



CORPORATE RESPONSIBILITY

A GROUP AWARE OF ITS RESPONSIBILITIES



OUR MISSION

The D'leteren group takes care to ensure that it reduces the impact of its activities on the environment, plays an active role in the development of the communities in which it operates, as well as maintains long-lasting relationships with all its customers, staff, partners and investors. Each business organises its own corporate responsibility policy independently so as to best meet the specific challenges it faces, while at the same time complying with the rules and values of the group.

In 2016, more than ever, corporate social responsibility has been at the heart of our activities.





> CORPORATE SOCIALE RESPONSIBILITY

D'IETEREN AUTO

A SOCIALLY RESPONSIBLE AND ETHICAL APPROACH TO BUSINESS

D'Ieteren Auto is fully committed to the promotion of fluid, safe and environmentally-friendly mobility solutions. As an importer of Volkswagen and Yamaha vehicles, the company seeks to contribute its own added value to the car manufacturers' product strategies. Alongside this commitment, D'Ieteren Auto also strives to conduct its business in an ethical and responsible way to the benefit of its customers, partners, employees and any other interested parties. Finally, the company strongly encourages solidarity with local communities via various initiatives that are consistent with its activities and values.

PROMOTING FLUID, SAFE AND ENVIRONMENTALLY-FRIENDLY MOBILITY

1. New motor technologies and partnerships in energy networks

In addition to the traditional segments, D'Ieteren Auto is actively promoting new, less-polluting combustion technologies. These are available in all of its distributed brands and bring together a range of innovative motor technologies, such as CNG, electric and hybrid.

Improvements to infrastructure, particularly in terms of how they impact energy consumption, influence the development of new motor technologies. D'Ieteren Auto collaborates on and supports these alternatives. The Evora project in Flanders and the partnership with Engie are increasing the number of electrical recharging points. And with the Natural Gas Federation, D'Ieteren Auto supports the expansion of the CNG network.

2. D'leteren Mobility

Three trends are shaping the car of the future, all of them being the fruit of technological advances: the electrification of cars, connectivity and automation, and the transformation of the car into a smart, multi-use mobile tool.

In parallel with these technological advances, a number of societal and economic trends are converging to transform the concept of mobility. These include restrictions on the number of private cars, a narrowing of road lanes, the introduction of new forms of taxation based on usage and above all, the move towards a sharing economy.

In response to these changes, D'leteren Auto created D'leteren Mobility at the end of 2016. This new department is charged with promoting better understanding of the mobility market in the short to medium term, and encouraging and accelerating mobility-related innovation within the company. D'leteren Mobility will also aim to forge active links with the academic world and to seal commercial partnerships with start-ups or incubators that are active in the sector.

3. Towards more flexibility for employees

D'leteren Auto encourages its employees to adopt more fluid mobility solutions for their travel needs. Possible approaches to reducing the CO₂ emissions caused by

company travel are regularly put forward, including more home working, greener driving habits and more use of multimodal solutions.

4. Safety

D'leteren Auto is pursuing efforts to ensure optimal safety to the users of its products. In addition to basic safety equipment, cars equipped with smart systems offer on-board, computer-based anti-collision and driver assistance systems, such as automatic emergency braking and adaptive cruise control. This equipment offers benefits not only in terms of safety and mobility but also to the environment.

D'leteren Auto has also signed a partnership with two training centres specialised in people who already have a driving licence, particularly young people and car fleet customers. The aim is to raise awareness about safe driving practices with a view to reducing the risk of road accidents. Close to 5,000 training courses have already been completed.

5. Vehicle recycling network

Through its different brands, D'leteren Auto currently sells close to one out of five cars purchased in Belgium. Managing the end-of-life of these vehicles forms an integral part of a responsible mobility strategy. In Belgium, 94% of unusable vehicles are recycled and valorised via an approved and monitored network. D'leteren Auto participates in the successful recovery

and processing of the resulting composite materials with Febelauto, a partnership that makes Belgium a leader in European recycling.

