26

* As restated to align with ESRS definition including interns into headcount (FY-2022 published data: 20, 10 male and 10 female).

Diversity	2021	2022	2023
Gender distribution at top management level			
Total headcounts in management positions	**4**	**4**	**4**
Total male headcounts in management positions	3	3	3
Total female headcounts in management positions	1	1	1
Percentage of male employees in management positions	75%	75%	75%
Percentage of female employees in management positions	25%	25%	25%
Age distribution			
Total headcounts under 30 years old	-	-	4
Total headcounts between 30-50 years old	-	-	17
Total headcounts over 50 years old	-	-	5

As reported last year, Management positions includes the Chief Executive Officer, Chief Financial Officer, Chief Legal Officer, and Chief Investment Officer.

5.3.3. ADDITIONAL WORKFORCE DATA

Characteristics of workforce	2021	2022	2023
Number of employees (headcount)	**22**	**23**	**26**
Female	12	11	13
Male	10	12	13
Number of permanent employees (headcount)	**19**	**20**	**25**
Female	10	10	12
Male	9	10	13
Number of temporary employees (headcount)	**3**	**3**	**1**
Female	1	1	1
Male	2	2	0
Number of full-time employees (headcount)	**21**	**22**	**24**
Female	11	10	12
Male	10	12	12
Number of part-time employees (headcount)	**1**	**1**	**2**
Female	1	1	1
Male	0	0	1

The temporary employees are interns in the Investment and ESG team.

5.4. Governance

5.4.1. ETHICS

D'Ieteren Group is committed to carrying out its business ethically and in accordance with all applicable regulations. The Code of Conduct implemented in 2022 which applies to each person working for D'Ieteren Group sets minimum standards in selected areas. In particular, it sets out ethics and compliance principles (Anti-bribery and Corruption, Data Privacy, etc.), important standards to follow in the work environment (Health and Safety, Human Rights, Freedom of association, etc.) and ethical business practices (Conflict of Interest, Relationships with Suppliers and Partners, etc.). It also makes reference to other policies that complement the Code of Conduct, such as the Dealing Code or the Privacy Policy. Each employee in the Group has received training on this new Code of Conduct.

Business Conduct	2021	2022	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0

5.4.2. HUMAN RIGHTS

D'Ieteren Group pays great attention to the respect of human rights in its value chain. It plans to establish and maintain effective ongoing relationships based on trust and mutual respect with its suppliers, service providers, and other third parties. The Group expects its businesses to comply with the laws and the collective labour agreements in the countries in which they operate. Respect for personal dignity, privacy and the rights of each individual with whom they work must be guaranteed and no human rights violations will be tolerated. D'Ieteren Group endorses the United Nations Universal Declaration of Human Rights and the conventions and recommendations of the International Labour Organisation. The Group also takes human rights criteria into consideration in its ESG due diligence procedure for all investment opportunities.

5.4.3. PHILANTHROPY

D'Ieteren Group actively supports non-profit organisations. In addition to participating in the fundraising initiatives of its businesses (such as the yearly Spirit of Belron Challenge in support of the charity Afrika Tikkun), D'Ieteren Group has its own philanthropic approach. The Group has identified two areas of specific interest: 1) support to children who have been separated from their families; and 2) equal opportunities in accessing a rewarding career. A variety of projects were once again supported in 2023.

Climate-related Disclosure

1. D'Ieteren Group's approach to climate change

As a long-term view on value creation is central to D'Ieteren Group's business strategy, the Group recognises both the financial risks posed by climate change, and the opportunities to grow businesses that are effectively mitigating and adapting to it. D'Ieteren Group has therefore used the recommendations of the Task Force on Climate related Financial Disclosures (TCFD) to develop a granular view of climate-related impacts for its businesses and determine how best to adapt its strategy.

In 2023, the Group made progress across all four thematic areas of the TCFD recommendations (Governance, Strategy, Risk Management, and Metrics and Targets), which are also incorporated into other emerging climate-related disclosure frameworks of relevance (e.g., the CSRD and the EU Taxonomy). This included formalising several climate-related governance and risk management processes and conducting a first financial modelling exercise. The latest summary of the Group's alignment with the recommendations based on this progress is set out across the following sections.

2. D'Ieteren group's climate change governance model

Similarly to how the Group addresses ESG issues, consideration of climate change is present across all levels of governance, starting at the Board of Directors, extending across various Group-level committees, and then through to management teams at the business level.

In 2023, the Board of Directors received several updates on the Group's ESG strategy and performance, including the management of its climate-related approach. A Board meeting session was also dedicated to the presentation of Belron's sustainability strategy.

In 2023, the Group also finalised a risk management process, approved by the Audit Committee, which takes into account the double materiality of climate change. In relation to this process, the Audit Committee has assumed responsibility for Sustainability reporting and risks, and the frequency and length of its meetings were increased to address these issues and prepare for CSRD reporting. This will be supported by the ESG Steering Committee and newly formed CSRD Steering Committee, both meeting monthly.

The ESG team also continued to engage with sustainability experts at the Group's businesses to discuss their climate approach. In 2023, the focus was on good data collection, defining or monitoring progress against business-level climate-related targets and ESG (including climate) governance.

3. Impacts of climate-related issues on D'Ieteren Group's strategy

3.1. Scenario analysis process

Last year, D'Ieteren Group, together with its operating businesses, worked with a sustainability consultant to assess its exposure to climate-related risks and opportunities using qualitative scenario analysis. This focused on Belron, D'Ieteren Automotive and TVH, which together totalled 82.8% of the Group's combined sales in 2023. This process started with a climate-related risk and opportunity identification which determined the most significant issues with input from business representatives. These were then prioritised for further assessment using scenario trends, based on the time horizons and scenarios outlined in **Table 1 and 2**, which were selected in line with TCFD guidance.

TABLE 1. PHYSICAL SCENARIOS AND TIME HORIZONS USED IN THE SCENARIO ANALYSIS

Scenarios and time horizons used to assess potential risks resulting from changes in the frequency and/or intensity of different physical climate hazards. These can be acute (e.g., floods), or chronic (e.g., sustained higher temperatures).

Scenario	Shared Socio-economic Pathway (SSP) 1-2.6	Shared Socio-economic Pathway (SSP) 5-8.5
Source	Intergovernmental Panel on Climate Change (IPCC)	
Warming by 2100	+1.8°C	+4.4°C
Description	This scenario is aligned to the Paris Agreement's long-term temperature goal. The world shifts towards a more sustainable path, emphasising more inclusive development, driven by an increasing commitment to achieving development goals.	This is a high emissions scenario with no additional climate policy (business-as-usual). The push for economic and social development is coupled with the exploitation of abundant fossil fuel resources and the adoption of resource and energy intensive lifestyles around the world.
Key Assumptions	Global net zero reached in 2050. Renewables account for more than half of the energy supply by 2050. Few challenges to climate mitigation and adaptation.	Energy demand triples by 2100, dominated by fossil fuels. Current CO_2 levels double by 2050. Many challenges to climate mitigation, with few challenges to adaptation.
Time horizons	2030 and 2050	
Rationale for time horizon selection	To capture meaningful changes in acute and chronic physical risks, noting that these are likely to manifest over longer timescales than transition risks and opportunities. Consideration of 2050 also reflects the Group's investment strategy, which focuses on long-term support to its businesses (through control or co-control).	

TABLE 2. TRANSITION SCENARIOS AND TIME HORIZONS USED IN THE SCENARIO ANALYSIS

Scenarios and time horizons used to assess potential risks and opportunities resulting from the transition to a lower-carbon economy (e.g., policy, legal or market shifts).

Scenario	Net Zero 2050	Current Policies
Source	Network for Greening the Financial System (NGFS)	
Warming by 2100	+1.5°C	+3.0°C
Description	This is an ambitious scenario that limits global warming to 1.5°C through stringent climate policies and innovation, reaching net zero CO_2 emissions around 2050.	This scenario assumes that only currently implemented policies are preserved, with an expected temperature increase outcome of ~3°C.
Key Assumptions	Ambitious climate policy is introduced immediately Global net zero reached in 2050 IPCC's SSP2 'Middle of the Road' socioeconomic assumptions adjusted for COVID-19 impact	Emissions peak in 2080 IPCC's SSP2 'Middle of the Road' socioeconomic assumptions adjusted for COVID-19 impact
Time horizons	2025, 2030, 2040 and 2050	
Rationale for time horizon selection	Up to 2030 selected to align with the Group's five-year strategic planning cycle. Between 2030 and 2050 reflects key international and national climate policy milestones, including net zero commitments under the Paris Agreement. Consideration of 2050 also reflects the Group's investment strategy, which focuses on long-term support to its businesses (through control or co-control).	
Note: Supplemental data from the International Energy Agency (IEA) was also used to assess carbon pricing. This was based on the Net Zero Emissions by 2050 (NZE) and Stated Policies (STEPS) scenarios from the World Energy Outlook (WEO) 2022.		

3.2. Climate-related issues identified

D'Ieteren Group's climate-related risk and opportunity identification evaluated a range of physical and transition risks and opportunities from the TCFD framework that have the potential to impact its businesses. This analysis was completed for the entire portfolio of operating businesses to form a robust view of the main climate-related issues relevant to the sectors in which the businesses operate. Some of the key risk and opportunity types considered, and their relevance to D'Ieteren Group, are summarised in **Table 3**.

TABLE 3. CLIMATE-RELATED RISK AND OPPORTUNITY TYPES CONSIDERED

Type	Risk Description
Acute Physical	Examples include flooding, storms and extreme hot or cold temperatures
Chronic Physical	Examples include water shortages or droughts, average temperature changes, and rising sea levels
Policy and Legal	Increased pricing of GHG emissions and regulation of products and services
Technology	Substitution of existing products and services with lower carbon options
Market	Shifts in supply and demand for commodities, products, and services as climate change is increasingly accounted for
Reputation	Shifts in consumer preferences and increased stakeholders concern
Resource Efficiency and Energy Sources	Use of more efficient production and distribution processes, or recycling
Products, Services and Markets	Shift in consumer preferences and potential to diversify business activities, or access new markets
Resilience	Adoption of renewable energy programs and efficiency measures and diversification of resources

Of the risk and opportunity types considered, the qualitative scenario analysis highlighted three physical and transition climate-related risks and opportunities with the potential to have a material financial or strategic impact on the businesses, including heat waves and carbon pricing as risks, and the use of recycling as an opportunity. This was defined by having a high combined impact-likelihood rating and significant future trend over the time horizons considered. These aspects will be further investigated to validate their level of impact before the results are released.

3.3. Financial modelling

This year, the Group made a first financial modelling with one of its businesses to understand the methodology used to quantify climate related risks. The exercise will be pursued in 2024-25 and extended to a wider scope. Completing the portfolio-wide assessment will provide the Group with a better-informed view of how these mechanisms may impact its businesses and strategy, and support existing processes including financial planning, due diligence and investment strategies.

4. D'Ieteren Group's processes for managing climate-related issues

The Group progressed with its approach to managing climate-related issues in 2023, driven by the formalisation of a new company-wide risk management process covering environmental risks. This will be used going forward to promote a consistent approach to identifying, assessing, and managing climate-related issues alongside other enterprise risks.

To improve the Group's understanding of the impact of climate change on the company and align with CSRD requirements, a double materiality assessment was conducted for each operating business. This identified potential impacts, risks, and opportunities, including those related to climate change adaptation and mitigation. Following consolidation of the analysis of the businesses, both subtopics emerged as material for the Group as a whole. These subtopics will be further examined by continuing to conduct more granular assessments and scenario analysis. The results of this process will be used to prioritise the most significant climate-related risks and opportunities for monitoring and management.

In addition to the new risk analysis conducted in 2023, the Group targeted increasing climate resilience through implementation of the following measures:

- Building on the initial commitments made last year, the Group received validation of its GHG emissions reduction targets by the Science Based Targets Initiative (SBTi), and each of its businesses is working towards validation by 2027, with Belron and Moleskine having already achieved this.
- Providing upskilling and training sessions to ESG teams at its businesses on ESG governance, with relevance to climate. These focused on informing on how to implement good governance practices, to ensure that ESG issues are appropriately assessed, monitored, and managed by each business.
- At the business level, sustainability, including climate-related issues, is being integrated into strategic plans, which will be finetuned considering the results of the double materiality analysis. As an example of this, D'Ieteren Automotive has continued to adapt its strategy to provide sustainable and low-carbon mobility to everyone, by offering new mobility services to its clients, including a full electric offer consisting of charging stations and solar panels.
- Metrics and targets used to assess and manage climate-related issues.

D'Ieteren Group continued to measure and track progress against climate-related issues in 2023 using a range of metrics, which are reported in full detail in the Group's and each business' respective Non-Financial Disclosures. These include:

- GHG emissions by scope 1, 2 and 3, where possible, and emissions intensity,
- Total energy consumption, including the renewable proportion,
- KPIs related to waste management for each business, including the recycled waste proportion, and
- KPIs associated with progress towards climate-related targets, emissions reductions, and other climate-related objectives.

In terms of the targets used to manage climate-related issues, D'Ieteren Group has a Paris Agreement-aligned ambition to reduce its absolute scope 1 and 2 GHG emissions 30% by 2027 from a 2021 base year. The Group has also committed to 100% of its businesses setting SBTi validated targets by 2027 from a 2021 base year. To achieve this, the Group will liaise with the businesses' management and Board of Directors on this topic and monitor progress. Undertaking a yearly carbon assessment, covering scope 1, 2 and 3 emissions, has also been set as a requirement for the businesses in portfolio. The Group is currently supporting PHE, its most recent acquisition, with implementing this measurement process.

5. D'Ieteren Group's future ambitions

D'Ieteren Group will continue to work with its businesses to prepare for CSRD reporting in 2025, which implies to pursue the climate risk analysis with them. The Group also recognises the evolving landscape of climate-related disclosures, including the Carbon Disclosure Project (CDP), and will ensure to monitor future developments to build capabilities which support future reporting.

EU Taxonomy

1. Reporting on the EU Taxonomy

To tackle the sustainability challenges the world is facing, the European Union has developed the EU Green Deal. The aim of the Green Deal is to work towards becoming a climate-neutral continent by 2050. Two conditions have been identified to achieve this goal: firstly, to reorient capital flows towards sustainable investments, and secondly, to increase transparency in the market. Therefore, a classification system for sustainable activities is being developed, the EU Taxonomy. Its aim is to scale up sustainable investments by providing a common European definition of what can be categorised as an "environmentally sustainable" activity. Under the EU Taxonomy, companies are to disclose which part of their Turnover, CapEx, and OpEx meets the criteria set in the EU Taxonomy for their company-specific economic activities. This creates a common language that allows investors and other stakeholders to make better informed decisions within Europe and beyond.

The EU has published the Delegated Acts acting as a catalogue of activities contributing to six environmental objectives concerning climate change mitigation, climate change adaptation, water, pollution, biodiversity, and circularity. From 2023, companies falling under the scope of the EU NFRD (Directive 2014/95/EU), which is the case of D'Ieteren Group, must report their share of eligibility for all six objectives of the EU taxonomy:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

This year, reporting on alignment for the two climate-related objectives is also required.

For the past two years, D'Ieteren Group and its businesses have been conducting analyses on possible eligibility and alignment.

As the EU Taxonomy is evolving, new economic activities and new or adjusted technical screening criteria are expected to be released in the coming years. D'Ieteren Group will continue to develop its Taxonomy reporting on the basis of future amendments to the EU Taxonomy Legislation.

2. Conclusions based on the analysis

Within D'Ieteren Group, the economic activities of three businesses have been identified as partly eligible. While D'Ieteren Automotive and D'Ieteren Immo contribute to the climate mitigation objective, PHE identified some minor economic activities contributing both to the climate mitigation objective and to the circular economy objective.

D'Ieteren Automotive's major economic activity is the distribution of motor vehicles and associated services. Since the activity of vehicle sales is not included in the EU Taxonomy, D'Ieteren Automotive's turnover eligibility is limited. D'Ieteren Automotive is convinced, however, that its business still has an important role to play in mitigating climate change via the electrification of the motor vehicle fleet.

Its eligible turnover comes from several areas of activities: the offering of low-carbon mobility services and products (bicycles, shared mobility services, MBrella, etc.), its activities in low-carbon infrastructure such as the installation of charging stations (EDI), the installation of solar panels (Go-Solar) and its bodyshop repair activity. In 2023, D'Ieteren Automotive took stock of the level of data granularity required to assess its alignment to the technical screening criteria and progressed on Minimum Social Safeguards (p.264).

D'Ieteren Immo's main economic activity, the acquisition and management of real estate assets, is eligible to the climate mitigation objective of the EU taxonomy. More details are available in the NFD of D'Ieteren Immo (p.311).

PHE's main economic activity, the distribution of automobile spare parts, is currently not included in the EU taxonomy. However, two of its smaller economic activities have been identified as eligible: the truck repair services and injector remanufacturing at its Montajault National Technical Platform. The former is eligible under the climate change mitigation objectives, while the latter supports the Circular economy objective.

Moleskine's economic activity is not eligible to any of the EU Taxonomy objectives at this stage and therefore reports 0% eligibility and alignment for its turnover (p.288).

In accordance with the EU Taxonomy regulation (Annex 1 to the delegated regulation, Article 8, Sections 1.1.2.2), additional CapEx and OpeEx linked to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling activities to become low-carbon or to lead to greenhouse gas reductions, have been included as eligible, for D'Ieteren Automotive, D'Ieteren Immo, PHE and Moleskine.

Due to the complexity of data gathering, D'Ieteren Group reported a 0% alignment with further details available in its different businesses' non-financial disclosures.

Belron and TVH are equity-accounted investments and have therefore not been included in this year's analysis.

3. Disclosures

The amounts used for the calculation of turnover, Capex and Opex ratios are based on the reported data in the consolidated financial statements. D'Ieteren Group disclosures for the Taxonomy are therefore compiled from the financial figures of the Corporate & unallocated segment (including D'Ieteren Group & D'Ieteren Immo), D'Ieteren Automotive, Moleskine, and PHE.

The consolidated turnover of D'Ieteren Group covers D'Ieteren Automotive, Moleskine, and PHE. D'Ieteren Immo's turnover is not included since its turnover comes mainly from internal sales to D'Ieteren Group or is included in other operating income. In total, this brings the eligibility percentage of D'Ieteren Group's turnover to 5.2% (compared to 5.0% last year).

The CapEx denominator may be reconciled with the consolidated financial statements as follows:

in m€	2023	
Intangible assets, property, plant and equipment, investment property and Right-of-use assets (IFRS16)		
Purchase of property, plant and equipment and intangible assets	106.5	**Consolidated Statement of cash flows (Note 4c)**
Items acquired through business combinations	26.1	**Statement of changes in intangibles assets (Note 13), property, plant and equipment (Note 14) and investment property (Note 15)**
Additions to right-of-use assets (IFRS16)	173.0	**Statement of changes in right-of-use assets (Note 32)**
TOTAL	**305.6**	

The total eligible CapEx for D'Ieteren Group for FY-2023 is 73.0% (compared to 4.9% in 2022). The main reason for this increase is the inclusion of capital expenditure coming from Sections 1.1.2.2.(c) of the regulation, related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling activities to become low-carbon or to lead to greenhouse gas reductions (notably activities listed in points 7.3. to 7.6. of Annex I to the Climate Delegated Act). This year, the following Capex related to the purchase of output from Taxonomy-eligible economic activities have been considered as eligible CapEx:

- the acquisition and exercising of ownerships of buildings (that is, eligibility of all buildings, taking into account the legal or economic ownership, including the right-of-use from a lease of a building (CCM 7.7);
- the renovation of buildings (CCM 7.2) and;
- the purchase, financing, renting, leasing, and operation of all vehicles designated as category M1, N1 or L (2- and 3-wheel vehicles and quadricycles) (CCM 6.5).

In the years to come, enhanced disclosures across the value chain coupled with improved data collection processes will facilitate the reporting of aligned data.

The OpEx of D'Ieteren Group also comprises the financial figures of D'Ieteren Automotive, D'Ieteren Immo, Moleskine, PHE, and D'Ieteren Group (Corporate & unallocated segment) itself. The total eligible OpEx for D'Ieteren Group is 35.4% (compared to 44.2% last year).

3.1. View by businesses

€m	Eligible turnover	Non eligible turnover	Total turnover	% eligible turnover
D'Ieteren Automotive	343.8	4,952.7	5,296.5	6.5%
PHE	69.5	2,487.4	2,556.9	2.7%
Moleskine	0.0	130.2	130.2	0.0%
Corp & Unallocated*	0.0	0.0	0.0	0.0%
Total Turnover	413.3	7,570.3	7,983.6	5.2%

€m	Eligible Capex	Non eligible Capex	Total Capex	% eligible Capex
D'Ieteren Automotive	110.5	23.6	134.1	82.4%
PHE	55.6	54.5	110.1	50.5%
Moleskine	2.1	3.7	5.8	36.6%
D'Ieteren Immo	53.4	0.0	53.4	100.0%
Corp & Unallocated*	1.4	0.8	2.2	63.6%
Total Capex	223.0	82.6	305.6	73.0%

€m	Eligible Opex	Non eligible Opex	Total Opex	% eligible Opex
D'Ieteren Automotive	9.5	11.5	21.0	45.2%
PHE	1.1	25.2	26.2	4.1%
Moleskine	0.0	2.7	2.7	0.0%
D'Ieteren Immo	11.0	0.0	11.0	100.0%
Corp & Unallocated*	0.0	0.0	0.0	0.0%
Total Opex	21.6	39.4	60.9	35.4%

*Excluding D'Ieteren Immo.

3.2. Abbreviations

The Code constitutes the abbreviations of the relevant objectives to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and ecosystems: BIO

Abbreviations used for alignment:

- Y-Yes, Taxonomy-eligible and Taxonomy-and Taxonomy-aligned activity with the relevant environmental objective
- N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
- N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective

Abbreviations used for eligibility

- N/EL – not eligible, Taxonomy non-eligible activity for the relevant environmental objective
- EL – eligible, Taxonomy eligible activity for the relevant environmental objective

3.3. Turnover

Financial year 2023		2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	Turnover (before ICO eliminations)	Turnover (3)	Proportion of Turnover, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0*	0.0%	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0*	0.0%	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																				
					EL; N/EL (f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	272.3	272.3	3.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.3%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	35.8	35.8	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	33.3	33.3	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	16.5	16.4	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	48.4	48.4	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	3.7	3.7	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Acquisition and ownership of buildings	**CCM 7.7**	39.1	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sale of Second-Hand Goods	**CE 5.4**	3.4	3.4	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**452.5**	**413.3**	**5.2%**	**5.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**5.0%**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**452.5**	**413.3**	**5.2%**	**5.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**5.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy- non-eligible activities		**7,571.2**	**7,570.3**	**94.8%**																
TOTAL		8,023.7	7,983.6	**100.0%**																

3.4. CapEx

Financial year 2023		2023			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	CapEx before ICO eliminations	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	€m	%	Y; N; N/EL (b) (c)						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling			*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional			*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																				
							EL; N/EL													
Manufacture of low-carbon technologies for transport	**CCM 3.3**	9.7	9.7	*3.2%*	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	10	10.0	3.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	58.8	58.8	19.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	0.9	0.9	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	1.0	1.0	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	1.5	1.5	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Renovation of existing buildings Acquisition & Ownership of buildings	**CCM 7.2** **CCM 7.7**	143.9	140.4	45.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.6%		
Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3**	0.8	0.8	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**226.5**	**223.0**	**73.0%**	**73.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**4.9%**		
A. CapEx of Taxonomy eligible activities (A1+A2)		**226.5**	**223.0**	**73.0%**	**73.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**4.9%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy- non-eligible activities		**90.1**	**82.6**	**27.0%**																
TOTAL		316.6	305.6	**100.0%**																

3.5. OpEx

Financial year 2023			2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	OpEx before ICO eliminations	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	€m	%	Y; N; N/EL (b) (c)						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling			*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional			*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																				
					EL; N/EL															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	3.1	1.8	3.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.3%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	1.3	0.6	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	1.2	1.1	1.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	0.4	0.4	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	0.5	0.5	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	6.1	6.1	10.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9.3%		
Acquisition and ownership of buildings	**CCM 7.7**	11.0	11.0	18.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								29.4%		
Sale of Second-Hand Goods	**CE 5.4**	0.1	0.1	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**23.7**	**21.6**	**35.4%**	**35.3%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**0.0%**								**44.2%**		
A. OpEx of Taxonomy eligible activities (A1+A2)		**23.7**	**21.6**	**35.4%**	**35.3%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**0.0%**								**44.2%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy- non-eligible activities		**64.37**	**39.4**	**64.6%**																
TOTAL		88.0	60.9	**100.0%**																

3.6. Nuclear and fossil gas related activities

D'Ieteren Group does not engage in activities related to fossil gas and nuclear energy.

Exposure to nuclear and fossil gas		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Belron

1. Strategy, business model and value creation

Belron is the leading vehicle glass repair, replacement and recalibration (VGRRR) business in the world, with a presence in 39 countries through both wholly owned businesses and franchises. Its market-leading brands include Carglass® across Europe, Safelite® Autoglass in USA, Autoglass® and Laddaw® in the UK, Lebeau Vitres d'autos®, Speedy Glass®, Apple Auto Glass®, Duro® vitres d'autos and Vanfax® in Canada, O'Brien® in Australia and Smith&Smith® in New Zealand. It employs around 30,000 colleagues who provide an outstanding service to millions of customers.

Belron also manages vehicle glass and other insurance claims on behalf of insurance companies and provides plumbing and electrical solutions to home and business owners across Australia and New Zealand through its Laser® brand.

Belron has a deep and longstanding commitment to its purpose to 'make a difference with real care' to its customers, people, shareholders and to society. This purpose is shared across the whole business and is the driving force behind the Belron Responsible Business Framework.

Belron has a 'repair first' approach which, along with vehicle glass replacement and the recalibration of Advanced Driver Assistance Systems (ADAS), means that it can create value for its customers, maintaining their mobility and extending the life of windscreens and ultimately that of vehicles. This reduces costs for customers, reduces waste and avoids greenhouse gas emissions generated by the production of new glass and new vehicles.

Belron activities support four of the United Nations Sustainable Development Goals. The two strategic pillars of the Belron Responsible Business Framework (Sustainable Products & Services and Investing in People & Society) focus on the UN goals that have the most relevance to its business operations and activities as indicated below.

2. Sustainability strategy

2.1. Materiality

In 2020, Belron took part in a high-level materiality analysis conducted by D'Ieteren Group and supported by an external partner. As part of the materiality analysis process, a short survey was sent to stakeholders and leaders, asking them to indicate which ESG topics they considered as most relevant to Belron. Interviews were conducted with internal representatives of key stakeholders, including insurance and fleet partners, suppliers, customers, employees and NGOs in order to gather further qualitative insights into their priorities for Belron.

The material topics highlighted included waste management, people safety, customer care, diversity and wellbeing. Belron used the output of the analysis with a leading sustainability consultancy to review all aspects of its corporate responsibility and refine its materiality topics. The review culminated in the creation of the Belron Responsible Business Framework, which was introduced in 2021.

During the final quarter of 2023, in preparation for reporting under CSRD (Corporate Sustainability Reporting Directive), Belron began a double-materiality assessment engaging all its stakeholders, supported by an external partner. The results of the assessment are expected in 2024.

2.2. The Belron Responsible Business Framework

The Belron Responsible Business Framework brings together all aspects of how the company views doing business responsibly, which is derived from Belron's purpose and values. Belron wants to continue to be "a trusted and respected company in the eyes of its people, customers, partners and society by doing the right thing every day and behaving with integrity in everything it does". The Framework's priorities sit under two strategic pillars:

1. Sustainable products & services
- Reducing waste and work towards a circular economy
- Driving down emissions
- Integrating environmental and social considerations into all procurement decisions

2. Investing in people & society
- Promoting diversity, equity, inclusion and wellbeing
- Continuing giving back to drive positive change
- Prioritising the safety of its people

Underpinning the Framework are the foundations of strong governance and inspiring leadership, a continued focus on Belron's values and ethics and robust reporting and measurement around its responsible business activities.

2.2. Sustainability governance

Chief People Officer Susan Ormiston is the Executive Team member responsible for ESG. Susan, and Group Customer Director Richard Tyler, sponsor the two pillars of the Belron Responsible Business Framework. Belron's Responsible Business progress is reviewed at least monthly by the Executive Team and at least five times per year by the Belron Board at their regular review meetings.

Reporting into the Executive Team, Belron has a central sustainability team which is responsible for: coordinating and facilitating company-wide activity, monitoring progress and performance and providing knowledge and expertise to support the implementation of the Responsible Business Framework by each country.

Belron's country leadership teams are responsible for their individual ESG performances and how this contributes to the overall objectives of the Framework. A network of Responsible Business Ambassadors, environmental reporters and in-country subject matter experts support the ESG agenda locally. In countries including France, Germany, Spain, Canada, Australia, New Zealand and the UK, there are dedicated CSR / sustainability individuals or teams in place.

2.3. Connectivity table

ESG area	Strategic pillar	Sustainability-related risks/opportunities	Impact on society	KPI	Ambition	Value in 2023	Policies & action plans
		Customer experience Satisfied customers become the company's promoters; they return when required, trust the business and are therefore more likely to be a VAPS (Value Added Products & Services) customer, too. Unsatisfied customers do not return and are negatively impacting brand reputation.	Belron works to provide a consistently high-level service, in the right place and at the right time, with the right piece of high-quality glass, ensuring the customer's mobility is maintained.	NPS	Maintain world-class customer delight	84.7	3.1.1.
		Customer welfare & safety Not carrying out a job to the highest standards could negatively impact brand reputation. The business needs to maintain and enhance its knowledge as windscreens and glass technology changes to ensure the process continues to be efficient. This can be a key differentiator.	Belron's highly trained technicians ensure that every VGRRR job they complete for every customer is carried out to the highest standards. Not doing so would put the customer's safety and other road users at risk.	R&D budget	Ensuring flawless ADAS recalibration so that every vehicle is returned to the road with all of its safety (ADAS) systems fully functional.	€4m	3.1.2.

ESG area	Strategic pillar	Sustainability-related risks/opportunities	Impact on society	KPI	Ambition	Value in 2023	Policies & action plans
E	Sustainable products and services	**Reducing waste and building a circular economy** The risk of not managing glass waste responsibly is closely linked to advancements in the recycling industry to support Belron's glass waste management efforts. Failure to do so could lead to negative brand impact and potential fines.	The most significant waste product for Belron is glass that cannot be repaired, and a replacement is necessary. The company has a responsibility to ensure effective management of glass waste to minimise negative environmental impact. Repairing a windscreen avoids the resource consumption involved in producing a new windscreen and cost and time for the customer. Repair, replacement and recalibration extend the life of the vehicle.	% vehicle glass waste recycled	To recycle 100% of vehicle glass waste where possible.	97%	3.2.1
		Driving down emissions The more Belron is able to reduce its emissions at pace, the less dependent it will be on fossil fuels, which will help future proof operations, enhance the brand and respond to stakeholder expectations.	Belron has a direct and indirect impact on climate change from the CO_2 generated by its business operations. It therefore has a responsibility to monitor, manage and reduce its emissions. In doing so, to help reaching its targets it needs to keep pace with the changes in transitioning to a net zero business.	tCO_2e scopes 1, 2 and categories 1 to 5 of scope 3	**By 2030 (near-term):** Reduce scope 1 & 2 (direct & indirect) emissions by 42%*; and reduce scope 3 (value chain) emissions by 25%*. **By 2050 (long-term):** Commit to reach net-zero GHG emissions across the value chain. Reduce scope 1, 2 and 3 emissions by 90%* *from 2021 base year.	629,465 tCO_2e	3.2.2.
		Sustainable procurement Through the application of strict standards and monitoring for suppliers, the company's needs for goods and services are met in a way that achieves value across Belron and all its key stakeholders. From a brand perspective, if suppliers are using unethical practices this can reflect negatively on the reputation of Belron.	Poor financially run or operationally managed suppliers are not only a risk to the supply chain, but also to the people who work within it and can cause negative environmental impact.	Number of supplier site audits	To make a real difference to the societal and environmental impact of its supply chain.	39 supplier site audits	3.3.

ESG area	Strategic pillar	Sustainability-related risks/opportunities	Impact on society	KPI	Ambition	Value in 2023	Policies & action plans
S	Investing in people and society	**Promoting diversity, equity, inclusion and wellbeing** With a focus on wellbeing, engagement and providing support to its people, absenteeism is reduced and talented people are retained.	As a responsible business, Belron is committed to ensuring its people reflect the society it serves and to being an inclusive organisation.		Improvement in diversity within the Belron Leadership Group and improvement in the gender mix across the Belron family of businesses.		3.4.1.
				Employee engagement score	Maintain engagement score in the mid 80% range.	89.2%	3.4.2.
		People safety Belron aims to 'make a difference with real care' to all its stakeholders and through its training and tools available, it ensures that the safety of its people and its customers is prioritised.	The company's focus on health and safety training maintains the wellbeing of its people, reduces absenteeism and helps retain talent. Injury or harm to an employee while doing their work is a risk not only to the individual but could also lead to negative impact on the brand of the business.	Lost Time Injury Frequency Rate (LTIFR) Total Recordable Injury Frequency Rate (TRIFR)	To prioritise the safety of its people – a core part of every employee's experience at Belron and its family of businesses.	16.10 35.99	3.4.3.
		Giving opportunity Through its Giving Back agenda, the company can have a positive impact on the society it serves.	By harnessing the passion and energy of its people, the Belron Giving Back agenda and its activities have a positive impact not only on the charities and causes supported but also on people engagement.	Total donations (€)	Continue commitment to give back to drive positive change and to sharing time and skills with young people to support their career aims.	€8.9m	3.4.4.
G	Doing business responsibly		**Values & ethics** The Belron values and ethics supported by its culture help maintain its highly engaged workforce and supports the development and maintenance of talent. It is a key foundation to the company's approach of 'doing business responsibly'. An ethical breach could seriously damage the reputation of the business and result in significant legal consequences.				3.5.2

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.

3. ESG performance

3.1. Making a difference with real care

3.1.1 CUSTOMER EXPERIENCE

Belron strives to provide exceptional customer service at every opportunity. It invests in every stage of the customer journey, from the proficiency of its technicians to its state-of-the-art tools and technology. The company constantly explores better ways of working by leveraging customer feedback to guarantee consistently reliable, high standards of service.

Belron uses NPS (Net Promoter Score) as the overarching metric to measure its customer experience. Every Belron customer is invited to complete a NPS survey that captures how likely a customer is to recommend Belron based on their service experience. Each Belron business then reports their performance, which is weighted based on job volumes to establish the overall Belron score.

Belron continues to be proud of its consistently world-class NPS of above 80. For 2023, Belron achieved a NPS score of 84.7, an improvement on the score of 82.2 in 2022.

Following a slight decline in NPS in 2022, Belron implemented a new Voice of the Customer (VOC) programme in 2023 to help identify the root causes of the reduced scores. The programme reviewed all sources of feedback data, not only from the NPS surveys but also unsolicited feedback in online reviews and social media posts, and feedback from customers the company was unable to serve. During 2023, the programme was implemented across six Belron countries (Belgium, France, the Netherlands, Portugal, Spain and US), with the remaining businesses set to follow by the end of 2024.

Insights generated through the new VOC programme enabled Belron to make improvements to its customers' experience including reducing the NPS gap between recalibration and non-recalibration customers, optimising appointment times and improving the clarity of communications. This has resulted in 12 Belron businesses seeing improvements in their NPS.

Belron also launched a series of 'touchpoint' surveys to enable the customer to provide more timely feedback at all stages of their journey with Belron. The post-booking survey has been a particularly successful way of identifying customers at risk of abandoning their appointments, enabling Belron to proactively encourage them to complete their journey.

The priority for 2024 is to continue to understand the customers' experience to drive improvements, including focusing on Google reviews and improving the businesses' online presence, a crucial element of customers' decision-making process.

Strategic KPI	2021 Value	2022 Value	2023 Value	Ambition
Net Promoter Score	83.4	82.2	84.7	Maintain world class customer delight

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.

All motorists who have a vehicle glass repair or replacement are asked to provide feedback on their experience. This excludes the Belron's B2B activities as well as its franchise network.
This is done through the Net Promoter Score (NPS) survey, asking them to rate on a scale of 0 to 10 how likely they are to recommend Belron to a friend / colleague (10 being extremely likely and 0 being not at all likely). Motorists scoring a 9-10 are Promoters, 7-8 are Passives, and 0-6 are Detractors. The overall NPS is calculated by taking the percentage of Detractors from the percentages of Promoters, to create a final score.

3.1.2 CUSTOMER WELFARE & SAFETY

Belron's purpose is to 'make a difference with real care'. This applies to every customer it serves, and it has a responsibility to ensure that the customer's safety on the road is prioritised.

