

3. Non-financial disclosure – Belron

3.1. DESCRIPTION OF THE BUSINESS

Belron® is the worldwide leader in vehicle glass repair and replacement (VGRR) operating through wholly owned businesses and a network of franchises in 39 countries, across six continents. Belron owns more than ten well-known brands in the industry including Carglass® across Europe, Autoglass® in the UK and Safelite® Autoglass in the USA and employs just under 30,000 people over half of whom are highly skilled technicians. Building on its existing capability and expertise, Belron has taken an industry-leading position in ADAS (Advanced Driver Assistance Systems) recalibration.

In 2019 the Belron group had 29,121 people, 2,739 service centres and 9,888 mobile units.

Belron exists to “make a difference with real care”, impacting its four stakeholders: its customers, its people, society and its shareholders. This is a clear purpose that is shared by every business and employee wherever they operate.

3.2. THE GENERAL APPROACH TO SUSTAINABILITY

Belron is a signatory to the United Nations Global Compact (UNGC) and its Ten Principles of responsible business. This commits Belron, along with over 10,000 other businesses, to do business responsibly by aligning strategies and operations with ten principles on human rights, labour, environment and anti corruption, and by taking strategic action to advance broader societal goals.

The ten principles are set out in a code of business ethics blueprint, developed by Belron, from which each of its corporate business units develop their own localised code. This approach enables each business to customise and personalise its code of business ethics to include local policies and legislation to resonate with its people, whilst maintaining the core Belron ethical culture. The General Manager in each business is responsible for ensuring that all their people are made aware of the localised ethical framework and how it applies to their role including specific responsibilities, objectives and actions.

3.3. ASSESSING PROGRESS TOWARDS SUSTAINABILITY AMBITIONS

The aim of Belron is to be considered World Class by each of its stakeholders. To measure progress for its corporate responsibility activities, Belron is using an externally assessed sustainability tool provided by Ecovadis. The topics in the assessment are based upon international standards including: UNGC Principles, ISO26000 Framework, the Global Reporting Initiative Standards and the International Labour Organisation conventions. The Belron businesses are assessed on their policies in place, the actions to implement the policies and the results of those actions in four key areas: environment; labour practices & human rights; ethics; and sustainable procurement.

Once the analysis is completed by Ecovadis, each business receives a full scorecard and a rating score between 1 and 100. A score of 37 to 45 results in a Bronze rating, 46-61 Silver and 62+ Gold. The scorecard provides guidance on areas to prioritise in order to make improvements. Each business unit is then responsible for deciding the action plan for improvement, with support from Belron International.

This process also enables Belron and its businesses to benchmark against over 60,000 other organisations from over 150 countries who have been assessed by Ecovadis. World Class is interpreted as being in the top 2% of all businesses assessed, which equates to a score of 70 or above.

18 of the Belron business' were reassessed in 2019 resulting in a total of 12 being rated Gold and 9 rated Silver. Overall the Belron group has again made good progress towards its target of having each of its corporate businesses Gold rated by the end of 2020.

In terms of overall performance, the average score for the Belron Group has increased from 60.4 in 2018 to 62.9 at the end of 2019, achieving its target of a group average of 62.

During 2019 it was decided to weight the Ecovadis scores by the average number of employees in each country to more clearly show the effect that some of the larger countries have on the overall score for the Group. Recalculating the score in this way changes the overall score at the end of 2018 to 57.0 and at the end of 2019 to 59.3. To achieve the target of all the corporate businesses being gold rated (with a score above 62) by the end of 2020, Belron will look to support the improvement actions of the individual businesses, particularly those who are currently Silver rated. A key focus of this is the significant action being taken to improve the way suppliers are chosen and managed to include ethical, sustainable and environmental criteria, and an added focus across the Group on non-financial results and KPIs.

In Q4 2019/Q1 2020 Belron was part of the materiality analysis carried out by D'leteren Group to identify the main impacts Belron has on its wider ecosystem, through a series of interviews and surveys with internal and external stakeholders. The outcome will support the overall sustainability strategy going forward including identifying key non-financial performance indicators, setting targets, and establishing a management review process to track progress and actions for improvement.

The annual CSR Ambassadors Workshop was held in November 2019 with 17 of the Belron businesses represented. They were joined by representatives from Belron Group Support. The main messages included; how to share best practice, priority action around extending the sustainability focus to include the supply chain, and setting clear targets both from the Centre and locally, along with action plans to improve performance.