6. Environmental footprint

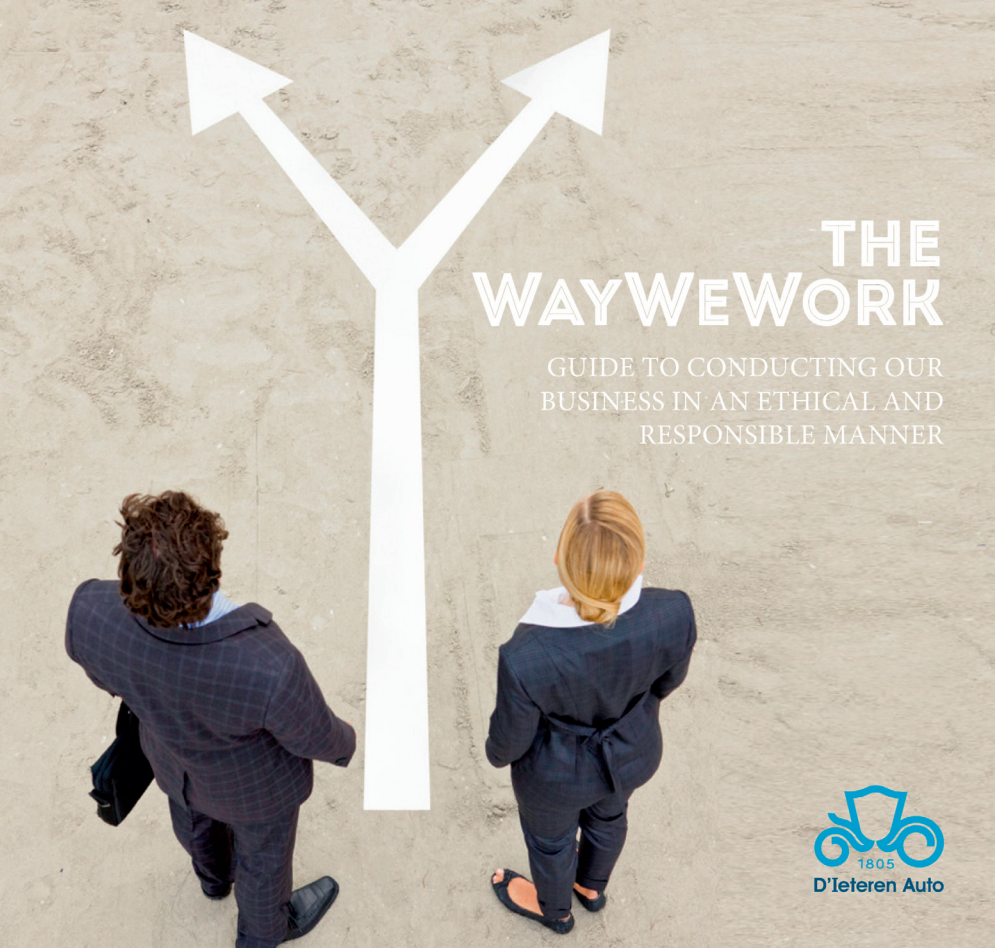
D'leteren Auto has surpassed its 2016 target to reduce its energy consumption by 20% compared to 2006 and to self-produce 25% of the electricity consumed by its own buildings. In 2016, the operating sites self-produced 36% of the company's electricity needs (18% from photovoltaic systems and 82% via cogeneration). This performance is the fruit of measures such



as the carrying out of energy audits, the installation of cogeneration plants, the use of gas via the acquisition of new boilers, the installation of photovoltaic panels, etc. Whether it be the renovation of existing buildings or new constructions, D'leteren Auto also strives to optimise energy efficiency through eco-design and insulation. The company aims to self-produce 40% of its electricity needs across all sites by 2018.

Concerning the question of waste management, the company is actively promoting the sorting and collection of its waste generated in offices, workshops, stores and garages, as well as the storage of harmful materials. At present, close to 60% of the company's waste is recycled.





3. A value-added HR policy

3.1. Satisfaction rate of 74.5%

D'Ieteren Auto carries out regular satisfaction surveys with all of its employees in order to determine ways to improve worker motivation and well-being. The latest survey, completed in 2016, showed an overall satisfaction rate of 74.5%. The aim is to reach 80% by 2018. To achieve this goal, the Human Resources department has taken various initiatives to respond to the wishes of its employees: a new job classification, an overhaul of the pay structure, ...

