
Responsible Investment Charter

Purpose

D'leteren Group is guided by its core values of entrepreneurship, curiosity, courage, care, and respect. As a long-term shareholder, its mission is to build a family of businesses that strive for excellence and deliver meaningful impact. By doing so, the Group seeks to create lasting value for all its stakeholders including its people, customers, shareholders, and society at large.

Recognising the pivotal role businesses play in shaping a sustainable future, the Group adopts an integrated approach where sustainability is embedded throughout the organisation. Environmental, social, and governance considerations are central to its two operating activities: supporting its businesses and looking for new acquisition opportunities.

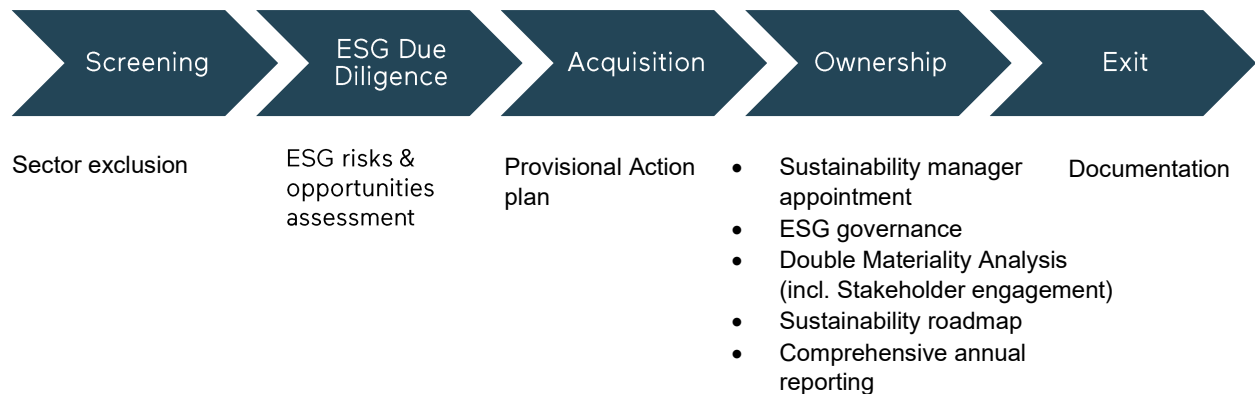
D'leteren Group's Responsible Investment Approach

D'leteren Group became a signatory of the UN-supported Principles for Responsible Investment (UN PRI) initiative in 2020. This engagement reflects the Group's commitment to include environmental, social and governance (ESG) factors in its investment choices and active ownership approach, and testifies of its willingness to continue developing its investment practices and policies accordingly. Additionally, the Group commits to align with global conventions and principles in relation to sustainability and to comply with current and upcoming applicable regulations.

Beyond these commitments, D'leteren Group firmly believes that each business has a purpose that reflects its contribution to people and society. This purpose should act as a core driver of strategy while supporting long-term sustainability. The Group therefore ensures that this purpose is clearly articulated in each business, embedded throughout their organisation, and integrated into both their corporate culture and strategic decision-making.

I. ESG integration in the investment cycle

D'leteren Group's responsible investment approach covers the whole investment cycle, from screening investment opportunities and formulating investment theses to the phases of due diligence, deal completion and ownership.



1.1. Screening

The screening of potential acquisitions includes ethical, social and environmental criteria aligned with the UN Global Compact principles. Compliance with domestic and international laws and regulations is also assessed.

Investment decisions apply exclusion criteria covering companies directly involved in tobacco, weapons, pornography, and gambling. Furthermore, consistent with the Group's climate strategy, businesses generating more than 1% of their revenues from coal, oil, or gas extraction are excluded from consideration.

When an acquisition is under consideration, a preliminary ESG risk and opportunity assessment is carried out through desktop research, leveraging available reports, public information and peer benchmarks.

1.2. ESG Due Diligence

The second phase of the investment process includes an in-depth ESG due diligence in which material ESG aspects highlighted in the preliminary analysis are further examined. This research, based on data provided by the target company and/or external experts, enables to specify ESG risks and opportunities that are inherent to the target company, and to make a first assessment of the sustainability plan that would be supported by D'leteren Group in the event of an acquisition. This ESG due diligence is undertaken by the Group's ESG team with external support as needed.

1.3. Acquisition phase

Once an acquisition decision is confirmed, a plan is put in place to address the most pressing sustainability issues of the acquired business. At this stage, the Group formalises the current ESG performance of the acquiree and defines the improvements to be implemented with the support of the Group.

1.4. Active Ownership

Given the long-term horizon of D'leteren Group's investment strategy, the Group's Responsible Investment Approach places particular emphasis on the Active Ownership phase. During this period, D'leteren Group is committed to actively enhancing the sustainability performance of its businesses, thereby strengthening its resilience and ensuring sustainable long-term value creation.

1.5. Exit

Although D'leteren Group does not operate with a defined exit horizon, in the event of a full or partial divestment, the Group prepares documentation showcasing the business's sustainability performance. This includes materiality assessments and key challenges faced by the company, its current sustainability roadmap, governance structure and policies in place as well as comprehensive ESG reporting.

