



Making a difference with real care



WHAT WE DO

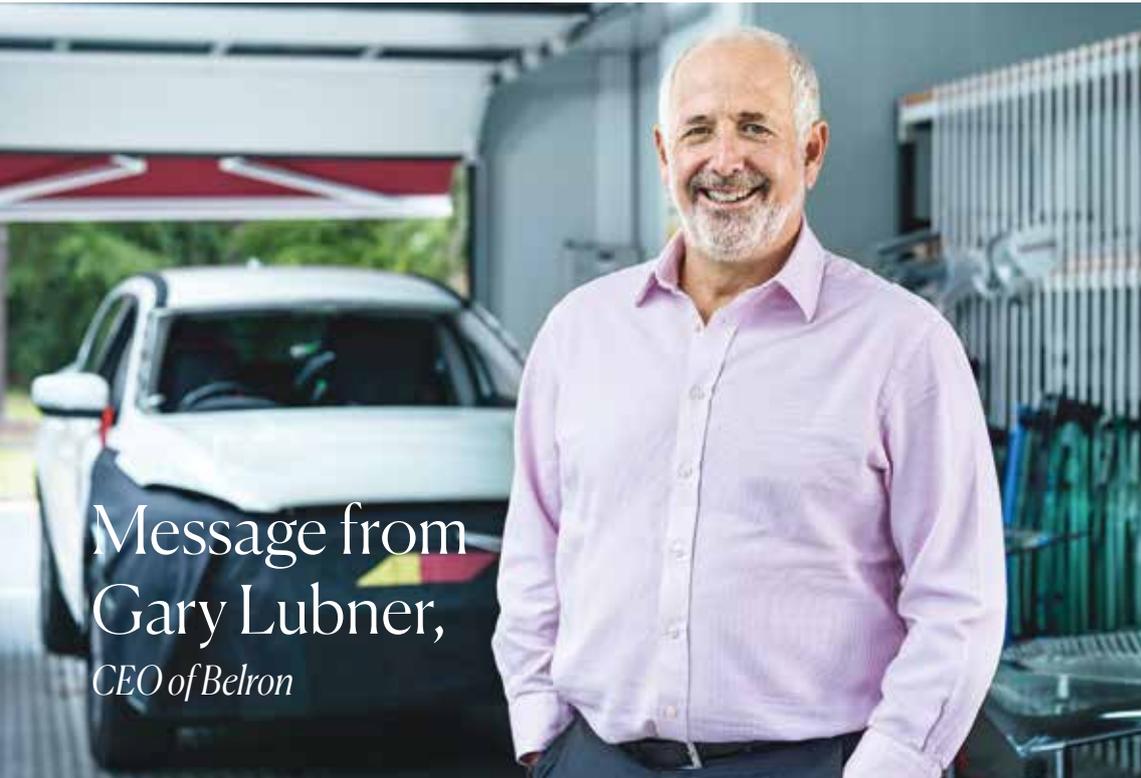
Belron has a clear purpose: 'making a difference with real care'. It is the worldwide leader in vehicle glass repair, replacement and recalibration operating in 40 countries, through wholly owned businesses and franchises, with market leading brands – including Autoglass®, Carglass®, Lebeau Vitres d’autos®, Speedy Glass®, Safelite® AutoGlass, O’Brien® and Smith&Smith®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance companies.

	2016	2017	2018	2019	2020
Consumers (in millions) ¹	15.5	16.8	18.2	18.2	14.9
NPS ²	82.6%	83.1%	82.8%	84.2%	84.9%

¹ Including franchisees

² Net Promoter Score





Message from
Gary Lubner,
CEO of Belron

In a year like no other, I am very proud of the way Belron demonstrated its true spirit and responded to the Covid crisis with courage, compassion and determination to deliver the ambitious goals we had set ourselves. We achieved the most successful year in our history despite fluctuating demand caused by global restrictions and lockdowns. This strong financial performance was achieved while staying true to our purpose of making a difference with real care for our people, our customers and for society.