3.2. Ensuring the transfer of experience and expertise: a never-ending task

In order to strengthen the company's foundations, D'Ieteren Auto ensures the handing down of experience and expertise from the older generation of employees to the new arrivals. The "Succession management" programme considers which competences are required for the future and the best way to preserve the knowledge of the older employees in order to ensure that this expertise is handed from one generation to the next. For the new arrivals, the 'Onboarding programme' aims to integrate them smoothly into their new environment, thereby maximising their chances of success and rapidly developing their level of expertise.



CONDUCTING BUSINESS ETHICALLY AND RESPONSIBLY

1. The Way We Work

Since 2014, a code of ethics entitled "The Way We Work" reminds employees of the company's values and ethical practices. The code, which is available on the company intranet, covers the following themes: behaviour in the workplace, fair treatment and equality of opportunity, health and safety, confidentiality, the protection and appropriate use of company resources, conflicts of interest, gifts and recreational activities, and the drafting of accurate and reliable reports. All employees are aware of the code. D'Ieteren Auto has also implemented in-house policies in all its activities to strengthen its governance practices. These policies contain practical instructions and the means to implement them.

2. Responsible purchasing

All suppliers of D'Ieteren Auto's products and services are invited to sign the company's "Public purchasing charter". This implies a de facto commitment to respecting the ten principles of the UN's Global Compact in their commercial dealings with D'Ieteren Auto.

On a more proactive level, D'Ieteren Auto has adopted a more responsible purchasing policy. In addition to the traditional criteria of price/quality and the financial solidity of its suppliers, the company now also takes into account various social, environmental and ethical factors when choosing the best offer and making purchasing decisions.

D'leteren Auto places the training and qualifications of its employees and future recruits at the heart of its development strategy. In 2016, the company's employees benefited from 3,848 days of technical and/or behavioural training. 80% of staff were able to complete a training course, with an average of 3.3 days of training per person. The personal and professional development of employees is also encouraged through private appraisals and coaching sessions conducted by managers throughout the year. Managers are also given support and assessed on their leadership abilities.

3.3. Well-being and safety at work

Since 2015, office spaces have been re-designed and employees brought closer together as a way of encouraging team cohesion. The watchwords of this concept are flexibility, efficiency and creativity. Employees are encouraged to collaborate more closely together and the sharing of ideas and good practices form the heart of this approach.

In terms of safety in the workplace, workers in maintenance workshops for example have carried out risk assessments, made inventories of protection and intervention measures and conducted workshops on fire prevention and safety, etc. This led to a significant reduction of the seriousness of workplace accidents.



SOLIDARITY IS ENCOURAGED AND LED BY EMPLOYEES

The Give & Gain patronage policy breaks down into three areas of activity:

- Voluntary activities offer employees the chance to form a team that dedicates a day of working time to charitable projects.
- Project appeals aim to provide one-off financial assistance to non-profit organisations, in response to requests from company employees, seeking to finance a project that promotes socially-responsible mobility.
- Long-term programmes are investments in larger-scale social projects that have the potential to drive positive change that is closely linked to socially-responsible mobility. Programmes so far include the offer of road safety

awareness sessions in schools from deprived neighbourhoods and License to Work, a social driving school that aims to enable disadvantaged people on reintegration programmes to obtain a driving licence in order to increase their chances of finding a job. In 2016, 38 people on social and professional reintegration schemes were involved in the programme organised by License to Work.



BELRON

PROUD OF OUR FUTURE BY DOING THE RIGHT THING EVERY DAY

Belron continues to align its every day operations with its commitment to the United Nations Global Compact principles outlined in the 'Our Way of Working' code of ethics.

- > **Environment:** Belron continues to take meaningful steps in reducing its impact on the environment.
- > **Ethics:** Belron continues to ensure its way of working demonstrates integrity, respect and trust.
- > **People:** Belron continues to strive for exceptional levels of engagement for its people, aspiring to be the "best place they will ever work"

> **Social:** Belron continues to be actively involved in supporting communities around the world and Afrika Tikkun as a global group.

Belron has continued to provide support to the business units to define what this means and how people are expected to behave to support this. Now, with a clear strategy for continuous improvement in all these areas, the Belron businesses are becoming clearer about what to do to embed the principles for a sustainable business into their everyday activities.