At the workshop, the businesses in Italy, Germany, the US, France and Portugal were all recognised by Gary Lubner, for their activities and successes in corporate responsibility and sustainability.



> Climate Impact / CO₂ Emissions

FIELD OF ACTION

Being an international company with national businesses in six continents across the world, involving branches, warehouses and fleets, Belron has a direct and indirect impact on climate change.

Non-renewable energy sources, which contribute to climate change and air pollution, represent a risk for Belron due to volatility in pricing of fossil fuels plus the ever increasing burden of carbon and air pollution taxes. Stakeholders are also becoming increasingly concerned about climate change and expect demonstrable action from large companies such as Belron towards the UN climate change target.

It can also represent an opportunity as, in almost all its markets, Belron leads the market in offering a Repair First strategy, which on average reduces the carbon impact by 75% over replacement. Reducing energy consumption will also reduce costs of doing business.

Case:

In 2019 many Belron businesses made big changes to their operating models, with most opening additional low energy consumption branches to bring their service closer to the customer and which reduced mobile activity. In addition stock and delivery frequency was optimised in many countries (with more to come in 2020) which has reduced the number of delivery journeys. Coupled with an increasingly effective use of vehicle tracking, allowing optimised routing and improved driver behaviour, this means a significant reduction in Scope 1, fuel related carbon emissions.

UN Sustainable Development Goals (SDG)

Belron committed to the principles 7, 8 and 9 of UN Global Compact

Belron works hard to understand, measure and manage its impact on climate change, both locally and globally. In particular, it seeks to limit its emissions through its repair first strategy.



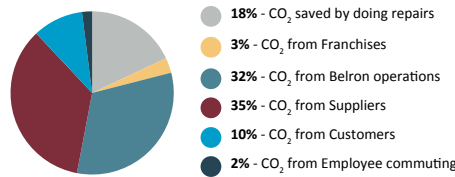
MANAGEMENT APPROACH

Belron works hard to understand, measure and manage its environmental impacts. It monitors carbon emissions directly in its control, such as those related to the energy consumption of its branches and its fleet, as well as Scope 3 emissions related to travel and subcontracted logistics. Belron has developed and shared a carbon footprint reporting tool across all the corporate business units and supports them in measuring, managing and reducing their carbon footprint.

WHAT WAS ACHIEVED IN 2019

Belron has now included the full Scope 3 impact of its activities in the carbon reporting from each business and this enables Belron to see the total opportunity for reducing carbon emissions with all stakeholders. It also allows the calculation of product related carbon footprint for each business so they can compare the carbon impact of decisions affecting mobile vs branch activity, and repair vs replacement work. In order to ensure that the calculation is in accordance with the international standard for calculating carbon emissions and product carbon footprint, Bureau Veritas was engaged and the model certified to ISO14067. This confirmation of the robustness of the reporting will allow each business unit to verify their product carbon footprint to an internationally recognised standard, to have confidence in setting future reduction targets and to use for external communication.

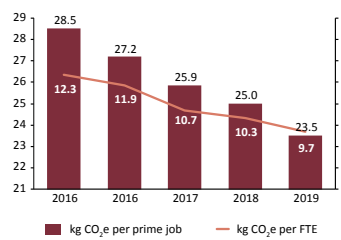
Full Carbon Impact in 2019 of Belron's Activities



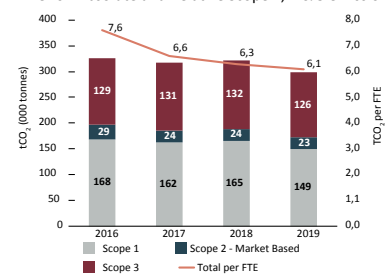
Belron continues to offset the carbon emissions of its international events such as the Spirit of Belron Challenge held in the UK. Carglass France and Carglass Germany also use carbon offsetting and, in total, 7,019 tonnes of CO₂ emissions were offset across Belron in 2019.

KEY INDICATOR:

Belron's Carbon Emission Reduction Programme



Belron Absolute and Relative Scope 1, 2 & 3 emissions



The Belron total carbon emissions fell in 2019. This has helped reduce the company's own carbon emission intensity from 28.5kg CO₂ per prime job in 2015 to 23.5kg CO₂ in 2019 representing a 6.0% fall in 2019 and a total reduction over 5 years of 17.6%.

The Belron Repair First Strategy again saved over 140,000 tonnes of CO₂ which represents 17% of total emissions.

Overall, the Ecovadis assessment on the environmental aspect improved from 61.7 in 2018 to 66.2 at the end of 2019, showing significant improvement particularly around the quality of reporting and management review of performance.