Much of this success was thanks to the enormous investment we had already made in areas such as recalibration. We had also embarked on a drive for efficiency across the business, with initiatives such as better procurement processes. From the outset of the pandemic we set and stayed true to a set of principles to guide our actions throughout the crisis, which ensured we kept our focus and acted decisively.

Most of all I want to pay tribute to the extraordinary people at Belron who have worked tirelessly through the difficulties. We responded quickly to the crisis to put in place enhanced hygiene and safety measures for our teams

to continue working. We also moved quickly and efficiently to remote working models. Our teams have upheld the purpose of Belron, 'to make a difference with real care' for our customers by achieving a record 84.9% NPS score. They have also had a remarkable impact in looking after the safety of our customers, achieving a landmark one million recalibrations during 2020, despite the extreme challenges of the year.

Our people also raised a record €1.7 million in a virtual Spirit of Belron Challenge for our beloved Africa Tikkun which worked to feed communities throughout the crisis. In addition, the Belron Ronnie Lubner Charitable Foundation donated more than €2 million to charities affected by the Covid pandemic.

While there will be more challenges in 2021, I am looking forward to a year of further growth, where we will continue to accelerate and transform our business for the future, with an even greater focus on our people, technology and sustainability.

Gary Lubner

> Overview of 2020

Business environment

The business environment was on the whole volatile and highly uncertain for most of the year.

The impact of the COVID-19 pandemic crisis caused large reductions in the demand for vehicle glass repair and replacement (VGRR), particularly in March, April and May. This was due to significantly lower miles driven in most markets as well as the mandatory closure of service centres in many countries. The scale of impact differed across countries depending on government measures to reduce the spread of the virus. In many countries homeworking became generalised, greatly reducing commuter miles. The greatest impacts were seen in countries such as Belgium, France, Spain and Italy where strict lockdowns were implemented.

Despite the pandemic the supply chain remained largely unaffected. A second wave of COVID-19 in November and December again had some impact on VGRR demand, although less so than earlier in the year as measures taken by most countries were generally less severe.

Other factors impacting the business environment included continuing rises in the technical complexity of VGRR services, particularly with increases in the penetration of Advanced Driver Assistance Systems (ADAS) requiring enhanced recalibration capability and knowledge. There were no significant changes in the competitive environment in 2020, although there was some increase in competitive intensity in France, and the insurance industry in general showed strong financial performance.

Covid-crisis management

After a strong start to the year with high sales in January, the Covid pandemic significantly impacted all Belron's markets. VGRR (Vehicle Glass Repair and Replacement) volumes were driven down by the mandatory closure of service centres in many countries and the general impact of lower miles driven. Measures differed across countries with the strictest lockdowns and biggest impact in many European countries including France, Spain and Italy where sales fell close to zero for several weeks. The geographic size of the USA meant that the local impact was staggered, with the overall business retaining a significantly reduced but substantial level of sales throughout. Despite the global disruption, our supply chain remained largely undisturbed. Sales recovered well by June and remained strong until a further dip towards the end of the year as the second wave of Covid started to emerge. However, the impact on volumes was smaller due to relatively softer lockdown measures.

The safety of Belron's people and customers was the foremost priority in the face of the pandemic. Large sections of the workforce, including whole contact centres, were quickly and effectively mobilised to work from home. The field workforce was equipped with protective equipment and safety processes and procedures were implemented across branches and mobile services to protect both our customers and technicians. This included sanitisation of all touchpoints in a vehicle both at the start and end of every job, which was quickly integrated as a standard part of the Belron Way of Fitting. A hardship fund to which D'leteren Group also contributed, was made available for any employees across the world in particular need due to the pandemic.

Commercial performance

Like many other businesses, we have seen an acceleration in customers booking online rather than using other traditional booking channels. While in 2019 around 30% of all jobs were booked online, this increased by a third in 2020 to around 40% of all jobs. At the start of the pandemic Safelite® moved all their cash bookings online and will continue to do so, resulting in a significant switch to this booking channel, a trend which is expected to continue in 2021 across our business units.