To maintain consistency across the Belron countries, the highly trained technicians work according to the Belron Way of Fitting. This process captures the expertise and know-how of Belron technicians around the world and defines a best practice approach to repairing and replacing vehicle glass and recalibrations. Every job is carried out in the same way using the tools and processes developed by Belron Technical & Operations (the company's research and innovation team, focused on continuously improving technical standards). This process helps to ensure safety, drives technical quality to the highest standards and means the company can continuously improve the service it offers.

In 2023 the Belron Technical & Operations team reviewed and updated the Belron Way of Fitting to better reflect the jobs the technicians are faced with today, including recalibration and the addition of VAPS (Value Added Products & Services). The new process has been restructured to clearly define the different aspects of the job, with clear 'go, no go' decision points and the steps that are critical to technician and customer safety. The new Belron Way of Fitting was co-created with the Belron businesses in Australia, Belgium, France, Germany, Spain, the UK and the US and signed off by senior leaders and the Global Leadership team (GLTM). The training support material will be rolled out globally in 2024. The new process will be the basis on which technicians will be assessed going forward and for the Best of Belron competition in June 2024, where technicians from around the world demonstrate their extensive skills, competing to be recognised as the best of the best.

In 2023, the Technical Excellence team within Belron Technical & Operations focused on new standards of technician training and assessment and fitting information to ensure that the technicians are properly equipped and trained to do a safe, high-quality job first time, every time. The Belron Way of Technician Training & Assessment programme focuses on providing new technicians in the first 12 months of their career at Belron with a programme of training modules that includes Customer Service, DE&I, VAPS and Safety Health & Wellbeing, in addition to Belron's global standard training for Repair, Replacement and Recalibration. To support the high standards in recalibration, the Bosch diagnostic and recalibration technology rollout was completed on time, enabling all the Belron businesses to deliver state-of-the-art recalibrations for their customers' vehicles.

In addition to the comprehensive training programme, Belron ensures that technicians have access to fitting instructions as well as safety and quality guidance before they start a job. In January 2023, the Belron Technical team started a project to move all this information to a web-based app that technicians will access by scanning a barcode on the glass. This will provide instant access to information and ensure that Belron continues to drive the highest safety (for both technician and customer) and quality standards, as well as tips on how to avoid common mistakes. The prototype of the app is being piloted in the UK, with the aim to launch in 2024.

3.2. Sustainable products and services

3.2.1. REDUCING WASTE AND BUILDING A CIRCULAR ECONOMY

As the world's leading VGRRR company, Belron believes it has a responsibility to lead the sector on solutions that eliminate waste across its operations. Its ambition is that none of its waste goes to landfill and that it's all recycled or reused instead. Belron also wants to contribute to building a circular economy - particularly around vehicle glass, its most significant waste product. This glass waste is created when a windscreen cannot be repaired and must be replaced.

In 2023 Belron continued to make significant progress in sending vehicle glass for recycling. It further increased its total amount of vehicle glass recycled to 97% up from 89% in 2022 and 72% in 2021. This figure relates to vehicle glass waste recycling only and excludes the plasticised polyvinyl butyral (PVB) interlayer, bonded rubber and other materials that form part of the windscreen. The Belron businesses in Austria, Belgium, France, Germany, Italy, Netherlands, the Nordics, Switzerland and the UK maintained their 100% vehicle glass waste recycled. In countries outside of Europe and UK where recycling is less well developed, the company continued to prioritise its focus to improve collection of waste vehicle glass and identify alternative end uses. Progress was made across Australia, Canada, New Zealand and particularly the US, who increased their glass recycling to 98% in 2023 from 85% in 2022. It continues to be challenging to send glass for recycling in these immature recycling markets and going forward, Belron expects this to remain the case.

Today, the majority of Belron's waste vehicle glass is recycled into building insulation that has a 40+ year life and saves energy, while the laminate film in windscreens, Polyvinyl Butyral (PVB), is used to make carpet backing, paint and waterproof coatings. Ultimately, the company wants to recycle waste glass from vehicles into new vehicle glass and during 2022, it began working with key supplier partners to explore how and when they could use waste vehicle glass to manufacture new windscreens. In September 2023, Belron supplied AGC with waste body glass from its distribution centres to be used in float glass production and, ultimately, made into windscreens, as part of a pilot project. The windscreens were produced in December 2023 and will be delivered to Belron in January 2024, where they will be fitted in motorists' cars in Belgium and Germany. In 2024, Belron will take the learnings from the pilot and work further with AGC to understand the potential for future expansion.

At the start of 2023, Belron increased the frequency of general waste reporting from quarterly to monthly to support its focus on reducing waste being sent to landfill and providing management and leadership visibility on all waste streams.The term 'General Waste' refers to all waste streams (with the exclusion of vehicle glass waste sent for recycling) generated by Belron from its day-to-day operations. In 2023, Belron generated 50,162 tonnes of general waste. Of this, 49% was sent to landfill against an internal target of 45-50%. In total 27,579 tonnes of waste was sent to landfill in 2023.

Belron's general and hazardous waste continues to be managed by each business in line with local regulations. Hazardous waste, which represents 1% of Belron's general waste in 2023, is collected and disposed of via specialist contracts.

As well as working on reducing the amount of waste sent to landfill, Belron has been focused on reducing the amount of waste created by its operations. During the previous two years the company has been reducing levels of inbound packaging, such as removing plastic bags on new windscreens from primary manufacturer suppliers. By the end of 2023, all new windscreens from its global glass suppliers delivered to all countries, except Australia and New Zealand are now shipped without plastic bags. In early 2024, Belron will work with Australia and New Zealand to adapt their processes in preparation to go bagless by the end of the year. Packaging has also been reduced with the successful implementation of the APEX bonding system across the whole business, which also helped to reduce the use of chemicals.

In 2023, Belron carried out a six-week trial in France to separate wipers from adaptors and use a redesigned box, to reduce both plastic and packaging waste. The trial was successful, and the new approach will be rolled out across Europe in 2024. Belron calculates this will reduce plastic waste by 35 metric tonnes per year and reduce packaging waste by 49 metric tonnes per year. In addition, Belron began introducing a new rain repellent product across Europe during 2023. The rain repellent is applied by spray bottles instead of single use plastic applicators, which Belron estimates will result in a reduction of 5 metric tonnes of plastic waste in a year.

In 2024, Belron will continue to focus on reducing waste created in its operations, and the amount of waste that is sent to landfill.

Strategic KPI	2021 Value	2022 Value	2023 Value	Ambition
% of vehicle glass waste recycled	72%	89%	97%	100% vehicle glass waste recycled

Waste-related data	Unit	2021	2022	2023
Total amount of waste generated	Tonnes	168,707	161,104	157,390
Total amount by weight diverted from disposal	**Tonnes**	103,402	119,700	129,810
Total hazardous waste generated diverted from disposal	Tonnes	386	140	34
Total hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	0	0	0
Total hazardous waste generated diverted from disposal to recycling	Tonnes	251	40	34
Total hazardous waste generated diverted from disposal to other recovery operations	Tonnes	119	67	0
Total non-hazardous waste generated diverted from disposal	Tonnes	103,016	119,560	129,361
Total non-hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	0	0	0
Total non-hazardous waste generated diverted from disposal to recycling	Tonnes	94,966	114,193	124,223
Total non-hazardous waste generated diverted from disposal to other recovery operations	Tonnes	8,050	5,274	5,139
Total amount by weight directed to disposal	**Tonnes**	65,305	41,404	27,580
Total hazardous waste generated directed to disposal	Tonnes	1,673	1,479	486
Total hazardous waste generated directed to incineration	Tonnes	135	100	415
Total hazardous waste generated directed to landfill	Tonnes	1,538	1,379	71
Total hazardous waste generated directed to other disposal operation	Tonnes	0	0	0
Total non-hazardous waste generated directed to disposal	Tonnes	71,817	45,392	32,648
Total non-hazardous waste generated directed to incineration	Tonnes	8,050	5,367	5,139
Total non-hazardous waste generated directed to landfill	Tonnes	63,767	40,025	27,509
Total non-hazardous waste generated directed to other disposal operation	Tonnes	0	0	0

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
The total waste does not include the plasticised polyvinyl butyral (PVB) interlayer, bonded rubber and other materials that are integral to the windscreen. These materials are estimated to be 15% of the total vehicle glass waste and can only be separated as part of the vehicle glass recycling process.

3.2.2. DRIVING DOWN EMISSIONS

Belron has operations across three continents with a network of 2,995 branches, service centres, distribution centres and a large mobile fleet and sources from suppliers around the world. The company therefore has a direct and indirect impact on the climate through its carbon emissions and has a responsibility to monitor, manage and reduce these emissions.

Belron is committed to responding to climate change and has a goal to become a net zero emission business by 2050, taking meaningful and measurable action to reduce emissions across its entire value chain. Under the terms of the sustainability linked loan issued in March 2021, Belron committed to achieving a validated Science Based Target from the Science Based Targets Initiative (SBTi) by the end of December 2024. The SBTi is an organisation focused on helping companies establish science-based targets to reduce greenhouse gas ("GHG") emissions and transition towards a low-carbon economy.

In December 2022, Belron submitted company-wide near-term and long-term emissions reduction targets to the SBTi for validation. Belron was delighted to announce in November 2023 that its near-term (2030) and long-term (2050) net zero emissions reduction targets had been validated by the SBTi a year ahead of the commitment date.

The following targets submitted by Belron were validated by the SBTi:

By 2030

- Reduce scope 1 & 2 (direct & indirect) emissions by 42%*; and
- Reduce scope 3 (value chain) emissions (categories 1-5) by 25%*.

By 2050

- Commit to reach net zero GHG emissions across the value chain
- Reduce scope 1, 2 and 3 emissions by 90%*.

*from a 2021 base year

In preparation for its SBTi validation, Belron continued to gain a greater understanding of its emissions data. As a result of the detailed work undertaken with the support of expert external advisors, Belron has decided to restate its 2021 and 2022 emissions.

The restated values relate to improvements in data quality and methodologies for capturing primary data. The restated figures cover scopes 1, 2 and categories 1 to 5 of scope 3 which represent over 90% (on a 2021 baseline and in line with SBTi requirements) of the total. *Please see data table below*.

Overall performance

In 2023, Belron achieved a decrease in total emissions scopes 1, 2 and 3 (categories 1 to 5) of 10.5% on 2022. This is despite an increase in repair and replace volumes of 2.1% (YoY) and a sales increase of 8.5%.

Within scopes 1 and 2, Belron delivered a combined 11.4% reduction on 2022 emissions. The majority of this reduction was achieved via initiatives to reduce fuel usage in the fleet and through increased purchase of renewable electricity.

In scope 3, Belron achieved a reduction of 10.3% on 2022 emissions. The reductions were across all categories within the near-term target boundary, except Capital Goods (category 2) which saw an increase.

Actions to reduce emissions

Belron has a 'repair first' approach, which means wherever possible it will repair a windscreen rather than replace it. A Product Carbon Footprint analysis undertaken in 2019 in Germany and France and assured by Bureau Veritas, calculated that a windscreen repair results in at least 70% fewer emissions than a replacement.

In 2023 Belron began work on revalidating its Product Carbon Footprint to calculate an overall emissions savings for the Belron Group of companies. This was done by assessing the GHG emissions, generated from a repair of a windscreen versus a replacement, undertaken both in branches and by mobile technicians across a wide range of businesses. These included Australia, Belgium, France, New Zealand and the US. The work was carried out in accordance with ISO14067:2018* and independent verification of the updated tool and calculations was received from Bureau Veritas at the end of 2023.

The new Product Carbon Footprint tool has established that a windscreen repair results in 80% fewer emissions than a replacement. This greater emissions reduction than the figure calculated in 2019 of 70% is due to an improved understanding of Belron's value chain and extensive work done to improve the quality and accuracy of data, and now includes emissions data associated with the recalibration work for Advance Driver Assistance Systems (ADAS).

* ISO 14067:2018 Greenhouse Gases: Carbon footprint of products – requirements and guidelines for quantification.

Scopes 1 and 2

Belron's largest single source of direct carbon emissions is its global fleet of 11,000 vehicles. Its aim is to reduce these emissions by at least two-thirds by 2030 and for at least 50% of its global fleet to be fully electrified by that date. This will be delivered through a combination of fewer vehicles and the use of hybrid and electric vehicles (EVs).

In 2023, progress has continued in transitioning the company cars, courtesy cars and technician cars to EVs. At the end of 2023, 27% of cars and over 3% of vans were fully electric, with a further 150+ vehicles being delivered in early 2024. Carglass® in France began a rollout of electric vans and is on track to have 100% EV technician fleet by the end of Q1-2024. Fourteen Belron businesses are now operating some EVs, with Austria, France, Norway, Sweden, UK and the US using both vans and cars; Finland, Portugal and Spain using vans and the remaining five countries using cars for sales teams, technicians, customer courtesy cars and management. At the end of 2023, over 8% of Belron's global fleet was electric. Overall, fleet emissions have reduced by 10% in 2023. This has been due to a number of factors, including reduced miles driven in many countries among which Australia and the US (in part due to higher rates of static recalibration), improved route planning and scheduling, but also through successful projects such as in the US, where a big focus on reducing vehicle idling saw a significant reduction in fuel usage.

In addition, there are a number of other initiatives underway to reduce emissions from the transport associated with VGRRR, including the trial of e-bikes for repair technicians in New Zealand and the use of HVO (biodiesel) to power vehicles in Finland.

Energy efficiency and energy transformation is underway in a number of branches and distribution centres. The Netherlands has so far transformed 21 of its branches from gas to electric. It continues to work in partnership with real estate asset managers to decarbonise its remaining branches by investing in air source heat pumps, building management systems and other innovative technologies, with the ambition to go natural gas free within five years. The UK trialled off-grid branches powered by solar power and biofuels for the first time in 2023 and is planning to open further branches of this type. The US began the construction of a test branch to trial whether a number of sustainability related technologies can be implemented in new branches. These include a building energy management system, all electric heating and EV chargers. Over the coming year, the company will assess the different approaches being undertaken and share learnings as appropriate across the group.

Belron's largest European distribution centre in Bilzen, Belgium, has a goal to become carbon neutral by 2025. It already uses light catchers and LED adaptive lighting and has installed solar panels. Panels were also installed on the Madrid distribution centre in Spain and Australia is currently investigating the use of solar panels for branches that cannot procure renewable electricity locally, such as in Tasmania and the Northern Territory, with results due in 2024.

During the reporting year, Belron has significantly increased its renewable electricity purchase from 24% in 2022 to 42% in 2023 backed by Renewable guarantees of origin REGOs / Guarantees of origin (GoOs). Nine countries are now sourcing 100% renewable electricity and a further seven countries are buying a large proportion of renewable electricity. These include Belgium, France, Germany, the Netherlands and New Zealand, as well as Australia and Canada, who sourced renewable electricity for the first time in 2023. Work is underway to develop a renewable electricity strategy for the US business.

Scope 3

The focus of emissions reduction work and reporting for scope 3 is on categories 1-5 which represents more than 90% (on a 2021 baseline and in line with SBTi requirements) of the total. These are purchased goods and services; capital goods, fuel and energy-related activities; upstream transport and distribution and waste generated in operations.

Going forward, a key focus will be on better understanding the carbon emissions related to the goods and services Belron purchases (category 1 of scope 3 emissions), and how they can be reduced. A specific emphasis will be on understanding the full life cycle of the company's primary purchase, glass, and work on this has begun with an external provider. The project will help in developing emissions reductions plans with suppliers on the glass as well as other core products such as PU adhesives and resin, and products for resale such as wipers and rain repellent, to support Belron's emission reduction targets. Work has also begun with suppliers to reduce the emissions created through the transport and distribution network, and the dialogue continues with key suppliers on understanding their own emissions and agreeing reduction targets.

Of the remaining scope 3 categories, 6, 7, 12 and 14 (business travel, employee commuting, end-of-life of sold products and franchises) are in scope of net zero targets and will be part of the company's emission reduction plans going forward. Categories 8, 10, 11 and 13 (upstream leased assets, processing of sold products, use of sold products and downstream leased assets) are not applicable; and 9 and 15 (downstream transport & distribution and investments) are optional.

Strategic KPI	2021 Value	2022 Value	2023 Value	Target 2030	Target 2050
tCO_2e emissions*	712,665 tCO_2e	703,336 tCO_2e	629,465 tCO_2e	Reduce scope 1 & 2 (direct & indirect) emissions by 42%**; and reduce scope 3 (value chain) emissions by 25%**.	Commit to reach net-zero GHG emissions across the value chain. Reduce scope 1, 2 and 3 emissions by 90%**

* Scope 1 & 2, and categories 1 to 5 of scope 3
** From 2021 base year

Carbon footprint	2021* (base year)	2022*	2023	% 2023/2022	2025	2030	2050	Reduction target **
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2eq)	121,289	114,458	104,681	91.5%	95,100	70,166	12,129	-5.9%
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	25,225	24,447	24,431	99.9%	N/A	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions (tCO_2eq)	29,065	29,325	22,779	77.7%	22,789	16,814	2,907	-5.9%
Significant scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	562,311	559,553	502,005	89.7%	495,760	423,536	56,231	3.1%
1 Purchased goods and services	397,711	391,393	361,455	92.4%				
2 Capital goods	15,491	22,221	31,716	142.7%				
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	38,291	37,594	34,642	92.1%				
4 Upstream transportation and distribution	89,624	91,065	58,400	64.1%				
5 Waste generated in operations	21,194	17,280	15,792	91.4%				
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	708,825	698,458	631,117	90.4%				
Total GHG emissions (market-based) (tCO_2eq)	712,665	703,336	629,465	89.5%				

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.

* In preparation for its SBTi validation, Belron continued to gain a greater understanding of its emissions data. As a result of the detailed work undertaken with the support of expert external advisors, Belron has decided to restate its 2021 and 2022 emissions. The restated values relate to improvements in data quality and methodologies for capturing primary data. The restated figures cover scopes 1, 2 and categories 1 to 5 of scope 3 which represent over 90% (on a 2021 baseline and in line with SBTi requirements) of the total. (FY2022 published data: Scope 1, 115,966 ; Scope 2, 29,325; Scope 3, 678,695 /FY2021 published data: Scope 1, 121,289 ;Scope 2, 29,065 ;Scope 3, 677,525)

** Belron utilises market-based emissions accounting under Scope 2 in alignment with SBTi.

3.3. Sustainable procurement

Belron sources and manages the procurement of certain core products and services globally. Centrally procured products include vehicle glass, trims, adhesives, workshop equipment, tools, consumables and products for resale. Centrally procured services also include IT software and maintenance, professional services and vehicle lease (fleet) providers. Other products and services required by Belron businesses are sourced and managed through their own local supplier networks.

Belron’s Sustainable Procurement programme aims to put sustainability at the forefront of all purchasing strategies and buying decisions. The high standards and expectations that Belron's suppliers must meet in order to become and remain a Belron supplier are set out in the Supplier Code of Conduct. Compliance of suppliers with the company's expectations and their performance against sustainability targets are all critical requirements of doing ongoing business with Belron. To ensure suppliers are complying, the Sustainable Procurement team conducts a programme of assessments and audits, performed both remotely and physically on site at supplier production, distribution and service delivery locations.

The supplier site audit programme was further enhanced in 2023 with the launch of a new scoring mechanism. In addition to identifying risks, the new scoring mechanism highlights areas of positive impact for which the suppliers are recognised, and which are used to support other suppliers to develop and improve their own positive impact. The audit programme continues to be supported by third party partners, who run a bespoke audit structure that assesses a wide range of ESG topics and delivers a corrective action plan with required resolution times from each audit. The focus of the programme is to facilitate an ongoing dialogue with suppliers to address any risks identified, support them with advice and share best practice. In 2023 Belron completed 39 supplier site audits against a target of 38. The targeted number of site audits is set annually considering the review period set for each site, which is done based on risk, criticality and prior assessment results. This ensures that all suppliers sites in programme scope are re-audited within their set review period.

In 2023 Belron continued the programme of assessing the full supply chains of key strategic suppliers, tracking value chains back to raw materials, and assessing a broad range of risks and ESG impacts at each stage. The programme was expanded through the year with the development of a business continuity framework to assess the capability of suppliers to continue providing goods and services to Belron in case of adverse events, and to provide contingencies if needed. In 2023, the programme focused on the group suppliers that are most critical to Belron’s business, including suppliers of glass, adhesives and the repair system. This work included investigating the risks present across the value chain, understanding the measures in place to minimise and mitigate these risks and creation of action plans to close any gaps. These action plans are now being worked on together with the suppliers.

Belron uses a range of systems to assess risks present in its supply chain to give a real time status and alerts of any situations or events that need attention. These systems include platforms that monitor suppliers, their financial positions, that they are not sanctioned and any adverse media or reports that are worthy of further investigation. Also included are platforms that assess risks associated with the geographical locations of suppliers. Online assessment platforms are also used to capture information and data from suppliers on their ESG performance, including emissions data.

Belron's focus for 2024 includes a broader assessment of supply chain risk, with a deeper focus on the risks present in transport routes as well as production locations. Additional focus is also being placed on holding a deeper dialogue with any suppliers who may struggle to attain top assessment and audit scores to support them to improve faster.

The Sustainable Procurement Team will also continue to work closely with Belron's businesses to help drive best practice and support the assessment, monitoring and development of their local supply chains.

Strategic KPI	2021 Value	2022 Value	2023 Value	Target 2024
Number of supplier site audits	31	37	39	All critical / key Group supplier sites audited

3.4. Investing in people and society

3.4.1. PROMOTING DIVERSITY, EQUITY, INCLUSION AND WELLBEING

Belron continues to recognise the critical importance of diversity, equity and inclusion (DE&I) to its business and all its key stakeholders. Enabling everyone to bring their whole selves to work, creating a diverse workforce and fostering inclusion is key to the company's culture and values.

DE&I is a global priority for the business and is a key component of the Belron Responsible Business Framework. The company's ambition is to continue to have an organisation that protects its people and values difference in all its forms, creating an environment that enables everyone to participate and reach their full potential.

Belron is committed to attracting, developing and promoting the broadest range of people on the basis of their ability for a role and their appreciation of and alignment with the company's culture.

By 2025, Belron's ambitions are to improve its gender mix across the business, improve the overall diversity of its Leadership Group and enable each of its businesses to further drive DE&I locally.

During 2023, Belron conducted significant DE&I activity, sharing its philosophy, approach and goals through engagement and storytelling with senior leaders across the business. The work continued to build understanding and awareness by designing a one-day DE&I immersion session for senior leaders and cascading this with the country leadership teams.

To ensure that momentum around the awareness and appetite to engage in DE&I continues, Belron further promoted the DE&I global calendar of events, including celebrating International Women's Day, Pride Month, World Mental Health Day, Nelson Mandela Day and International Day of Persons with Disabilities. Alongside these global events, each business recognises local activities and groups that are relevant to them - from Black History Month in the US to Maori Language Week in New Zealand.

Belron recognises the need to track progress on DE&I, and 2023 was the third year running that it asked focused DE&I questions in its Annual Engagement Survey. The results show a year-on-year improvement; up to 89% favourable DE&I drivers, which is a 3% improvement on 2022.

A key focus continues to be the number of females in leadership, field operations and technician roles. Belron's businesses continue to monitor their current approaches to gain a deeper understanding of the experiences and needs of this group and to share learnings. The business has seen an increase in its number of female technicians and maintained its gender diversity within its Leadership Group. Two further female General Managers (GMs) were appointed in 2023, meaning that a third of the Belron businesses (including the largest) are led by women. The gender mix across the wider business continues to be tracked and at the end of 2023, 24% of the total employee population were female. Belron will continue to build on this progress in 2024.

Every business continues to drive its own local DE&I agenda, within the global framework, focused on its own specific needs, culture and priorities. This will build on local ownership of DE&I and highlight any global themes to support sustainable and relevant practices.

Strategic KPIs	2022 Value	2023 Value	Ambition
Improvement in diversity within the Belron Leadership Group* and improvement in the gender mix across the Belron family of businesses.	An increase of 29% of female executives on 2021 and an increase of 735 female employees since 2021.	Maintained gender diversity across the Belron Leadership Group and increased the total female population by 638 since 2022.	Continued focus over the coming years with support, engagement and role modelling.

* The Belron Leadership Group includes the Global Leadership team and all the Belron businesses' country leadership teams, approximately 150 people globally.

Diversity	2022	2023
Gender distribution at top management level*		
Total headcounts in management positions	**208**	**232**
Total male headcounts in management positions	146	169
Total female headcounts in management positions	62	62
Percentage of male employees in management positions	70%	73%
Percentage of female employees in management positions	30%	27%
Age distribution		
Total headcounts under 30 years old	-	10,517
Total headcounts between 30-50 years old	-	16,314
Total headcounts over 50 years old	-	5,613

* Executive level positions refer to positions at the highest level of the organisation, in charge of making companywide decisions. These positions include the C-levels (CEO, COO, CFO, etc.) and their vice presidents (VPs) and their direct reports.

Number of employees (headcount) by gender	2022	2023
Male	23,254	24,415
Female	7,038	7,768
Not disclosed	306	261
Total	**30,598**	**32,444**

Characteristics of workforce	2022	2023
Number of employees (headcount)	**30,598**	**32,444**
Female	7,038	7,768
Male	23,254	24,518
Not disclosed	306	261
Number of permanent employees (headcount)		**32,236**
Female		7,680
Male		24,359
Not disclosed		197
Number of temporary employees (headcount)		**208**
Female		88
Male		56
Not disclosed		64
Number of full-time employees (headcount)		**29,840**
Female		6,137
Male		23,500
Not disclosed		203
Number of part-time employees (headcount)		**2,604**
Female		1,631
Male		915
Not disclosed		58

3.4.2. EMPLOYEE ENGAGEMENT

Belron employees are at the heart of the business and their wellbeing, engagement and experience remain key priorities.

The business is committed to attracting, engaging and developing the very best people who are equipped with the capabilities and skills to serve its customers, creating an environment that enables everyone to participate and reach their full potential. The company maintains policies and procedures for its people at both Group and local business level. The employee engagement initiatives in place include training and development, recognition through local in-country programmes as well as the global Belron Exceptional People Awards, flexible working options, feedback channels and community involvement through the Giving Back agenda.

Since 2020, Belron has run four global Annual Engagement Surveys and three mid-year Pulse surveys. The latter enable the company to continue listening to its people and check their awareness of the results of the annual surveys and their involvement in follow-up action planning. The 2023 mid-year pulse survey showed that eight out of ten Belron people had been involved in creating actions to improve engagement in their areas and had seen progress subsequently.

The Annual Engagement Survey conducted in October, had a response rate of 89%, with over 27,000 people completing the online survey, up from 86% in 2022. The engagement score showed 89.2% of people are actively engaged, up from 86.2% in 2022. The 2023 result saw an increase of 5% on technician engagement and the individual country results were all at or above the country norm.

The results of the 2023 Annual Engagement Survey and the verbatim comments were shared via the team leaders across the Belron family of businesses to promote discussion and create action plans for improvement for their own teams, as well as to build upon what already works well. This will be followed up by a Progress Pulse Survey in Q1 2024.

Strategic KPI	2021 Value	2022 Value	2023 Value	Ambition
Employee Engagement score	85,6%	86,2%	89,2%	Maintain engagement score in the mid 80% range.

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
Scope 100% of permanent or fixed-term contract employees with more than 1 month's employment.

Turnover	2022	2023
Total number of employees who have left the undertaking	11,500	7,338
Rate of employee turnover in the reporting period	-	22.6%

3.4.3. PEOPLE SAFETY

Belron's purpose of 'making a difference with real care' means that it is driven to continuously develop a positive safety, health and wellbeing (SHW) culture and operate its business without causing harm to its people and its customers. The company believes that SHW excellence is intrinsic to doing business responsibly and is key to it becoming the company of choice for its customers and employees. All global Leadership team meetings and Board meetings now start with an update on SHW.

During 2022, Belron developed an enhanced Group-level SHW capability and strategy. This was built on in 2023 by the development and launch of the Belron SHW Global Standards – a consistent, minimum set of standards that apply across every Belron business to support the reduction of work-related injuries and protect its people and the business. The Standards will help ensure that Belron continues to effectively lead and manage SHW and continuously improve performance.

The SHW Global Standards were launched in June 2023 to the Health & Safety community and key stakeholders across the business. A group-wide deployment followed in July, with the businesses conducting a gap analysis against the requirements of the Standards. Each business then created an action plan to address any gaps identified. The focus in 2024 will be on implementing the action plans, followed up by a programme of assurance and coaching from the central team.

Extensive work was undertaken in 2023 to build out resource levels, capability and competence across business unit safety, health and wellbeing teams. This has strengthened the community both in terms of professional competence and relationships with each other, a key aspect in capturing and sharing best practice. To support the best practice sharing, a new Best Practice Library will be launched in 2024, which will be available online to help facilitate a learning culture across the group.

Following the introduction of best-in-class safety metrics in 2022, performance reporting remained a key focus area for Belron with root cause analysis highlighting that the two most significant types of injury at Belron are musculoskeletal disorders and cuts and lacerations. To address these, two improvement campaigns were conducted through 2023. The campaigns helped raise awareness and provide a greater understanding of root causes across the technician population. The data gathered also informed new tooling developments by the Belron Technical & Operations team and training initiatives to further mitigate any risks. The work will continue in 2024 with the introduction of new, safer tooling for technicians, supported by improved health and safety training. The tools and technology will also help to better serve an aging and more diverse technician population. The team will also run two more target campaigns focusing on driver safety and wellbeing. To support the activities planned going forward, the SHW central team will expand to include a dedicated health and wellbeing lead.

In 2023, there was a 4.7% reduction in Lost Time Injury Frequency Rate (LTIFR). In absolute terms the number of lost time accidents reduced from 921 in 2022 to 911 in 2023, a reduction of 10 lost time accidents over the year, despite an increase in the number of hours worked (c.2m). Significant improvements have also been made in data capture and reporting.

Belron's target for 2024 is to reduce the LTIFR by a minimum of 10% compared to 2023.

Strategic KPI	2022 Value	2023 Value	Ambition
Lost Time Injury Frequency Rate (LTIFR)	16.90	16.10	By 2024, reduce by at least 10% compared to 2023
Total Recordable Injury Frequency Rate (TRIFR)	36.08*	35.99	

Health & Safety	2022	2023
Percentage of people in its own workforce who are covered by the undertaker's health and safety management system	100%	100%
Number of fatalities as a result of work-related injuries and work-related ill health	1	0
Number of recordable work-related injuries	1,946	2,036
Rate of recordable work-related injuries (frequency rate)	36.08* per million hours	35.99 per million hours
Number of cases of recordable work-related ill health	20	13
Rate of cases of recordable work-related ill health	0.37 per million hours	0.23 per million hours
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	25,445	28,721
Percentage of its own workers covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines	100%	100%

* As restated to reflect the continuous improvement in data collection and calculation (FY2022 published data, 36.04)

3.4.4. GIVING OPPORTUNITY

Belron has a deep-rooted sense of responsibility towards the communities it serves and a long history of 'Giving Back'. This remains a key part of Belron's culture and values, as well as being part of its Responsible Business Framework.

Each Belron business sets its own 'Giving Back' agenda, so its colleagues can experience a greater sense of personal involvement and achievement. In 2023, Belron's businesses supported local charities and organisations that help many vulnerable community groups. Through various activities and donations, the businesses contributed just over €3.6m.

In 2023, a record 12,500 people including employees, their families and friends, and business partners took part in the annual Spirit of Belron Challenge (SOBC). For the second time, the Challenge combined its virtual Round the World event with a day of sports at Dorney Lake, Windsor, in the UK. Twenty-six countries took part in the 11-day Challenge, with participants travelling 386,944 kilometres by swimming, cycling, running, walking or travelling by wheelchair. Collectively, SOBC raised over €2.5m (another record) for the company's long-standing charity partner, Afrika Tikkun. The charity supports thousands of vulnerable children and young people in some of the poorest parts of South Africa, where Belron's business was founded.

In addition to the fundraising through SOBC, the Belron global Technology & Transformation team continued with its mentoring programme to help empower young people in South Africa who are part of the Afrika Tikkun programmes. In 2023, 34 Belron mentors from various departments supported 120 young adults. The six-session curriculum covers various topics, including self-discovery, social skills and entrepreneurship. The programme has been running for three years and in that time 85% of the young people supported have found employment.

In total, the Belron Ronnie Lubner Charitable Foundation donated €2.8m in 2023. This included donations responding to the humanitarian crisis as a result of the Turkey/Syria earthquake, support for ad hoc employee applications throughout the year and donations under its global grants programme.

During 2023, the Foundation worked with a philanthropy specialist to manage its global grants programme including researching and identifying potential recipients, inviting and managing applications and undertaking extensive due diligence. Following a thorough application and review process, the Foundation has identified seven organisations to receive grants. It is also actively seeking to support organisations in US/Canada and France. The Trustees have set aside around €1.5m to donate under its global grant programme over the coming year.

The Foundation also piloted an employee nominated grants programme across five Belron countries, which the Trustees decided not to roll out. As a result, the Trustees will continue to look at opportunities to involve Belron employees with the Foundation in 2024.

Overall, donations for the year from local giving in the Belron businesses, the Spirit of Belron Challenge and the Belron Ronnie Lubner Charitable Foundation totalled €8.9m.

Strategic KPI	2021 Value	2022 Value	2023 Value	Ambition
Total donations	€7.3m	€8.5m	€8.9m	Continue to give back to drive positive change and build on this by sharing time and skills with young people.

Total amount of funds raised for Afrika Tikkun through the Spirit of Belron Challenge, amount of donations made by the Belron Ronnie Lubner Charitable Foundation, and the amount of funds raised and donated through the Belron family of businesses' local giving back agendas.

3.4.5. ADDITIONAL SOCIAL DATA

Headcount by country	2023
Australia	1,321
Austria	113
Belgium & Luxemburg	730
Canada	1,397
Denmark	244
Finland	110
France	2,990
Germany	2,437
Italy	822
Netherlands	481
New Zealand	348
Norway	343
Portugal	325
Spain	1,515
Sweden	328
Switzerland	125
UK	2,269
USA	16,283
Belron International	263

Countries with more than 50 employees.

Headcount by geographical area and by contract type	2023
Number of employees (headcount)	**32,444**
Eurozone	9,801
North America	16,283
Rest of the World	6,360
Number of permanent employees (headcount)	**30,481**
Eurozone	9,278
North America	16,227
Rest of the World	4,976
Number of temporary employees (headcount)	**1,963**
Eurozone	523
North America	56
Rest of the World	1,384
Number of full-time employees (headcount)	**29,926**
Eurozone	8,797
North America	15,374
Rest of the World	5,755
Number of part-time employees (headcount)	**2,518**
Eurozone	1,004
North America	909
Rest of the World	605

3.5. Responsible business foundations

3.5.1. STRONG GOVERNANCE AND INSPIRING LEADERSHIP

Strong governance and inspiring leadership ensure that Belron continues to operate as a highly responsible business, particularly as it grows in size and scale. Belron is committed to building best-in-class governance throughout the organisation, led by a talented set of inspiring leaders.

Governance

The Best-in-Class Governance programme focuses on how Belron manages its key enterprise risks, increasing the maturity of its control environment, protecting itself with relevant insurance policies and operating a robust and fit-for-purpose internal audit function. The programme, launched in 2021, continues to progress well, as detailed below.

The **Enterprise Risk** programme has further embedded a transparent risk culture through ongoing risk reporting from all Belron businesses, including increased focus on the success of risk mitigation activities. Belron has reviewed and refreshed its key Group risks with the GLTM (Global Leadership Team) and the Board. The Enterprise Risk Management Steering Committee, with representation from across functions, regularly meets to hear from Group risk owners to discuss and challenge ongoing and planned risk mitigation activities. Belron's Future Trends Forum continues to conduct horizon scanning exercises to identify emerging risks and opportunities for the organisation.

Belron's large technology transformation programmes continue to ensure a **robust control environment** for the future across the businesses. Controls are embedded in operations through designing controls, identifying and educating control operators and providing ongoing supporting material, such as the controls playbook.

The in-house **Internal Audit function** (along with external partners) continues to provide an independent view of business activities and management of risk. They currently have a strong focus on transformation and reports to the Belron Audit Committee four times per year.

As part of the **Global Insurance Programme**, Belron continues to work closely with its partners to evaluate the long-term strategy for risk reduction, ensuring adequate coverage across the business aligned to risk appetite.

Business Conduct	2022	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0

Leadership

Having a group of inspirational leaders across the Group remains a priority for Belron. In 2023, the company's top 150 leaders completed their Personal Leadership Review Refresh on their leadership style, the climate they create and 360° feedback against Belron's Executive Winning Leadership behaviours.

The focus for the next 12-24 months is to build Belron's future talent pipeline through a Global Trainee Programme focused on developing a cadre of high-potential, diverse graduates and interns who Belron will grow, develop and invest in as key talent for the future.

