

## ENVIRONMENTAL POLICY

*Creating long-term sustainable value requires the Group to have aligned views on managing the environmental impact of its business and investment decisions.*

### Context

The mission of D'leteren Group is to build a family of businesses that reinvents industries in search of excellence and meaningful impact. A long-term view on value creation is at the core of our business strategy and has required us to have a key understanding of the impact of climate change on our business activities and investment decisions and our potential impact of our business activities. This policy builds upon our commitment to the environment across each of our businesses and emphasizes our will to address the most pressing environmental issues, aligned with our belief in the value and importance of a healthy climate. As we support our businesses in the development of their sustainability approaches, we, as D'leteren Group (Corporate), believe in leading by example and playing our part in the global collective effort towards climate change mitigation.

### Scope

This policy is made to set specific guidelines for the corporate team of D'leteren Group. It is also aligned with our active ownership approach when it comes to the management of our family of businesses.

The Executive Committee and the rest of the team have committed to this policy, and its internal compliance is ensured through regular training measures for our employees on the policy's various topics. The environmental policy is in line with our Group's aspirations to act responsibly by reducing our environmental footprint and generating a positive societal impact. This policy also goes hand in hand with D'Ieteren Group's commitment to the Science Based Targets Initiative (SBTi) and our goal to reduce our greenhouse gas emissions in alignment with the Paris Agreement's target to limit global warming to 1.5° above pre-industrial levels.

## I. Active Ownership Approach

D'Ieteren Group is conscious that its main environmental impact stems from its investment decisions and the long-term strategy it is pursuing with its businesses. As a responsible investment company with an international portfolio, sustainability considerations are essential to our active ownership approach. Aware of our responsibilities towards future generations and recognizing that the sustainable transition of our businesses will enable the Group to continue its long-term growth trajectory, we wish to keep driving and supporting the performance of our businesses with sustainability as an underlying factor. Therefore, along with key financial performance indicators, we also monitor non-financial indicators which enable us to measure our impact on our people, customers, suppliers, society and the planet and continuously improve performance in these areas.

In 2022, D'Ieteren Group committed to the Science Based Target Initiative (SBTi), to have 100% of its portfolio covered by a validated SBT by the end of 2025. Parallely, we provide support to our companies' distinct

environmental issues on a case-by-case basis according to their differing needs. Supply chains will be of main concern for all our businesses, as will be waste recycling, pollution, and other key impact areas. Conscious that different sustainability transition processes will have an impact on the operations of our businesses, we go hand in hand with them by measuring, monitoring, and supporting their progress through continuous dialogue.

## II. Corporate Approach

The most important sources of our corporate CO<sub>2</sub> footprint can be classified into the following four categories: the emissions that stem from our business travels, from our building, from the use of company cars, and finally, from the production of our waste.

Furthermore, the ESG team welcomes any suggestions from employees for reducing the team's daily environmental impact.

### Business Travels

Business travels are an important source of our carbon emissions as D'Ieteren Group operates with the management teams of its existing and potential portfolio companies internationally (which is intrinsic to our line of work). Meetings, dialogues, and cooperation are

essential in the origination processes, as well as in the management of our activities. For such purposes, a number of physical meetings are occasionally more beneficial and sometimes, even necessary. Acknowledging this inescapably leads to travel, we attempt to create a compromise between the necessity of connecting with our global activities and our impact on the global carbon footprint.

- To substantially reduce our overall emissions, D'leteren Group commits to fly less, more consciously, and more sustainably. We promote and encourage the use of sustainable alternatives to air travel such as utilizing modern-day communication methods, and we are constantly working on rendering such tools more efficient. Although there is consideration of the value added in proximity, employees are always asked to determine if travel is necessary. If so, they are encouraged to choose the most carbon and time-efficient travel option, following a certain order of merit based on an energy efficiency per passenger mile calculation.
- When comparing air travel to train travel, employees should prioritize short, efficient, and safe train travel as the preferred mode of transportation. The decision should include a comparison of the duration of an air versus rail journey, as well as the amount of time it will require our employees to get from the train station or airport to their final destination.
- If employees have estimated that flying is necessary, we suggest they take a direct flight and prioritize the lowest CO2-emitting flight.

### Building/ Heating/ Energy Efficiency

The energy we use in our buildings additionally contributes to D'leteren Group's overall carbon emissions. These can be divided into two categories: direct emissions and electricity emissions. Direct emissions are those that stem from the direct use of fossil fuels (primarily gas) for heating purposes. Electricity-related emissions are those that result from the lighting of the buildings, the use of appliances, and the charging of electric cars (maybe electric heating).

- Our employees commit to the collective effort of reducing direct emissions through the adoption of more sustainable daily behaviour. These include the following: turning off lights, electric appliances, and technological tools when they are not needed or in use and lowering the thermostat for lower carbon heating options. In 2021, D'leteren Immo, the real estate branch of D'leteren Group took the initiative of reducing office temperatures by one degree.
- Regarding electricity-related emissions, D'leteren Group (Corporate) has switched to the use of green electricity within its building in 2021. In addition, D'leteren Group aims to build a new headquarter meeting the highest standards in terms of energy efficiency, with the support of its real estate activity D'leteren Immo.

### Company Cars

The emissions that stem from company cars refer to the use of company cars for personal or professional means by the Group's employees. Such emissions arise from different modes of transportation such as automobile travel, bus

travel, or rail travel. As the importation and distribution of cars form part of D'leteren Automotive's primary business activities, our employees may benefit from such a type of transportation through our car policy. To decrease company cars emissions and promote environmentally friendly modes of transport:

- D'leteren Group has put in place a "Mobility Budget Policy" to encourage its employees to choose smaller and "greener" cars (hybrid or electric vehicles), or alternative mobility solutions (such as bikes, public transport, or other mobility services). In the context of this policy, employees are encouraged to spend as less as possible in car solutions, to benefit from alternative mobility solutions or cash compensations.
- D'leteren Group provides its employees with green electricity from its office building for charging purposes and facilitates the installation of charging stations at home. This goes in line with the commitment of our automotive business to build "seamless and sustainable mobility for everyone" through a strong positioning in the electric vehicles market.
- A data collection and calculation procedure for our employees' company car emissions have been implemented, with the objective of updating each team member on their own footprint three times a year. Several prizes are granted yearly to the employees with the lowest carbon emissions of the year and the highest carbon emission reductions during the year.

## Waste Management

Waste is an unavoidable by-product of human activity. However, waste management is a universal issue. Improper waste disposal policies can lead to pollution and contamination of our air, water, and soils. The type of waste that is generated by D'leteren Group is mainly MSW (Municipal Solid Waste) which consists of everyday items that are discarded by the public such as paper, cardboard, food waste, glass, plastic, and metals.

- At D'leteren Group level, the waste consists of mainly paper, ink, batteries, and composite. Through the adoption of recycling measures, we collect and categorize all of the above.
- Water fountains have been installed at D'leteren Group's offices with the aim to reduce plastic and glass water waste.