A strong financial stance was quickly adopted at the start of the crisis. Where necessary, government support programs were utilised and a robust approach was taken to ensure that a strong cash position was maintained. Significant actions were taken around costs and productivity improvements were achieved, some of which will be sustainable in the long term.

Strong commercial performance was delivered across all areas. Despite the challenges of 2020, Belron achieved a record NPS score of 84.9%. This was driven by the continued focus on delivering high quality service.

The renewal of Key Account agreements proved very successful over the course of the year and several markets managed to acquire new Key Accounts, leading to overall growth in both the number and value of Key Account partnerships.

Belron's 'Fit for Growth' program continued to drive strong improvements in financial performance, with significant success across our workstreams designed to 'accelerate' growth:

- A record 1.1 million recalibrations were carried out by Belron in 2020, enhancing customer safety thanks to continued investment in training and technology.

- More than two million customers bought an additional product during their vehicle glass repair and replacement, despite the challenging trading environment. We know that offering additional products also has a positive impact on our customer experience and NPS scores.
- Despite the challenges to productivity caused by significant changes in customer demand in 2020, capacity was kept tight and service levels high. This, together with the fast adoption of other best practices, led to record levels of productivity.
- Significant savings were achieved in procurement through increased standardisation, leveraging scale and a comprehensive review of operating costs.
- Belron businesses applied our expertise in advertising to support the restart and recovery of business after the first wave of Covid restrictions had been relaxed during the summer and autumn. All campaigns were customer-service oriented and highlighted the additional health and safety procedures in place, such as touch point sanitisation, no contact procedures and full interior sanitisation.
- Market tracking and insight enabled improved understanding of VGRR demand. This was particularly valuable in identifying fluctuating mobility trends in near real time, as countries moved in and out of lockdowns and in understanding the potential impacts from Covid in the future, so enabling motorists to be served quickly and efficiently.

The 'Fit for Growth' program will continue to have an impact during 2021, as a number of planned initiatives are expected to deliver improvements for our customers and our people as well as increasing efficiency.

With a strong strategy for maximising the significant opportunities that are held in the VGRR market, extension into other service areas (such as Automotive Damage Repair and Replacement and Home Damage Repair and Replacement) has been deprioritised.

Belron's community spirit came to the fore during 2020. The annual Spirit of Belron Challenge was reimagined and took place as a virtual event, enabling more employees and partners to take part than ever before. More than 7,300 people raised a record €1.7 million for Afrika Tikkun. This money was absolutely vital for the charity that completely pivoted their usual operations in order to address the food crisis that was emerging in their communities. Since the start of the pandemic Afrika Tikkun has distributed 75,000 food packages to families, provided 14,000 hot meals to the homeless and distributed 300,000 face masks.

The Belron Ronnie Lubner Charitable Foundation donated more than €2 million during the year, benefiting over 270 charities. Over half the total amount donated has been in response to the global pandemic since April, to support charities and organisations that are on the front line of the Covid pandemic or are experiencing acute difficulties due to the crisis.



Susan Ormiston, Chief People Officer

At Belron, our people are the heart of our business. Our performance and achievements are the result of our people and our effort to ensure they are highly engaged and committed. During the year, we helped support and navigate our employees through the pandemic and made significant progress on our broader people agenda.

We are committed to attracting, engaging and developing the very best people who are equipped with the capabilities and skills to serve our customers. During 2020, a priority for us has been to ensure we have global talent management and succession frameworks in place to make certain we have the right leadership and teams, not only for today's needs, but also for the future.

We also know our business success relies on how committed and proud all of our employees are to work for Belron. This year we embarked on a world class approach to ensuring we are always listening to our employees with our first global engagement survey in October. What we saw is that our employees are highly engaged and feel extremely proud to work for Belron. The deep insights and feedback we have received allows us to continue to build on this great foundation for the future.

It was also essential to fully support our employees during this unprecedented year, putting their health, safety and well-being first, and also providing hardship support to those most in need. The pandemic has meant some very difficult circumstances for some of our employees and as a result we quickly established a Hardship Fund with the support of D'leteren Group in order to help our employees and their families in particularly difficult circumstances. This is fully aligned with our purpose of truly making a difference with real care.