3.5.2. BELRON'S VALUES AND ETHICS

Belron's guiding principles of integrity, respect and trust are the foundation of the company's Code of Conduct – Our Way of Working. This sets out the behaviours expected by all Belron employees regardless of role or location. It also promotes organisational values and ethical expectations across the business and demonstrates how to do business in the right way.

The Code supports and guides Belron people in their day-to-day decisions and makes clear what they can expect from working at Belron, and what to do if things aren't right. It sets out the minimum standards that must be adhered to globally; it does not replace local country policies but sits alongside existing policies and guidelines.

Following a review, and in collaboration with Belron's businesses, in 2023 the updated Code of Conduct was launched, supported by a global mandatory e-learning module. Both the Code and the e-learning were translated into all relevant Belron languages and made widely available via online platforms. All employees are expected to take the training and certify they have read, understood and will comply with the Code. Since the launch in September, 100% of Belron employees globally have completed the training. The Code will be reviewed and updated each year supported by e-learning for re-certification.

The business adheres to and promotes clear ethical standards for itself and expects similar standards from all third parties who work with Belron or on its behalf. Human rights are a fundamental pillar of ethics and are addressed in the Belron Code of Conduct and the Belron Supplier Code of Conduct. The company is also committed to continuing to embed the Ten Principles of Responsible Business as set out under the United Nations Global Compact to which it has been a Signatory since 2010.

The company's Speak Up service, operated by leading provider NAVEX Global, is available for anyone who wants to raise an issue or concern. They can do so in confidence and anonymously by phone or online and in their local language.

The service was highlighted in the updated Code of Conduct launch and incorporated in the mandatory training for all employees. Going forward, the company is streamlining its Speak Up service so that Belron employees can report concerns in a consistent manner and ensure that the necessary processes are in place in line with the EU Whistleblowing Directive.

3.5.3. ROBUST REPORTING AND MEASUREMENT

In 2023, Belron has continued to develop its reporting to fulfil mandatory requirements for ESG reporting and to meet the needs of its different stakeholders, ensuring transparent and robust reporting of all its responsible business activities.

This currently includes contributing to the Non-Financial Reporting Disclosure within the D'Ieteren Group Annual Report, publication by Belron International of its statement in response to the UK Modern Slavery Act 2015 and the company's continued participation in the UN Global Compact Ten Principles of Responsible Business.

The EcoVadis sustainability rating assessment continues to be used by 14 of the Belron businesses to measure performance and benchmark themselves with other businesses in the areas of labour practices and human rights, environment, sustainable procurement and business ethics. In 2023, the Belron businesses in Finland, France, and Portugal achieved the highest medal rating of Platinum, Belgium, Germany, New Zealand and Switzerland all retained their Gold medal rating with high scores in all areas of the assessment and the businesses in Austria and Spain retained their Silver medal rating.

New UK regulation requires Belron to disclose its Climate-related Financial Disclosures (UK CRFD) in the Annual Report and Financial Statements for Belron Lending UK Limited, for the year ending 31 December 2023. With the support of external advisers, Belron developed a UK CRFD Roadmap and project plan to comply with this UK regulation, which was implemented over the course of 2023. This included a climate risk and opportunity assessment and a qualitative scenario analysis.

Belron is in scope for the EU Corporate Sustainability Reporting Directive (CSRD) as an EU entity by virtue of its turnover, assets and number of employees. This will require Belron to disclose against the ESRS standards and EU Taxonomy, with its first reporting required in 2026 on year 2025. In Q3 2023, Belron began a Double Materiality Assessment (DMA) as required by the legislation, with the support of external advisers. During the course of 2024, preparation for CSRD will continue, including conclusion of the DMA, ESRS gap analysis and process review, implementation to close any gaps and assessment of whether other Belron Group companies are required to disclose under CSRD. An assessment to determine where Belron's economic activities are in scope of the EU Taxonomy and can be considered as eligible activities will be conducted towards the end of 2024 or in early 2025.

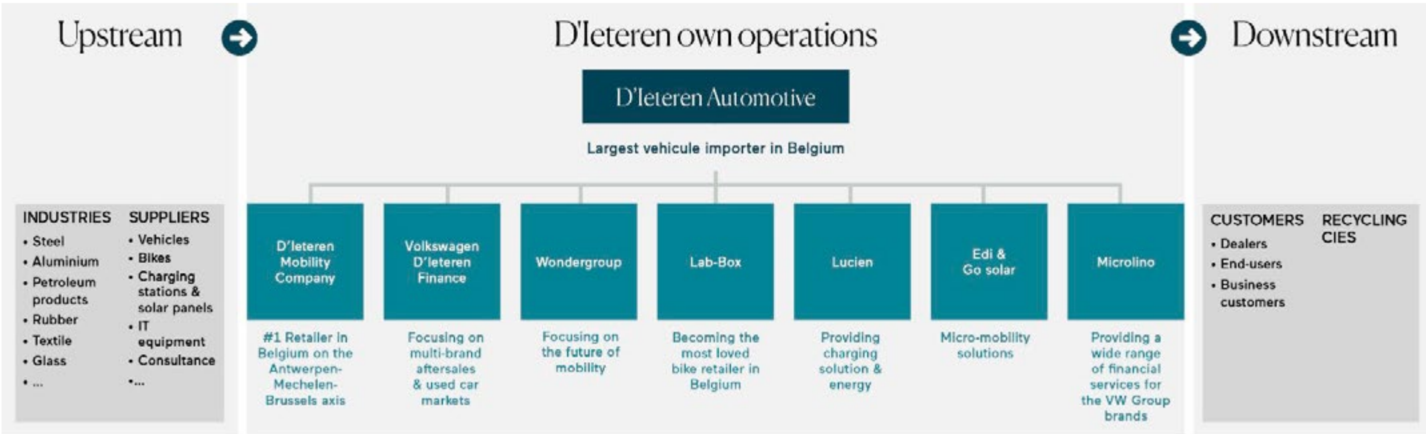
Belron continues to monitor developments in ESG legislation, including the EU's Corporate Sustainability Due Diligence Directive, the UK's Sustainability Disclosure Requirements and the California Climate Disclosure Laws and how they might apply to Belron and its companies.

D'Ieteren Automotive

1. Principles & Methodology

The commercial name of the D'Ieteren Automotive business, "D'Ieteren", will be used throughout this chapter.

D'Ieteren presents its FY-2023 sustainability report, which is gradually aligning with the European Sustainability Reporting Standards (ESRS), in preparation for full alignment in FY-2024. The scope of this report includes fully consolidated D'Ieteren entities (note 27 of the consolidated financial statements). The entities which are not fully consolidated by D'Ieteren, such as Volkswagen D'Ieteren Finance, are considered as part of the value chain. For the limited assurance conducted by KPMG, specific columns labelled as "DIA" have been incorporated in the report. In this context, the data provided pertains solely to D'Ieteren Automotive, excluding its subsidiary entities. For the carbon footprint, D'Ieteren is reporting both on its historical perimeter (D'Ieteren Automotive, D'Ieteren Centres, Porsche Centres Antwerp & Brussels) and its full scope.



The double materiality assessment conducted in FY-2023 was used to define the contents to be reported. The description of the strategic approach to the key non-financial topics and the main risks generated and incurred in these fields, including the existing methods for managing them, are discussed in the relative sections of this document. We address both the material environmental or social impacts of our activities, and the potential financial impacts for D'Ieteren of the risks and opportunities related to these issues. Our approach encompasses a broad spectrum of topics, such as reducing the carbon footprint of our activities, promoting sustainable and accessible mobility solutions or ensuring robust governance.

Not all the issues identified by the double materiality assessment share the same level of maturity in terms of commitments, policies and reporting as some of them were not identified by our previous materiality assessment. In 2024, D'Ieteren will develop the required action plans where necessary, while continuing to work on its strategic targets put in place for the 2020-2025 period.

The report covers the last two years, namely 2022 and 2023. The information and quantitative data collection process has been organised in such a way as to guarantee the comparability of the data and of the analysis of trends over this period, with the purpose of facilitating a correct interpretation of the information and a full overview for all stakeholders interested in the evolution of D'Ieteren's performance. Any changes in the collection methods from the previous year are suitably indicated in the document.

This sustainability report discloses when metrics involving upstream and/or downstream value chain data are estimated using indirect sources. This includes sector-average data or other proxies. Some quantitative metrics that are subject to a high degree of measurement uncertainty (where data collection is challenging or relies on estimates, assumptions, or indirect calculations) will be marked. When deemed necessary, context will be provided as well as explanations for the uncertainties involved.

The report focuses on current and completed initiatives, while ensuring compliance with the reporting standards and respecting the legal provisions of non-disclosure in specific circumstances.

This sustainability report contains statements relating to the future development of D'Ieteren's business. These statements are based on assumptions relating to the development of the economic, political, and legal environment in Belgium, which we have made based on the information available to us and which we consider to be realistic as of the time of going to press.

2. Company overview

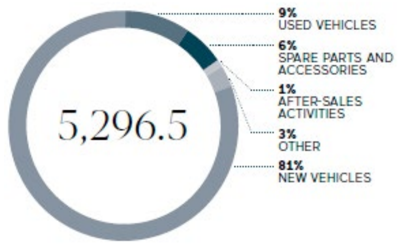
D'Ieteren is not only one of Belgium's leading distributors of numerous automotive brands, including Volkswagen, Audi, SEAT, CUPRA, ŠKODA, Bentley, Lamborghini, Bugatti, Rimac, Porsche, as the Company has transformed itself, over the last 5 years, to offer a holistic approach to mobility.

- D'Ieteren is promoting electromobility through its long-term partnership with the Volkswagen Group which has been actively working on its electrification strategy and aims to become a major player in the electric vehicle market. To facilitate the transition to electric cars for its customers, D'Ieteren is complementing its EV (Electric Vehicle) proposal with a broad and green energy bundle offering (EDI charging stations and GoSolar solar panels and stationary batteries).
- D'Ieteren has extensive expertise in the used vehicle market and across the whole lifecycle of vehicles with comprehensive maintenance and repair services extending vehicle lifespans.
- The Company has developed an extensive portfolio of new mobility services: free floating car sharing with Poppy, paid passenger transport with Husk and Taxis Verts, jockey services with Mobvious, the management of autonomous vehicles with USH, etc.
- D'Ieteren is active in the (e-)bike retail market with its brand Lucien and aims to become a leading retailer offering new and used bikes and after-sales services.
- In 2023, the Company, together with Microlino, entered the micromobility arena, plugging the gap between cars and two-wheeled vehicles. Microlino is an electric microcar which enables efficient, light urban CO_2-free mobility. D'Ieteren is also Microlino's official representative in France and Luxembourg.

Through its investment in Volkswagen D'Ieteren Finance, D'Ieteren offers financing for its mobility solutions, including charging stations and solar panels.D'Ieteren's customers are dealers to whom D'Ieteren supplies vehicles, parts and accessories and support services, as well as private and professional end customers.

REVENUE BREAKDOWN BY ACTIVITY

(€ million)	2021	2022	2023
New vehicles	2,615.1	2,893.2	**4,294.5**
Used vehicles	289.0	305.9	**449.2**
Spare parts and accessories	244.1	275.1	**319.2**
After-sales activities	56.5	54.5	**74.8**
Other	34.2	80.9	**158.8**
D'IETEREN AUTOMOTIVE	**3,238.9**	**3,609.5**	**5,296.5**



3. Strategy for Value Creation

Mobility is the engine of a prosperous society, contributing to economic activity and social life. As a family-owned business that has been driving Belgian mobility for almost 220 years, D'Ieteren works long-term for a positive impact.

D'Ieteren has a clear mission to build seamless and sustainable mobility for everyone. Over the past 5 years, the Company has moved forward on several fronts to expand its mobility solutions to offer end-to-end mobility ecosystems that cater to a variety of our customers' needs. Through all these initiatives, D'Ieteren is demonstrating its desire to become the natural choice when it comes to mobility in Belgium.

As a cross-cutting theme, sustainability has been integrated into each of D'Ieteren's activities, with the Company remaining at the forefront of accelerating the decarbonisation of mobility and making mobility a lever for sustainable development for future generations.

The D'Ieteren mission brings together the Company, its employees, its customers and its shareholders, and reconciles economic performance with a positive impact on people and the planet.

D'Ieteren focuses on 4 main levers to create value for its key stakeholders.

- For customers: providing high-quality mobility products and services to generate superior satisfaction.
- For employees: fostering a learning, fair and stimulating work environment to trigger employee engagement.
- For partners and suppliers: building strong, collaborative, and mutually beneficial partnerships to deliver enhanced value to customers and other stakeholders. D'Ieteren has been fostering long-term relationships by demonstrating commitment, with local dealers and the Volkswagen Group, since 1948.
- For society at large: by sharing its knowledge of the market and being a benchmark, D'Ieteren aims to become a source of inspiration in the field of sustainable mobility.

D'Ieteren strongly believes that engagement and cooperation with its stakeholders play a fundamental role in creating value for the business. For this reason, it is committed to maintaining a proactive and transparent dialogue with its stakeholders which allows to build stable relationships, promote positive and mutually beneficial interactions, and create a positive impact in the areas in which the company operates.

D'Ieteren communicates regularly with its stakeholders through a variety of channels. For instance, regular customer and employee surveys are conducted. On a bi-annual basis, D'Ieteren organises a large-scale qualitative market study called Polaris that targets both private and professional markets, and publicly shares the results (Polaris Mobility Survey (dieteren.be)). It organises topic-specific dialogues with its dealers and has regular meetings with its main suppliers. The company also participates in discussions and informational forums and continues its advocacy work and participation in industry coalitions.

Following the double materiality exercise, its main stakeholders were consulted and D'Ieteren has undertaken actions to keep them informed of the sustainability strategy put in place and of the Company's progress on issues that matter to them.

4. ESG methodology and governance

4.1. Materiality analysis process and results for 2023

In 2023, D'Ieteren conducted a double materiality assessment, in line with the ESRS requirements.

* **15 stakeholder groups:** customers, dealers, suppliers, automotive representative, environmental experts, local communities, employees, trade unions, internal experts, shareholders, general management

This assessment is a strategic and valuable management tool for D'Ieteren as it helps:

- to determine which ESG topics are most important for D'Ieteren's internal and external stakeholders in terms of how impacts are perceived along its value chain, and how they could translate into both opportunities and risks for the Company;
- to provide input for the content of sustainability reporting, the sustainability strategy, the five-year strategic plan, the management incentive plan of the management and the integrated risk management system;
- to strengthen relationships and trust with D'Ieteren's key stakeholders by ensuring that their views and priorities are considered and reflected in the Company's strategy.

The materiality assessment process was conducted in line with the ESRS requirements and was divided into 5 main phases.

To evaluate the economic, social, and environmental challenges, identify the risks, limit their impacts and take full advantage of the relative opportunities as part of the broader materiality analysis process, an analysis of the main current and future ESG megatrends was carried out. Based on the main publications within the scope of the transport sector and current public policies as well as the previous materiality assessment carried out in 2020, this analysis of the sustainability context for D'Ieteren identified several ESG topics, across D'Ieteren's own operations and its value chain. These topics include climate change, preservation of resources, health and safety, labor rights, and consumer safety. The impacts of these identified ESG topics were evaluated by stakeholders and experts with significant influence and impact on D'Ieteren's value chain.

15 stakeholder groups whose interests are affected or may be affected by the D'Ieteren activities were identified across the Company's value chain.

The relevant stakeholders were specified for each sustainability topic and specific questionnaires were used for each stakeholder group. Stakeholders rated these topics according to the following parameters: severity – measured as scale (how detrimental or beneficial), scope (how widespread or number of cases), irremediability for negative impacts – and likelihood (only measured for potential impact).

A financial assessment of the identified sustainability issues was then conducted to measure the materiality of the topic from a financial perspective. This assessment, partly based on D'Ieteren's existing risk management policy, was based on two criteria: the likelihood of occurrence (i.e. the probability that a financial risk occurs/materialises on a short-to medium-term basis, 1-5 years) and the magnitude (i.e. How detrimental / beneficial is the issue for D'Ieteren economic performance ?)

The financial and impact results of a double materiality assessment were combined, providing D'Ieteren with a holistic understanding of its main ESG issues and enabling the Company to prioritise actions that contribute to both sustainable business practices and positive societal outcomes.

4.2. Material topics emerging from the double materiality assessment

The scale ●○○ presented in this table reflects the level of materiality established by the double-materiality assessment.

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
Strategic Topics									
●○○	-	Failure to anticipate climate change adaptation measures could impact the supply chain, decreasing the safety and working conditions of local workforce and harming local communities.	**E1 – Climate change adaptation**	O & VC	Strategic topic	●●●	-	Current regulations around internal combustion engines and consumer behavioural change could impact D'Ieteren businesses.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	+	The uptake of electric vehicles (EVs) and alternatives like bikes and car-sharing can cut road congestion, pollution, CO_2 emissions, and enhance urban life, while also boosting local economies.	**E1 – Climate change adaptation**	O & VC	Strategic topic	●●○	+	D'Ieteren can tap into sustainable transport solutions and new market segments, considering the younger generation's preference for fewer vehicles, increased corporate mobility budgets, the popularity of car-sharing and bikes, and tighter car regulations.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	-	Car manufacturing and its value chain are highly energy-intensive. Passenger vehicles sold by D'Ieteren, including the production and use phases, are major GHG emission contributors.	**E1 – Climate change mitigation**	O & VC	Strategic topic	●●●	-	D'Ieteren faces risks from the scarcity of resources needed for products like electric vehicles, bikes, solar panels, and charging stations. Transitioning to electric vehicles, switching to renewable energy, and installing electric infrastructure like charging stations, increase costs for customers and could reduce D'Ieteren sales.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	-	Vehicle production is energy-intensive, and cars or e-bikes are powered by energy. D'Ieteren's own operations also consume energy to run its operations, impacting climate and air quality.	**E1 – Energy**	O & VC	Strategic topic	●●○	-	D'Ieteren's operations in Europe align with the Green Deal's climate neutrality goal for 2050 and the "Fit for 55" package, which aims for a 55% emissions reduction and 42.5% renewable energy by 2030, plus at least 11.7% energy savings from projected 2030 consumption levels.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	-	The metal mining industry is a significant air pollution contributor, with airborne particulates also affecting worker health. Fuel combustion in vehicles emits harmful substances, contributing to air quality issues and damaging ecosystems.	**E2 – Pollution of air**	VC	Strategic topic	●●○	-	D'Ieteren has limited direct control over Volkswagen's production process; however, any regulatory infringements or failure to meet customer expectations may have an impact on the Company's distribution of vehicles.	Project ZERO – Building a low-carbon mobility ecosystem

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
●●●	-	Vehicle production uses substantial water volumes during the production processes (metalworking, painting, etc.) and requires water-intensive raw materials (metals, textiles) . This water usage affects ecosystems and communities, potentially leading to water scarcity and stress. Car wash stations, part of the automotive industry's downstream operations, use on average 150L per standard vehicle.	**E3 – Water**	O & VC	Strategic topic	●○○	-	Direct risks are minimal, mainly concerning potential water usage bans during droughts. In the value chain, a significant risk is the potential impact of water scarcity on crucial suppliers, which could disrupt the supply chain.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	-	**Inflows**: EVs are a major consumer of raw materials (nickel, copper, etc.) with electric bikes and solar industries also being dependent on various materials (lead, lithium, silver). Extracting these materials is energy-intensive and causes significant ecological disruption. Additionally, mining activities are frequently associated with human rights violations and negatively impact local communities, including displacements and socioeconomic disruptions. **Outflows**: Incorporating circularity in product development and sourcing is vital for the automotive industry to reduce resource pressure. Managing end-of-life batteries is also crucial due to toxicity concerns. Similarly, solar panels can become hazardous waste.	**E5 – Resources**	VC	Strategic topic	●●○	-	D'Ieteren faces risks from the scarcity of resources needed for products like electric vehicles, batteries, solar panels, and charging stations. Rising costs due to depletion of or reliance on recycled materials might reduce customer appeal for these mobility options.	Project ZERO – Building a low-carbon mobility ecosystem
●●●	-	Vehicle production operations generate significant waste, including hazardous materials. D'Ieteren and the dealerships produce waste such as used oil, scrap metal, tires, packaging. Improper disposal or recycling of these wastes impacts biodiversity and pollutes air and water, affecting local communities.	**E5 – Waste**	O & VC	Strategic topic	●○○	-	D'Ieteren's direct costs involve potential fines and increased disposal fees due to improper waste management. However, the Company's limited direct impact from waste issues in its value chain is mitigated by its effective waste management.	Project ZERO – Building a low-carbon mobility ecosystem

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
●●○	-	The automotive industry's use of hazardous chemicals and machinery places workers at higher risk of injury, affecting their quality of life and potentially leading to prolonged absence or premature death. Neglecting employee health and safety can lead to increased healthcare and socioeconomic costs.	**S1 – Health & Safety**	O & VC	Strategic topic	●●○	-	D'Ieteren faces direct operational costs (like salaries) and indirect costs (like replacement expenses) due to employee injuries, burnout, and absenteeism.	Providing fair and meaningful work within our mobility ecosystem
●●●	-	Raw material extraction and manufacturing is plagued by widespread child labour and human rights abuses, exacerbated by high corruption risks. These issues negatively affect the health, safety, and human rights of affected populations.	**S2 – Child labour**	VC	Strategic topic	●●○	-	The occurrence of child labour and/or forced labour abuses within the value chain may constitute operational risks due to supply disruptions, reputational damages potentially impacting sales and investor confidence, as well as non-compliance risks.	Responsible business foundations
●●●	-	In 2023, Belgium recorded 39,214 road accidents with over 48,362 victims and 562 fatalities. Accidents also lead to non-fatal consequences for consumers and insurance companies, such as medical expenses, lost income due to reduced earning capacity and ongoing medical care.	**S4 – Consumer Safety**	O & VC	Strategic topic	●○○	-	D'Ieteren faces potential reputational damages from product deficiencies and could be liable for accidents arising from vehicle defects if proper inspection or repairs aren't conducted, leading to financial and legal issues. New technologies introduce new risks.	Building an inclusive mobility ecosystem
●●○	-	Connected cars and 'smart'-driving solutions rely on collecting and processing substantial personal and sensitive data. The risk of cyberattacks and data breaches could expose personal and sensitive information to unauthorised access.	**S4 – Consumer Privacy**	O	Strategic topic	●●●	-	High fines for GDPR violations, impacting D'Ieteren's bottom line	Building an inclusive mobility ecosystem
●●○	-	The car manufacturing industry faces ethical controversies. A poor corporate culture can result in unethical behaviours, leading to societal problems like trust erosion or unsafe working conditions, and can also cause environmental issues, including air and water pollution.	**G1 – Company Culture**	VC	Strategic topic	●●○	-	Engaging in unethical behaviour stemming from D'Ieteren's own operations and value chain are reputational, leading to potential financial losses.	Providing fair and meaningful work within our mobility ecosystem

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
●●○	-	Raw material extraction has faced scrutiny over bribery and corruption, often due to complex technicalities and close private-public sector relations in obtaining mining licenses.	**G1 – Corruption & Bribery**	VC	Strategic topic	●●○	-	Reported corruption and bribery cases can lead to employee loss, operational inefficiencies, reputational damage, public trust loss, and significant fines.	Responsible business foundations
●●●	-	Enforcing accessibility to mobility solutions such as automobiles potentially increases the number of car users and related environmental impacts.	**Entity specific – Accessible mobility Solutions**	O & VC	Strategic topic	●○○	-	Poor accessibility may lead to a loss of opportunities.	Building an inclusive mobility ecosystem
●●●	-	Brussels ranks as the 14th slowest city worldwide for a 10 km drive, with Antwerp and Liège also featuring in the top 200. This leads to significant environmental impacts from traffic congestion, including air pollution, and noise pollution.	**Entity specific – Road Congestion**	O & VC	Strategic topic	●○○	-	Limited risks/opportunities identified.	Building an inclusive mobility ecosystem
●●●	+	Meeting customer expectations brings satisfaction as well as happiness and helps to build trust.	**Entity specific – Customer satisfaction**	O	Strategic topic	●○○	-	Customer dissatisfaction in D'Ieteren could result in reduced sales, reputational damage, and compensation costs over a limited period of time.	Building an inclusive mobility ecosystem
●●●	-	Unethical marketing can erode trust, lead to regulatory action and risk exposing sensitive customer information. Notable examples in the industry include the Dieselgate scandal.	**Entity Specific – Responsible marketing practices**	O & VC	Strategic topic	●●○	-	Marketing in the automotive industry, which focuses on vehicle features, is closely regulated. However, certain unethical marketing practices present significant risks to D'Ieteren's reputation, leading to a loss of consumer confidence and market share.	Responsible business foundations
Topics to monitor									
●●○	-	The automotive sector has a major impact in terms of wastewater, and the extraction activities used to manufacture vehicles pollute bodies of water with heavy metals and other contaminants.	**E2 – Pollution of water**	O	Topic to monitor	●○○	-	Limited risk identified	Project ZERO – Building a low-carbon mobility ecosystem

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
●●○	+	Investing in employee growth boosts brain health, employability and wellbeing and prepares employees for future challenges.	**S1 – Training & skills development**	O	Topic to monitor	●●○	-	Fleet electrification and digitalisation necessitate upskilling and reskilling. In the value chain, unskilled workers in manufacturing and dealerships could impact D'Ieteren's products and services, leading to operational disruptions and financial losses.	Providing fair and meaningful work within our mobility ecosystem
●●○	+	Collective agreements combat inequality, including the gender pay gap, and discrimination, ensuring workers' rights and decent working conditions, thus fostering trust.	**S1 – Freedom of association**	VC	Topic to monitor	●○○	-	Limited risks/opportunities identified	Providing fair and meaningful work within our mobility ecosystem
●●○	-	Long working hours and work-related pressure can lead to mental health issues, increasing healthcare costs and affecting overall wellbeing.	**S1 – Work-life balance**	O	Topic to monitor	●●○	-	Work-life imbalance can lead to reduced performance, lower retention rates, and increase absenteeism and staff turnover due to health issues or decreased worker satisfaction.	Providing fair and meaningful work within our mobility ecosystem
●●○	-	A diverse workforce enhances cultural awareness, personal growth, equality, employee happiness, engagement, and social collaboration. It also helps companies better understand and respond to diverse customer needs and expectations.	**S1 – Diversity**	O	Topic to monitor	●●○	-	A low female representation poses operational risks like challenges in attracting talent and potential performance dips due to lack of diversity.	Providing fair and meaningful work within our mobility ecosystem
●○○	-	The automotive sector faces rapid transformation and market changes, resulting in job insecurity, higher stress, frustration and exhaustion, negatively impacting workers' health.	**S1 – Secure employment**	O	Topic to monitor	●●○	-	Insecure employment could lead to high absenteeism, increased turnover, poor performance, and potential strikes. Legal obligations and employee protections could lead to substantial costs in group dismissals.	Providing fair and meaningful work within our mobility ecosystem
●●○	+	D'Ieteren is expanding its renewable energy solutions, like solar panels and home batteries, through its subsidiaries EDI and GoSolar, leading to a reduction in air pollution, health benefits and job creation.	**E1 – Energy**	O & VC	Topic to monitor	●●○		New opportunities emerging from shifting to fossil fuel consumption to renewable energy to charge EV's.	Project ZERO – Building a low-carbon mobility ecosystem

Impact materiality level	Type of impact	Main impacts generated	<< Material topics >>	Perimeter O=Own Operations VC=Value Chain	Double Materiality level	Financial materiality level	Risk (-) or opportunity (+)	Main risks or opportunities generated	Strategy & Performance (ref. chapters/paragraphs of this report)
●○○	+	The provision of accessible sustainable solutions, such as car-sharing, bike, taxis, and micromobility, is impacting society positively by promoting efficiency, sustainability, social equity, and quality of life.	**Entity Specific – Sustainable Mobility solutions throughtleadership**	O & VC	Topic to monitor	●○○	+	No significant opportunity identified	Building an inclusive mobility ecosystem
●●○	+	High engagement levels lead to a better quality of life for employees, who find purpose in their work and feel connected to a company they trust and value. This engagement aids in retaining talent and contributes to economic growth.	**Entity Specific – Employee engagement**	O	Topic to monitor	●○○	+	Engaged employees significantly benefit D'Ieteren, reducing absenteeism, turnover and increasing productivity.	Providing fair and meaningful work within our mobility ecosystem

4.3. ESG@D'Ieteren: all teams involved

ESG issues are addressed at different levels of governance.

D'Ieteren's Board of Directors ensures oversight of the D'Ieteren ESG strategy. Its members are updated at least 4 times a year according to the evolution of the ESG strategy and performance. In addition, this year the Board of Directors received specific information on the net-zero trajectory to which D'Ieteren is committed and the implications for its activities.

In 2023, D'Ieteren's Executive Committee defined the ESG roadmap, in collaboration with the ESG team, and ensures that progress is in line with the Company's non-financial ambition and objectives. In 2023, specific workshops on ESG topics were organised with the Executive Committee to validate actions plan and define the related budget.

The ESG team is responsible for developing and implementing the ESG approach. The team is also at the forefront of developing environmental, social and corporate governance policies and procedures and supporting ESG strategic initiatives.

ESG initiative owners have been assigned within relevant departments to achieve specific ESG objectives.

- Employee wellbeing and Diversity & Inclusion: Human Resources
- Customer Satisfaction: Marketing Department
- As the environment and sustainable mobility topics are cut across D'Ieteren and all its subsidiaries, the initiatives carried out on these subjects are monitored by the ESG team.

The ESG team is also in charge of non-financial reporting, in collaboration with the ESG initiative owners, the ESG data owners and the financial teams. To comply with CSRD requirements, the teams involved are regularly trained and specific support has been initiated to ensure alignment.

To engage all D'Ieteren teams in D'Ieteren's sustainability strategy, an awareness-raising campaign on environmental, social and governance matters was organised across all entities.

- 4-hour workshops for Senior Management were given by external experts on all ESG aspects and their implications for corporate strategy.
- The D'Ieteren Climate School was launched in the second half of 2023. It provides mandatory e-learnings to understand climate issues, and how to act within specific functions (IT, HR, Procurement, Marketing).
- The progress made on the main ESG initiatives is regularly communicated to D'Ieteren's senior management teams and then relayed to all employees via its internal communication tools.

To demonstrate its commitment to reducing the carbon footprint of its activities, D'Ieteren has linked its financial policy to its environmental commitment by taking out a Sustainability Linked Loan in December 2021. The financing conditions are indexed to its objective of reducing its emissions by 50% by 2025, based on its historical perimeter, and to D'Ieteren's active participation in the greening of the Belgian car fleet, committing to achieving 28% of electric vehicles among its sales by 2025.

In 2022, D'Ieteren also committed to the Science Based Target Initiative, thereby contributing to the Paris Agreement's goal of limiting global warming to 1.5° Celsius above pre-industrial levels. In this context, D'Ieteren has also joined the Belgian Alliance for Climate Action, which brings together about 200 Belgian companies and organisations committed to the climate.

The ESG ambition is also translated through the integration of sustainability linked KPIs into the management incentive plan.

5. D'Ieteren sustainability roadmap

The sustainability roadmap, which covers the 2024-2030 period, sets out the framework for D'Ieteren's actions on sustainability issues and provides a cornerstone for the D'Ieteren's mission: building seamless and sustainable mobility for everyone.

This roadmap therefore aims to implement an integrated strategy combining commercial and financial objectives with environmental, social and governance challenges identified by the double materiality analysis. This plan is therefore the result of an integrated approach, a multi-stakeholder perspective and an impact-driven analysis.

This roadmap covers all D'Ieteren entities, i.e. D'Ieteren Automotive and its majority-owned subsidiaries.

	BUILDING A SUSTAINABLE MOBILITY ECOSYSTEM PROJECT ZERO	BUILDING AN INCLUSIVE MOBILITY ECOSYSTEM	PROVIDING FAIR AND MEANINGFUL WORK WITHIN OUR MOBILITY ECOSYSTEM
Ambitions for 2030	Reduce our greenhouse gas emissions by min. 42% by 2030 (base year: 2023) to become net-zero across our entire value by 2050 at the latest.	Make mobility more accessible to everyone, regardless of their socio-economic background or location.	Create a positive social impact for every staff member.
Commitments	• Electrification of new car sales together with renewable energy • Accelerate the growth of our low carbon mobility products and solutions • Prolong the life of products, using cars in a smarter way and meeting customers in new ways	• Developing a broader range of solutions beyond automotive ones • Developing accessible mobility solutions for everyone	• Giving everyone a voice • Being an inclusive business • Promoting equality • Offering development opportunities for everyone

Key enablers: Living our values – Ethics & integrity – Working long-term for positive change – All as One!

5.1. Project ZERO – Building a low-carbon mobility ecosystem

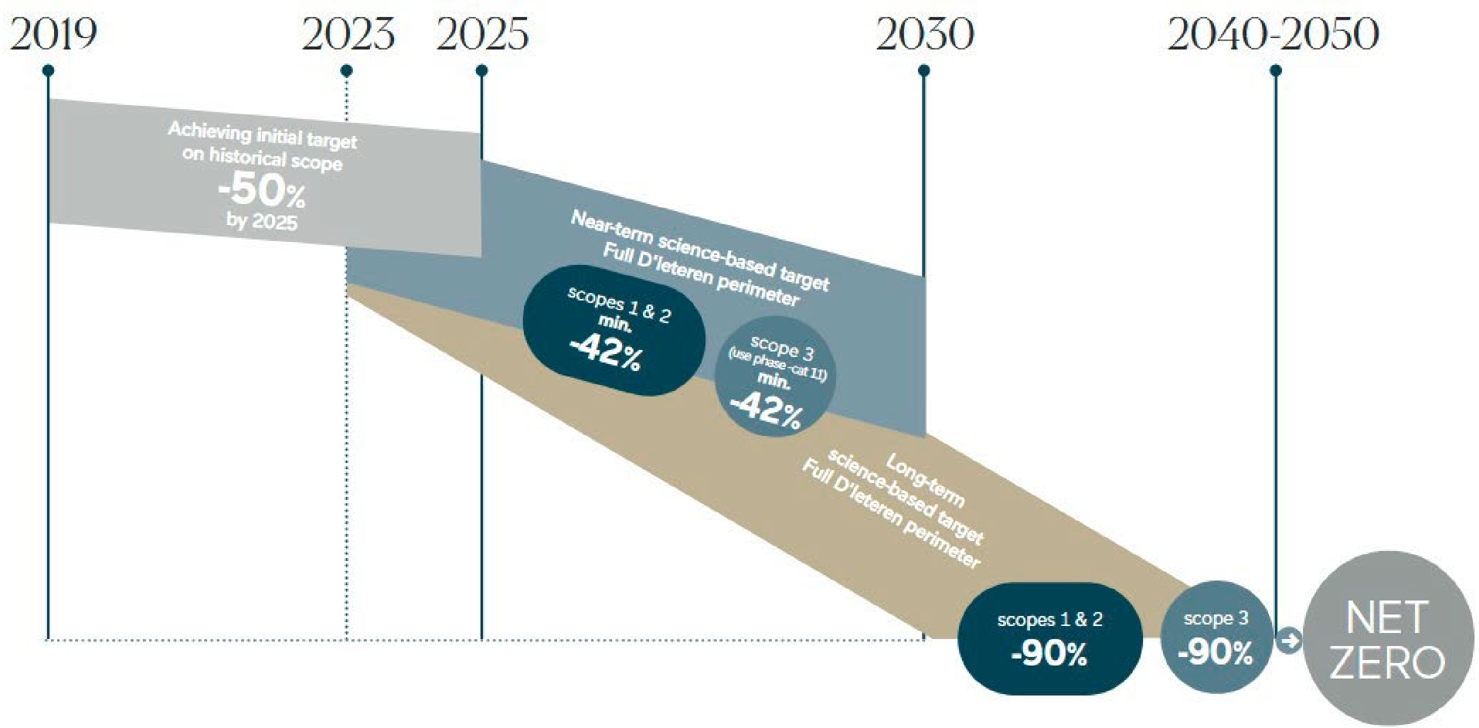
Our approach. D'Ieteren has an ambitious transition plan called "Project ZERO". Project Zero is how we will transform our company into a net-zero company while changing the mobility sector by offering the necessary low carbon mobility solutions to our customers and consumers.

Policies/actions. Project Zero was developed in close collaboration with the Executive Committee and is fully aligned with the Company's mission and strategy. Project Zero is integrated into the Company's 5-year plan and has been approved by the Board of Directors. Starting in 2024 and running until 2030 (inclusive), each concerned department must report on its CO_2 trajectory, next to its profitability trajectory, based on volume estimations. At this stage, the Company does not apply internal carbon pricing schemes due to a clearly defined CO_2 trajectory to 2030.

Project ZERO will be achieved in two phases.