CSR IMPROVEMENT PROGRAMME

With the adoption of the Ecovadis assessment rating as a benchmarking tool for CSR, all the corporately owned businesses have completed their assessment to find out how they were doing against their commitments and to evaluate and prioritise actions for improvement.

The assessment is done by completing an online survey, and submitting documents to support the answers. The response is then analysed by Ecovadis, and benchmarked against other businesses in the same industry. The evaluation shows that overall



At the heart of our business

Making a Difference

by solving people's problems with real care



Align

Belron joined more than 8,000 companies by becoming a signatory to the United Nations Global Compact, aligning our way of doing business with the principles under the UNGC.



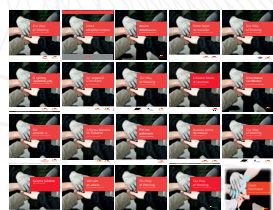
What is being aligned?

- How we manage our impact on the environment
- The engagement of our people
- How we work with customers
- How we work with suppliers



Communicate

We have a written code of ethics which links to the UNGC principles. This is communicated to our people through Our Way of Working and our ethics website.



Measure

Each business measures its progress towards our sustainability goals using the Ecovadis assessment. This reviews the policies in place, the actions taken to implement these policies and the results that have been achieved.

The output of the assessment helps us to identify opportunities for improvement and gives us a benchmark against other companies.



Give Back

As part of the Spirit of Belron, we believe that we have a responsibility to give back to our communities. This is based on a commitment to connect our business and our people to our communities in ways that make a meaningful and life-changing impact.



With over 25,000 employees in more than 30 countries around the world, our giving back initiatives can add up and make a real difference to others.

Belron is performing in the top 10% of the 30,000+ organisations across the world that have been assessed by Ecovadis.

The assessment is aligned to the principals of the UN Global Compact, an international CSR framework and KPIs from the Global Reporting Initiative.

Each business is evaluated on the policies in place, the actions taken and the results relating to four themes: minimising impact on the environment, labour practices and human rights, customer relations and fair business practices, and suppliers' sustainable performance.

Once the analysis is completed by Ecovadis, each business receives a full scorecard and a rating score of gold, silver or bronze, evaluating each theme and highlighting opportunities for further improvement. The scorecard shows areas that can be improved and once a review of the results is carried out in detail the next steps on the improvement journey are agreed.

Since the improvement programme was launched in early 2015, Carglass in France and Italy have improved their Gold rating score, Autoglass UK and Carglass Hungary have improved their CSR performance -

both achieving a Gold rating, and Carglass in Russia and Greece have both improved their overall performance from a Bronze to a Silver rating. All remaining businesses will be reassessing their performance during 2017.

The Belron aspiration is to be Gold-rated by 2020 across all four themes. This would put it in the top 1% of the companies assessed by Ecovadis each year.

REDUCING THE IMPACT OF THE FLEET ON THE ENVIRONMENT

Earlier in 2016, fleet managers from across Belron came together to share best practice and review opportunities for improvement. One key area was how to reduce the impact of the Belron fleet on the environment. This accounts for 60% of the carbon footprint and costs approxi-

mately EUR 50 million per year. Key proposals to reduce fuel consumption, accidents and general wear and tear were: how to improve driver behaviour through better training, better reporting and management, the use of apps to provide drivers with performance information,

the introduction of electric vehicles and the use of hardware to limit the driver's ability for aggressive driving. Each business unit is now assessing how best to take advantage of these opportunities and best practice will be developed and shared in 2017.

HOW DO ELECTRIC VEHICLES COMPARE?

With Carglass successfully implementing an electric van in large cities across France, there is renewed interest from other Belron businesses to reduce risk of increased access costs to city centres and overcome potential access restrictions on diesel and petrol vehicles. From this

initial implementation two key questions have been raised: what is the total cost of ownership (TCO) and what is the real impact on the environment when manufacture and disposal are taken into account. Research from Vrije Universiteit Brussel shows that with subsidies, the TCO of elec-

tric vehicles is at least as good as others and ultimately, better for the environment. This information will help Fleet Managers across Belron take advantage of the electric van and start to include it in their strategic fleet plans.