“Our performance and achievements are the result of our people and our effort to ensure they are highly engaged and committed.”

Humphrey Singer, Group Chief Financial Officer

I have held a number of senior finance roles for a variety of large and global companies, the most recent being Chief Finance Officer for the Marks & Spencer Group plc and Group Finance Director at Dixons Carphone plc. I had previously held senior finance roles with both Cadbury Schweppes and Coca-Cola Enterprises.

There were two key factors that inspired me to join Belron. One was the culture, the strong purpose and the values that shine through so strongly. The other compelling factor for me was that Belron clearly has a strong business model, with really ambitious and exciting plans for growth.

When I took up the role in April 2020, I could not have foreseen quite what a year lay ahead! My immediate priority was implementing a robust financial stance for what was clearly going to be an extremely challenging year. Longer term my priorities lie in ensuring we have the optimal strategies, talent and governance in place to support our transformation and growth.

2020 has been an incredible journey in so many ways but the support I have received from everyone in Belron has been immense. What this business has delivered over the last year is simply outstanding and I am very proud to be part of Belron's exciting journey.



“2020 has been an incredible journey in so many ways”

Toccaro Rose – BEPA Winner

Our global recognition scheme - the Belron Exceptional People Awards - recognises, thanks and celebrates outstanding people who are making a big difference for our customers or colleagues and who perform exceptionally time and time again. All nominees are considered by a central judging panel that includes Gary Lubner.

This year Toccaro Rose was a BEPA winner, the first female Quality Manager in the history of Safelite®, who has transformed retention of new technicians by making people feel supported, appreciated, safe and motivated. Since she was promoted into this role, all new technicians in her teams have been retained through excellent engagement and everyone in the training program has passed their certification.



> Renewed commitment to sustainability

For Belron, being a responsible business has always been a top priority and we are proud of our culture of generosity and community spirit.

We are also actively working to improve our ecological and social footprint. During 2020, the business instigated a review of the impact of all its activities on society and the environment, in order to identify priority areas where Belron could contribute more in support of the global effort through the United Nations Sustainable Development Goals and the UN Global Compact of which Belron is a signatory.

In 2021 we will work towards clearly defined and ambitious goals in 4 priority areas:

- Reducing waste
- Driving down emissions
- Promoting inclusion and wellbeing
- Giving back to society

We will also continue our mission to be world class in responsible procurement and health and safety.

At Belron, we want to take on greater responsibility and play our part in demonstrating that business can be part of the solution to today's important environmental and social challenges.

More detailed information about Belron's sustainability strategy can be found in the non-financial disclosure published on page 151-163 of the Management and Directors' report.





> Strategy 2021 and beyond

Belron's focus for 2021 is to continue to deliver its core strategy, aligning with its purpose of 'making a difference with real care' to its customers, people, society and shareholders.

The business will focus on 3 key areas: continued resilience and recovery from the pandemic, continuation of the 'Fit for Growth' program with even more focus on enabling the business to operate in a more efficient and effective way, and a renewed commitment to sustainability.

Belron will continue to accelerate growth through maintaining its focus on areas including offering additional products and services, productivity, procurement and advertising. This will include maximising opportunities in

the recalibration market where Belron is established as the industry leader, with expert technical knowledge of current and future systems and trends and increasing to almost total coverage of recalibration technical requirements.

The transformation program will improve processes and leverage technology to give Belron's customers and people an even greater experience and deliver further financial growth.

Belron will also continue to identify and explore opportunities for acquisitions to deepen its market coverage or increase its capability in key territories.