- In the first phase, D'Ieteren will achieve its initial target based on its historical perimeter (D'Ieteren Automotive, D'Ieteren Centres, Porsche Centres Antwerp & Brussels). Compared to 2019, it is reducing its direct CO_2 emissions and limiting indirect emissions by 50% in 2025.
- In the second phase, with 2023 as base year, D'Ieteren will start to reduce greenhouse gas emissions across its three scopes, in line with the Paris Agreement. To this end, D'Ieteren will follow a decarbonisation trajectory compatible with a warming limit of +1.5°C, to be certified by SBTi in 2024.

OUR ROADMAP TO NET-ZERO



5.1.1. PHASE 1 ON THE HISTORICAL PERIMETER - REDUCING DIRECT GREENHOUSE GAS EMISSIONS AND LIMITED INDIRECT EMISSIONS BY 50% IN 2025 (2019 AS BASE YEAR)

	Base year	2022	2023	Target 2025
% GHG reduction (historical scope)	2019	43%	36%	50%

- The entities within the perimeter are: D’Ieteren Automotive, D’Ieteren Centres, Porsche Centre Antwerp & Porsche Centre Brussels (covering ~85% of Gross Margin and 95+% of EBIT generated by D’Ieteren in 2019)
- The historical perimeter covers scope 1 and scope 2 emissions, as well as some scope 3 emissions, namely the emissions related to home-work commuting, logistics, business travel, waste and upstream emissions from scope 1 and 2.
- The reason for maintaining this historical perimeter is that D'Ieteren has made an external commitment to achieve the 50% reduction target by 2025, as part of the Sustainability-Linked Loan and the management incentive plan of the management.

Several actions have been taken since 2019, reducing emissions by 36% in 2023 vs 2019, and further actions will be taken to meet the 2025 target.

- Several energy-intensive buildings were closed. The size of the headquarters was reduced in line with office occupancy levels. Office temperatures were lowered to 19 degrees. Since 2021, D’Ieteren has been sourcing more than 80% of its electricity from green suppliers.
- The mobility policy has been adapted to gradually increase the proportion of electric vehicles used by employees and to offer a wider range of alternative solutions.
- D’Ieteren encourages teleworking and remote conferencing, leading to less employee commuting.
- Emissions related to the logistics of delivering new vehicles to dealerships across Belgium rose sharply in 2023, following a year of significant vehicle supply shortages in 2022. To counter this, D'Ieteren has decided to use biofuel for at least 50% of its deliveries to the dealerships from 2024.
- Projects aimed at optimising the footprint, including the construction of new, 100% carbon-neutral buildings, are currently ongoing in collaboration with D’Ieteren Immo. D’Ieteren Park, Mobilis or New Kontich are three key building projects that will have a positive impact on CO_2 emissions from 2024.
- 75% of D'Ieteren Automotive's company vehicles will be electric by the beginning of 2025 (100% at the end of 2025), compared with around 30% by the end of 2023.

Carbon footprint	2019 (base year)	2022	2023	% 2023/2022	2025	Reduction target
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	8,580	5,486	5,552	101.2%	4,300	
Scope 2 GHG emissions						
Gross market-based Scope 2 GHG emissions (tCO_2eq)	1,103	28	68	242.9%	-	
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	10,525	6,135	7,414	120.8%	5,700	
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	2,064	1,406	1,253	89.1%	1,400	
4 Upstream transportation and distribution	6,294	3,849	5,008	130.1%	3,300	50%
5 Waste generated in operations	-	63	100	158.7%	100	
6 Business traveling	893	251	490	195.2%	300	
7 Employee commuting	1,274	566	564	99.6%	600	
Total GHG emissions						
Total GHG emissions (market-based) (tCO_2eq)	**20,208**	**11,649**	**13,034**	**111.9%**	**10,000**	

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
Scope 2 has increased due to an increase in grey electricity consumption and the new assumption on EV consumption where a 50% charging off-site share was assumed. Business travels almost doubled in FY23. 183 tCO_2e are only due to the use private flights.

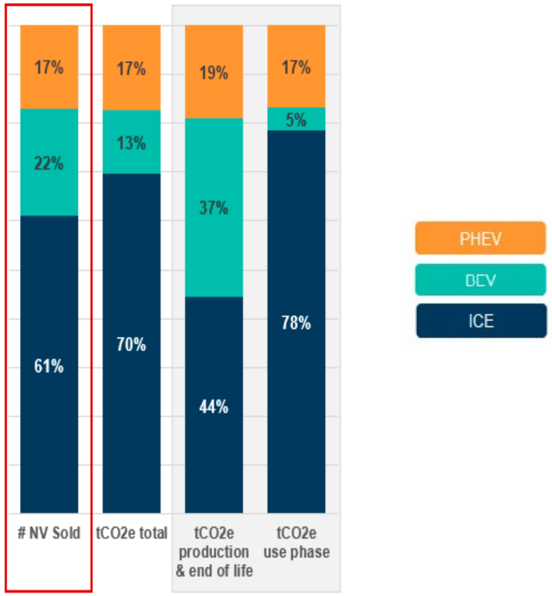
5.1.2. PHASE 2 ON D'IETEREN'S ENTIRE VALUE CHAIN: REDUCING GREENHOUSE GAS EMISSIONS BY MIN. 42% BY 2030 (BASE YEAR 2023) TO BECOME NET-ZERO ACROSS D'IETEREN'S ENTIRE VALUE CHAIN BY 2050 AT THE LATEST.

This is an ambitious plan because:

- it covers scopes 1, 2 and 3 defined by the GHG Protocol, i.e. the direct and indirect emissions produced by the Company, its fully consolidated subsidiaries and its value chain (suppliers, customers as well as companies in which D'Ieteren has a minority interest such as Volkswagen D'Ieteren Finance);
- becoming net-zero is challenging for a company whose business is historically based on high carbon products.

In 2023 D'Ieteren's carbon footprint reached 5.3 million tonnes CO_2e, compared with 3.8 million in 2022.

- **>99% of the emissions are related to Scope 3** and more specifically to the purchased goods and services (30%) and the use of sold products categories (69% of the overall emissions).
- The rise in emissions between 2022 and 2023 is largely due to the increase in the number of new vehicles sold – from 89,502 to 126,122 units.
- New cars represent a major part of emissions (86% of total emissions) due to their purchase (construction of materials bought), the customer use phase and their end of life.



- Petrol cars represent most of the cars sold and most of emissions related to cars (47%).
- Electric car sales registered a sharp rise in 2023 with 22% of total vehicles sold by D'Ieteren against 11% in 2022, with D'Ieteren being the leader in this segment in Belgium. Electric and hybrid cars are more emissive than thermal cars in the construction phase, but less emissive during the use phase, and benefit from a favourable Belgian electricity mix.

By 2024, D'Ieteren will submit the **following targets** to the SBTi. These targets are based on the cross-sector and transport sector guidance published by SBTi.

- **Scope 1 & 2**: GHG emission reduction of at least 42% by 2030 in absolute contraction mainly through 100% electric company cars for all entities in scope, 100% green electricity in all the sites and better isolated buildings; 90% reduction target by 2050 at the latest.
- **Scope 3**: GHG emission reduction of min. 42% in absolute contraction (cat. 11 – Use of sold products); 90% reduction target by 2050 at the latest.

3 levers will be used to achieve this reduction for scope 3:

LEVER 1 – Electrification together with renewable energy

- We are targeting a share of fully electric cars in our sales of at least 60% by 2030. As petrol and diesel cars emit over twice the amount of CO_2 along their life cycle compared to electric vehicles (EV's), the adoption of EVs plays a significant role in reducing emissions.
- Electrification requires a holistic view, because to facilitate the transition to electric cars for our customers, we need to ensure that charging is easy by complementing our electric vehicle offering with a green energy bundle (EDI charging stations, GoSolar panels and stationary batteries).
- D'Ieteren can also rely on the Volkswagen Group's commitment to the Paris Climate Agreement. The Volkswagen Group's commitment is to reduce its absolute scopes 1 and 2 by 50.4% by 2030 and to reduce scope 3 from use of sold products by 30% per vehicle km by 2030 (from a 2018 base year). They will achieve this goal through their electric offensive, reduction measures and switching to renewable energies.

LEVER 2 – Accelerating the growth of low-carbon mobility products and solutions

Consumers are carefully curating their mobility choices according their context. In order to cater for this, we have enlarged our offering with bikes, shared mobility and driver-assisted mobility.

- Through e-bikes with Lucien, shared mobility with Taxis Verts and Poppy, or micromobility with Microlino, the goal is to transition from high-carbon to low-carbon products.
- With mBrella, D'Ieteren helps business customers to design flexible and multimodal mobility plans, thereby promoting the utilisation of the most appropriate mode of transport according to circumstances.

LEVER 3 – Prolonging the life of products, using cars in a smarter way and meeting customer needs in new ways

The demand from individual and corporate customers is gradually shifting towards flexible models based on utilisation rather than ownership of the car. To meet these expectations, D'Ieteren is considering mastering the transformation from one-off asset sales to vehicle-as-a-service models. This is crucial for optimizing vehicle utilisation and, consequently, reducing the production of new vehicles. Based on the principles of the circular economy, D'Ieteren could thus address consumers' mobility needs more efficiently and with fewer resource consumptions, resulting in lower emissions. This pillar is currently under analysis and development.

Carbon footprint	New scope 2023
Scope 1 GHG emissions	
Gross Scope 1 GHG emissions (tCO_2eq)	9,929
Scope 2 GHG emissions	
Gross location-based Scope 2 GHG emissions (tCO_2eq)	2,405
Gross market-based Scope 2 GHG emissions (tCO_2eq)	502
Significant scope 3 GHG emissions	
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	5,247,095
1 Purchased goods and services	1,509,234
2 Capital goods	24,329
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	2,389
4 Upstream transportation and distribution	20,212
5 Waste generated in operations	269
6 Business traveling	521
7 Employee commuting	1,026
9 Downstream transportation	236
11 Use of sold products	3,666,809
12 End-of-life treatment of sold products	17,268
13 Downstream leased assets	4,505
15 Investments	298
Total GHG emissions	
Total GHG emissions (location-based) (tCO_2eq)	**5,259,429**
Total GHG emissions (market-based) (tCO_2eq)	**5,257,526**

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
VDFin related emissions are included in D'Ieteren total emissions under Scope 3 Cat. 15 – Investments based on the D'Ieteren ownership share (i.e. 50% of VDFin Scope 1 & 2 emissions).
The car construction is included in category 1 and is based on Volkswagen LCAs. For the usage phase (cat.11), we estimate the total distance travelled during the vehicle lifetime to be 200,000km. For hybrid vehicles, some distance the hypothesis taken is based on the following split: 47 % electricity use / 53 % fuel use. Maserati brand scope 3 related emissions are not included.

Energy consumption and mix	Unit	2023
(1) Fuel consumption from coal and coal products	MWh	0
(2) Fuel consumption from crude oil and petroleum products	MWh	25,464
(3) Fuel consumption from natural gas	MWh	24,853
(4) Fuel consumption from other fossil sources	MWh	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	1,163
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**51,480**
Share of fossil sources in total energy consumption (%)	%	72.4%
(7) Consumption from nuclear sources (MWh)	MWh	1,560
Share of consumption from nuclear sources in total energy consumption (%)	%	2%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	MWh	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	MWh	14,783
(10) The consumption of self-generated non-fuel renewable energy (MWh)	MWh	3,308
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**MWh**	**18,091**
Share of renewable sources in total energy consumption (%)	%	25.4%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**MWh**	**71,131**

Energy intensity per net revenue	2022	2023	% 2023/2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€m)	-	13.43	

Data 2022 not available.

GHG intensity per net revenue	2022	2023	% 2023/2022
Total GHG emissions (location-based) per net revenue (tCO_2eq/€m)	-	993.0	-
Total GHG emissions (market-based) per net revenue (tCO_2eq/€m)	-	722.4	-

Data 2022 not available

5.1.3. PROTECTING NATURAL ECOSYSTEMS

Policies/actions. On its sites and where possible, D'Ieteren incorporates biodiverse green areas in collaboration with its main landlord D'Ieteren Immo. Its main new building project, the D'Ieteren Park that will be opened at the end of 2024, will include more than 25,000m² of biodiverse green areas to enhance the local fauna and flora. About 7,800m² of infrastructure is planned to handle rainwater in this project area, which will be implemented at the end of 2024.

As natural ecosystems – and the biodiversity they contain – are carbon sinks, providing nature-based solutions to climate change, D'Ieteren invests in protecting, managing, and restoring forests in Belgium. In 2023, D'Ieteren signed a 3-year partnership agreement with the Sylva Nova forestry company in Belgium, for an annual amount of €169,000. This partnership mainly concerns the preservation of 164 hectares of forest in Belgium through operational actions with added environmental value (maintenance, planting of diversification areas, conservation of potential wetlands, etc.). Complementary planting actions are also organised, involving 22,500 trees per year, i.e. around 67,500 trees over the contract. D'Ieteren has also undertaken a 3-year partnership with Natagora and Natuurpunt in Belgium for the preservation of nature reserves (€20,000/year).

5.1.4. OTHER ENVIRONMENTAL TOPICS

Our approach. As natural resources are finite, it is impossible to aim for sustainable growth without setting up a circular system for resource consumption. This is a critical issue for D'Ieteren, which at this stage relies on the strong processes put in place by the Volkswagen Group to produce its vehicles.

Politics/actions. The Volkswagen Group's ongoing decarbonisation strategy is an important driver of the circular economy. To significantly reduce its CO_2 emissions, the Group is aiming for an increasing use of secondary materials and the establishment of closed material loops.

Recognising the importance of this topic, the Volkswagen Group has anchored the circular economy as a pivotal topic in its NEW AUTO Group Strategy. For the first steps regarding circular economy, the Group has concentrated on the aspects of batteries, steel, aluminium and plastics. Regarding waste disposal in production, the Group aims to reduce the quantity of waste produced and to reuse unavoidable waste to create high-quality materials. In addition to waste, another focus is on the resource of water, the reduction of freshwater consumption, the efficiency in water use, particularly in water stress areas, and the minimisation of pollution.

All information about these topics and the related processes can be found on the website of the Volkswagen Group (via this link: ESG-Performance & Reporting | Volkswagen Group (volkswagen-group.com).

For its part, D'Ieteren is also taking steps to minimize the environmental impact of its activities.

- The topic of the circular economy is one of the three main levers of Project Zero, on which D'Ieteren will be focusing from 2024.
- The principles of circular design and construction have been taken as an objective for the new buildings occupied by D'Ieteren such as the D'Ieteren Park project where refurbishing existing buildings was chosen, as far as possible, over demolishing and, where possible, dismantled materials will be reused in the project.
- Regarding water, D'Ieteren and its dealerships use closed-loop systems that circulate water within the car wash process, maintaining water quality and reducing the need for fresh water.
- In disposing of and recycling its own waste, D'Ieteren collaborates with waste management companies, such as Veolia (for all waste), Oilco (for used oil), and Dechamps (for scrap metal). A project coordinator from the main waste collection company (Veolia) makes regular site visits to monitor and optimise waste management on site. D'Ieteren also facilitates the recycling of used vehicles by offering an additional allowance to people who provide their vehicles for recycling. D'Ieteren works with Febelauto whose mission is to organise and monitor the management of end-of-life vehicles in accordance with the European Directive. Currently, Febelauto recycles around 97% of the weight of these vehicles in an approved and controlled way.

Total waste generated by D'Ieteren Automotive (excluding subsidiaries) amounted to 511 tonnes in 2023 vs 494 tonnes in 2022.

Waste-related data	Unit	2022	2023 (DIA)	2023
Total amount of waste generated	Tonnes	1,666	511	1,880
Total amount by weight diverted from disposal	**Tonnes**	1,258	407	1,299
Total hazardous waste generated diverted from disposal	Tonnes	434	11	339
Total hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	179	1	139
Total hazardous waste generated diverted from disposal to recycling	Tonnes	255	10	200
Total hazardous waste generated diverted from disposal to other recovery operations	Tonnes	0	0	0
Total non-hazardous waste generated diverted from disposal	Tonnes	824	396	959
Total non-hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	47	0	334
Total non-hazardous waste generated diverted from disposal to recycling	Tonnes	777	396	625
Total non-hazardous waste generated diverted from disposal to other recovery operations	Tonnes	0	0	0
Total amount by weight directed to disposal	**Tonnes**	408	104	581
Total hazardous waste generated directed to disposal	Tonnes	20	1	73
Total hazardous waste generated directed to incineration	Tonnes	20	1	40
Total hazardous waste generated directed to landfill	Tonnes	0	0	34
Total hazardous waste generated directed to other disposal operation	Tonnes	0	0	0
Total non-hazardous waste generated directed to disposal	Tonnes	387	103	508
Total non-hazardous waste generated directed to incineration	Tonnes	371	103	425
Total non-hazardous waste generated directed to landfill	Tonnes	16	0	83
Total non-hazardous waste generated directed to other disposal operation	Tonnes	0	0	0

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.

5.2. Building an inclusive mobility ecosystem

Our approach. D'Ieteren is striving to make mobility more accessible to everyone, seeing mobility as a basic human need. Accordingly, the equal coexistence of different mobility solutions is regarded as indispensable to provide consumers with the best possible mobility option tailored to them.

To achieve its ambition of building an inclusive mobility ecosystem, D'Ieteren combines traditional mobility options with new means of transportation, new technologies and new behaviours.

- Not everyone needs, wants, or can afford a car. That is why D'Ieteren has expanded its offering to launch Lucien, offering bikes, cargo bikes, e-bikes and speed pedelecs for all needs and all circumstances.
- With Taxis Verts, D'Ieteren is working to implement mobility solutions that cater to the needs of people who cannot drive, ensuring equal access to transportation opportunities.
- With Poppy, D'Ieteren actively promotes the adoption of shared mobility solutions that provide on-demand transportation without the need for personal cars.
- The vehicles sold can be equipped to transport people with disabilities.
- With mBrella and Mob Box, D'Ieteren designs a corporate solution tailored to the specific needs of employees, ensuring that everyone has access to convenient, eco-friendly transportation options.
- With Volkswagen D'Ieteren Finance or Joule, financing is provided for a wide range of mobility needs.
- With MyPop, anyone can subscribe to a monthly car rental plan, which is easy to cancel.
- With Microlino, D'Ieteren offers an ideal mix between motorbike and car.
- Buying a used vehicle is also possible with MyWay, with the added benefit of a competitive maintenance service thanks to Wonderservice.

5.2.1. SUSTAINABLE MOBILITY SOLUTIONS

Policies/actions. D'Ieteren has developed a holistic mobility system, with a wide range of diversified and complementary mobility solutions that cater to a variety of needs for both individual and professional customers. To promote all of its mobility solutions, D'Ieteren is planning to develop a mobile application where consumers can access and combine all the mobility solutions on offer, and access the invoices for the solutions used in a single interface.

Performance data. More than 20% of our professional customers combine car utilisation with the use of one or more of our alternative mobility solutions.

INNER CITY TRAVEL WITH ANSWER TO LIMITED PARKING SPACE

INTEGRATING MOBILITY SOLUTIONS

FINANCING

TRAVEL FROM ONE CITY TO ANOTHER

LAST MILE INNER CITY TRAVEL

INNER CITY TRAVEL WITHOUT PARKING HASSLE

5.2.2. ROAD CONGESTION

Policies/actions. Offering alternative or complementary mobility solutions to cars helps reduce their use, and consequently the number of vehicles on the road. This is particularly true in cities, where the use of bicycles is more widespread. In 2023, D'Ieteren sold nearly 10,000 bikes.

Car-sharing is also a strong alternative to car ownership. The activities with Poppy have registered a 170% increase in fleet utilisation in 2023.

Shared, autonomous vehicles also have the potential to make roads emptier and cities more liveable. USH, a D'Ieteren start-up, is Belgium's first dedicated autonomous shared mobility provider. USH provides all services to realise autonomous vehicle projects. Several projects have already been launched and new ones are under development.

5.2.3. CONSUMER SAFETY

Our approach. For D'Ieteren, a high level of safety for drivers, passengers and other road users is essential.

Policies/actions.

- To ensure safe products, D'Ieteren relies on the Volkswagen Group, which focuses its research and development activities on the further development of driver assistance systems, safety systems and research into the causes of accidents. The group continuously invests in measures that improve passive safety. Besides improvements to pedestrian protection, the group is developing such things as extremely strong yet lightweight body components and is continuously improving restraint systems. The group brands' safety ratings are consistently excellent.
- D'Ieteren also carries out road safety awareness campaigns. When faced with damaged vehicles, its Wondercar bodywork business is running a road safety education campaign aimed at young road users and their parents, using its "Wonder Robot superhero". Some 35,000 yellow vests have also been distributed to schools.
- In addition to its bikes, Lucien also sells all the equipment needed for cyclists' safety.

5.2.4. CUSTOMER SATISFACTION

Our approach. Improving the lives of its customers, by aiming for excellence in the services provided throughout each customer journey, is one of the strategic axes on which D'Ieteren is working to achieve its ambition to be the natural choice for mobility in Belgium.

Policies/actions.

- To raise awareness among its staff, D'Ieteren has set up training modules to explain why the Company places the customer at the heart of its strategy and how each of them can contribute to it on a daily basis. The modules deal with customer centricity, customer satisfaction, the customer journey, customer profiles and everybody's contribution. This training is also integrated into the onboarding programme for new employees and was intensified in 2023, particularly for people working in the after-sales service. In 2024, D'Ieteren will organise a customer challenge, putting every D'Ieteren motivated employee in the shoes of a customer and a frontline employee. Specific training for dealers, regarding hospitality, will be also set up.
- With corporate customers accounting for a large proportion of its sales, D'Ieteren provides them with a dedicated department, which has become their single point of contact for all products and mobility services.
- D'Ieteren has a Customer Care service and other call centres to answer customers' questions. Some 2,000 questions are handled by the teams every month.
- Customers can also make use of D'Ieteren's Integrity Alert Service, accessible via the Company's commercial websites.
- D'Ieteren is using the Net Promoter Score (NPS) as its main KPI to measure customer satisfaction with its new vehicle sales and after-sales activities in the official network (authorised dealers for VW Group brands). Customer satisfaction is measured at several moments on the customer journey: the website visit, the offer request, the delivery of the car, maintenance, etc. Almost 100,000 surveys were completed in 2023. The results from these surveys are used in several ways. Unsatisfied customers are called back by their dealer, who investigates the issue and suggests possible solutions. Customer feedback is also analysed by the marketing team to identify any structural pain points in the customer journey and to implement projects to improve the overall customer experience. The NPS is also used to support dealers in benchmarking themselves against their peers and improving their customer service. Starting in 2024, each D'Ieteren business is required to track customer satisfaction and actively work on improvement.

Performance data & 2025 targets. 2025 NPS targets have been defined for new vehicle sales and aftersales activities in the official network. In 2023, NPSs were impacted by significant variations in delivery (sales) and appointment (after-sales) times.

Customer NPS	2022	2023	2025 Target
Sales			
Number of feedback collected	4,072	20,310	
Number of negative feedback collected	-	1,670	
Percentage of negative feedback follow-up	-	95%	
Number of positive feedback collected	-	13,300	
NPS score	**61.5**	**56.2**	**62.0**
After-Sales			
Number of feedback collected	64,208	94,443	
Number of negative feedback collected	-	10,136	
Percentage of negative feedback follow-up	-	97%	
Number of positive feedback collected	-	58,544	
NPS score	**51.2**	**50.5**	**54.0**

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.
Scope including: VW, Audi, CVI, Skoda, SEAT, Cupra, My way, Lucien and Wonderservice – the Luxury brands (Porsche, Lamborghini, Bentley, Bugatti) are not included.
Net Promoter Score given by customers visiting the official network for buying a new car or visiting their mechanical or bodywork aftersales workshops. For the calculation of the scores they were weighted based on forecasted sales.

5.2.5. SUSTAINABLE MOBILITY THOUGHT LEADERSHIP

Our approach. As a market leader, D'Ieteren is at the forefront of mobility and the reinvention of its business.

Policies/actions. In view of the pressing economic, social and environmental issues, D'Ieteren challenges, on a bi-annual basis, its approach to mobility. Its goal is to offer mobility services that best meet the Belgian population of today and tomorrow. This large-scale qualitative market study targets both private and professional markets. In-depth online surveys were conducted with over 1,000 private consumers and about 200 B2B fleet managers in small, medium and large businesses. The results of the survey are published on https://www.dieteren.be/en/polaris and available to all mobility players, in order to adapt the global mobility offering as closely as possible to the needs of consumers and society at large.

5.3. Providing fair and meaningful work within its mobility ecosystem

D'Ieteren is dedicated to providing and endorsing respectable and meaningful work throughout its value chain **to create a positive social impact for every staff member.** This includes:

- giving everyone a voice, ensuring they are engaged, empowered, and actively involved in their workplace;
- being an inclusive business that drives opportunities for all;
- actively promoting diversity and gender equality;
- prioritizing the safety of work environments to foster the healthy development of our staff;
- offering opportunities for skill and competence development, helping employees to grow and achieve their full potential;
- upholding human rights in every aspect of D'Ieteren's operations, while ensuring compliance with labour standards
- actively engaging in local community initiatives to positively affect livelihoods and contribute to an inclusive economy.

D'Ieteren's inability to attract and retain qualified employees can harm its operational efficiency and have an impact on competitive positioning, service quality, customer satisfaction and reputation as well as on its financial performance.

As a result:

- the HR department aims to empower and give autonomy to managers to fully support the growth of D'Ieteren's high-performance organization;
- performance planning, talent development plans and talent review processes are in place to help assess individual performance, detect development needs, reduce churn and anticipate talent needs;
- Employees satisfaction surveys are conducted regularly, followed by concrete actions.

5.3.1. EMPLOYEE ENGAGEMENT

Policies/actions. In 2023, D'Ieteren conducted several surveys to assess the employee experience in its various entities and to measure employee satisfaction with the measures taken following previous surveys. The results were shared within the teams so that they could draw up specific action plans. D'Ieteren launched some internal focus groups to assess specific areas that the survey highlighted. Some of the output from these focus groups includes internal communication and transparency on remuneration and internal mobility policies.

In addition to measuring employee engagement, D'Ieteren maintains an ongoing social dialogue with employee representatives with the aim of guaranteeing social peace and the best possible working conditions. No work disruptions were recorded in 2023. With a view to the upcoming the social elections to be held in the first half of 2024, D'Ieteren has initiated discussions with its social partners to extend the responsibility of the local Work Council to the vast majority of D'Ieteren employees, including different legal entities. This is intended to ensure greater employee mobility across entities, provide career opportunity and enhance communication and collaboration.

Performance data & 2025 targets. For the first time, a global survey was carried out across all entities and subsidiaries*, enabling the Company to measure the level of employee engagement. The Employee Engagement Score of 2023 has already exceeded the 2030 target of 75%. The survey participation rate decreased due to the fact that D'Ieteren Mobility Company was participating in this type of survey for the first time.

	2022*	2023 (DIA)	2023*	Target 2025
Employee Engagement Score	85%	87%	83%	75%
Survey participation rate	84%	86%	61%	66%

* Scope: D'Ieteren and all subsidiaries (including VDFIN). In 2022, D'Ieteren Mobility Company did not take part in the survey.
Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
Definition: engagement score is defined as the percentage of employees answering "agree" or "rather agree" across 4 statements: "I am committed to supporting my department's vision and plans for the coming years"; "I am proud to work for my company", "I am motivated to invest in my work to build our future"; and "My work gives me a sense of personal accomplishment"

Turnover	2022	2023
Total number of employees who have left the undertaking (incl. temporary)	318	465
Rate of employee turnover in the reporting period.	16%	20%

The number of own employees (in headcount) that left the activity during the reporting period. The leaving employee has left the activity and is not on the activity's payroll anymore. The reported number includes all own employees leaving, specified under the following reasons of departure: own choice to leave the organization, e.g. resignation or early pension/retirement, due to end of a contract, due to dismissal, due to retirement, due to medical reasons, due to death.

5.3.2. DIVERSITY AND INCLUSION

Our approach. Diversity is a global priority for the business. The company's ambition is to have an organisation that protects its people and values difference, creating an environment where people are hiring and promoting based on their ability for a role and their alignment with the company's culture.

Policies/actions. As mentioned in its code of conduct and in its work rules, D'Ieteren prohibits any form of discrimination based on age, gender, ethnic origin, nationality, religion, etc.

To foster gender diversity within the Company, D'Ieteren has set up an "Accelerating Diversity" programme, including among others things:

- training programmes for everyone in the Company on the importance of diversity and unconscious bias;
- a new career section on the website and social media presence to be more attractive to female candidates;

- a leadership programme expanding in 2023 to both women and men;
- a mentoring and sponsoring pilot programme specifically designed to empower and develop women in leadership roles and to encourage the sharing of perspectives and experiences;
- a review of internal policies to ensure that they align with D&I objectives, including flexible work arrangements and family-friendly principles.

D'Ieteren will also strive to improve overall diversity, first determining its maturity level across its entities.

Performance data. Refer to *Social KPI's (Gender & age distribution)*.

2025 targets. As a company operating in a historically male-dominated sector, D'Ieteren's ambition for 2025 is to improve its gender mix by 2025, particularly in its Senior Management, which constituted 23% women in 2023. In addition, as women only constitute 31% of applicants for employee positions, D'Ieteren commits to 50% female CVs being submitted to its hiring managers by 2025.

	2022 (DIA)	2023 (DIA)	Target 2025
Percentage of CVs from women presented to the hiring manager for an employee position	31%	39%	50%
Percentage of women in management committees	23%	23%	25%

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.
Management Committees (or senior management) are defined as the leadership teams of the departments and all subsidiaries. They are made of Directors and direct reports collectively in charge of the deployment of the strategy.

5.3.3. HEALTH AND SAFETY

Our approach. Throughout its various activities, D'Ieteren is faced with various health and safety risks which can be distinguished in terms of the type of work performed:

- White collar: office-related work with limited occupational health and safety risks; main risks linked to burnout (covered in the wellbeing paragraph).
- Blue collar: includes workers in garages and bike shops (performing mechanical repairs (e.g. on electrical batteries) and bodywork repairs), logistics workers and workers installing solar panels (ex. GoSolar) and charging stations (EDI). These various types of work involve manual tasks, including the use of machinery and equipment and the handling of hazardous substances which can expose workers to accidents.

D'Ieteren is committed to reducing workplace accidents as much as possible for its employees and for suppliers working on its sites.

Policies/actions. D'Ieteren invests in high-quality safety equipment for all its employees in technical positions. It organises training courses on first aid, safe forklift use, defibrillator training, etc. The Company collaborates with risk prevention advisors and safety coordinators to further increase safety.

Performance data. The Company reported 76 lost time injuries (4 lost time injuries for D'Ieteren Automotive excl. subsidiaries) in 2023 and work accidents resulting in 623 out-of-work days (25 out-of-work days for D'Ieteren Automotive excl. subsidiaries). This led to a frequency rate of 20.5 and a severity rate of 0.16 (3.24 and 0.02, respectively, for D'Ieteren Automotive excl. subsidiaries). For more information, see *Social KPI's (Health & Safety)*.

Health & Safety	2023 (DIA)	2022*	2023
Percentage of people in its own workforce who are covered by the undertaker's health and safety management system	-	-	100%
Percentage of operational sites for which an occupational health and safety risk assessment has been carried out	-	-	72%
Number of fatalities as a result of work-related injuries and work-related ill health	-	0	0
Number of recordable work-related injuries	4	30	76
Rate of recordable work-related injuries (frequency rate)	3.24	10.7	20.5
Number of cases of recordable work-related ill health	-	0	0
Rate of cases of recordable work-related ill health	-	0	0
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	25	251	623
Severity rate	0.02	0.09	0.16
Percentage of its own workers covered by a health and safety management system which is based on legal requirements and/or recognised standards or guidelines	-	-	100%

* As restated to reflect the continuous improvement in data collection and calculation (FY2022 published data, Frequency rate 9.71, Severity rate 0.08)
Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.

5.3.4. WELLBEING

Our approach. The tri-annual Sensor Risk Assessment conducted at the end of 2021 showed a combination of high engagement and high need of recovery for employees. The main improvement issues identified were workload, appropriate use of skills, communication and proximity between employees following the covid-related lockdowns.

Policies/actions. The HR department has therefore increased the number of support persons whose duty it is to help people facing difficulties, organised special events for all employees and strengthened its wellbeing programme "D'Ieteren Employee Care". This includes programmes for burn-out prevention, stress management, physical and mental wellbeing, feedback culture, etc.

D'Ieteren has further pursued its vast plan for converting its offices into a great place to work. D'Ieteren Park will be completed by the end of 2024 and will bring together the majority of D'Ieteren and Volkswagen D'Ieteren Finance employees in a single location. D'Ieteren Park is much more than just offices. It is a whole new way of working that will be promoted to stimulate collaboration, curiosity, exchange and innovation. This project is being developed in close collaboration with the staff, particularly with some of them whose role is to participate in organisational decisions and to report on these topics to their respective teams.

Performance data. The results of the actions taken to enhance wellbeing will be measured during the next Sensor Risk Assessment in 2024. For more information, see *Social KPI's (Wellbeing)*.

5.3.5. TALENT MANAGEMENT

Our approach. In a tight job market for attracting and retaining talents, D'Ieteren's talent management is based on a complete mapping of its employees to identify, develop, and proactively retain staff members with a high potential and valuable characteristics and skills.

Policies/actions. Appraisal reviews are mandatory for all staff members to ensure that they are meeting expectations and goals, sharing aspirations, and developing personal development plans. All Managers discuss the assessment reports of their direct reports in order to calibrate their perspectives. The assessment is based on the performance and potential of the person.

To provide new opportunities for career growth and personal development and to have a larger talent pool for succession planning, in 2023 D'Ieteren launched its intramobility programme among all its various legal entities. This programme ensures the acquisition of new skills and experiences for employees and the transfer of knowledge and best practices across subsidiaries for higher performance, develops common culture and values, and enhances collaboration. About 30 employees benefited from this programme in 2023, which will be evaluated and continued in the coming years.

5.3.6. TRAINING AND DEVELOPMENT

Our approach. Providing employees with quality and targeted training is key to ensuring their professional development so that they can bring the expertise and value creation expected by the Company and consequently respond adequately to the transformations occurring in the sector.

Policies/actions. The D'Ieteren Academy plays an active role in developing skills internally and throughout the dealership network. Its transversal platform, named MyAcademy, provides easy access to a large set of learning solutions, both digital and in-person. The offering is constantly updated and structured into a diversified portfolio of training sessions linked directly to the Company's strategy and needs, for example, inducting newcomers, sustainability training, a leadership curriculum, thus developing their transversal strategic skills and talent development programmes.

Performance data. D'Ieteren reported an average of 14.9 training hours by employee (including subsidiaries) in 2023 and makes every effort to continuously increase these levels of training over the years. For more information, see *Social KPI's (Training and skills development metrics)*.

Training and skills development metrics	2022*	2023
Percentage of employees that participated in regular performance and career reviews	-	80%
Female	-	80%
Male	-	79%
The average number of training hours per employee	16.98	14.88

* As restated to reflect the continuous improvement in data collection and calculation (FY2022 published data: 14.5)

5.3.7. FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Our approach. D'Ieteren, as well as the Volkswagen group, recognizes the basic right of all employees to join unions and employee representations. In this context, both companies commit to safeguarding neutrality. This precludes any form of discrimination based on union activities. The companies, unions and/or employee representations engage in social dialogue. D'Ieteren respects the right to strike insofar as this right is exercised in accordance with the Belgian legal system.

Policies/actions. With a view to the upcoming social elections to be held in May 2024, D'Ieteren is making its dedicated HR team available to meet its obligations and ensure that the elections run efficiently.

Performance data. In 2023, the percentage of employees covered by a collective bargaining agreement at D'Ieteren amounted to 91.2%.

5.3.8. SECURE EMPLOYMENT

Our approach. One of D'Ieteren's strategic priorities is to guarantee quality employment within its operations. Anticipating the needs and changing behaviour of its customers, and continually adapting its business model to the challenges of the market, make it a key player in mobility in Belgium, enabling it to guarantee quality employment.

Policies/actions. All HR processes and policies contribute to this priority, whether in terms of training to guarantee employability, talent management to increase development opportunities, or remuneration to ensure decent conditions.

5.3.9. PREPARING THE FUTURE GENERATIONS

Our approach. D'Ieteren is committed to facilitating access to employment for the younger generation. In addition to fulfilling its role as a corporate citizen, the company also sees this as an opportunity to draw the attention of talented young people to technical professions in short supply.

Policies/actions. This commitment takes various forms. For two weeks in 2023, the D'Ieteren Summer Academy trained one hundred teachers from technical schools in the latest automotive technologies. Students at various stages of their schooling were also welcomed to the D'Ieteren Academy to discover D'Ieteren's technical professions and familiarise themselves with new products. In 2023, D'Ieteren collaborated with the KDG school in Antwerp, TADA Toekomst/Atelier d'avenir and EDUCAM to extend D'Ieteren training to as many students as possible.