GLASS WASTE MANAGEMENT

A team of people from Belron UK, Belron Purchasing, Belron Technical and the European Distribution Centre (EDC) have been reviewing how to reduce the cost associated with glass waste and improve the revenue by finding new markets for the recycled glass and the PVB (polyvinyl butyral resin). As a result of the review, the glass waste from the UK will be centralised at the UK Distribution Centre and sent overseas to Belgium. The UK waste will be combined with the waste from the EDC, saving over GBP 200,000. The combined waste will be recycled and be made into other products such as building insulation, glass containers, carpet backing and industrial paint. Other Belron businesses will evaluate how they can take advantage of the benefits of centralising the waste with the final recommendations being developed with the Supply Chain team this year.

IMPROVING THE MANAGEMENT OF SUPPLIERS

The Belron Procurement Team has been developing an efficient way of assessing suppliers' adherence to the Belron Code of Conduct (BCoC). The process now being

implemented helps purchasers to identify and categorise the risk associated with their suppliers. A web-based system called ACESIA is used to assess adherence to the BCoC and where necessary, carry out assessments and audits to check compliance and effectively manage the risk. The system enables users to produce reports to easily allow purchasers to include sustainability in their evaluation and management of suppliers. By establishing a Belron-wide system it also reduces the requirement for international suppliers to repeat their assessment country by country as they can complete it once and share it.

Carglass France are implementing this new system and once the initial learnings have been captured, Carglass Germany, Belron UK and Belron Canada have confirmed they will be next to roll it out to their suppliers. The new system is also being used to assess the suppliers managed by the Central Purchasing team, along with a programme of on-site audits for the largest and most strategic suppliers.

RECOGNITION OF BELRON PEOPLE

A record 76 Belron people were nominated for the 2016 Belron Exceptional Customer Service Awards (BECSA). With stories ranging from those consistently providing exceptional customer service to those who have saved lives. The nominations were received from 21 business units putting forward the enthusiastic and dedicated winners of their local recognition programmes for a chance to win.



This year's inspiring stories of passion, dedication and commitment to outstanding customer service include:

- > technicians striving for perfection with every job, every day and receiving overwhelmingly positive feedback from their customers;
- > employees improving the way things are done, including outstanding digital innovations and claims handling;
- > exceptional individuals who inspire and motivate those around them;
- > teams coming together to assist colleagues and customers in times of need;
- > life-saving rescues of customers and a dog.

The Belron Exceptional Customer Service Award (BECSA) has been created to recognise Belron people who are providing exceptional service to customers throughout the year – our everyday heroes. This is the eighth year of the awards. To date, there has been a total of 372 nominations.

SPIRIT OF BELRON CHALLENGE & AFRIKA TIKKUN

The Spirit of Belron Challenge brings together all the giving back activities which take place across the Group. These activities, which range from flea markets to sporting events and from bake sales to gliding, aim to raise money and make a difference to communities and organisations local to each business as well as at group level for Afrika Tikkun.

The culmination of these activities is the Spirit of Belron Challenge event which took place in September. Over 2,000 people took part in the event which started with the Spirit of Belron Festival and a Guinness World Records™ attempt for the largest human image of a country or continent – naturally, the image formed the continent of Africa. The attempt was successful with 811 Belron people, families and friends forming the image.

The next day, over 1,600 people from 26 countries swam, cycled, walked and ran in various sporting challenges at Eton Dorney, UK. This year, the event was a celebration and recognition of 15 years of partnership between Belron and Afrika Tikkun. The day started with a welcome from Belron CEO, Gary Lubner, followed by a presentation of fundraising cheques totalling a fantastic EUR 1 million.

Once again, a group of beneficiaries from Afrika Tikkun also took part in the Challenge. Faith Sendege, Asemahle Mndini, Benefactor Mokoena and Khanya Sibanda were chosen to travel to the UK, not only for their sporting ability but also for their positive attitude towards education and their commitment to help their community.

As well as taking part in the Spirit of Belron Challenge event, the group spent time shadowing professionals who work in the field where their career aspirations are, gaining exposure and experience. They also spent time with people from Belron International, Belron UK and AutoRestore and with members of Afrika Tikkun's UK Board. This experience is invaluable to these young people and is a real demonstration of Afrika Tikkun's impact from "cradle to career".