II. Active Ownership Approach

2.1. Help businesses address their key sustainability challenges

D'leteren Group's priority is to ensure that each business focuses on its most relevant sustainability issues. To achieve this, it supports its businesses in identifying their most critical ESG priorities through tailored double materiality analyses. Based on stakeholder engagement, these assessments combine financial risk and societal impact perspectives to offer a holistic view of material sustainability topics. Using these insights, each business is guided to develop or refine its sustainability strategy by defining a limited set of strategic priorities, complemented by clear targets and actionable plans.

D'leteren Group helps its businesses address and strengthen resilience against their most material financial risks and impacts as part of their sustainability strategies. The Group actively monitors how these risks are managed and oversees the governance frameworks that steer their mitigation.

Incentives and sustainable finance

To make ESG commitments more engaging, D'leteren Group links them to tangible outcomes such as management incentive plans and financing mechanisms tied to ESG KPIs.

2.2. Embed group-wide principles across all businesses

In addition to business-specific sustainability priorities, the Group ensures that each business implements a set of sustainability principles designed to address key topics identified through the consolidated (Group-level) double materiality analysis. These common principles reflect issues that are largely shared across the Group, despite the diverse nature of its activities.

Environment

- **Set and monitor science-based emission reduction targets** for Scope 1, 2, and 3 emissions.
- **Strengthen climate risk governance and management** with a structured approach to assessing and addressing climate-related risks and opportunities.
- **Design, implement and regularly review robust climate transition plans** defining ways to reach emission reduction objectives while addressing climate risks and opportunities.
- **Advance circular economy practices and reduce waste** by further exploring remanufacturing, repair, and reverse logistics solutions.
- **Develop and continuously enhance sustainable procurement practices** to embed environmental stewardship throughout the supply chain.

Social approach

- **Strengthen social policies and processes** to safeguard employee health and safety, aiming to minimise accidents and promote a safe working environment.
- **Invest in training and development** to build an engaged, skilled, and future-ready workforce.
- **Advance diversity, equity, and inclusion (DEI)** while maintaining a zero-tolerance stance on all forms of discrimination and harassment.
- **Uphold internationally recognised human rights standards** across own operations and value chains.

Governance

- Design and formalise an **ESG governance structure**
- Anticipate, assess impact of and leverage international and local **sustainability-linked regulations**
- Uphold the highest standards of **business ethics** in all types of transactions and interactions ensuring robust measures to prevent corruption and bribery.

III. ESG Reporting

To provide investors and stakeholders with annual access to material sustainability information across all activities, D'Ieteren Group publishes a sustainability disclosure covering its entire scope.

Since 2024, the Group has reported in full compliance with CSRD requirements and obtained external limited assurance for all businesses already in scope of CSRD (i.e. those financially consolidated by the Group). External assurance will extend to the entire Group as additional businesses become subject to CSRD requirements.

IV. D'Ieteren Group's ESG governance

4.1. D'Ieteren Group level

The Board of Directors oversees the Group's responsible investment strategy. The topic is addressed at least once a year by the Board which validates the Group's ESG strategy, reviews the performance and approves the annual sustainability statement.

The Audit Committee reviews the Group's ESG risks and oversees the development of the Group's sustainability statement.

The Nomination and Remuneration Committee ensures that the nomination process incorporates the necessary ESG experience and knowledge, helping to build governance bodies with the expertise required to effectively oversee the ESG strategy. It also reviews and approves the ESG targets that are part of the variable remuneration of the Group's Executive Committee members and businesses' CEOs.

The Executive Committee is responsible for supervising progress on the Group's ESG strategy and ensuring its implementation both at the Group and business levels. The Executive Committee also closely follows the progress of businesses on their respective sustainability roadmaps through monthly ESG steering meetings with the ESG team.

The ESG team is responsible for developing and implementing the Group's ESG roadmap and ensuring progress towards its targets and ambitions. It also supports businesses in developing and implementing their own sustainability strategies. Additionally, the team engages with the Group's stakeholders and stays aware of the evolving sustainability trends and regulations to act as an expertise center within the Group. The ESG team is in charge of coordinating and preparing the Group's annual sustainability statement in line with applicable regulatory requirements.

The Investment Team is responsible for ensuring that ESG aspects are embedded at each stage of the investment cycle. Throughout the process, team members collaborate closely with the ESG team to integrate key drivers in their analyses. Post-acquisition, the investment team monitors the implementation of businesses' sustainability plans.

4.2. Business level

ESG roles and responsibilities at business level mirror the ESG governance of the Group with dedicated responsibilities for the Board of Directors, the audit committee and the management team. Sustainability teams are responsible for implementing the sustainability strategy and preparing the associated reporting.

Businesses' Sustainability teams maintain regular dialogue with their Group counterparts which track progress on sustainability roadmaps and collaborate to prepare the annual sustainability statement.

The Group places strong emphasis on the sharing of best practices among its businesses. Regular virtual sessions facilitate knowledge sharing, complemented by an annual two-day ESG workshop that brings together sustainability and operational teams from all businesses to address common sustainability challenges.

V. Conflicts of interest

The guidelines in place to manage conflicts of interest that may arise during the course of responsible investment activities are included in the Group's code of conduct, a copy of which is available [on the D'Ieteren Group website](#).

This Responsible Investment Charter is reviewed every 3 years by the Board of Directors of D'leteren Group – or earlier as appropriate - to reflect the continuous development and improvement of the Group's responsible investment approach.