5.3.10. ADDITIONAL SOCIAL DATA

Characteristics of workforce	2022	2023
Number of employees (headcount)	**2,269***	**2,762**
Female	411	548
Male	1,858	2,214
Number of permanent employees (headcount)	**2,123**	**2,701**
Female	381	540
Male	1,742	2,161
Number of temporary employees (headcount)	**146**	**61**
Female	30	8
Male	116	53
Number of full-time employees (headcount)	**2,086**	**2,468**
Female	349	452
Male	1,737	2,016
Number of part-time employees (headcount)	**183**	**294**
Female	61	95
Male	122	199

* As restated to reflect the continuous improvement in data collection and calculation (FY2022 published data:2,499)

5.4. Responsible business foundations

5.4.1. CORPORATE CULTURE AND VALUES

Our approach. At the heart of D'Ieteren's ambition to be the first-choice provider for sustainable mobility for everyone is its commitment to applying the highest ethical standards and complying with all applicable laws as well as its own in-house rules and procedures. It is firmly rooted in the company's core values and forms the basis of its corporate culture.

D'Ieteren's values have been defined in agreement with all its entities. They are as follows: Collaboration - Responsibility - Care - Enthusiasm - Pioneer. These values aim to stimulate transformation, distinguish itself and create strong commitment. Complementary and interconnected, they illustrate the cultural aspirations of the D'Ieteren ecosystem.

Policies/actions. The D'Ieteren Code of Conduct, the WayWeWork, is the Company's set of values and ethics that provides clarity on acceptable behaviour across the Company. It covers all aspects related to the way we conduct our business, the prevention of corruption and bribery, and relationships with customers, suppliers and partners. It includes the Company's statements on respect for human rights and inclusion as well as the protection of Company assets. These principles also form the basis of company policies and procedures.

It serves as a binding guideline for all employees in all brands and all businesses. D'Ieteren also expects third parties acting on behalf of its businesses to follow the principles set out in this guide.

Breaches of this guide may constitute professional misconduct and be penalised in accordance with labour regulations and applicable legislation. The Compliance Officer, the Head of Internal Audit, the HR department and an external health and safety service are there to provide support. The D'Ieteren Integrity Alert System (whistleblowing system) is also on offer to contact an external party entrusted to process such alerts, in full confidentiality. Whether or not the alert is confirmed, D'Ieteren ensures in each case that its internal procedures are challenged if necessary.

The Code of Conduct, together with information on the Integrity Alert System, is available on all the Company's internal and external websites. Reminders of the Code's key principles are regularly communicated, and compulsory training courses are organised. New employees are informed as soon as they join the Company. Managers have a special function as role models.

A specific Code of Conduct for Suppliers was released in 2023, to engage them more actively in achieving the highest levels of ethical, social and environmental performance. This code covers the labour standards, the protection of the environment, how to prevent corruption and bribery as well as conflicts of interests, fair competition and the protection of personal data. When contracting with D'Ieteren, suppliers will commit to training and raising the awareness of their teams regarding the code's principles of integrity, taking any reasonable measures to prevent, detect and remedy breaches, notifying D'Ieteren immediately of any identified risks or breaches, agreeing to record-based or on-the-spot integrity checks conducted by D'Ieteren and informing their teams about D'Ieteren Integrity Alert System.

5.4.2. HUMAN RIGHTS, CHILD LABOUR AND FORCED LABOUR

Our approach. D'Ieteren pays great attention to respect for Human Rights in its value chain and, through its Supplier Code of Conduct, D'Ieteren endorses the United Nations Universal Declaration of Human Rights.

Policies/actions. D'Ieteren expects its suppliers to comply with the laws and collective labour agreements. The principles related to working hours and minimum wages, health and safety, freedom of association and collective bargaining, forced labour and child labour for workers in the value chain, which all suppliers and subcontractors must abide by, are stated in the Supplier Code of Conduct.

The Volkswagen Group, D'Ieteren's main supplier, has enshrined the topic of business and human rights and its significance for the supply chain in processes and policies that apply to all its suppliers. The Volkswagen Group respects international guidelines and conventions including, in particular, the UN Universal Declaration of Human Rights, the Core Labor Standards of the International Labour Organization, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the principles of the UN Global Compact. All information can be found at

Chapter_SupplyChain_engl (www.volkswagen-group.com/en/publications/corporate/supply-chain-and-human-rights-21452).pdf

Performance data. No allegations against D'Ieteren have been taken up by the Business and Human Rights Resource Center (BHRRC). D'Ieteren has not been convicted in any court cases concerning Human Rights, and no complaints have been lodged against D'Ieteren by the OECD National Contact Point.

5.4.3. BRIBERY AND CORRUPTION

Our approach. As stated in its Code of Conduct and the Code of Conduct for Suppliers (cf. 5.4.1.), D'Ieteren bases its relationships on trust and a mutual understanding that any form of corruption is unacceptable in its business activities.

Policies/actions. The Company has anti-corruption processes in place. The Code of Conduct describes what should be done if one happens to have knowledge about any form of corruption. The D'Ieteren Integrity Alert mechanism is in place to report on bribery & corruption cases as well. Internal communications on the subject are organised on a regular basis, as well as training courses for D'Ieteren staff members and dealership staff. New employees are systematically invited to follow this training as well.

Performance data

Business Conduct	2022	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0
The total number of confirmed incidents of corruption and bribery	0	0
Number of confirmed incidents in which own workers were dismissed	0	0
Number of confirmed incidents relating to contracts with business partners	0	0

5.4.4. FAIR COMPETITION

Our approach. D'Ieteren believes in open competition and wants to succeed ethically and with the highest degree of integrity. Consequently, D'Ieteren does not enter into commercial agreements that distort, eliminate, or provide competitive advantages.

Policies/actions. D'Ieteren has implemented internal rules to which each of its employees must adhere. D'Ieteren has appointed two legal advisors specialising in competition law, who constantly review the various (legal) files for possible competition law issues. D'Ieteren promotes employee awareness of the importance of compliance with all applicable competition laws and regulations. Specific training programmes (Dawn Raid, Chinese Walls,) have been developed for concerned departments, risk functions and management as well as "on the job" training for involved employees whenever there is a competition law aspect.

Performance data. D'Ieteren and its senior management (including the senior management of its subsidiaries) have not been found to be in breach of competition laws.

5.4.5. RESPONSIBLE MARKETING

Our approach. D'Ieteren and its brands are committed to sustainable, transparent, and responsible management. This applies to internal and external communications. Employees, customers, stakeholders, and the public rightfully deserve communication with respect, integrity and sincerity.

Policies/actions. All advertising is prepared in consultation with the legal department, which strictly follows and applies the relevant regulations. The expectations that D'Ieteren has for its business partners with regard to the provision of advertising and communication services for the Company and its brands are specified in the Green Book drawn up by the legal department and made available to the marketing departments. This Green Book lays down the basic rules, including those on misleading advertising, and is regularly updated. In case of new rules, the legal department sends Flash News to the various marketing departments. Training courses are also given by the legal department to the various marketing departments. On-site checks are organised (e.g. during a Brussels Motorshow), in addition to follow-up activities on the various advertising media with rectification where necessary. D'Ieteren cooperates with authorities, including on a proactive basis in case of ambiguities.

5.4.6. TAXATION

Our approach. As part of the responsible management of its business, D'Ieteren ensures that it complies with the applicable rules in Belgium, where it operates, including the rules designed to combat tax evasion.

Policies/actions. D'Ieteren applies a tax risk management policy including:

- the presence of a well-trained tax team with a high level of expertise, who are up to date with the latest tax reforms;
- specific training programmes on tax directives and best practices as well as compulsory training on VAT rules for sales staff;
- close cooperation between the tax department and internal business auditors as well as external tax experts for specific topics.

Performance data. For 2023, the amount paid by D'Ieteren Automotive and its subsidiaries in respect of their tax obligations was €63.2m, which represents a tax rate of 36%, compared with the average Belgian tax rate of 25%.

5.4.7. DATA PROTECTION (PRIVACY)

Policies/actions. D'Ieteren has a very strict policy on data management and compliance (GDPR), both for its employees and for its customers. Users' personal data are exclusively processed in accordance with the applicable Privacy Policy, which can be consulted via all our websites. A dedicated department plays an essential role internally for all developments where personal information might be used. Moreover, this is a major risk for the Company in the event of non-compliance with regulations.

Performance data. No data breaches were identified in 2023.

5.4.8. PHILANTHROPY

Our approach. Community engagement is important for D'Ieteren as it provides an opportunity for the Company to give back to society and make a positive impact. D'Ieteren aims to become involved in charitable projects linked to its activities, in order to bring greater added value, through the involvement of its employees.

Policies/actions. Two topics are given priority in the selection of charitable projects or associations: inclusive mobility and the socio-professional inclusion of people in need. D'Ieteren employees are encouraged to submit the associations they are involved with. Funds are then raised through sporting activities, enabling employees to convert their mileage into euros.

Performance data. These Give & Gain challenges brought together around 200 employees in 2023, raising funds for the mobility projects of La Ligue Braille, Sport2be and Androïd 34. Financial support or products such as electric bikes, etc. have also been donated to causes close to our employees, such as Missing Children Europe, the Fondation Saint Luc, "Kom op tegen kanker", and the Fondation contre le cancer.

6. EU Taxonomy

D'Ieteren Automotive's major economic activity is the sale of motor vehicles which, currently, is not included in the EU Taxonomy. The Taxonomy description only includes the purchase, financing, leasing, rental, and operation of vehicles and has excluded selling as an eligible activity. This has led to a low eligibility percentage for D'Ieteren turnover but the company, nevertheless, believes it has an important role to play in mitigating climate change. Since D'Ieteren is the largest provider of new vehicles in Belgium, it plays a crucial role in the transition from fossil-fuel-driven motor vehicles to electric motor vehicles. D'Ieteren Automotive is also playing a role in offering a wide range of alternative mobility services.

Following the FAQ published in February 2022*, the description of activity 3.3, which is the "Manufacture, repair, maintenance, retrofitting, repurposing, and upgrade of low-carbon transport vehicles, rolling stock and vessels" extends to all rolling stock and vessels, regardless of their low-carbon character. Hence all of D'Ieteren's repair, maintenance, retrofitting, repurposing, and upgrading activities (in the Wonder and Retail perimeters) can be deemed eligible.

*Q9, FAQ (originally published in February 2022) https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52022XC1006(01)&from=EN

The analysis of the four new environmental objectives of the taxonomy has shown no new eligibility inside D'Ieteren Automotive's activities. This leads to the following list of Taxonomy activities from the climate objectives that are applicable to D'Ieteren's activities:

#	D'Ieteren economic activity	Taxonomy activity
1	Sale of bicycles & accessories (Lucien)	6.4. Operation of personal mobility devices, cycle logistics (CCM)
2	Leasing of bicycles (Joule)	6.4. Operation of personal mobility devices, cycle logistics (CCM)
3	Shared mobility services (Poppy, Taxis Verts, CarAsap)	6.5. Transport by motorbikes, passenger cars and light commercial vehicles (CCM)
4	Mechanical & Body shop repair (WonderGroup, Retail)	3.3. Manufacture of low-carbon technologies for transport (CCM)
5	Sales & installation of BEV charging stations (EDI)	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (CCM)
6	Operation of BEV charging stations i.e. selling KWh's (EDI Network)	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings
7	Sales & installation of PV panels and stationary batteries (GoSolar)	7.6. Installation, maintenance and repair of renewable energy technologies (CCM)
8	Mobility as a Service (Mbrella)	8.2 Data-driven solutions for GHG emissions reductions (CCM)
9	Lab Box	8.2 Data-driven solutions for GHG emissions reductions (CCM)

Among the eligible activities, mechanical and body shop repair services in the Wonder and Retail perimeters are promoting the maintenance and longevity of vehicles. D'Ieteren's renewable energy activities, EDI and GoSolar play a pivotal role in advancing clean energy availability for mobility. Additionally, car-sharing initiatives, such as taxi services and shared mobility solutions like Poppy, contribute to greening mobility practices. Moreover, the inclusion of bike offerings, as seen with Lucien, expands the scope of sustainable transportation options, closely aligning with the EU commitment to promoting environmentally conscious behaviours.

In total, this year's eligible turnover stayed stable from 6.6% to 6.5% of total turnover while the eligible OpEx increased from 19.2% to 24.1%.

The eligible Capex this year more than doubled from 35.2% to 78.1% of total Capex. The increase mainly results from the decision (thanks to a deeper understanding of the legislation) to include this year in eligible CapEx, not only the CapEx that can directly be associated with eligible sales of the Group's activities, but also the following Capex related to the purchase of output from Taxonomy-eligible economic activities:

- the acquisition and exercising of ownerships of buildings (that is, eligibility of all buildings, taking into account the legal or economic ownership, including the right-of-use from a lease of a building (CCM 7.7);
- the renovation of buildings (CCM 7.2) and;
- the purchase, financing, renting, leasing, and operation of all vehicles designated as category M1, N1 or L (2- and 3-wheel vehicles and quadricycles) (CCM 6.5).

D'Ieteren has not been able to gather all the necessary information to assess its alignment. It will work towards improving data collection in the years to come and, therefore, D'Ieteren will report 0% aligned turnover, CapEx and OpEx for this financial year.

The numbers reported in the tables below encompass intercompany transactions among the entities of the D'Ieteren Group. Such intercompany dealings are eliminated in the consolidated table (p.215).

A brief glossary of abbreviations used in the table is available on page 215.

6.1. Turnover

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	Y; N; N/EL (b) (c)						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	0.0%	*%*	*%*	*%*	*%*	*%*	*%*								0.0%	*E*	
Of which Transitional		*0.0*	0.0%	*%*													0.0%		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	206.2	3.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								4.4%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	35.8	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	33.3	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	16.5	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.4%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	48.4	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	3.7	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**343.9**	**6.5%**	**6.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**6.6%**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**343.9**	**6.5%**	**6.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**6.6%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		**4,952.9**	**93.5%**																
TOTAL		5,296.8	**100.0%**																

6.2. CapEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	**Code (a) (2)**	**CapEx (3)**	**Proportion of CapEx, 2023 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL(f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	9.7	6.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.8%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	10.0	7.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								8.5%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	43.4	30.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								17.9%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	0.9	0.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.6%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	1.0	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.2%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	1.5	1.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.2%		
Renovation of existing buildings Buying real estate and exercising ownership of that real estate	**CCM 7.2-7.7**	44.0	31.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**110.5**	**78.1%**	**78.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**35.2%**		
A. CapEx of Taxonomy eligible activities (A1+A2)		**110.5**	**78.1%**	**78.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**35.2%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		**31.0**	**21.9%**																
TOTAL		141.5	**100.0%**																

6.3. OpEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL(f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	2.1	4.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.6%		
Operation of personal mobility devices, cycle logistics	**CCM 6.4**	1.3	2.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	1.2	2.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings	**CCM 7.4**	0.4	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%		
Installation, maintenance and repair of renewable energy technologies	**CCM 7.6**	0.5	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.3%		
Data-driven solutions for GHG emissions reductions	**CCM 8.2**	6.1	12.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								9.3%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**11.6**	**24.1%**	**24.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**19.2%**		
A. OpEx of Taxonomy eligible activities (A1+A2)		**11.6**	**24.1%**	**24.1%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**19.2%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		**36.5**	**75.9%**																
TOTAL		48.1	**100.0%**																

Parts Holding Europe (PHE)

1. Strategy, Business model and Value creation

1.1. Business model

PHE Group is a leading West European distributor of spare parts for light and heavy vehicles in the Independent Aftermarket (IAM), with 60 years' experience.

The Group's main business is the distribution of automotive spare parts and equipment in four sectors of activity through the IAM:

- Light vehicle parts for maintenance and repair;
- Bodywork parts for light vehicle repair;
- Heavy goods vehicle parts for maintenance and repair; and
- Equipment and tools for garages.

The Group's extensive logistics network, both in France and international segment, enables it to deliver a wide range of parts quickly and efficiently.

The Group is a multi-channel player with a sophisticated supply chain and distribution system organised around:

- Central purchasing units (CPUs), which buy spare parts, equipment and tooling from suppliers, which are then sold to subsidiary distributors and affiliated independent distributors, as well as online retailers ;
- Logistics platforms (ACR, Cora, Bremstar, Logisteo, etc.) to supply local distributors;
- Distribution sites throughout France, the Benelux countries, Italy and Spain, enabling a wide range of light vehicle and heavy goods vehicle spare parts to be sold to garages;
- An e-commerce site via its subsidiary Oscaro for B2C sales.

PHE's ambition is to strengthen its leadership position through integrating all independent parts distribution business activities, thereby contributing to the dynamism of the car and heavy goods vehicle repair sector.

Headcount by geographical area	2023
France	6,230
Spain	1,984
Italy	522
Belgium (DOYEN)	385
Netherlands (GEEVERS)	193
Total	**9,314**

1.2. Value creation

PHE's business is closely linked to ESG matters. First, the Group is a player in the circular economy, making it possible to repair cars, thereby reducing the number of scrapped vehicles, and limiting the use of natural resources for the production of new cars. PHE also has a social role, providing transportation to people who may not be able to afford to purchase a new vehicle, and helping to improve their safety on the road. Finally, PHE is deeply rooted in local areas, participating in local employment and training.

PHE is aware that the electrification of the car park represents a change in its business environment, and sees this as an opportunity. Although BEVs are expected to remain a small portion of PHE's addressable car park (i.e. cars older than 5 years) in the next 10 years, with the share of PHE's addressable car park comprising BEVs to reach only c.4 to 6% by 2030, PHE will benefit from the rise of hybrid vehicles which use combustion engine related parts with higher overall vehicle complexity while supporting more fuel-efficient and less polluting combustion vehicles.

In the longer term, mature and large players like PHE are better positioned to capitalise on the electrification opportunity as they benefit from extensive product offerings (600k SKUs in B2B; c.1m SKUs in B2C) and high capillarity, strong relationships with garages and trusted brands providing direct support.

1.3. Sustainability strategy

PHE has a long history of managing environmental, social and governance issues, although it did not have an integrated sustainable development strategy as such. In 2023, PHE launched a double materiality analysis process, in line with CSRD guidance, with the support of an external advisor. The outcome of this assessment will help the Group identify the main lines of its new integrated sustainable development strategy.

2. ESG Governance

ESG considerations have been managed and encouraged at the highest level of the Group by the Executive Committee. In 2024, PHE has reinforced its organisation with the appointment of an Environmental Director to oversee the implementation of its sustainability strategy, while bringing to the company the expertise needed to structure and develop its environmental approach.

PHE also benefits from D'Ieteren Group's governance and experience in ESG to design and implement its sustainable strategy.

3. Performance

3.1. Environment

PHE's new environmental approach has been initiated in 2024 with the arrival of the new Environmental Director, whose mission is to define and coordinate the approach. The strategy will build on the results of the double materiality analysis, which will help define its main areas of focus.

As the amount of CO_2 emissions is one of D'Ieteren Group's steering KPIs, a process to measure PHE's carbon footprint will be initiated as a priority by the Environmental Director, with the help of an external partner. The carbon footprint measurement will be the starting point for a process aimed at defining an emission reduction target in line with the Paris agreements.

However, PHE has already deployed several initiatives to reduce its environmental footprint, leading to a significant decline of energy consumption.

ENVIRONMENTAL INITIATIVES IN PHE'S OPERATIONS

In terms of logistics, PHE acts both upstream and downstream of its value chain. Thanks to its flexible supply model, PHE has been able to optimise and reduce the number of deliveries from its suppliers to its sites.

Its downstream logistics operations are supported by an extensive network of logistics platforms and warehouses, providing dense geographical coverage. A number of initiatives have been implemented, including the optimisation of fleet management, the introduction of route planning algorithms, the use of GPS-equipped and electric vehicles, and the development of driver monitoring tools and training.

PHE has also improved its energy management as an outcome of an energy audit. It has replaced neon lights with low-energy LED lamps, changed heating systems and improved the insulation of some of PHE Group's premises, all of which have helped to reduce energy consumption. In France, for example, PHE's subsidiary LV achieved savings of 30% on electricity consumption and 45% on gas consumption in 2023.

Finally, PHE has taken steps to reduce packaging waste. In particular, it has invested in machines for cutting packaging to size, which avoid over-packaging and provide better protection for products. Most packaging waste is sorted and recycled, and the company has gradually stopped using foam and reduced its consumption of bubble wrap in favour of cardboard and kraft paper.

INITIATIVES LINKED TO THE BUSINESS MODEL

The Group promotes the ECO ENTRETIEN® label for its brand garages. This label certifies an ecological and innovative car maintenance service carried out by technicians to limit excessive vehicle emissions.

3.2. Social aspects

Present in 6 European countries (France, Spain, Italy, Belgium, Luxembourg and the Netherlands), PHE has over 9,300 employees in 79 companies and several hundred sites. This constellation is the result of a strong and rapid external growth strategy pursued by the Group in recent years, which has seen the number of employees double.

Nevertheless, the Group's business units all share the same imperative of excellence in the local service that their teams deliver to their customers every day.

In this particular context of very diverse cultures and common requirements, rather than encouraging the adoption of standardised processes, the PHE Group's social policy principally aims to take account of the specific characteristics of each entity and to place them within a framework of shared fundamental values: Exigence, Care, Commitment, Humility and a sense of community.

PHE also pays close attention to what its employees have to say. On the one hand, the management training courses systematically followed by all managers make them particularly aware of this local responsibility. Secondly, regular surveys have been introduced, using anonymous questionnaires (Social Barometer, Engagement Questionnaire, Exit Interview) targeting themes such as engagement, knowledge of the Group, working environment and conditions, working relationships, career development and employee experience.

These values, the results of these surveys, and the Group's desire to secure the long-term engagement of its employees guide its social policy and are reflected in concrete terms in its various social initiatives:

- The development of the employer brand, which today enables the Group to benefit from an outstanding reputation and attract an increasing number of applicants, with the aim of promoting diversity.
- The deployment of an internal mobility policy in response to employees' ambitions regarding their career development within the Group.
- Significantly stepping up training initiatives to develop employees' skills and help them adapt to technical and economic developments, while also contributing to a sense of team spirit.
- A dynamic pay policy that combines pay raises with the company's competitiveness: on the one hand, by adjusting pay rises to take account of the general economic climate and its impact on purchasing power, and on the other, through profit-sharing agreements, by rewarding employee contributions in line with collective performance.
- Continuing to improve the working environment and conditions, with a particular focus on workplace safety and responsibility.
- Maintaining a constructive social dialogue enabling the negotiation or renewal of key agreements with social partners every year to the benefit of employees: pay, pensions, professional equality, etc.

3.2.1. EMPLOYEE SATISFACTION AND ENGAGEMENT

A questionnaire (social barometer) is sent to the Group's French, Belgian, Dutch and Italian employees every two years. The participation rate for 2022 was 62% (i.e. 4,253 respondents out of 6,850 employees questioned). This significant result demonstrates the level of employee engagement and their willingness to share their opinion. This barometer enables the Group's management to guide the choices made with regard to social matters.

The themes covered were:

- Knowledge of the Group and employee commitment (score = 7.5/10)
- Working environment and conditions (score = 7.7/10),
- Work relationships and career development (score = 7.3/10).

The next questionnaire is scheduled for 2024 for all Group employees.

In 2023, PHE realised for the first time an employee engagement survey, which was sent to 3,600 employees in the automotive parts distribution business.

The overall commitment score obtained was 9.0/10, with the following average score attributed to each question:

- I am proud to work for my company: 8.6/10
- I know the usefulness and impact of my work: 9.0/10
- I am committed to providing the best possible service, particularly to our customers: 9.4/10

Both the Social Barometer and the Commitment Questionnaire are managed by an independent service provider who ensures the confidentiality and strict anonymity of the responses.

The average length of service within the Group is 9 years. The turnover rate in France was 17% in 2023.

PHE was ranked #7 in France's "Best Employer of 2023" in the "Wholesale" category (survey of over 2,000 companies carried out by Capital).

Training and skills development metrics	2023
The average number of training hours per employee and by gender	**13.3 h**
Female	12.6 h
Male	13.5 h

France only.

3.2.2. HEALTH AND SAFETY

PHE closely monitors key performance indicators relating to health and safety issues at its industrial sites.

A prevention policy (risks of accidents and musculoskeletal disorders) is in place including tools for carrying heavy parts, automated chains to avoid arduous work, a Risk Prevention Manager, and ISO compliance. Employees also receive trainings in workplace safety. For example, the Group has teamed up with a French business school (EM Lyon) to provide workplace safety training.

In addition, several initiatives have been implemented to improve the quality of life at work (lighting, renewal of equipment, etc.).

Health & Safety	2023
Number of fatalities as a result of work-related injuries and work-related ill health	0
Number of recordable work-related injuries	268
Number of cases of recordable work-related ill health	11
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	11,490

France only.

3.2.3. DIVERSITY AND INCLUSION

The PHE Group promotes equality and fairness among employees. In 2023, women represented 18% of the Group's employees and held 9% of positions of managerial responsibility.

In general, PHE aims to improve job offers (visuals and communication) to attract female applicants. PHE also has a Group-wide agreement on equality between men and women, which is implemented in its subsidiaries. This agreement covers recruitment (communication with schools), training, pay, work-life balance and flexible working.

PHE was ranked 12th in France in "Diversity Leader 2020" (a survey of more than 10,000 companies conducted by the Financial Times).

In terms of inclusion of disabled people, the Group was employing 185 disabled workers in 2023 in France.

Number of employees (head count) by gender	2023
Male	7,655
Female	1,659
Total	**9,314**

Diversity	2023
Total headcounts in management positions	**66**
Total male headcounts in management positions	60
Total female headcounts in management positions	6
Percentage of male employees in management positions	91%
Percentage of female employees in management positions	9%
Age distribution	
Total headcounts under 30 years old	1,768
Total headcounts between 30-50 years old	4,683
Total headcounts over 50 years old	2,863

Top management : This includes members of the PHE COMEX and General managers of subsidiaries in France and Europe

Remuneration gap	2023
Male-female pay gap	-1.8%
Compensation ratio	3.97

Male-female pay gap: Average male salaries compared to average female salaries within the scope of France. The salary considered includes: gross salary, bonuses and incentives.
Compensation ratio: Calculation based on (10% highest annual remuneration / average annual remuneration); COMEX members excluded.

3.2.4. ADDITIONAL SOCIAL DATA

Characteristics of workforce	2023
Number of employees (headcount)	**9,314**
Female	1,659
Male	7,655
Number of permanent employees (headcount)	**8,755**
Female	1,542
Male	7,213
Number of temporary employees (headcount)	**559**
Female	109
Male	450
Number of full-time employees (headcount)	**9,063**
Female	1,545
Male	7,518
Number of part-time employees (headcount)	**251**
Female	114
Male	137

Characteristics of workforce	2023
Number of employees (headcount)	**9,314**
France	6,230
Spain	1,984
Italy	522
Belgium (DOYEN)	385
Netherlands (GEEVERS)	193
Number of permanent employees (headcount)	**8,755**
France	5,806
Spain	1,932
Italy	495
Belgium (DOYEN)	358
Netherlands (GEEVERS)	164
Number of temporary employees (headcount)	**559**
France	424
Spain	52
Italy	27
Belgium (DOYEN)	27
Netherlands (GEEVERS)	29
Number of full-time employees (headcount)	**9,063**
France	6,129
Spain	1,931
Italy	505
Belgium (DOYEN)	355
Netherlands (GEEVERS)	143
Number of part-time employees (headcount)	**251**
France	101
Spain	53
Italy	17
Belgium (DOYEN)	30
Netherlands (GEEVERS)	50

3.3. Governance

3.3.1. BUSINESS ETHICS

PHE has developed a 'Charte Ethique' which was implemented in 2018, and signed by all employees. This includes policies regarding anti-bribery, freedom of speech, conflicts of interests, environmental commitments as well as provisions related to employee health and safety. An alert mechanism has also been put in place. In addition to his internal audit responsibilities, the internal audit director at PHE is in charge of overseeing the established internal control procedures and deploying all processes related to compliance, regulations and anti-corruption regulations.

3.3.2. SUSTAINABLE PROCUREMENT

A Code of Conduct for suppliers is in force in the Group, which helps to maintain quality relationships within the supply chain. PHE's logistics platforms (Cora, Doyen, Geevers logistics platforms) are ISO 9001-certified. The Group is committed to obtaining and renewing certifications for all its logistics platforms and branded garages.

4. EU taxonomy

Following the publication of new delegated acts, and due to the constant evolution of the taxonomy, D'Ieteren Group has conducted a fully updated review of the scope of eligible activities of PHE and identified eligible activities which were not reported as such last year.

PHE's main economic activity of automobile spare parts distribution, is currently not included in the EU taxonomy. However, two smaller economic activities have been identified as eligible: truck repair services and injector remanufacturing at its Plateforme Technique Nationale Montajault. The former is eligible under the climate change mitigation objective, while the latter supports the Circular economy objective.

4.1. Truck repair services

Following the definition of the taxonomy activity 3.3. "Manufacture of low carbon technologies for transport, including reparation and maintenance of low carbon transport vehicles, rolling stock and vessel", and according to the FAQ* published in February 2022 :

'The qualifiers, such as 'low carbon' vehicles or 'low carbon' vessels for the purpose of Section 3.3 in Annex I to the Climate Delegated Act ('manufacture of low carbon technologies for transport'), which are not defined in a clear way, should only be considered for the purposes of determining the compliance with the technical screening criteria and are therefore not relevant for the reporting on eligibility.'

*Q9, FAQ (originally published in February 2022)
https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52022XC1006(01)&from=EN

This extra guidance extends the description of activity 3.3, which is the "Manufacture, repair, maintenance, retrofitting, repurposing, and upgrade of low-carbon transport vehicles, rolling stock and vessels" to all rolling stock and vessels, regardless of their low-carbon character. PHE with its truck repair activity is active in the repair & maintenance of Truck (category N of vehicles in EU classification).

4.2. Injectors remanufacturing

Following the definition of the taxonomy, activity 5.4. "Sales of second-hand goods" is related to the "Sales of second-hand goods that have been used for their intended purpose before by a customer (physical person or legal person), possibly after repair, refurbishment or remanufacturing". PHE's sales of remanufactured injectors falls into the sales of remanufactured product category. Additionally, the product manufactured falls within the NACE code C29 'Manufacture of motor vehicles, trailers and semi-trailers', which is included in the list of NACE codes relevant to the sale of second-hand goods.

D'Ieteren Group together with PHE remains committed to enhancing its Taxonomy reporting. In accordance with the publication of the new delegated acts, along with a deeper comprehension of the legislation and based on the analysis performed and described above, these two eligible activities have therefore been identified and reported this year for PHE.

Economic activities - PHE	Relevant Taxonomy activity
Truck repair services	3.3. Manufacture of low carbon technologies for transport (CCM)
Injector remanufacturing	5.4. Sales of second-hands goods (CE)

In total, the 2023 eligible turnover represents 2.7% of PHE total turnover. Those 2.7% are related to the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (being activities 3.3 and 5.4).

The eligible CapEx in 2023 accounts for 50.5% of total CapEx. Eligibility is mainly coming from the following Capex related to the purchase of output from Taxonomy-eligible economic activities:

- the acquisition and exercising of ownerships of buildings (that is, eligibility of all buildings, taking into account the legal or economic ownership, including the right-of-use from a lease of a building (CCM 7.7);
- the renovation of buildings (CCM 7.2) and;
- the purchase, financing, renting, leasing, and operation of all vehicles designated as category M1, N1 or L (2- and 3-wheel vehicles and quadricycles) (CCM 6.5).

The eligible OpEx amounts to 4.1% and are equal to the part of the OpEx included in the denominator that is directly related to assets or processes that are associated with Taxonomy-eligible economic activities (being activities 3.3 and 5.4).

PHE has not yet been able to gather all the necessary information to assess its alignment. It will work to improve data availability in the years to come.
A brief glossary of abbreviations used in the table is available on page 215.

4.3. Turnover

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	**Code (a) (2)**	**Turnover (3)**	**Proportion of Turnover, 2023 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	66.1	2.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sale of Second-Hand Goods	**CE 5.4**	3.4	0.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**69.5**	**2.7%**	**2.6%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**0.0%**								**0.0%**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**69.5**	**2.7%**	**2.6%**	**0.0%**	**0.0%**	**0.0%**	**0.1%**	**0.0%**								**0.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		**2,487.4**	**97.3%**																
TOTAL		2,556.9	**100.0%**																

4.4. CapEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%			*Y; N; N/EL (b) (c)*				Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
						EL; N/EL													
Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5**	14.9	13.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Renovation of existing buildings Acquisition and ownership of buildings	**CCM 7.2 & 7.7**	39.9	36.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3**	0.8	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**55.6**	**50.5%**	**50.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
A. CapEx of Taxonomy eligible activities (A1+A2)		**55.6**	**50.5%**	**50.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		**54.5**	**49.5%**																
TOTAL		110.1	**100.0%**																

4.5. OpEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0%*	*%*	*%*	*%*	*%*	*%*	*%*								*0.0%*	*E*	
Of which Transitional		*0.0*	*0.0%*	*%*													*0.0%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Manufacture of low-carbon technologies for transport	**CCM 3.3**	1.0	3.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Sale of Second-Hand Goods	**CE 5.4**	0.1	0.3%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**1.1**	**4.1%**	**3.8%**	**0.0%**	**0.0%**	**0.0%**	**0.3%**	**0.0%**								**0.0%**		
A. OpEx of Taxonomy eligible activities (A1+A2)		**1.1**	**4.1%**	**3.8%**	**0.0%**	**0.0%**	**0.0%**	**0.3%**	**0.0%**								**0.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		**25.2**	**95.9%**																
TOTAL		26.2	**100.0%**																

Moleskine

1. Strategy, business model and value creation

Moleskine is a global, multi-category, multi-channel brand whose purpose is to unleash human genius through hands-on paper to empower creativity and knowledge in each individual and the entire world.

The company aims to enable creativity with objects and digital apps, designed to nurture thinking, planning and making, and with services that help achieve creative potential. Its products include notebooks, diaries, bags, writing tools, apps, and hybrid products that migrate handwritten ideas to the infinite possibilities of the digital world. The Moleskine ecosystem gathers content and stories, people and partners, which enable and nurture both creativity and self-expression. Overall, it provides open platforms to enable the creation, communication, and sharing of ideas.

Moleskine brings together an intergenerational and intercultural crowd: The Creative Minds – a "global niche".

At its core, are students, entrepreneurs, artists and designers. More broadly, Moleskine is a brand for the wider creative public – anyone with the potential to develop, share and be inspired by ideas.

After an analysis of the customer base's socio-demographic characteristics, product purchase by age groups and purchase patterns by product category, the following clusters have been identified and studied in detail:

- **MOLESKINERS:** In love with the brand, they are the Moleskine Ambassadors.
- **ARTIST LABORS:** Moleskine products provide the support for their creativity and individual expression.
- **TECHIES:** They are experiencing new ways of writing, migrating contents from paper to digital devices.
- **STUDENTS:** Moleskine products have an emotional and aspirational meaning to them. They are young customers but still have relatively significant purchasing power, they are approaching the brand for the first time, but want to be accompanied by its values along their journey.
- **PROFESSIONALS:** Moleskine is the expression of their business lifestyle, as they seek out elegance and functionality.

With its purpose, and via its products, services and digital platforms, Moleskine helps foster lifelong learning, which is in line with the Sustainable Development Goals (SDG) 4 (quality education). Moleskine extends its impact thanks to its partnership with the Moleskine Foundation. It supports creative communities worldwide through the donation of products, which are repurposed into creative tools by the beneficiary organisations as they deliver workshops, training sessions and creative activities for the benefit of local communities.

Moleskine also contributes to SDG 12 (responsible consumption and production), with the objective of ensuring sustainable consumption and production patterns. It does this by developing eco-friendly solutions for its products and packaging and implementing sustainable end-of-life solutions for its unsold objects.

Moleskine has 373 employees and a vast network of partners. With its headquarters in Milan, Italy, the Moleskine Group also includes Moleskine America Inc., Moleskine Asia Ltd, and Moleskine Germany, among others. The Group designs and sells its products through a multichannel distribution platform: directly operated stores, wholesale distributors, the Moleskine e-commerce platform, and retailers. Production itself is outsourced to partner suppliers.

Headcount by geographical area	2023
EMEA	223
APAC	86
AMERICA	64

2. Sustainability strategy

2.1. Materiality

To identify where Moleskine has the most impact, the company conducted its first materiality analysis in 2020. A dialogue with a selection of stakeholders and the management team, in the form of an online survey and interviews, was set up. The following feedback has been collected from key stakeholders, including: Board of Directors, employees, shop assistants, wholesale distributors, customers, logistics partners, and suppliers of finished products.

This analysis enabled the brand to identify and prioritise the business's most critical (hereinafter "material") non-financial aspects. Specifically, the following material topics were identified: environmentally friendly products, environmentally friendly suppliers, social actions and education, talent development, employee wellbeing and diversity, responsible governance, and ethical suppliers.