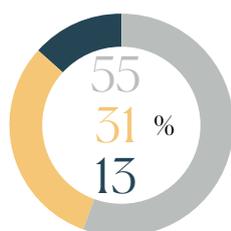


Belron

Key Figures

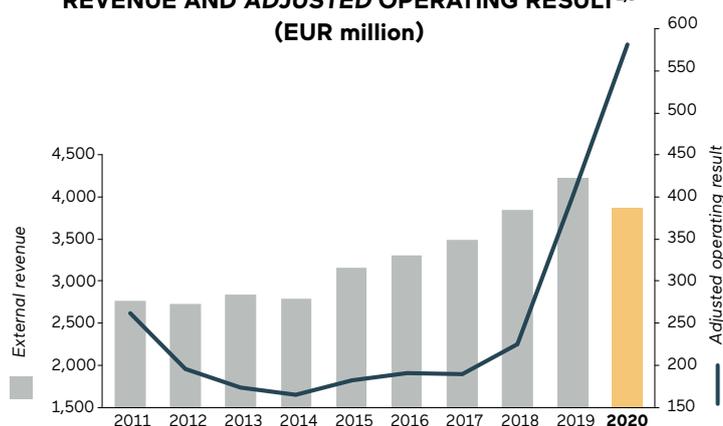
(EUR million)	2011	2012	2013	2014	2015	2016	2017	2018	2019 ³	2020³
External revenue	2,769.0	2,727.2	2,843.1	2,792.6	3,161.2	3,305.4	3,486.2	3,839.7	4,228.1	3,898.8
Adjusted operating result ¹	262.3	196.0	173.5	165.1	182.0	190.7	189.8	225.7	416.4	583.1
Adjusted operating margin ¹	9.5%	7.2%	6.1%	5.9%	5.8%	5.8%	5.4%	5.9%	9.8%	15.0%
Adjusted result, group's share										
before tax ^{1,2}	213.1	147.7	130.5	123.4	137.6	148.4	134.5	90.3	167.6	248.2
after tax ^{1,2}	162.3	110.9	93.1	94.3	112.2	122.6	116.0	74.9	116.5	178.0
Average workforce (average full time equivalents)	25,199	24,200	25,645	25,204	26,390	26,340	28,994	30,567	29,121	25,784

REVENUE BREAKDOWN BY REGION

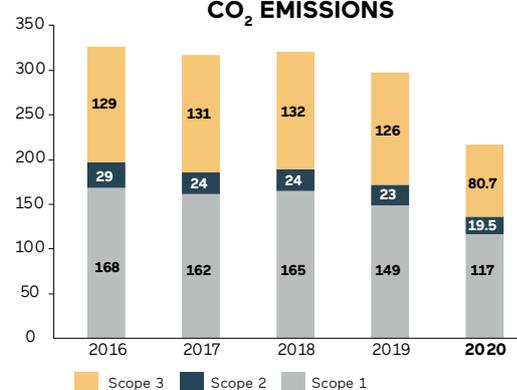


EUR million	2019	2020	Change
North America	2,280.0	2,157.1	-5.5%
Eurozone	1,374.5	1,217.9	-11.4%
Rest of the World	573.6	523.9	-8.7%
Total	4,228.1	3,898.8	-7.8%

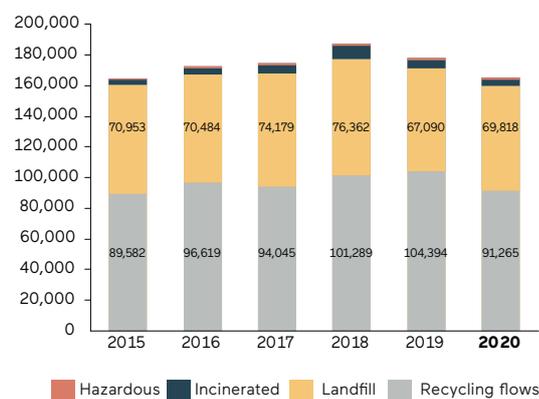
REVENUE AND ADJUSTED OPERATING RESULT^{1,3} (EUR million)



CO₂ EMISSIONS



BELRON WASTE STREAM*



* The data covers the wholly owned businesses. Part of the waste data is based on estimations. This is the case for example for glass waste to landfill which is based on the total volume of windshields and curved tempered units sold and broken.

1 Excluding adjusting items (APMs - see glossary on page 84).

2 Average stake in Belron: 94.85% in 2017, 57.78% in 2018, 52.48% in 2019 and 53.75% in 2020.

3 Post-IFRS 16.