In 2023, Moleskine started the Double Materiality Assessment (DMA) required by the Corporate Sustainability Reporting Directive. The gap assessment phase (whose purpose is to identify gaps between CSRD requirements and Moleskine's ESG disclosure, policies and KPIs) is still in progress. The DMA exercise has been conducted with the support of an external advisor that helped the company involve and interview relevant stakeholders in the value chain: employees, Executive Committee members, shop assistants, wholesale distributors, customers, logistics partners, suppliers of finished products, and the Moleskine Foundation.

Material impacts, risks and opportunities identified through the analysis have been presented to the Executive Committee in order to ensure alignment among future corporate strategies and sustainability actions and initiatives. Meanwhile, Moleskine continues to implement its Sustainability Roadmap to embed the DMA results.

2.2. Sustainability Roadmap (Sustainable Creativity)

The Moleskine journey toward sustainability is rooted in the Brand's DNA. From the outset, corporate responsibility has been one of the brand's most important values (e.g. the Moleskine Foundation founded in 2006, FSC-certification from 2008, and the Code of Ethics adopted in 2012).

In 2020, Moleskine decided to elevate the significance of sustainability across the enterprise and developed its sustainability ambitions through an ESG strategy, which has been defined according to the following material topics:

- **ENVIRONMENT:** Build a sustainable brand by reducing the company's footprint, and through environmentally friendly solutions for its iconic products.
- **SOCIAL**: Bring positive change to socetty by nurturing critical thinking and creativity while acting as an inclusive company and as a responsible leading brand.
- **GOVERNANCE**: Set a long-term governance approach covering transparency, integrity, and ethical behaviour to build a solid, trusting relationship with stakeholders and to preserve the brand's reputation.

Moleskine is committed to moving forward by embedding ESG throughout its entire value chain, translating its sustainability strategy into concrete actions, measurable results, and the continuous exploration of sustainable and innovative solutions.

2.3. Sustainability Governance

The sustainability strategic pillars are included among the strategic levers for growth in Moleskine's strategic plan. The Moleskine Board of Directors' role in relation to environmental, social and governance issues is to set priorities and oversee their progress. Moleskine has appointed an internal Head of Global ESG, who is responsible for coordinating and measuring the progress of the sustainability strategy, with the support of a new person who joined the ESG team in 2023. The Head of Global ESG ensures that each Moleskine Manager takes responsibility for the material issues under her/his control and implements the sustainability strategy across the whole value chain. Periodic reporting and monitoring processes are in place at Executive Committee meetings (held every three weeks with the CEO and the Group's C-level), where relevant KPIs are presented by the Head of Global ESG through the ESG Dashboard. Incentive schemes are part of the annual variable remuneration received by the CEO, the ESG team and the people directly in charge of the ESG strategy implementation (mainly Operations, Communication and HR).

2.4. Connectivity table

ESG area	Strategic pillar	Sustainability-related risks/opportunities	Impact on society	KPI	Ambition	Value in 2023	Policies & action plans
E	Build a sustainable brand by reducing the company's footprint, and through environmentally friendly solutions for its iconic products	Moving to a circular economy model will allow Moleskine to improve its resource management and meet customer demands.	Moleskine has a direct impact on the environment, which is partly due to the destruction of the waste generated by unsellable products.	% of recycled unsellable stock (waste)	40%	34% (292 tonnes)	3.1.1.
		The reduction of its emissions will allow Moleskine to reduce its environmental impact and meet customer demands.	Moleskine has a direct impact on climate change, resulting from the GHG emissions from its own operations (design, distribution) its supply chain activities, as well as direct emissions from the day-to-day use of Moleskine's offices and the mobility of Moleskine's employees.	% of reduction of CO_2e (Scope 1, 2) baseline 2021	-42% for Scope 1 and 2 by 2030 and Scope 3 reduction by 2030	-42.6%	3.1.2.
S	Bring positive change to society by nurturing critical thinking and creativity while acting as an inclusive company and a responsible leading brand	Moleskine's effort to become a top employer will increase its workforce's sense of belonging.	As an employer, Moleskine has a direct impact on employee wellbeing, not only in terms of health and safety in the work environment, but also with a view to guaranteeing equality, diversity, and inclusion in the workplace, treating employees with respect, and ensuring that business behaviours are ethical.	Employee engagement score	75%	71%	3.2.2.
				Employee satisfaction score	4 out of 5	3.8	
				Participation rate		89%	
		With the right talent management approach, Moleskine will retain people, develop their potential, and guarantee successors in key positions.	Moleskine has a direct impact on employees' professional achievement, by nurturing their motivation and growth.	% employees evaluated	100% of office and directly operated store employees evaluated	100% of office employees evaluated (which represent about 57% of total employees)	
		Diversity and inclusion in the workplace drive creativity and contribute to innovation. Moleskine has a direct impact on trust within the organisation as a lack of Diversity and Inclusion can lead to communication issues and mistrust.	Moleskine can contribute to make workplaces more diverse and inclusive.	% of the under-represented gender	Keep a gender-balanced workforce	31% male	
		Providing young people with unconventional educational tools and experiences that help foster critical thinking and creativity will allow Moleskine to generate positive social impacts and meet customer demands.	Moleskine has a direct impact on society due to the responsibility coming from its own Brand mission. A lack of commitment to education implies disregard for its mission.	# donated creative tools (CT4SC)	30.0Kpcs	15.7K pcs	3.2.1.
				# organisations reached (CT4SC)	30 per year	20	

ESG area	Strategic pillar	Sustainability-related risks/opportunities	Impact on society	KPI	Ambition	Value in 2023	Policies & action plans
G	Set a long-term governance approach covering transparency, integrity and ethical behaviour to build a solid, trusting relationship with stakeholders and to preserve the brand's reputation	Sustainable governance will generate loyalty from stakeholders.	Moleskine has a direct impact on society when selecting its suppliers and procuring goods. A lack of committment toward sustainable sourcing could negatively impact and nurture non responsible and non sustainable business practices.	% of purchases from SA8000 certified suppliers of goods*	100%	98.3%	3.3.1.
				%of purchased from ISO14000 certified suppliers of goods*	100%	97.4%	
				FSC certification	Keep FSC certification	FSC 5-year audit passed	
		Ethical governance will generate loyalty from stakeholders.	Moleskine has a direct impact on society when conducting businesses. A lack of committment toward ethics could negatively impact and nurture unethical business practices.	# unethical behaviours reported	Keep 0 cases of unethical behaviours	0	3.3.2.

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.
* Refers to significant suppliers. Significant suppliers of goods that together account for over 90% pf the total annual purchase value of Moleskine Goods (measured by total order value submitted in euro).

3. ESG performance

3.1. Build a sustainable brand

3.1.1. WASTE MANAGEMENT AND CIRCULAR ECONOMY

Since 2021, Moleskine has been committed to measuring the waste originating from its operations or unsaleable products. Thanks to its waste measurement efforts, Moleskine has been able to define guidelines to avoid generating waste. Prevent-Repurpose-Recycle are the three drivers of the Waste Elimination Project. The project leader is the Head of Global ESG, working in close cooperation with: the Innovation Team, which is in charge of scouting for innovative solutions to prevent waste being generated from product packaging, the local Operations Teams, which are in charge of looking for recycling partners and solutions in accordance with local regulations and technologies, and the Destocking Team, which is in charge of repurposing product surplus.

Through the application of these guidelines, Moleskine has identified a concrete set of actions that led to the following results. These include replacing the Moleskine story leaflet with a QR code printed on the notebooks/planners (solution implemented on 90% of the products procured in 2023, up from 72% in 2022) and primary packaging optimisation solutions (implemented on 15% of products purchased in 2022 and 48% of products purchased in 2023). Moleskine saved around 61 tonnes of waste in 2023 through these waste prevention initiatives.

Adding to these prevention initiatives, in 2023, Moleskine repurposed about 21k pcs of products, donated to NGOs. Moleskine has also identified recycling solutions for 292 tonnes of unsaleable products (34% of the unsellable stock as of December 2023), giving them a second life through a circular economy approach. Products are recycled to produce new materials and then converted into new products (i.e. new paper products). The "Redo Backpack" upcycling project was launched for the second year: this new 500-piece collection of "bags that carry more" comes from prototypes and second-choice Moleskine products that have been upcycled into new, one-of-a-kind bags through the creativity of an Italian company and their socially disadvantaged workers.

Moving forward, the company has developed a new Upcycling project to recover outdated year planners into paper shoppers to be sold in its shops. This pilot (1,000 pieces of paper shoppers) has been made in partnership with "Made in Carcere", a non-profit organisation with which Moleskine "bet on new beginnings".

Waste-related data	Unit	2021	2022	2023
Total non-hazardous waste generated diverted from disposal	**Tonnes**	**21**	**81**	**299**
Total non-hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	10	9	7
Total non-hazardous waste generated diverted from disposal to recycling	Tonnes	11	73	292

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.

3.1.2. IMPACT ON CLIMATE CHANGE

Moleskine commits to reducing its impact on climate change by reducing carbon emissions deriving from its business activities. Moleskine has been measuring the emissions generated from its offices and its stores since 2019, on an annual basis. In 2023, the emissions reduction plan defined in accordance with the Paris Agreement was validated by the SBT Initiative, which listed Moleskine among the Small and Medium Entities taking actions on climate change on the SBTi website. The approved target is an emission reduction of 42% by 2030, for scope 1 and 2 from a 2021 baseline, and a commitment to measure and reduce scope 3 emissions.

The main trajectories for reducing carbon emissions stem from renewable energy for direct stores, strategic sourcing (to identify suppliers of products closest to the final market), logistics (distribution processes optimisation) and product innovation (i.e. looking for lower carbon intensity materials for products, and improving product recyclability).

Moleskine will continue to measure its scope 1 and 2 emissions, which have been measured since 2019 and assured since 2020. In addition, the company started measuring its scope 3 emissions in 2021. In 2023, the scope 3 measurement and calculation process has been validated by an independent third party.

Strategic KPI	2022 Value	2023 Value	Ambition 2030
% reduction of CO_2 emissions for Scope 1 and 2 by 2030*	-29%	-43%	-42%

* From 2021 baseline, market based.

Carbon footprint	Retrospective				Milestones and target years	
	2021 (Base year)	2022	2023	% 2023/2022	2030	Reduction target
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	74	68	55	81.3%	43	42%
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO_2eq)	332	313	272	87.0%	193	
Gross market-based Scope 2 GHG emissions (tCO_2eq)	318	208	170	81.6%	-	
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	13,234	16,223	12,947	79.8%	Commitment to reduce scope 3	
1 Purchased goods and services	7,265	8,785	7,390	84.1%		
2 Capital goods	371	411	233	56.7%		
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	98	78	68	86.6%		
4 Upstream transportation and distribution	1,958	2,424	1,695	69.9%		
5 Waste generated in operations	18	23	18	78.6%		
6 Business traveling	26	133	138	103.7%		
7 Employee commuting	197	167	105	62.7%		
12 End-of-life treatment of sold products	3,301	4,202	3,301	78.6%		
Total GHG emissions						
Total GHG emissions (location-based) (tCO_2eq)	**13,640**	**16,604**	**13,274**	**79.9%**	-	-
Total GHG emissions (market-based) (tCO_2eq)	**13,626**	**16,499**	**13,172**	**79.8%**	-	-

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.

Energy consumption and mix	Unit	2023
(1) Fuel consumption from coal and coal products	MWh	0
(2) Fuel consumption from crude oil and petroleum products	MWh	206
(3) Fuel consumption from natural gas	MWh	26
(4) Fuel consumption from other fossil sources	MWh	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	473
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	704
Share of fossil sources in total energy consumption (%)	%	63.7%
(7) Consumption from nuclear sources	MWh	-
Share of consumption from nuclear sources in total energy consumption (%)	%	-
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	MWh	401
(10) The consumption of self-generated non-fuel renewable energy	MWh	0
(11) Total renewable energy consumption (calculated as the sum of lines 8 to 10)	**MWh**	401
Share of renewable sources in total energy consumption (%)	%	36.3%
Total energy consumption (calculated as the sum of lines 6, 7 and 11)	**MWh**	1,105

GHG intensity per net revenue	2022	2023	%2023/2022
Total GHG emissions (location-based) per net revenue (tCO_2eq/€m)	115.9	101.9	87.9%
Total GHG emissions (market-based) per net revenue (tCO_2eq/€m)	115.1	101.1	87.8%

Energy intensity per net revenue	2022	2023	%2023/2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€m)	-	8.5	-

3.2. Bringing positive changes to society

3.2.1. FOSTERING PEOPLE'S CREATIVITY AND CRITICAL MINDSET

Through products and marketing/communication strategies

The company devotes considerable effort to pinpointing opportunities for innovation across all departments and product categories, while exploring ways to improve internal processes and ensure that the business model evolves. Anchored in a robust company purpose, brand evolution trajectory, and technical capabilities, the teams pay close attention to emerging consumer needs, aiming to implement optimal solutions that empower creativity, create knowledge, and drive positive social change.

From this standpoint, numerous noteworthy projects were executed in 2023 spanning various fields, ranging from product innovation to brand events. Following successful previous editions, Moleskine's signature event, Detour, continued its journey with two more successful events in London and Arles. Aligned with its original format, these exhibitions showcased the Moleskine Foundation's collection of artworks donated by internationally acclaimed artists to support its mission of "Creativity for Social Change". The event fostered connections with local creative communities, providing a platform for engaging discussions and self-reflection on topics such as identity, culture, and community through the Moleskine Foundation's unconventional education programs.

Another focal point in the company's trajectory relates to product innovation, with several significant initiatives underway, including the REDO and the new "Made in Carcere" partnerships, based on shared vision and values. REDO Upcycling emphasises creativity as a pivotal catalyst for positive change, employing socially disadvantaged workers to handcraft a range of sustainably designed accessories. REDO employees receive support in their professional and personal growth, acquiring creativity-based skills and developing individual talents. Aligning with REDO's sustainability ethos, Moleskine collaborated with them to create a limited collection of bags made in Italy using reclaimed Moleskine stock. Each shopper pack is intricately stitched from repurposed bags, resulting in a series of one-of-a-kind designs.

Similarly, "Made in Carcere" brings a message of hope and solidarity to women in Italian prisons by training and employing them in the production of bags and accessories using recycled materials. Thanks to new skills and a regular salary, the incarcerated women have the opportunity to rebuild their identities and regain a sense of dignity and purpose.

Moleskine shares this belief in second chances, both for the marginalised women involved and for the discarded materials they transform.

In line with the company's strategy to enhance its sustainability program and communication to internal stakeholders and the public, 2022 marked another milestone with the addition of a dedicated section on the company website. This new chapter highlights the brand's robust and distinctive sustainability position, focusing on ethical and transparent processes and procedures, a commitment to fostering a healthy work culture characterised by inclusivity and diversity, and the unique mission to leverage creativity as a powerful engine for positive social change. In 2023, the website is being updated with the key company achievements in the field of ESG.

Through our social actions

Nurturing creativity and fostering critical thinking within communities is deeply ingrained in Moleskine's identity. It not only aligns with the company's core values but also serves as an opportunity to engage with creative individuals and glean insights from their experiences. Moleskine is dedicated to partnering with the Moleskine Foundation, leveraging its network, personnel, and infrastructure to support the Foundation's initiatives. The company has committed to allocating a substantial annual contribution, equivalent to 1% of EBITDA or €0.5m depending on which figure is greater at the time.

In collaboration with the Moleskine Foundation, Moleskine has initiated a long-term program aimed at bolstering creative communities worldwide. This initiative involves providing creative tools, such as notebooks and writing instruments, while also facilitating connections between organisations and promoting local activities. Known as Creative Tools for Social Change (CT4SC), this program operates on the promise that creativity can be a catalyst for positive social transformation, with the belief that handwritten expression on paper is the most effective way to unleash human genius. In 2023, 28 NGOs have been selected through the program. Most of them (20) have already received the donation in 2023 (15.7k notebooks), and some of them (8) will receive the donations in 2024 (17.5k). In total, around 33k notebooks have been repurposed into creative tools to the benefit to the same organisations.

On top of these initiatives, Moleskine has identified some beneficiary organisations with social and humanitarian purposes, aimed at sustaining children or young adults in need. About 5.3k notebooks have been donated to these organisations.

Strategic KPI	2022 Value	2023 Value	Ambition 2025
# donated creative tools (CT4SC program)	25.7k pcs	15.7k pcs	30k pcs per year
# NGOs reached (CT4SC program)	27 NGOs	20	30 NGOs per year

3.2.2. EMPLOYEE RELATED-PERFORMANCE

Employee satisfaction and engagement

Strong employee engagement and satisfaction leading to staff retention is crucial to the long-term success of the business. In line with the pillars of its culture (Care, Excellence, Passion, Learning, Resourcefulness), Moleskine wants to create a specific way of working and encourages its people to focus on delivery and effectiveness and act in a results-oriented way.

In 2023, Moleskine carried out the third edition of its People Survey, sent to all Global Corporate People. It is a pillar of its people-centric approach and supports its objective of becoming a Top Place to work at the global level. The key goals of the survey are:

- to give people a voice;
- to measure and increase employee satisfaction and engagement;
- to support organisational growth;
- to reinforce the culture of feedback.

Specifically, the satisfaction rate is measured through key questions to which employees answer on a 5-point Likert scale.

In the 2023 edition, employee engagement measurement also enriched the survey. Through 3 specific questions, Moleskine measures its employees' proudness and sense of accomplishment at work (resulting in a %).

Developing on last year's People Survey, and in order to build a concrete action plan based on previous years' results, Moleskine launched some action plans in specific areas that the survey highlighted. Some of the outputs of these action plans are trainings initiatives (leadership), team building activities (events in the office), 360 feedback for a group of employees, improvements in internal communication (organisational announcements, appointments, HR sharepoint, periodically updated organisation charts), employer branding activities, and a flexible annual leave policy.

Strategic KPI	2022 Value	2023 Value	Ambition 2025
Satisfaction score	3.7 on a scale of 1 to 5 (5 being the highest satisfaction rate)	3.8 on a scale of 1 to 5 (5 being the highest satisfaction rate)	4 out of 5
% Employees Engagement	-	71%	75%
Participation rate	88%	89%	

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.
The Survey was sent to all Global Corporate People (representing 210 offices' employees) in the company as per 31.12.2023"
Engagement has been calculated with the following 3 questions:
1) I am proud to work for Moleskine.
2) I am inspired to work beyond what is required to help us succeed
3) My work gives me a sense of personal accomplishment

Talent Management and Professional Development processes involve every person in the management process and has been built to be fully integrated into the Moleskine People System.

Since 2021, Moleskine has implemented several development actions and processes to support talent and professional development:

- Appraisal: employees share aspirations, international attitudes, and a personal development plan in 1-to-1 appraisal meetings. Managers assess their team members (according to potential and performance over time) and evaluate the retention risk. The HR department supports this appraisal process. The scope has been progressively enlarged from corporate employees to Store Managers.
- 360° Broad-Based Feedback: A process in which employees receive confidential, anonymous feedback from the people who work around them. The output of this process is an assessment of the person's strengths and weaknesses and the areas for improvement and development. Over the years the scope has progressively expanded, from people who directly reported to the CEO (C-level) in 2021, to people reporting to the CEO (C-level) and reporting to the C-level (C-1 level) in 2023, showing the company's commitment to including a broader population.
- Training: In 2023, on top of the annual training on feedback, the Executive Committee benefited from specific follow-up after the 2022 leadership training course, using the Myers Briggs method. Some specific technical trainings were delivered in 2023, as well as business language trainings for any company employees who wanted to take part.

Strategic KPI	2022 Value	2023 Value	Ambition 2025
% of total employees evaluated	100% of offices' employees evaluated (which represents about 52% of total employees)	100% of offices' employees evaluated (which represents about 57% of total employees)	100% of office and directly operated stores' employees evaluated
Training hours	2,496	1,859	+10%
Average number of training hours by FTE	8.06	8.66	5

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG.

Training and skills development metrics	2023
Percentage of employees that participated in regular performance and career reviews	**100%**
Female	100%
Male	100%

Turnover	2021	2022	2023
Total number of employees who have left the undertaking	-	-	34
Rate of employee turnover in the reporting period.	-	-	16%
Scope: Office employees, globally, excluding fixed-term contract			
Total number of employees who have left the undertaking	162	147	147
Rate of employee turnover in the reporting period.	44%	41%	40%
Scope: Office & Stores employees, globally, including fixed-term			

The turnover rate of 40% is primarily driven by seasonal workers who are employed for specific periods, such as during the Christmas season, either in temporary stores or for short-term assignments.

Diversity & Inclusion

Moleskine promotes diversity, rejects every form of discrimination and applies the same standard of treatment towards every employee regardless of their religion, nationality, origin, gender or beliefs. This guiding principle is part of Moleskine's Code of Ethics, which any employee joining the Group signs in acceptance and acknowledgment, any third party that has business relations with the Group must adhere to, and is published on the Group website.

It is acknowledged that diversity within the organisation greatly benefits the business thanks to the mix of different genders, mindsets and cultural and professional backgrounds. Diversity is part of the brand's DNA, and the company is committed to creating a culture of fairness and equality across all geographies and all roles.

Moleskine's philosophy is reflected in its merit-based recruitment approach. Blind hiring techniques are utilised to minimise the potential for unconscious bias from the recruiter by obscuring information that may lead to bias, such as educational backgrounds or addresses. Additionally, the company takes steps to ensure that job postings are inclusive and attract a diverse range of candidates by using language that is welcoming and appealing to a broad audience.

Since 2021, Moleskine launched the "Generation Z Board", now composed of 18 young talents who demonstrate the company's journey in terms of D&I. This board includes people from all over the world, including Europe, Asia, Africa, and the Americas, who reflect Moleskine's international and diverse workforce. The members of the Generation Z Board work directly with the CEO to identify brand values that are relevant to their generation.

In 2023, Moleskine engaged post-graduate students from an Italian university in fieldwork on D&I to identify areas of improvement and define actions. The first action taken in 2023 was the updating of the employee engagement survey with a dedicated section about D&I: Moleskine asked its people for feedback on how they perceive D&I in the work environment and any suggestions they would like to make to the company. Results will be analysed in the beginning of 2024 and presented to the Executive Committee.

In Moleskine's working environment, 56% of people in management positions are women, and more than fifteen nationalities are represented among office employees.

Strategic KPI	2022 Value	2023 Value	Ambition 2025
% of under-represented gender	31.9% of men	31.1% of men	Keep a gender-balanced workforce

Number of employees (headcount) by gender	2021	2022	2023
Male	117	115	116
Female	235	246	257
Total	352	361	373

Gender distribution at top management level	2021	2022	2023
Total headcounts in management positions	**50**	**51**	**61**
Total male headcounts in management positions	18	20	27
Total female headcounts in management positions	32	31	34
Percentage of male employees in management positions	36%	39%	44%
Percentage of female employees in management positions	64%	61%	56%

Definition of Manager used by Moleskine in 2021-2022-2023: A manager is someone who manages a team of one or more employees

3.2.3. ADDITIONAL SOCIAL DATA

Characteristics of workforce	2021	2022	2023
Number of employees (headcount)	**352**	**361**	**373**
Female	235	246	257
Male	117	115	116
Number of permanent employees (headcount)	**322**	**323**	**327**
Female	214	218	218
Male	108	105	109
Number of temporary employees (headcount)	**30**	**38**	**46**
Female	21	28	39
Male	9	10	7
Number of full-time employees (headcount)	**242**	**249**	**255**
Female	152	158	160
Male	90	91	95
Number of part-time employees (headcount)	**110**	**112**	**118**
Female	83	88	96
Male	27	24	22

Health & Safety	2021	2022	2023
Percentage of people in its own workforce who are covered by the undertaker's health and safety management system	-	-	77%
Number of fatalities as a result of work-related injuries and work-related ill health	-	-	0
Number of recordable work-related injuries	1	1	0
Rate of recordable work-related injuries (frequency rate)	-	-	0
Rumber of cases of recordable work-related ill health	-	-	0
Rate of cases of recordable work-related ill health	-	-	0
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	-	-	0

In EMEA the Heath, Safety & Environment (HSE) system is managed by the company.
In US the HSE system is managed by the building proprerty

3.3. Setting a long-term governance approach covering transparency, integrity and ethical behaviour

3.3.1. SUSTAINABLE SUPPLY CHAIN

Moleskine's products are sourced entirely from external suppliers. Therefore, from the outset of the supplier selection process, Moleskine controls a set of environmental, social and ethical aspects as listed in the Corporate Responsibility guidelines, which were adopted in 2020. The Supply Chain Department is in charge of applying these guidelines both in the selection of new suppliers and in the ongoing monitoring of supplier adherence. Moleskine's ambition is to increase supplier compliance and to secure evidence of each supplier's commitment to environmental, ethical and social topics outlined in the guidelines.

In 2023, Moleskine continued working to increase the number of suppliers which, in line with the Corporate Responsibility guidelines:

- have agreed to adhere to the company's Code of Ethics which contains the legal and ethical standards to be applied by Moleskine and its suppliers;
- have a valid SA8000 certification (or equivalent), the International Social Responsibility Standard, which covers working conditions, under-age workers, and non-voluntary work, amongst other aspects;
- are (or have agreed to become) a member of SEDEX, one of the world's leading ethical trade membership organisations which works with businesses to improve working conditions in global supply chains;
- have accepted the general terms and conditions of supply.

In 2023, 98.3% of purchases came from significant suppliers that are SA8000 certified and 97.4% came from significant suppliers that have environmental certification (ISO14001) (or equivalent i.e SMETA audit members). In 2023, a new strategic supplier of products was added to the company's supplier list: that supplier agreed to start a compliance action plan to comply with the Moleskine Corporate Responsibility Guidelines.

FSC certification is one of the pillars of the Moleskine Corporate Responsibility Guidelines: the Company is committed to procuring paper from responsibly managed forests which are a precious part of our planet and our lives. Life on Earth depends on thriving forests, as they are home to most land wildlife and plant species. This is why Moleskine has been fully committed to their responsible management by nurturing, restoring and protecting forests, their ecosystems and communities since 2008.

In 2023, Moleskine achieved the renewal of its 5-year certification and its FSC chain of custody certification until 2028 (with yearly surveillance audits being performed by the external auditor during this period).

Strategic KPI	2022 Value	2023 Value	Ambition 2025
% of SA8000 certified suppliers*	100%	98.3%	100%
% of ISO 14000 certified suppliers*	100%	97.4%	100%
FSC certification	Yearly validation succeded	5-year certification	Keep FSC-certification

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.
* Refers to significant suppliers. Significant suppliers of goods that together account for over 90% pf the total annual purchase value of Moleskine Goods (measured by total order value submitted in euro).

3.3.2. BUSINESS ETHICS & GOVERNANCE

Moleskine's ambition is for every employee, at every level in the organisation, to comply with the Code of Ethics and to do business in accordance with the values and behaviour contained therein. When joining the company, every employee is asked to sign its Code of Ethics in acknowledgment and acceptance of its contents. The Code of Ethics was adopted in 2012 by the Board of Directors and is updated over time (last update in 2019).

Since 2013, Moleskine has also implemented Italian Legislative Decree no. 231/2001 by adopting an Organisational and Control Model (the Model) which aims to prevent the bribery and corruption of public authorities and private entities. According to this regulation, a Supervisory Body oversees the effectiveness of the Model (through periodic meetings with company representatives) and is notified of any possible breach of the Model through a dedicated email account which is monitored on a constant basis by the Supervisory Body and by the Internal Audit department. According to a Moleskine Board of Directors' resolution, the Model will be updated in 2024 to comply with the new applicable legal framework. In 2023, around 100 employees were trained on the content of the Model by the Supervisory Body. The Supervisory Body formally reports to the Board of Directors once a year. No cases of corruption or bribery and no breaches of the Code of Ethics were reported by the Supervisory Body in 2023.

On top of this, to promote a company culture of honesty and transparent behaviour, along with a solid governance system, Moleskine recognises the need for a procedure to report any behaviour that goes against the company's policies and regulations. A new whistleblowing policy and a dedicated platform were released in 2023, with the aim of guaranteeing and protecting anonymous reporting and whistleblower confidentiality. The platform and policy are available on a dedicated page of the company's website. No suspected or alleged breaches were recorded in 2023.

Good governance is also achieved by having optimal cybersecurity. Moleskine implements best practices to protect its critical systems and sensitive information from digital attacks. In 2023, the company carried out a new cybersecurity maturity assessment and, building on its results, developed an improvement plan roadmap approved by the Audit Committee. In 2023, the Company also implemented a list of actions highlighted in the roadmap, such as the third phishing campaign and training on cyber risks. The Audit Committee strictly monitors the progress and results of the program. GDPR compliance is guaranteed by the Legal Team, which is responsible for implementing GDPR requirements under the supervision of the DPO, and reports to the Audit Committee once a year.

Strategic KPI	2022 Value	2023 Value	Ambition 2025
Numbers of reported incidents of unethical behaviour	0	0	Keep the number of reported incidents of unethical behaviour at zero

4. EU Taxonomy

Moleskine's activity of designing and distributing writing and reading accessories is currently not part of the Eligible EU Taxonomy economic activities. It should be noted that this does not inherently suggests that the activity is not environmentally friendly. It rather indicates that the activity may not significantly contribute to one of the six environmental objectives outlined in the Taxonomy, which prioritizes sectors with high-environmental impact. Moreover, the EU Taxonomy is a dynamic framework subject to evolution. D'Ieteren Group continuously monitors its developments and the potential implications for Moleskine.

After gaining a deeper understanding of the Taxonomy, the Group incorporated in eligible capital expenditures (Capex) of 2023, the following Capex related to the purchase of output from Taxonomy-eligible economic activities:

- the acquisition and exercising of ownerships of buildings (that is, eligibility of all buildings, taking into account the legal or economic ownership, including the right-of-use from a lease of a building (CCM 7.7) ;
- the renovation of buildings (CCM 7.2); and
- the purchase, financing, renting, leasing and operation of all vehicles designated as category M1, N1 or L (2- and 3-wheel vehicles and quadricycles) (CCM 6.5).

However, gathering data for alignment throughout the value chain remains challenging. Consequently, this year's report indicates zero alignment. Nonetheless, as disclosure improves across the value chain and more detailed information becomes available, this process is expected to become more manageable.

In 2023, Moleskine's Taxonomy-eligible activities represent 0.0% of the revenue, 36.6% of Capex and 0.0% of Opex as shown in the tables below.

4.1. Turnover

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	Y; N; N/EL (b) (c)						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
Of which Enabling			%	%	%	%	%	%	%								%	E	
Of which Transitional			%	%													%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. Turnover of Taxonomy eligible activities (A1+A2)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		130.3	100.0%																
TOTAL		130.3	100.0%																

4.2. CapEx

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	Y; N; N/EL (b) (c)						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
Of which Enabling			%	%	%	%	%	%	%								%	E	
Of which Transitional			%	%													%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.1	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
Renovation of existing buildings Buying real estate and exercising ownership of that real estate	CCM 7.2 CCM 7.7	2.1	35.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2.1	36.6%	36.6%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. CapEx of Taxonomy eligible activities (A1+A2)		2.1	36.6%	36.6%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		3.7	63.4%																
TOTAL		5.8	100.0%																

4.3. OpEx

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
Of which Enabling			%	%	%	%	%	%	%								%	*E*	
Of which Transitional			%	%													%		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
A. OpEx of Taxonomy eligible activities (A1+A2)		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		2.7	100.0%																
TOTAL		2.7	100.0%																

TVH

1. Model and Value creation

1.1. Strategy, business model and value chain

TVH is a leading global independent distributor for aftermarket parts and helps to extend the life of machines, keep machines running, and prevent machines from being unnecessarily scrapped or replaced. From an original core business in material handling, TVH has grown towards a global player active in several equipment markets: Material Handling, Construction, Agricultural, and Industrial. As a customer-centric organisation, TVH has continuously expanded its footprint to improve its responsiveness and customer servicing capacity, starting from a single Belgian location in 1969 to over 90branches in 28 countries today. Thanks to its customer devotion, TVH serves customers in more than 180 countries worldwide and has achieved outstanding service quality levels with approximately 95% of same-day shipments on orders.

TVH's value chain starts upstream with the extracting of materials for parts. The production of parts is done primarily through upstream suppliers, but also in-house, and through internal repair and remanufacturing.

The distribution of parts goes through several steps. For the inbound and outbound transport, TVH relies on third-party freight forwarding companies. In between those steps, the parts arrive at TVH, where they are handled, stored, and sold. Several distribution channels exist to deliver the parts to customers. Eventually, the parts are used in a variety of machines. Once a part has worn out or broken down, it will be scrapped, recycled, or end up back with TVH for remanufacturing.

Headcount by geographical area	2022	2023
Total	**4,944**	**5,198**
Americas	1,285	1,415
APAC	445	468
EMEA	3,164	3,315

Due to a change in the HR system, data for 2023 reflects figures as of 24 January 2024.Value creation

1.2. Value Creation

As a leading global independent distributor of aftermarket parts for material handling, construction, agricultural and industrial equipment, TVH has a clear mission to deliver products and services in a timely manner to keep its customers' equipment running smoothly, and allow them to keep going and growing.

Sustainability is a key driver of TVH's value creation as it keeps machines running, extends the life of machines, and prevents machines from being unnecessarily scrapped or replaced. This objective unites the company's employees, customers, and shareholders, and fosters a positive impact that benefits people and the natural environment while ensuring its financial achievements. Sustainability is incorporated as a transdisciplinary theme through which TVH focuses on creating value for its four stakeholders:

- For customers: by making customer satisfaction an intrinsic part of TVH's DNA through the provision of high-quality parts and services leading to increased engagement and satisfaction,
- For employees: by helping them develop to the best of their capabilities and invest in functional and technical skills as well as in their personal growth and wellbeing,
- For partners and suppliers: by working together to guarantee good working conditions and good business conduct, and reduce the environmental impact,
- For society: by keeping machines running, extending the life cycle of assets whilst helping to foster a circular economy and avoid incremental waste.

2. Sustainability strategy

2.1. Materiality

TVH carried out a materiality analysis in 2021 and 2022 with the help of an external partner. A dialogue with the members of the TVH Global Management Team and TVH's Board of Directors, in the form of interviews, was set up and conducted. At the same time, an online survey involving a substantial set of employees, customers and suppliers was sent out.

The materiality analysis highlighted the business's most critical (hereinafter "material") non-financial aspects. On this basis, TVH identified and prioritised the following material topics:

- maintaining high standards of business ethics;
- offering a good place to work;
- safeguarding health and safety;
- reducing waste and pollution;
- avoiding hazardous waste;
- ensuring quality at work; and
- promoting the use of green energy.

Separate from the survey, the carbon footprint, employee engagement, and customer satisfaction were added to TVH's materiality analysis as these KPIs were part of DIG priorities.

Based on the key non-financial aspects identified, eight SDGs were selected and grouped together under three key ambitions:

- To operate greenly and efficiently (SDG 7, 9 and 12): in addition to making a positive contribution with its core activities, which promote responsible consumption and production, TVH committed to increasing its use of clean energy in its own operations.
- To be a great employer (SDG 3, 4, 8 and 10): TVH supports and promotes the creation of a great, inclusive place to work, ensuring equality, health, and wellbeing for employees, as well as good quality training.
- To operate with integrity and ethical values (SDG 16): Conducting business with integrity and strong ethical values is key to the way TVH operates and is strongly linked to the company's values.

In 2023, TVH conducted a double materiality assessment (DMA) and integrated the outcome into the new strategic plan. The DMA process was conducted in accordance with the Global Reporting Initiative (GRI 2021) guidelines and the European Sustainability Reporting Standards (ESRS), which define the rules of the Corporate Sustainability Reporting Directive (CSRD). It was also built on the Sustainable Accounting Standards Board (SASB) which enables organisations to provide industry-based sustainability disclosures about risks and opportunities that affect enterprise value.

2.2. Sustainability Governance

Sustainability is an integral part of TVH's business strategy and solid governance was established to drive this forward. The Board of Directors plays a crucial role in sustainability by designing the strategy, setting priorities and monitoring progress. In terms of determining its sustainability approach, responsibility falls to the Global Management Team (GMT). The Sustainability Steering Committee determines which actions should be taken and where. The sustainability team is driving forward the action plan that is based on the sustainability strategy, supporting the business in realising its sustainability goals. The sustainability focus group, consisting of employees from all different regions and departments acts as a sounding board, helps to promote broad internal support, and is a platform to exchange information, ideas, and initiatives related to sustainability.

At the country level, the first sustainability KPI's were included in the Belgium bonus CAO90, focusing on a reduction of scope 1 and 2 emissions. These will be applicable from January 1, 2024 until December 31, 2024, tied to a total maximum amount of EUR 200 which can be earned if the target of 2.5% reduction is achieved. Additionally, a specific ESG component was included in the LTI plan of the GMT and global directors, weighing for 20% of the total value.

The Board of Directors' sustainability expertise was addressed in a specific session by an external consultant focusing on the role of the Board, governance, and the reporting cycle, and consisted of theory, use cases and exercises related to sustainability topics.

2.3. Connectivity

ESG area	Topic	Materiality	SDG	KPI	Management approach
	Customer experience	Customer satisfaction drives loyalty and increases sales.		NPS	3.1.
E	GHG emissions	TVH's operations generate direct and indirect GHG emissions. TVH extends equipment life through its operations, resulting in reduced emissions.	Climate Action	Carbon footprint (tCO_2eq) – Scope 1 & 2	3.2.
	Renewable energy	Producing more renewable energy will allow TVH to become less dependent on the grid.	Affordable and clean energy	% of renewable electricity consumption % of renewable electricity production	3.2.
	Packaging	Reducing packaging meets customer requirements and reduces cost.	Responsible consumption and production	% reduction in packaging use	3.3.
S	People engagement	High engagement drives employee efficiency, dedication, and retention.	Good health and wellbeing	Engagement score	3.4.
	People development	Supporting employees, by providing training and developing skills, enables people to reach their full potential and has a positive impact on both people and TVH.	Quality training	Investment in training	3.5.
	Health & Safety	A robust health and safety process can help prevent accidents and create a safe working environment. Additionally, by reducing health and safety hazards, absenteeism will be reduced, as will pressure on employees.	Decent work and economic growth	Number of occupational accidents Days lost due to occupational accidents	3.6.
	Diversity & Inclusion	Creation of a talented workforce, recruiting people for their skills and qualifications. An organisation with a diverse pool of talent will benefit from different perspectives and ideas.	Reduced inequalities	Number of reports on discrimination	3.7.
G	Business ethics	TVH's stakeholders expect TVH to work according to regulations and laws. As a company TVH wants to hold itself to high moral and ethical standards.	Good governance	Number of convictions for violation of anti-corruption and anti-bribery laws	3.8.

3. ESG performance

3.1. Customer experience

TVH is committed to "Keep its customers going and growing". With this ambition in mind, the company is dedicated to providing an excellent customer experience. Since 2018, TVH has been running its worldwide Voice of the Customer (VoC) programme, which involves gathering customer feedback and adjusting its services, processes, and way of working accordingly.

TVH measures customer experience by conducting monthly Net Promoter Score (NPS) surveys and uses actual customer feedback to improve its services and to introduce new enhancements.

In 2023, the NPS score for TVH, including Bepco, reaching 52.3, compared to 52.5 in 2022, without Bepco. The main positive feedback provided by customers relates to the overall customer service delivered by a dedicated sales team and the reliable logistics services, ensuring a 24/48-hour service window worldwide.

Next, TVH focused on improving the e-commerce experience, as more than 85% of orders are placed through the online channel. TVH is constantly leveraging the customer feedback obtained from user testing to establish the new e-commerce platforms and improve its online presence. The objective behind this effort is to offer a best-in-class e-commerce experience with a focus on streamlining the customer journey to make it as smooth as possible.

Strategic KPI	2022	2023	Ambition 2024
NPS	52.5	52.3	53

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG

The company's Net Promoter Score (NPS) is measured through a yearly customer relationship survey, which is sent monthly to 1/12th of its active customers who meet the criteria of being commercially and financially active with a total turnover of X-1 > € 1,000 and excludes competitors. The NPS measures how likely customers are to recommend the company to a friend or colleague on a scale of 0-10, with respondents grouped into Promoters (score 9-10), Passives (score 7-8), and Detractors (score 0-6). The NPS is calculated by subtracting the percentage of detractors from the percentage of promoters and can range from a minimum of -100 to a maximum of +100. The company measures NPS in the Americas (excluding SSI and Brazil), EMEA (excluding Russia and Ukraine since February 2022), APAC (all regions included), and BEPCO (excluding Iberica, Eastern Europe, Switzerland, and Export). The official measurements started in January 2022 for the Americas and January 2023 for BEPCO, and they were included in the NPS measurement as of this date. The NPS excludes clients with no relevant roles, intercompany entities and optout. China was excluded from NPS measurement in 2023 as it is not included in TVH's CRM. 64% of customers received the invitation to fill out the relationship survey, and the main selection criterion is having more than € 1000 revenue in the previous year (in 2022, this was 61%). In 2023; the participation rate was 4%.

3.2. GHG emissions (incl. renewable energy)

TVH has a large network of offices, warehouses, and distribution centres across the world. The company's business model is based on shipping spare parts from suppliers in different parts of the world to its warehouses and delivering to the customers, who can also be found across the world. This business model has a notable effect on the company's carbon footprint.

In 2022 and 2023 TVH mapped its carbon footprint for the previous year. In October 2022 the company set a target of a 2.5% reduction on scope 1+2 emissions, with 2021 as a baseline. It achieved a 4.5% reduction in 2023 (vs 2022).

Strategic KPI	2022	2023	Variation	Ambition 2024
Scope 1 + 2 decarbonisation	12,201	11,646	-4.5%	-2.5% yearly

Based on its updated strategic plan, for scope 1+2 emissions the Board decided to follow a more ambitious decarbonisation path that will lower total (scope 1 & 2) carbon footprint by 57% by 2030, reducing carbon intensity by 75%, with 2023 as baseline. For scope 3 TVH is preparing and activating the levers to start scope 3 reduction, working together with its value chain.

Carbon footprint	2022*	2023	%2023/2022
Scope 1 GHG emissions			
Gross Scope 1 GHG emissions (tCO_2eq)	5,504	5,215	94.8%
Scope 2 GHG emissions			
Gross location-based Scope 2 GHG emissions (tCO_2eq)	6,697	6,431	96.0%
Gross market-based Scope 2 GHG emissions (tCO_2eq)	6,697	6,431	96.0%
Total GHG emissions (location-based) (tCO_2eq)	**12,201**	**11,646**	**95.5%**
Total GHG emissions (market-based) (tCO_2eq)	**12,201**	**11,646**	**95.5%**

* 2022 as restated to reflect the continuous improvement of GHG data collection. (FY-2022 published data, Scope 1: 5,269; Scope 2 market-based:6,561; Scope 2 location-based:8,027)

GHG intensity per net revenue (Scope 1 + 2)	2022	2023	%2023/2022
Total GHG emissions (location-based) per net revenue (tCO_2eq/€m)	0.008	0.007	-3.7%
Total GHG emissions (market-based) per net revenue (tCO_2eq/€m)	0.008	0.007	-3.7%

Energy consumption and mix	Unit	2021	2022	2023
(1) Fuel consumption from coal and coal products	MWh	0	0	0
(2) Fuel consumption from crude oil and petroleum products	MWh	9,051	9,521	9,389
(3) Fuel consumption from natural gas	MWh	21,804	17,501	16,191
(4) Fuel consumption from other fossil sources	MWh	0	0	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	24,030	22,546	23,951
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	**54,885**	**49,567**	**49,530**
Share of fossil sources in total energy consumption (%)	%	92%	91%	86%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	MWh	6	1	1
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	MWh	0	0	0
(10) The consumption of self-generated non-fuel renewable energy (MWh)	MWh	4,729	4,949	8,213
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**MWh**	**4,735**	**4,950**	**8,214**
Share of renewable sources in total energy consumption (%)	%	9%	9%	14%
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**MWh**	**59,620**	**54,517**	**57,744**

Energy intensity per net revenue	2022	2023	%2023/2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€m)	0.028	0.031	8.8%

3.3. Packaging

Being a worldwide distributor of spare parts entails the use of significant amounts of packaging to transport products from suppliers to warehouses and distribution centres, while ensuring that customers get the products in perfect condition. As TVH's operations continue to grow, the use of packaging materials also increases.

TVH has implemented several actions at its main warehouses in Belgium and US to limit packaging material or to change the composition of its packaging materials by reducing the use of unsustainable materials (e.g. plastics).

All the shipping material used in the US is almost completely recycled (e.g. cardboard, strapping, plastic wrap). When choosing new packaging suppliers in Belgium, they must provide proof that confirm they are working on sustainability (FSC, Ecovadis,...). In Belgium, TVH switched from plastic bags from 30 and 50% PCR to a supplier who offers plastic bags with 80% of PCR and also decided to switch from plastic tape to (gummed) paper tape as of March 2024. It is also actively looking for more sustainable packaging (wood foam, biodegradable bags for defined processes, extra Box On demand-machine, paper strap, etc.). TVH has introduced almost right-sized packaging with machines avoiding void space as much as possible, and automated stacking for carrier consolidation so as to maximize the use of space for transportation.

Waste-related data	Unit	2022*	2023
Total amount of waste generated	Tonnes	4,308	4,386
Total amount by weight diverted from disposal	**Tonnes**	**4,188**	**4,264**
Total hazardous waste generated diverted from disposal	Tonnes	154	212
Total hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	0	0
Total hazardous waste generated diverted from disposal to recycling	Tonnes	139	187
Total hazardous waste generated diverted from disposal to other recovery operations	Tonnes	15	25
Total non-hazardous waste generated diverted from disposal	Tonnes	4,022	4,052
Total non-hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	111	248
Total non-hazardous waste generated diverted from disposal to recycling	Tonnes	3,718	3,365
Total non-hazardous waste generated diverted from disposal to other recovery operations	Tonnes	193	437
Total amount by weight directed to disposal	**Tonnes**	**120**	**122**
Total hazardous waste generated directed to disposal	Tonnes	0	7
Total hazardous waste generated directed to incineration	Tonnes	0	0
Total hazardous waste generated directed to landfill	Tonnes	0	7
Total hazardous waste generated directed to other disposal operation	Tonnes	0	0
Total non-hazardous waste generated directed to disposal	Tonnes	120	115
Total non-hazardous waste generated directed to incineration	Tonnes	118	115
Total non-hazardous waste generated directed to landfill	Tonnes	2	0
Total non-hazardous waste generated directed to other disposal operation	Tonnes	0	0

* As restated to reflect the use of ESRS definition.(FY-2022 published data: 4,494 total waste generated)
The waste data currently cover Belgium operations only.

3.4. People engagement

Strategic KPI	2022 Value	2023 Value	Ambition 2023
Engagement Index	81%	85%	75%

Data highlighted in green is in the scope of the independent limited assurance performed by KPMG
All global employees with at least 3 months seniority on payroll. Interim workers, contingent workers and non-desk population in South Africa and China are excluded.

TVH put in place a survey measuring the engagement level through 2 measuring points: a short pulse in May and full survey in September. Each time the full global population was invited. In September 2023 TVH had a record response rate with 90% of TVH employees participating in the survey. It noticed a positive trend as the engagement index level moved up with 4%, from 81% in 2022 to 85% in 2023.

Working on employee engagement is a continuous topic and all local teams have reviewed their results and initiated actions to further improve on those topics relevant to them. Based on the global results, TVH has also prioritised three global themes to work on during 2024 as part of its Nudge program. These themes are: (1) onboarding - review the onboarding process and improve the onboarding experience for the employees; (2) cross-functional collaboration: specific theme for senior leaders to enhance collaboration between functional domains; (3) survey follow: to ensure execution of action plans at all levels of the organisation.

3.5. People development

People development is a continuous focus at TVH. A special focus for all employees was the further deployment of digital learning, which was acknowledged, with TVH winning the LinkedIn Talent Award in Belgium in 2023. LinkedIn presents this international award to the company that invests the most in the growth of its employees. TVH also further developed its curriculum on product & technical training and saw an increase in learning hours. There were two themes in the spotlight: onboarding for the non-desk population and safety training.

Regarding leadership development TVH launched a new "talent review process" globally for all senior leaders. This is focused on gathering input on the talent pipeline. In 2024, the company is following up development actions in order to develop its current and future leadership pipeline. Also, a leadership development programme was further rolled out. The global management team (GMT) and all Directors participated in leadership boot camps including classes, individual coaching and peer practice labs.

Training and skills development	2022	2023
The average number of training hours per employee and by gender	**24.1**	**31.7**
Female	25.8	32.5
Male	20.2	31.3

3.6. Health & Safety

The company established a global safety community to ensure that proper data collection is performed in all plants worldwide and to facilitate the sharing of experience among members of this community. To ensure the proper interpretation and collection of data by teams worldwide, a monthly safety report is sent out and discussed with the global safety community. A Global Safety Director has been appointed. In addition, a global safety team was set up to develop new content for training and safety programmes and to coordinate on-the-ground action.

In 2023 several projects took place in Belgium (e.g. test exoskeletons) to reinforce the safety culture. Moreover, safety flashes were issued every two weeks in Belgium to enhance the communication of the follow-up measures to everyone in Operations. TVH also did a safety culture assessment in the US, similar to the one performed in Belgium at the end of 2022, to gain a better understanding of the current situation and to develop a global safety culture approach.

In 2024 TVH plans to start the implementation of life saving rules through training, new procedures, and internal audits. For reporting it will move to leading KPI's for better management and will apply root cause analysis for each lost time injury.

Health & Safety	2022*	2023
Number of fatalities as a result of work-related injuries and work-related ill health	0	0
Number of recordable work-related injuries	84	70
Rate of recordable work-related injuries (frequency rate)	10.88	9.02
Number of cases of recordable work-related ill health	0	0
Rate of cases of recordable work-related ill health	0	0
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	1,118	921

*As restated to take into account the elimination of one injury which was reviewed in the light of new elements. (FY2022 published data are: Frequency rate, 11.18; Number of lost days, 1,209; Number of injuries, 85).

3.7. Diversity & Inclusion

At TVH, focusing on Diversity, Equity and Inclusion (DEI) is important because: it is in line with the TVH value of 'Remain Open Minded', it is a necessity to mitigate talent shortages and it leads to better financial results. TVH follows a few simple principles related to DEI, namely that: Diversity is a Fact, Equity is a Choice, Inclusion is an Action and Belonging is an outcome. TVH has a culture that embraces Diversity and Inclusion which was demonstrated by the 2023 engagement survey where 86% of respondents said that "at TVH people of all backgrounds are accepted for who they are". TVH will further build on this strong culture and focus on improving the overall readiness to implement DEI into all everyday processes

In 2022, TVH decided to focus on three themes linked to Diversity and Inclusion: gender equality, cultural diversity, and a global mind-set. Global mind-set is being addressed through the new functional organisation that was introduced in March 2023 where people collaborate cross-borders and cross-regions and is continually improved through other initiatives as part of the People / HR strategy. The other two themes, gender and cultural diversity, have been formally included in the People Strategic Building Block and will be the focus for the next few years.

In October 2023 TVH launched the DEI strategy during the Directors Summit and then started rolling it out for the whole organisation. It defined and detailed three initiatives to be taken to promote gender and cultural diversity within the organisation. These three initiatives will be implemented in 2024:

- **Espresso Shots**: short, focused discussions, broadcasted globally, on specific topics related to DEI.
- **Women's Network**: a women-oriented network, backed by high-placed female colleagues within TVH, to help bridge the gender gap by providing critical support and opportunities for female employees. A first meeting on Women's network took place with all female Directors and other senior female leaders in the organisation, and it will be expanded in 2024.
- **#IAmRemarkable**: a global Google initiative that empowers everyone, particularly women and underrepresented groups, to express their achievements in the workplace and beyond.

Diversity in the workforce	2022	2023
Gender distribution at top management level		
Total headcounts in management positions	**592**	**652**
Total male headcounts in management positions	435	429
Total female headcounts in management positions	157	159
Total undefined headcounts in management positions		64
Percentage of male employees in management positions	73.5%	65.8%
Percentage of female employees in management positions	26.5%	24.4%
Percentage undefined headcounts in management positions	-	9.8%
Age distribution		
Total headcounts under 30 years old	-	1,431
Total headcounts between 30-50 years old	-	2,683
Total headcounts over 50 years old	-	1,084

People in management position/leaders are all people leaders, having direct employee reports. Undefined means that the data is not available. Persons without birth data are captured in the under 30 years old category.

Number of employees (headcount) by gender	2022	2023
Male	-	3,284
Female	-	1,486
Not disclosed	-	428
Total	**-**	**5,198**

Characteristics of workforce	2022	2023
Number of employees (headcount)	**4,943**	**5,198**
Female	1,532	1,486
Male	3,411	3,284
Not disclosed	-	428
Number of permanent employees (headcount)	**4,918**	**5,141**
Female	1,517	1,475
Male	3,401	3,246
Not disclosed	-	420
Number of temporary employees (headcount)	**25**	**57**
Female	17	11
Male	8	38
Not disclosed	-	8
Number of full-time employees (headcount)	**4,841**	**4,755**
Female	1,468	1,252
Male	3,373	3,081
Not disclosed	-	422
Number of part-time employees (headcount)	**102**	**443**
Female	57	234
Male	45	203
Not disclosed	-	-

Due to a change in HR system at the end of 2023, 2023 data reflects information as of 24 January, 2024. It explain the appearance of a “not disclosed” category in 2023.

Characteristics of workforce	2022	2023
Number of employees (headcount)	**-**	**5,198**
Americas	-	1,415
APAC	-	468
EMEA	-	3,315
Number of permanent employees (headcount)	**-**	**5,141**
Americas	-	1,405
APAC	-	468
EMEA	-	3,268
Number of temporary employees (headcount)	**-**	**57**
Americas	-	10
APAC	-	-
EMEA	-	47
Number of full-time employees (headcount)	**-**	**4,755**
Americas	-	1,355
APAC	-	464
EMEA	-	2,936
Number of part-time employees (headcount)	**-**	**443**
Americas	-	60
APAC	-	4
EMEA	-	379

3.8. Business ethics

TVH enjoys a solid reputation around the world based on integrity, responsible conduct, teamwork, excellence, and commitment. All TVH representatives share the responsibility to protect and safeguard that reputation, which is valued by customers, business partners, employees, and other stakeholders.

The Code of Conduct defines and documents what TVH believes in and contains the global standards that each TVH representative must follow. It consists of a set of dedicated policies that firmly support a zero-tolerance stance on modern slavery and address key areas such as human rights and forced labour, anti-bribery and anti-corruption as well as non-discrimination and non-harassment. Policies also address topics on international trade, conflicts of interest, whistleblowing and preventing company theft & fraud.

TVH has a **policy on anti-bribery and anti-corruption** as well as on **gifts and hospitality and sponsorships and donations**. This way it is ensured that business transactions are impartial, objective and free from outside influence.

A policy on **non-discrimination & non-harassment** sets out TVH's commitment to creating a safe, inclusive and equitable environment for its employees, free from all forms of discrimination, bullying and harassment. It makes it clear that TVH requires its employees to fulfil a zero-tolerance stance in relation to discrimination and harassment.

TVH's policy on conflicts of interest seek to establish business conduct that ensures that employees' business judgement is not influenced by undue personal interests.

The policy on international trade outlines the expectation for our employees to be familiar with and comply with the laws and principles of international trade.

The whistleblowing policy emphasises the obligation that each employee has to raise their voice when they witness or are involved in a situation that isn't right. TVH wants its employees to have the confidence to ask questions, challenge practices and make a difference. It ensures that employees don't conduct their own investigations but speak up and report to their supervisor, HR or TVH Compliance. It creates an environment where no employee is subjected to retaliation or victimisation for reporting or escalating genuine concerns. The name of the policy is "*Raise Your Voice*" in order for colleagues to know that by speaking up, they can safeguard our company from severe risks. In addition to the specialised "Raise your voice" training, TVH consistently emphasises this message through each learning session. It commonly refers to it as "Talk to Joachim", aligning with the familiarity of Joachim, Conduct Manager in the Compliance Department. The link provided in communications is also structured around this concept, ensuring easy access and recognition.

The policy on company theft & fraud serves to provide clear guidelines for the proper use, management, and safeguarding of all company assets and property, which includes physical assets, equipment, and confidential information. Additionally, it outlines the standards for accurate and timely maintenance of all company records and reports.

TVH also takes the necessary actions to ensure the Code of Conduct and the different policies are known to our employees.

For desk workers, quarterly training sessions are conducted that rotate through each topic outlined in the code. These sessions include a 30-minute e-learning module and the signing of a policy, collectively reinforcing awareness and adherence to the ethical guidelines.

TVH has successfully included the majority of its branches in these sessions, and for certain regions, it is currently implementing a catch-up campaign. The goal is to have the majority of the desk workers on board by the end of 2024. In order to achieve this TVH is developing a comprehensive all-in-one e-learning module designed to challenge employees on their knowledge and reinforce where necessary. It is also continuously putting in effort through localised and specific initiatives to further enhance the educational appeal of the programme.

For non-desk workers a distinct approach is adopted. TVH already addressed the non-discrimination topic through engaging classroom training sessions. During these sessions, participants signed a poster and took a group picture, underscoring their commitment. Additionally the company provided them with a comprehensive folder containing information about essential aspects, including the whistleblower hotline. This has already been rolled out for our branches in Belgium but will also be rolled out globally during 2024. Other topics of the Code of Conduct will be presented to them towards the end of 2024 - beginning of 2025 where the spotlight will be put on subjects that are particularly meaningful or important to them.

Business Conduct	2021	2022	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0

D'Ieteren Immo

1. Business model and value creation

D'Ieteren Immo is the real estate company of the D'Ieteren Group in Belgium. D'Ieteren Immo is responsible for the management of the Belgian real estate assets owned by the D'Ieteren Group, of which most are occupied by D'Ieteren Automotive. The assets include offices, workshops, concessions, logistics centres, residential units, parking lots and landbanks. Part of the activities includes the reconversion and redevelopment of sites that are not used by D'Ieteren Automotive anymore. In addition to managing its assets, the company offers real estate advice and a range of services to the tenants of the properties in the portfolio.

The D'Ieteren Immo team consists of 44 permanent employees and 12 freelancers. At the heart of the company's sustainability ambitions are its 'Invest, Enhance & Hold' strategy. As a long-standing family business, D'Ieteren Immo aims to create long-term value, with no rapid valuation objectives. The team manages the Group's real estate assets with the purpose of making them more sustainable and future-proof. D'Ieteren Immo focuses on rigorous governance, sustainable management practices, long-term relationships with its stakeholders, and a well-trained and proactive team to ensure that its heritage thrives. D'Ieteren Immo wants to contribute to the transition to a more sustainable society by inspiring peers and other companies.

The company supports the transition towards a sustainable, low-carbon economy and is determined to contribute to the UN Sustainable Development Goals (SDGs). The most relevant SDGs to which D'Ieteren Immo can make a tangible contribution are:

- SDG 7: **Affordable and clean energy.** D'Ieteren Immo seeks to constantly improve its energy efficiency. The company maximises and invests in the generation of renewable energy on its sites, during both construction and renovation activities. For its remaining energy needs, D'Ieteren Immo restricts itself to purchasing green energy only.
- SDG 9: **Industry, innovation, and infrastructure**. D'Ieteren Immo has started the process of adapting its buildings to current and future needs by, for example, integrating flexibility into the design of its assets and choosing materials that take embodied carbon into account, among other aspects.
- SDG 11: **Sustainable cities and communities.** When creating new urban developments, D'Ieteren Immo aims for mixed-use projects with an optimal balance between various uses to contribute to the wellbeing of local communities.
- SDG 12: **Responsible consumption and production.** D'Ieteren Immo is determined to engage in the transition toward a circular economy. The focus is on limiting waste, recycling on-site, reusing materials, and raising employee and supplier awareness.
- SDG 13: **Climate action**. D'Ieteren Immo is taking steps to achieve carbon neutrality for its company-related and portfolio-related GHG emissions.
- SDG 15: **Life on land.** D'Ieteren Immo aims to optimise land use at its sites whilst also minimising the number of enclosed surface areas. The company incorporates biodiversity considerations into the development of new sites and the management of existing areas.

2. Sustainability strategy

2.1. Materiality

In 2019, D'Ieteren Immo performed a materiality assessment and prepared a materiality matrix. Based on interviews with internal and external stakeholders, from customers and suppliers to governments and industry associations, the company has identified an extensive set of priorities on which to act. This list resulted in four strategic pillars (see Section 2.2) based on eight material topics: energy consumption, carbon emissions, multi-purpose building, materials & waste management, circular design, construction & use, employee wellbeing, and customer satisfaction. In addition, the relevant material topics were linked to each pillar. In the meantime, the topic of biodiversity has been added to the list of sustainability aspects on which D'Ieteren Immo is acting.

With the support of an external expert, in 2023 D'Ieteren Immo started a double materiality analysis. The final validated results of this process will be available in 2024 and will confirm whether there has been any evolution in the material topics for the organisation, compared to the analysis carried out in 2019. Additionally, the results will indicate the part of the organisation's value chain in which the impact of the ESG topics is most material.

2.2. Sustainability Roadmap

In 2019 and 2020, the company established its sustainability strategy, which resulted in acting on four main pillars:

1) improving the environmental and operational performance of its properties;
2) designing and building future-proof infrastructure;
3) evolving towards carbon neutrality; and
4) being a top employer.

To achieve those ambitions by 2030, D'Ieteren Immo has drawn up a roadmap with which encompasses the necessary actions. These actions are monitored with using well-chosen Key Performance Indicators (KPIs) to track progress. The company's BREEAM New Construction certifications and D'Ieteren Immo's own internal Project Guidelines ensure that building projects and refurbishments follow the goals and standards laid out in the sustainability strategy. D'Ieteren Immo also continues taking steps to become a top employer.

The company continuously follows this roadmap and implements it through various actions targeted at its employees and other stakeholders.

2.3. Sustainability governance

Both the Board of Directors and the Executive Committee are very committed to a sustainable future: they formally approved the organisation's sustainable goals, consistently put sustainability on the agenda, and expect it to be integrated into all the business activities.

The Executive Committee closely monitors the strategic ESG KPIs to ensure that D'Ieteren Immo moves towards reaching its sustainable goals and targets. The long-term plan provides significant resources to achieve the organisation's strategic sustainability ambitions.

All D'Ieteren Immo team members are trained and informed on a regular basis on sustainability topics such as the organisation's code of ethics and conduct, customer satisfaction and sustainable material choices.

In January 2023, D'Ieteren Immo assembled a new council of employees who act as representatives and function as a sounding board for the entire organisation. Employee wellbeing is its main focus. This internal council, also known as the Athena Council, organised the 2023 employee satisfaction survey and is currently implementing an action plan based on this year's results. The members of the Athena Council meet on a monthly basis and regularly liaise with the Executive Committee.

Internal and external stakeholders are kept up-to-date on D'Ieteren Immo's sustainability strategy and the progress made in its implementation through various channels including the monthly Newsletter, monthly information sessions for employees, the annual report, with sustainability being a permanent topic on the agenda of every steering committee meeting, as well as the agenda of the Board of Directors.

3. Connectivity table

Strategic pillar	Ambition/ Multi-topic KPI	Status in 2023	Impact on society	Sustainability-related risks /opportunities	KPI	Ambition	Value 2023	Policies & Action plans
Customer satisfaction			D'Ieteren Immo helps customers achieve their own sustainability targets.	Listening to customer needs allows D'Ieteren Immo to assess its real estate offering and related services and adapt them accordingly. Higher customer satisfaction leads to higher loyalty and retention.	NPS score	To reach a level of excellence in terms of customer satisfaction. Compared to other peers, D'Ieteren Immo should achieve an NPS score of between 20 and 40	29.6 Participation rate of 5.68% (125 answers)	3.3.
Improve the environmental and operational performance of current properties	Carbon Nada Project Completed 100% of large new projects with BREEAM New construction certification & 100% of smaller projects where internal Project Guidelines are applied	12% of Carbon Nada Capex envelope invested to date	Contribution to energy efficiency and to the transition towards more renewable energy. Sharing best practices in energy management and storage systems.	Reduce dependency on external energy providers, which could have a direct financial impact and enable the company to increase the attractiveness of its assets.	% self-generated renewable electricity	To achieve 100% of renewable and on-site produced energy at its sites	39%	3.1. Carbon Nada
			Reduce the environmental impact of the waste produced by D'Ieteren Immo and its tenants.	Considering waste as a valuable resource and reusing selected, dismantled materials in a construction project, where possible, could have a positive impact on the company's operations.	-	To continue to provide on-site infrastructure to sort and recycle waste generated by building occupants		BREEAM New Construction
Design and build future-proof infrastructure		Ongoing certification process for 3 projects	Reduce pressure on scarce resources and limit the environmental footprint linked to producing and transporting new materials.	Risks of higher prices of resources and limited availability of materials and spare parts for construction projects and maintenance of machines.	Number of projects with an extensive inventory for (re-)used materials	To integrate a circularity study into every project	3	Internal Project Guidelines
			Design future-proof properties to avoid energy and resource-intensive construction designed to replace outdated buildings. Opportunity to revitalise urban areas by combining working, commercial and living spaces.	Avoid future costs linked to changes in building use.	-	To continue to redevelop the urban site		
		Monitoring postponed until 2024	Improve the quality of life for tenants, promote mental health benefits, increase fauna and flora habitats, improve surface permeability, etc.	Increase in property values, energy savings, heat performance, permit procedures, etc.	% of all green areas comprising biodiverse landscaped green areas	To achieve 100% biodiverse landscaped* green areas		
Towards carbon neutrality			Contribute to the transition towards a low-carbon economy and the fight against climate change.	Risks related to increasingly stringent environmental regulations and environmental permits. Risks associated with increasing pressure on raw material and energy prices, as well as the potential additional cost of adapting buildings for more extreme weather events and patterns.	% reduction in carbon emissions vs. 2019	52% reduction of CO_2e compared to 2019 by 2030 To reach Net Zero emissions by 2040	-14.8%	3.1.1.

Strategic pillar	Ambition/ Multi-topic KPI	Status in 2023	Impact on society	Sustainability-related risks /opportunities	KPI	Ambition	Value 2023	Policies & Action plans
Be a top employer			Reducing burn-out risk, improving employee impact outside the organisation, creating a healthy and inspiring working environment for employees to thrive, offer lifelong learning opportunities for employees to develop, and improve the work-life balance of their team.	Employee wellbeing increases resilience and supports organisational performance through greater employee engagement. It also helps attract and retain talent. Risks of failure to retain talent and experiences, long-term absenteeism due to mismatches.	Employee Satisfaction Score (ESS) ESS response rate	To keep the employee satisfaction %, assessed through the survey, over 80%	84.1% 90.5%	3.2.
			Doing this in the best possible way, without disputes or ethical issues can inspire peers and other organisations to do the same. Responsible governance contributes to a respectful, healthy working environment.	Attempts to corrupt and unethical behaviour would impact the company's reputation and could lead to prosecutions and fines.	-	To ensure continued commitment to D'Ieteren Immo's Code of Ethics		3.4.

* Biodiverse landscape green areas are green areas that are maintained in an ecological way, adapted to the type of habitat/ecosystem, with adapted tools and without the use of pesticides. The goal is to give the local fauna the best opportunities for growth.
Data highlighted in green is in the scope of the independent limited assurance performed by KPMG..

4. ESG performance

4.1. Management approach by environmental material topic

4.1.1. TOWARDS CARBON NEUTRALITY

Infrastructure is a significant source of greenhouse gas emissions. As a real estate company, D'Ieteren Immo can and intends to contribute to the transition to a carbon-neutral society. The company's overall ambition is to reduce its greenhouse gas emissions by 52% by 2030 (compared to the 2019 baseline measurement) and to achieve net zero emissions by 2040.

D'Ieteren Immo measures both its company-related as well as its portfolio-related emissions. To reduce portfolio-related emissions, it invests not only in energy-efficient buildings but also in partnerships with tenants, maintenance companies and many others. These partnerships are key to reaching the net zero objective.

Using a carbon footprint calculation, D'Ieteren Immo was able in 2021 to determine which of its existing sites has the greatest carbon impact: these are the sites at Kortenberg, Drogenbos, and Zaventem. As a result, a significant investment plan called Carbon-Nada was launched in 2022, to achieve the goals of carbon neutrality by implementing the conclusions of the feasibility studies conducted for these three sites in 2021. In 2023, the company made investments in accordance with this long-term plan: about 12% of the total allocated budget has been invested in projects on the 3 above-mentioned sites. A specific steering group was created to follow up on the progress made. Some examples of projects executed in 2023 include: improving the thermal insulation of the building envelope at the Zaventem site, additional insultation of the roof of the logistical buildings at the Kortenberg-site, and installation of photovoltaic panels on two sites in Anderlecht.

New developments and large refurbishment projects, such as D'Ieteren Park, 50 RM, and Mobilis, are designed to carbon-neutral standards.

The company produces its own renewable energy and supplements the energy demand, when necessary, with 100% green energy. In time, D'Ieteren Immo plans to become completely independent in its purchasing of heat and electricity.

An important step in reducing the company's emissions was the introduction of the new car policy in 2021 and its accelerated implementation in 2022. The new policy includes a budget increase so that employees can choose an electric company vehicle. As of 2023, the car policy was further revised and now fully concentrates on EV-cars only. As a result, by 2030, D'Ieteren Immo's fleet should be entirely emission-free and the last two cars with a combustion engine will be phased out by 2025. Other initiatives to limit the company's carbon emissions are found across a range of D'Ieteren Immo's activities.

Strategic KPI	2022 Value	2023 Value	Ambition
% reduction of GHG emissions compared to 2019	-37.3%	-39.3%	To reduce GHG emissions by 52% compared to 2019 by 2030

Carbon footprint	Retrospective				Milestones and target years	
	2019 Base year	2022	2023	% 2023/2022	2030	Reduction target
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO_2eq)	148	112	92	82.0%	71	
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO_2eq)	-	-	21	0.0%	-	
Gross market-based Scope 2 GHG emissions (tCO_2eq)	16	0	10	-	8	
Significant scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq) – location-based	-	-	6,573	-		
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq) – market-based	7,674	5,019	4,652	92.7%	3,684	
1 Purchased goods and services	19	0	0	0.0%	-	
2 Capital goods	-	3	6	202.0%	-	-52% compared to 2019
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	37	27	26	96,3%	-	
6 Business traveling	5	2	0	12.0%	-	
7 Employee commuting	15	11	17	154.5%	-	
13 Downstream leased assets – location-based	-	-	6,524	131.1%	-	
13 Downstream leased assets – market-based	7,598	4,976	4,604	92.5%		
Total GHG emissions						
Total GHG emissions (location-based) (tCO_2eq)	**-**	**-**	**6,686**	**-**	**-**	
Total GHG emissions (market-based) (tCO_2eq)	**7,838**	**5,131**	**4,754**	**92.7%**	**3,762**	

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG. Location-based emissions are reported for the first time in 2023.

Energy consumption and mix	Unit	2023
(1) Fuel consumption from coal and coal products	MWh	0
(2) Fuel consumption from crude oil and petroleum products	MWh	222
(3) Fuel consumption from natural gas	MWh	222
(4) Fuel consumption from other fossil sources	MWh	0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	MWh	23
(6) Total fossil energy consumption (calculated as the sum of lines 1 to 5)	**MWh**	467
Share of fossil sources in total energy consumption (%)	%	76%
(7) Consumption from nuclear sources (MWh)	MWh	30
Share of consumption from nuclear sources in total energy consumption (%)	%	8%
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	MWh	0
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	MWh	100
(10) The consumption of self-generated non-fuel renewable energy (MWh)	MWh	16
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**MWh**	116
Share of renewable sources in total energy consumption (%)	%	0
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**MWh**	613

4.1.2. IMPROVING THE ENVIRONMENTAL AND OPERATIONAL PERFORMANCE OF CURRENT PROPERTIES

D'Ieteren Immo planned to apply the BREEAM In-Use methodology to assess and improve the operational performance of its properties. The company started preparing for a BREEAM In-Use baseline measurement and, in 2022, launched a test case at the Kortenberg site after appointing a BREEAM In-Use Assessor. This test case was stopped during the course of 2023 for 2 reasons. First, the test case building is located in the D'Ieteren Park project area, which is designed to carbon-neutral standards. The second reason related to the maturity of the process. The company re-evaluated its approach to BREEAM In-Use and decided to concentrate its resources on the Carbon-Nada project instead of applying BREEAM-In Use at a wider scale. This new KPI related to capex invested in the Carbon-Nada project also has a more direct impact on the portfolio, rather than implementing certification for the In-Use properties. Therefore, the strategic KPI to follow up on the improvement of the sustainable performance of current properties has been changed to underline the progress of the Carbon-Nada investment budget. Over the next few years, the company will continue to conduct various analyses and take measures to make its assets more sustainable.

Strategic KPI	2022 Value	2023 Value	Ambition
% of Carbon-Nada Capex envelope invested to date	7%	12%	81% Capex invested by 2030

In view of the reality of the business, the strategic KPI has been changed to 2023, based on the conviction that it would have a greater positive impact on the environment.

Energy consumption: In 2023, D'Ieteren Immo implemented in the Carbon-Nada project measures that were identified in the 2022 feasibility study for the three sites with the highest energy consumption (i.e. Kortenberg, Zaventem, Drogenbos), focusing on how to transition to CO_2 neutrality over the next few years. Other measures taken to limit energy consumption and increase the self-production of renewable energy include the installation of additional photovoltaic panels and insulation on rooftops at the Kalmthout site, and the installation of additional photovoltaic panels on 2 sites in Anderlecht. Similar actions are planned for 2024 at the sites in Zaventem, Drogenbos and Kortenberg.

Materials and waste management: D'Ieteren Immo continues to provide on-site infrastructure to sort and recycle waste generated by the building or unit, its occupants, and their activities. For new projects that will accommodate multiple tenants, such as Mobilis and D'Ieteren Park, the company has partnered with an external expert to design a waste management approach specifically adapted to these multi-tenant sites.

Circular design, construction, and use: D'Ieteren Immo remains focused on applying the concepts of circular design, construction, and use in its various construction and refurbishment projects. For example, the Internal Project Guidelines sets out the principles on which the choice of materials in construction and refurbishment projects is based. The life cycle of materials is one of the criteria used to determine the best choice of materials. The Circularium project, based at the former Anderlecht Centre, is entirely dedicated to the circular economy and hosts, in its 4th year, more than 30 organisations and start-ups with circular activities.

Biodiversity: the design teams at D'Ieteren Immo are conscious of the opportunities provided by, and the necessity of incorporating biodiverse green areas as part of the project's programmes. Where possible, D'Ieteren Immo invests in biodiverse green areas and balances this with other sustainable measures, such as infrastructure for the natural infiltration of rainwater. The D'Ieteren Park project contains a large variety of future-proof measures. Creating an extensive green-blue grid along the roadside at the Kortenberg site is one of the project's main objectives. D'Ieteren Park will, upon completion, include more than 25,000 m^2 of biodiverse green areas to enhance the local fauna and flora and create a park-like feeling for the occupants. About 7,800m^2 of infrastructure is planned to handle rainwater within the project area. This project is expected to be completed in 2024.

4.1.3. DESIGNING AND BUILDING FUTURE-PROOF INFRASTRUCTURE

Circular design, construction, and use: D'Ieteren Immo aims to design and build future-proof infrastructure. It creates flexible living and working spaces that respond to current and future needs while minimising their environmental impact. The company plans to obtain BREEAM New Construction certification for large construction projects. This assessment methodology targets various aspects of sustainable buildings, such as water, energy, mobility, and circularity, and covers a building's full lifecycle through partial certification for the design stage, the construction process, and the adaptability of the building.

D'Ieteren Immo is monitoring the number of projects that apply the BREEAM New Construction standards to measure its progress. In 2023, the company pursued investment in its Mobilis project to obtain outstanding BREEAM New Construction certification for the construction phase. The pre-assessment for the D'Ieteren Park project indicates that an outstanding level will be achieved.

Mobilis will be ready in 2024 and will accommodate a combination of urban industry, production activities, and commercial functions. This will contribute to D'Ieteren Immo's ambition to redevelop urban sites with multi-purpose buildings. The energy-neutral building consists of removable platforms, which will make it easy to adapt to future uses.

The principles of circular design and construction were also taken as an objective for the D'Ieteren Park project, which will be delivered at the end of 2024: refurbishing existing buildings was, as far as possible, chosen over demolishing and dismantled materials will be reused in the project where possible.

To ensure that new small- and medium-sized projects are designed and built following the goals and standards set out in the sustainability strategy, D'Ieteren Immo developed and launched the final version of its Internal Project Guidelines in 2023. These Guidelines contain a detailed set of criteria to guide project teams from the concept and design stage to make sustainable choices. In 2024 the use of the Internal Project Guidelines in D'Ieteren Immo's small and medium-sized projects will be monitored through the existing software used for the management of these projects.

Strategic KPI	2022 Value	2023 Value	Ambition
No. of BREEAM New Construction certifications	2 (Mobilis and D'Ieteren Park)	3 (Mobilis, D'Ieteren Park and 50RM)	BREEAM New Construction certification for all large projects
% of projects that apply Project Guidelines	Monitoring to start in 2024		100% of projects apply Project Guidelines (except for projects with BREEAM certification)

4.2. Be a top employer

4.2.1. EMPLOYEE WELLBEING AND SATISFACTION

For D'Ieteren Immo, its employees are more than ever its most valuable assets. Employee wellbeing is a top priority and encompasses various aspects: from training and development to inclusion, diversity, health, and safety. The company is committed to building and retaining a competent, motivated team. That is why it **conducts annual satisfaction surveys among its employees.**

The Roadmap 2030 lists four areas in which D'Ieteren Immo can take measures to improve the wellbeing of its employees: 1) the company aims to create meaningful jobs, 2) to promote opportunities for personal and professional growth for all its employees, 3) to offer a pleasant, stimulating and healthy working environment, and 4) D'Ieteren Immo further intends to improve its governance and organisational structures to enhance employee wellbeing. Facilitating transparent communication, for example, is key to achieving a high level of employee involvement.

In 2023, the company created Athena, a new interdisciplinary council of representatives. Through monthly meetings, it became the sounding board for the whole organisation, focusing on the social and governance aspects of the Roadmap 2030.

One of the big challenges in 2023 related to the employee turnover rate. On the one hand, some team members reached the end of their professional career this year. For these cases, D'Ieteren Immo has succession planning in place thanks to its long-term plan. On the other hand, some of the young professionals have been attracted by other challenges outside the company. Those two elements combined have led to a higher turnover rate than usual. Onboarding and outboarding processes have been refined to welcome new team members in the best possible way and to learn from the experiences of employees that have moved on.

The evaluation process for D'Ieteren Immo team members has been clarified with an emphasis on two aspects: giving more importance to self-evaluation for all team members and encouraging continuous feedback throughout the year.

The employee satisfaction survey showed that one of the focal points for 2024 is interdepartmental communication. An action plan to tackle this challenge is in full preparation. As a first step, the company created an internal intranet for its team members.

Strategic KPI	2022 Value	2023 Value	Ambition
Employee Satisfaction Score	84.4%	84.1%	To support and maintain a high level of employee satisfaction (*i.e. employee satisfaction above 80%)*
Employee Satisfaction Survey response rate	83.0%	90.5%	

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG.
D'Ieteren Immo measures employee satisfaction using an annual survey with around 30 questions answered on a 4-point scale. The satisfaction rate is the sum of the average percentage of employees who selected answer categories 3 and 4, except for specific questions. The KPI includes all employees, including freelancers, temporary workers, and those on maternity leave.

Turnover	2021	2022	2023
Total number of employees who have left the undertaking	3	4	5
Rate of employee turnover in the reporting period	5%	10%	12%

4.2.2. EMPLOYEE TRAINING AND DEVELOPMENT

D'Ieteren Immo ensures the continuous improvement of its team through **personal development and training**. To attract talented people, the company employs a recruitment and career policy which is based on sharing values, soft skills, teamwork, and technical capabilities. Employees are strongly encouraged to participate in relevant training courses, not only for their personal growth but also to develop new skills and keep up with the fast-changing world of real estate.

The company keeps track of the number of hours its employees spend in training activities each year and encourages training in soft skills. One of the sections of the new intranet is dedicated to training and offers an overview of qualitative training courses.

D'Ieteren Immo supports internal knowledge sharing, including through Show and Tell Events, where employees and experts can share their insights on relevant topics.

Strategic KPI	Value 2022	Value 2023	Target
Average number of training hours per employee per year	33.9 h. by FTE	34.6 h. by FTE	Average of 32 hours of training per FTE on an annual basis

Training and skills development metrics	2021	2022	2023
Percentage of employees that participated in regular performance and career reviews	100%	100%	100%
Female	100%	100%	100%
Male	100%	100%	100%

The average number of training hours per employee and by gender	33.9	33.9	33.4
Female	-	-	31.19
Male	-	-	34.55

4.2.3. DIVERSITY & INCLUSION

D'Ieteren Immo is conscious of its responsibility to offer employees a fair and diverse workplace, where everyone is given the same opportunities, regardless of their gender, age, cultural background, physical ability, or other factors. It **aims for equal opportunities** and makes a conscious effort to consider only people's skills, potential, and achievements when making recruitment or promotion decisions.

As of 2021, the company monitors the number of male and female employees and has recently closed the pay gap. To further promote equal opportunities and inclusion, the management team communicates transparently on a wide range of company-related topics and decisions.

Strategic KPI	2022 Value	2023 Value	Ambition
Gender pay gap	-7%	-11%	Zero gap policy

Gender distribution at top management level	2023
Total headcounts in management positions	**23**
Total male headcounts in management positions	12
Total female headcounts in management positions	11
Percentage of male employees in management positions	52%
Percentage of female employees in management positions	48%
Age distribution	
Total headcounts under 30 years old	2
Total headcounts between 30-50 years old	20
Total headcounts over 50 years old	22

The management position is defined as one and two levels below the administrative and supervisory bodies.

4.2.4. EMPLOYEE HEALTH & SAFETY

D'Ieteren Immo **attends to the health and safety of its employees, customers, tenants, and suppliers**. The company double checks its building designs, closely monitors the safety of its construction sites, and ensures that, once completed, all buildings can be used safely for various purposes. All legal provisions concerning safety are closely adhered to. The company also adds its own additional measures as an extra precaution. The company has established, as a starting principle, that all construction site meetings begin with health & safety matters. When signing contracts with suppliers the topic is also always on the agenda.

D'Ieteren Immo invests in high-quality safety equipment for all its employees in technical positions. It organises training courses on first aid, safe forklift use, safety certificates, etc. If any incidents occur, they are always reported and investigated, and the number of incidents has remained low for many years.

The company collaborates with risk prevention advisors and safety coordinators to further increase safety. It also supports the risk prevention advisors employed by its tenants, mostly D'Ieteren Automotive and D'Ieteren's retail activities, to safeguard their safety.

Health & Safety	2021	2022	2023
Number of fatalities as a result of work-related injuries and work-related ill health	0	0	0
Number of recordable work-related injuries	1	0	2
Rate of recordable work-related injuries (frequency rate – Lost Time Injuries/1,000,000 hours worked)	15.3	0.0	30.7
Number of cases of recordable work-related ill health	0	0	0
Rate of cases of recordable work-related ill health	0	0	0
Number of days lost due to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health.	-	-	7

4.2.5. ADDITIONAL WORKFORCE DATA

Characteristics of workforce	2021	2022	2023
Number of employees (headcount)	**42**	**42**	**44**
Female	15	13	16
Male	27	29	28
Number of permanent employees (headcount)	**42**	**42**	**44**
Female	15	13	16
Male	27	29	28
Number of temporary employees (headcount)	**-**	**-**	**0**
Female	-	-	0
Male	-	-	0
Number of full-time employees (headcount)	**34**	**34**	**33**
Female	8	7	6
Male	26	27	27
Number of part-time employees (headcount)	**8**	**8**	**11**
Female	7	6	10
Male	1	2	1

4.3. Customer satisfaction

Customer satisfaction is a crucial factor in all D'Ieteren Immo's ambitions. As a service organisation, the company rents out working and living spaces and offers other services, such as maintenance and energy contracts. Making life easier for its customers is part of D'Ieteren Immo's added value.

According to the response to D'Ieteren Immo's **2023 customer satisfaction survey,** NPS grew from 25 to 30.

In 2023, D'Ieteren Immo's management informed all its team members, on a regular basis, of the importance of this survey and the evolution of the results throughout the year. This was to inform and raise awareness amongst the team. The company ensures that regular meetings are held with its tenants to strengthen the relationship and develop an open dialogue with them. These meetings also provide an opportunity to discuss energy monitoring at all levels with tenants.

Strategic KPI	2022 Value	2023 Value	Ambition
Net Promotor Score (NPS)	25.0	29.6	Achieve and maintain a NPS score above 20

Data highlighted in green are in the scope of the independent limited assurance performed by KPMG. D'Ieteren Immo measures customer satisfaction using NPS, based on a survey asking customers to rate the likelihood of recommending the company. Responses are categorized as Promoters (9-10), Passives (7-8), and Detractors (0-6). The NPS score is calculated by subtracting the percentage of Detractors from the percentage of Promoters. The survey targets external customers who received services from D'Ieteren Immo employees. Participation rate of 5.68% (125 answers)

4.4. Responsible governance

4.4.1. BUSINESS ETHICS

D'Ieteren Immo does not tolerate corruption, fraud, or money laundering and has a zero-tolerance policy regarding gender or any other type of discrimination. All contracts include extensive clauses on illegal practices and employees follow thorough ethics instructions.

D'Ieteren Immo has had **its own Code of Ethics** in place since 2021. The company provides all its employees with recurrent hands-on training on the topic with the support of an external partner. The Code of Ethics offers guidance on general principles of business ethics. It also provides guidelines for specific situations, such as how to react when a supplier offers a gift. All gifts and invitations must comply with accepted market practices and anti-bribery legislation. End-of-year gifts are distributed among employees using a lottery system.

In collaboration with the same specialist external partner, D'Ieteren Immo has also launched an Ethics helpline and a whistleblowing procedure. Employees can now contact, 24/7, an impartial, independent specialist helpdesk, in three languages (FR, NL, EN) to ask for advice or to report an unethical situation. Every report is followed up by a set procedure.

In 2023, the company organised a training on this topic for all team members, with support from the external specialist. Every topic related to business ethics is monitored by the Executive Committee and reported to the Board of Directors. No cases emerged in 2023.

4.4.2. ETHICAL SUPPLY CHAIN

D'Ieteren Immo operates within a strict social and legal framework. The company attaches great importance to a sustainable purchasing policy and the comprehensive management of suppliers. All purchases from key operating suppliers follow a basic **Sustainable Purchasing Charter**. The organisation's Code of Ethics applies to all its suppliers as well.

D'Ieteren Immo is concerned about respect for human rights. As the company often collaborates with building subcontractors and other partners, the working conditions such partners offer are monitored through regular checks and advice is given by a safety coordinator for all construction projects. In the event of a breach of a right or condition, the organisation will act during a construction site meeting.

Every key operating supplier signs a supplement to their contract relating to business ethics and sustainable operations. In major purchasing procedures, various criteria related to ethics and sustainability are included in the decision matrix that D'Ieteren Immo applies.

In the future, the organisation will continue to train its team members and keep them aware of the importance of this topic.

Business Conduct	2021	2022	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0

5. EU taxonomy

D'Ieteren Immo's economic activities mainly consist in the reconversion and redevelopment of sites owned by D'Ieteren Group and the management of the real estate assets that are owned by D'Ieteren Group. Related activity comprised in the EU Taxonomy is the following:

Economic activity D'Ieteren Immo	Relevant Taxonomy activity
Reconversion, redevelopment and management of the real estate assets owned by D'Ieteren Group	7.7 Acquisition and ownership of buildings (CCM)

With this activity, D'Ieteren Immo has an important role to play in contributing to a more environmentally sustainable future. D'Ieteren Immo is eligible for the climate change mitigation objective of the Taxonomy.

Given that D'Ieteren Immo's economic activity consists almost entirely in the acquisition and ownership of building, the eligibility figures are very high. This year's eligibility percentages for Turnover, CapEx and OpEx are 98.5%, 100% and 100% respectively. The only Turnover that was not deemed eligible for the EU Taxonomy under the climate change objectives were the revenues resulting from the sale of green certificates. However, all of D'Ieteren Immo's CapEx and OpEx were linked to the acquisition and ownership of building and therefore considered as eligible.

The alignment percentage for this year's turnover is 0%. Analysis of the screening criteria's and Do Not Significantly Harm principles has shown that for this year D'Ieteren Immo does not yet possess adequate data to report on the alignment requirements of the EU Taxonomy. D'Ieteren Immo will continue to move towards gathering the data in the years to come in line with its sustainability roadmap. This strategic roadmap contains a set of strategic KPIs that will lead, amongst others, to carbon neutrality. The data collection related to these strategic KPIs has already started. In particular, the company has been investing in its Carbon-Nada investment plans at its 3 most carbon intensive sites These invesments include for example insulation of buildings and roofs or the installation of solar panels.

5.1. Turnover

Financial year 2023		2023		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0*	*%*	*%*	*%*	*%*	*%*	*%*								*%*	*E*	
Of which Transitional		*0.0*	*0.0*	*%*													*%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Acquisition and ownership of buildings	**CCM 7.7**	39.1	*98.5%*	EL	N/EL	N/EL	N/EL	N/EL	N/EL								*97.7%*		
Turnover of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**39.1**	**98.5%**	**98.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**97.7%**		
A. Turnover of Taxonomy eligible activities (A1+A2)		**39.1**	**98.5%**	**98.5%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**97.7%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy- non-eligible activities		**0.6**	**1.5%**																
TOTAL		39.7	**100%**																

5.2. CapEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
		€m	%			*Y; N; N/EL (b) (c)*				Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0*	*%*	*%*	*%*	*%*	*%*	*%*								*%*	*E*	
Of which Transitional		*0.0*	*0.0*	*%*													*%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
						EL; N/EL (f)													
Acquisition and ownership of buildings	**CCM 7.7**	56.9	100.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100.0%		
CapEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**56.9**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**100.0%**		
A. CapEx of Taxonomy eligible activities (A1+A2)		**56.9**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**100.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy- non-eligible activities		**0.0**	**0.0%**																
TOTAL		56.9	**100%**																

5.3. OpEx

Financial year 2023		*2023*		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')(h)										
Economic Activities (1)	**Code (a) (2)**	**OpEx (3)**	**Proportion of OpEx, 2023 (4)**	**Climate Change Mitigation (5)**	**Climate Change Adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular Economy (9)**	**Biodiversity (10)**	**Climate Change Mitigation (11)**	**Climate Change Adaptation (12)**	**Water (13)**	**Pollution (14)**	**Circular Economy (15)**	**Biodiversity (16)**	**Minimum Safeguards (17)**	**Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)**	**Category enabling activity (19)**	**Category transitional activity (20)**
		€m	%	*Y; N; N/EL (b) (c)*						Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
Of which Enabling		*0.0*	*0.0*	*%*	*%*	*%*	*%*	*%*	*%*								*%*	*E*	
Of which Transitional		*0.0*	*0.0*	*%*													*%*		*T*
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)															
Acquisition and ownership of buildings	**CCM 7.7**	11.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100.0%		
OpEx of Taxonomy- eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**11.0**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**100.0%**		
A. OpEx of Taxonomy eligible activities (A1+A2)		**11.0**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**100.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy- non-eligible activities		**0.0**	**0.0%**																
TOTAL		11.0	**100%**																

Additional notes and methodology

1. General definitions, formulas & assumptions for the reported ESG data

1.1. Carbon footprint

D'Ieteren Group's carbon footprint and its activities relate to scope 1, 2 and (part of) scope 3 emissions of greenhouse gases (GHG), expressed in metric tonnes of CO_2equivalents (CO_2e). Scope 1 includes all direct GHG emissions. Direct GHG emissions come from sources which are owned or controlled by the company (e.g. the combustion of fuel and natural gas). Scope 2 accounts for GHG emissions from the generation of electricity purchased by the company. These emissions physically occur at the facility where the electricity is generated. Scope 3 is a reporting category for all other indirect emissions. These emissions are a consequence of the company's activities but come from sources not owned or controlled by the company itself. The Scope 3 categories included for the different business activities depend on the relevance of the categories and the data available. In 2023, Scope 3 calculation is still in progress at TVH and PHE is progressing in its measurement process for its Scope 1 and 2. GHG emissions related to scope 3 for TVH and scope 1, 2 & 3 for PHE have therefore not been included in D'Ieteren Group's carbon footprint.

To calculate the carbon footprint, the Greenhouse Gas Protocol (Corporate Standard) methodology was used. The emission factors mainly come from the *Base Carbone*, the International Energy Agency, as well as DEFRA. The greenhouse gases included are those covered by the Kyoto Protocol and are: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

1.2. Employee turnover rate

The employee turnover rate is based on the number of own employees (included in the headcount) who left the company during the reporting period. A leaving employee is someone who has left the company and is no longer on the company's payroll. The reasons for their departure can be voluntary (i.e. the employee chooses to leave the organisation through resignation or early retirement), dismissal, statutory retirement, medical reasons or death. The employee turnover rate is calculated by dividing the total number of employees (included in the headcount) who left the organisation in 2023 by the average headcount for the current and previous reporting periods. Any deviation from this definition is mentioned in footnote in the different sections of the non-financial information report.

$$\frac{\textit{Headcount leaving during the reporting period}}{(\textit{Headcount in the previous reporting period} + \textit{Headcount in the reporting period}) * 0.5}$$

1.3. Rate of recordable work-related injuries

The rate of work-related injuries, divides the number of cases of injuries, which arise from exposure to hazards at work, by the number of total hours worked by people in the workforce and multiplied by 1,000,000.

$$\frac{\textit{Number of cases of injuries}}{\textit{Number of total hours worked}} * 1{,}000{,}000$$

1.4. Number of days lost

The number of days lost includes the first full day and last day of absence. Calendar days are considered for the calculation. Days on which the affected individual is not scheduled for work are therefore considered in the calculation.

1.5. Unadjusted gender pay gap

The unadjusted gender pay gap represents the difference between the average wage paid to men and paid to women, as a percentage of the average wage paid to men. It is unadjusted, meaning differences in prior work experience, age, and other factors are not considered. The gap is calculated as a total gap for the organisation and is not broken down by seniority level or job type.

$$100 * \frac{(\textit{average wage of men} - \textit{average wage of women})}{\textit{average wage of men}}$$

2. Taxonomy

2.1. Content of KPIs disclosed

The financial data used for D'Ieteren Group's disclosures on taxonomy are extracted from the consolidated financial statements and are comprised of the financial data of D'Ieteren Automotive, Moleskine, PHE, and of the Corporate & unallocated segment (including D'Ieteren Immo).

Since Belron and TVH are equity-accounted investees, financial data of those two businesses have not been included in the Group's taxonomy disclosures.

TURNOVER

The KPI related to Turnover has been compiled in accordance with art. 8(2) of the Taxonomy Regulation (2020/852). The proportion of turnover referred to in Article 8(2) has been calculated as the part of the net Turnover derived from products or services, including intangibles, associated with Taxonomy-eligible and -aligned economic activities (numerator), divided by the net Turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU. The turnover covers the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82 (a), as adopted by Commission Regulation (EC) No. 1126/2008.

D'Ieteren Group's net Turnover is comprised of the net Turnover of D'Ieteren Automotive, Moleskine and PHE. Intercompany sales and the turnover of D'Ieteren Immo are not included in the net turnover of the Group since eliminated for consolidation purposes and/or considered as other operating income.

Consolidated sales are presented in the Consolidated Statement of Profit or Loss under "Revenue".

CAPEX

The KPI related to capital expenditures has been compiled in accordance with art. 8(2) of the Taxonomy regulation.

The denominator covers additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The denominator also covers additions to tangible and intangible assets resulting from business combinations.

More concretely the denominator covers the costs that are accounted based on:

- **IAS 16 Property, Plant and equipment**: Additions and business combinations;
- **IAS 38, Intangible assets:** Additions, indicating separately those from internal development, those acquired separately, and those acquired through business combinations;
- **IAS 40, Investment Property (fair value model)**: Additions, indicating separately those from internal development, those acquired separately, and those acquired through business combinations;
- **IAS 40, Investment Property (cost model):** Additions, disclosing separately those additions resulting from acquisitions and those resulting from subsequent expenditure recognised as an asset; additions resulting from acquisitions through business combinations;
- **IAS 41, Agriculture:** Increases due to purchases; increases resulting from business combinations;
- **IFRS 16, Leases**: Additions to right-of-use assets.

Eligible and aligned numerators are equal to the part of the capital expenditure included in the denominator that is any of the following:

- related to assets or processes that are associated with Taxonomy-eligible and -aligned economic activities;
- part of a 'CapEx-plan' to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned;
- related to the purchase of output from Taxonomy-eligible and -aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions, notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) and Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

D'Ieteren Group's CapEx KPI aggregates the additions to tangible and intangible assets of D'Ieteren Automotive, Moleskine, PHE, and of the Corporate and unallocated segment (including D'Ieteren Immo).

OPEX

The KPI related to operating expenditure has been compiled in accordance with art. 8(2) of the Taxonomy regulation.

The denominator covers direct non-capitalised costs that relate to R&D, short-term lease, maintenance and repair, building renovation measures, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment both by the undertaking itself or any third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

The "other direct expenditures" accounted for in the denominator include maintenance material, the cost of employees repairing machines and cleaning the factories, as well as IT dedicated maintenance. They exclude costs that are not direct expenditures. This means all costs related to overheads, raw materials, employees operating machinery, research management and project development, as well as electricity, fluids, or reagents needed to operate property, plant, and equipment.

Eligible and aligned numerators are equal to the part of the operating expenditure included in the denominator that is any of the following:

- related to assets or processes associated with Taxonomy-eligible and -aligned economic activities ;
- part of the 'CapEx-plan' to expand Taxonomy-aligned economic activities or allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a predefined timeframe;
- related to the purchase of output from Taxonomy-eligible and -aligned economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as individual building renovation measures as identified in the delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), Article 14(2) or Article 15(2) of Regulation (EU) 2020/852 and provided that such measures are implemented and operational within 18 months.

D'Ieteren Group's OpEx KPI aggregates costs of D'Ieteren Automotive, Moleskine, PHE, and the corporate and unallocated segment (including D'Ieteren Immo).

2.2. Determining eligibility

To identify eligible activities, the following approach was used for each of the relevant businesses:

- Analyse, compile, and validate the different Turnover-generating economic activities of each of the businesses based on both internal and external documentation, to ensure working with a complete and correct set of economic activities;
- Map the identified economic activities against the descriptions of the Taxonomy activities included in the six annexes of the EU Taxonomy (Climate change mitigation, climate change adaptation, Sustainable use and protection of water and marine resources, transition to a circular economy, Pollution prevention and control, and protection and restoration of biodiversity and ecosystems);
- Validate findings with the businesses;
- Extract the CapEx and OpEx related to assets or processes associated with the Taxonomy-eligible economic activities;
- Verify whether any further CapEx and OpEx are eligible for the EU Taxonomy as part of a CapEx plan or as purchase of output from Taxonomy-eligible activities and individual measures enabling the activities to become low-carbon or to lead to greenhouse gas reductions.

In the assessment of the eligibility of the businesses' activities, the available definitions and clarifications provided so far, which are applicable to non-financial undertakings, were used. Those were found in :

- The **Climate Delegated Acts** published by the EU Commission on July 6th, 2021;
- The **Complementary Climate Delegated Act** published by the European Commission on July 15th 2022;
- The **FAQ document**[1] (related to EU Taxonomy Regulation on the reporting of eligible economic activities and assets) published by the EU Commission on October 10th, 2022.
- The new **Amendments to Annex I: Climate change mitigation; Amendments to Annex II: Climate change adaptation; Annex I: Sustainable use and protection of water and marine resources; Annex II: Transition to a circular economy; Annex III: Pollution prevention and control & Annex IV: Protection and restauration of biodiversity and ecosystem**, published by the EU Commission on June 27th 2023.

D'Ieteren Group has acted in good conscience and has rigorously followed the instructions and criteria of the delegated acts. Activities that were deemed not to fall within the scope of the definitions provided by the delegated acts and annexes were omitted. If there was doubt regarding the inclusion of a certain activity, the activity was deemed as non-eligible.

To the extent that D'Ieteren Group only[2] retained the environmental objective of climate change mitigation across the Taxonomy-eligible economic activities and given that the activities are all carried out independently from each other, there is no risk of double counting across the environmental objectives set out in the EU Taxonomy or in the allocation of revenues, Capex and Opex across the Taxonomy-eligible economic activities.

2.3. Determining alignment

To be aligned, an activity must comply with all the substantial contribution (SC) criteria, do no significant harm (DNSH) criteria; and minimum safeguards (MS).

In 2023, only alignment for the two climate-related objectives is required.

D'Ieteren has not been able to gather all the necessary information to assess its alignment. It will work towards improving data collection in the years to come and, therefore, D'Ieteren Group has reported 0% aligned turnover, CapEx and OpEx for this financial year.

1. FAQ about the content of the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation
2.Please note that the environmental objective of transition to a circular economy has also been retained for one taxonomy-eligible economic activity of PHE. A verification was performed to make sure double counting was avoided. Moreover this activity is deemed not material for the Group.

Independent Auditor's Limited Assurance Report on selected sustainability information included in the D'Ieteren Group's non-financial information disclosures for the year ended 31 December 2023

To the Board of Directors of D'Ieteren Group NV

Conclusion

We have performed a limited assurance engagement on whether D'Ieteren Group SA's (herereafter "D'Ieteren Group") selected sustainability information, highlighted in green included in the D'Ieteren Group's non-financial information disclosures (hereafter "Selected Information") for the year ended 31 December 2023 has been prepared in accordance with D'Ieteren Group's developed criteria which are based on the Global GHG Accounting and Reporting Standard for the Financial Industry for GHG key performance indicators, and on European Sustainability Reporting Standards (ESRS) for the other key performance indicators (hereafter "the Criteria").

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that D'Ieteren Group's Selected Information as of and for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the Criteria.

Our conclusion on the Selected Information does not extend to any other information that accompanies or contains the Selected Information and our assurance report.

Basis for conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under this standard are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA). We are the statutory auditor of the D'Ieteren Group NV and therefore independent form the D'Ieteren Group NV in accordance with the Belgian independence rules and other relevant ethical requirements applicable in Belgium.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Ondernemingsnummer / Numéro d'entreprise 0419 122 548
BTW - TVA BE 0419 122 548
RPR Brussel - RPM Bruxelles
IBAN : BE 95 0018 4771 0856
BIC : GEBABEBB

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities for the Selected Information

The board of directors of D'Ieteren Group is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the Selected Information and appropriately referring to or describing the Criteria used;
- preparing the Selected Information in accordance with the Criteria.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Board of Directors of D'Ieteren Group.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Information that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Information's and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement,:

- we have considered the process used to prepare the Selected information contained in the non-financial information disclosures;
- we have evaluated the appropriateness of the Criteria used and their consistent application, including the reasonableness of estimates made by management;
- we have interviewed D'Ieteren Group's management and have inspected selected documentation to gain an understanding of D'Ieteren Group's activities, its environment as well as the applicable reporting framework which gave rise to need for reporting estimates to be recognised and disclosed;
- we obtained an understanding of how management selected, identified and applied the relevant method, assumptions and sources of data within the applicable reporting framework;
- we evaluated the plausibility of the identified method and selected assumptions, as well as the relevance and reliability of selected data sources

used in its application, also we verified the mathematical accuracy of the selected calculations;

- we interviewed relevant staff responsible for providing the information, for carrying out internal control procedures, and for consolidating the Selected Information;
- we inspected relevant internal and external documentation, on a sample basis, in order to determine the reliability of the Selected Information; and
- we performed analytical review procedures to confirm our understanding of trends in the Selected Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Zaventem, 22 April 2024

KPMG Bedrijfsrevisoren
represented by

Axel Jorion Réviseur d'Entreprises	Tanguy Legein Réviseur d'Entreprises

Share Information

D'Ieteren share

Minimum lot	1 share
ISIN code	BE0974259880
Reuters code	IETB.BR
Bloomberg code	DIE:BB

Stock market indices

On 31 December 2023, the D'Ieteren share had the following weightings in Euronext indices:

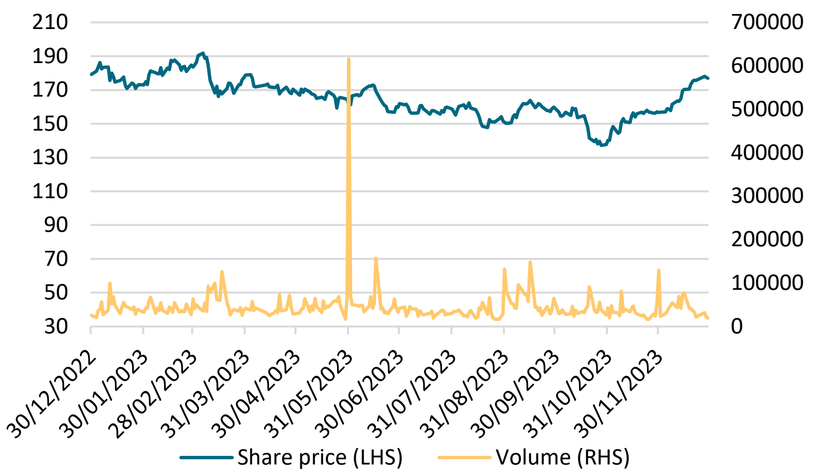
- BEL Consumer Discretionary: 82.7%
- BEL 20: 3.9%
- BEL All-Share Index: 1.5%
- BEL Continuous Stocks Index: 1.5%

Evolution of the share price and traded volumes in 2023

	2023	
Performance	-1.3%	
Total shareholder return[1]	0.4%	
Average price (EUR)	164.83	
Maximum price (EUR)	191.80	06/03/2023
Minimum price (EUR)	137.20	27/10/2023
Average volume (in units)	45,899	
Maximum volume (in units)	616,062	31/05/2023
Minimum volume (in units)	15,967	24/11/2023

[1] Based on gross dividends

Share price and volume in 2023

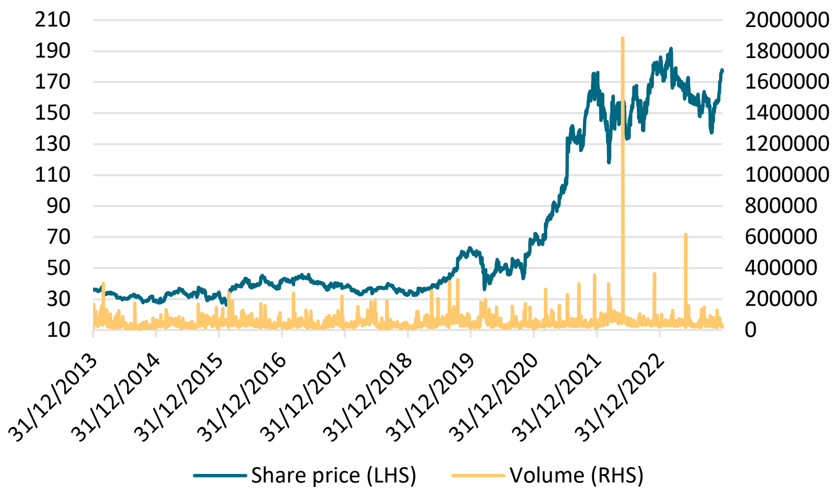


Evolution of the share price and traded volumes over 10 years

	01/01/2014 – 31/12/2023	
Performance	388.7%	
Total shareholder return[1]	432.0%	
Average price (EUR)	70.83	
Maximum price (EUR)	191.80	06/03/2023
Minimum price (EUR)	26.08	11/02/2016
Average volume (in units)	47,027	
Maximum volume (in units)	1,884,589	31/05/2022
Minimum volume (in units)	5,788	06/10/2014

[1] Based on gross dividends

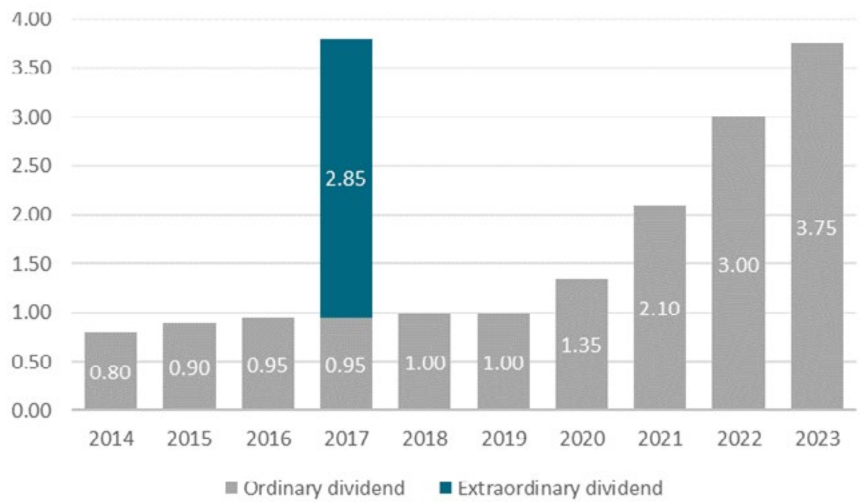
Share price and volume in 2023



Dividend

If the allocation of results proposed in Note 22 of this report is approved by the Ordinary General Meeting of 30 May 2024, a gross ordinary dividend of €3.75 per share will be distributed. The dividend will be paid starting on 13 June 2024.

Evolution of the gross dividend per share over 10 year



FINANCIAL CALENDAR

General Meeting & Trading update	30 May 2024
Dividend ex date	11 June 2024
Dividend payment date	13 June 2024
2024 Half-Year Results	10 September 2024

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Information about the group (press releases, annual reports, financial calendar, share price, financial information, social documents, etc.) is available in three languages (French, Dutch and English), on www.dieterengroup.com or on request.

Ce rapport est également disponible en français. Dit verslag is ook beschikbaar in het Nederlands

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FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren Group's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'Ieteren Group. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'Ieteren Group does not assume any responsibility for the accuracy of these forward-looking statements.

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