WAY FORWARD:

Now that Belron has measured the full impact of its activities in Scopes 1, 2 and 3 it will evaluate the opportunity to formulate a group-wide carbon reduction programme.

> Waste Management

FIELD OF ACTION

The biggest waste product by weight is the glass taken from the customers' vehicles. It is a potentially dangerous product if not disposed of responsibly and, while it cannot be reused, there is an opportunity to recycle the glass into other products. Recycling the glass efficiently helps Belron significantly reduce cost associated with waste as well as minimising its environmental impact.

Ensuring that hazardous waste is safely disposed off and minimising the amount of general waste to landfill are two other areas of particular concern for Belron.

Case:

The second windscreen recycling plant on the West coast of the US was brought into production by Safelite in conjunction with its recycling partner, Shark. This increased the potential recycling in Safelite from 70% to 90% with only a few locations not covered. A trial of the use of Supplainers (glass delivery boxes which are common place in Europe) to deliver and collect glass from the branches took place in 2019 which significantly improved the efficiency of glass handling and, when fully implemented, would enable all branches to recycle glass more efficiently.

UN Sustainable Development Goals (SDG)



Belron aims to achieve environmentally sound management of glass and other materials throughout their life cycle, in accordance with agreed international frameworks, in order to minimize their adverse impacts on human health and the environment. In addition, Belron works at substantially reducing waste generation through prevention, reduction, recycling and reuse.



Belron works at substantially reducing waste generation through prevention, reduction, recycling and reuse.

UN Global Compact:

Belron is committed to the principles 7,8, 9 of UN Global Compact

MANAGEMENT APPROACH

The 'Repair First' strategy plays a role in the company's continuous effort to reduce waste by avoiding the need to replace the glass.

However, when repair is not possible, Belron aims to recycle the glass waste and considers innovative approaches and supplier partnerships to achieve this. Where recycling in its operating countries is not in place or is inadequate, Belron has evaluated alternative options such as reverse logistics and partnering with local recycling companies to increase the percentage of products recycled. With other waste streams Belron aims firstly to minimise use by setting technical standards for the amount of product needed during each job and secondly, define clearly what to do with specific waste streams to maximise recycling.

WHAT WAS ACHIEVED IN 2019

Recycling glass (the main waste stream) improved from 62% in 2018 to 68% in 2019 with a corresponding drop in glass being landfilled. The amount of waste saved by the Belron Repair First policy increased from 19% in 2018 to 22% in 2019.

Case: Repair Days at Carglass France

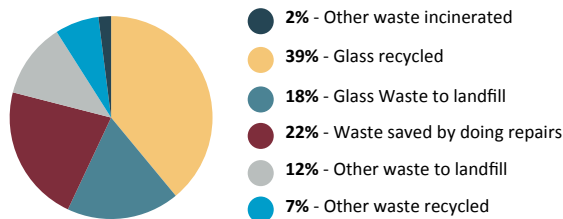
Being the most 'famous repairer in France', Carglass felt that they are in a good place to promote the value of repair through its annual Repair Days.

Working with local community organisations Carglass promoted all the good practices of repair that aim to extend an item's life span and therefore reduce waste.



The Repair Days is a yearly roadshow where Carglass people showcase their activity through demonstrations and workshops. The workshops were a great success, receiving 100% positive feedback on social media.

Belron Waste Management 2019



KEY INDICATOR

The Ecovadis assessment on the Environmental aspect includes both waste management and carbon emissions and as previously stated has improved from 61.7 in 2018 to 66.2 at the end of 2019



WAY FORWARD

Belron will continue to improve its recycling rates and will work with its recycling partners and business units to extend the ability to recycle all glass, particularly toughened glass. There will also be a review across all business units to see how best to support countries with recycling activities, especially those covering large geographic areas and limited windscreen recycling facilities.

> Innovation

FIELD OF ACTION

Innovation is an important area for Belron and it invests a lot of resources in ensuring that it is at the forefront of glass and vehicle technology in order to be well prepared for changes in the VGRR market. In addition, it focuses on developing new tools and techniques to support the business, helps to ensure that it is operating efficiently and safely both for its customers and its people.

WAY FORWARD

With the increasing adoption of ADAS technology by vehicle manufacturers Belron will focus on improving its service delivery and rolling out the ability to calibrate all vehicles as soon as they appear on the market.

UN Sustainable Development Goals (SDG)



Belron aims to achieve higher levels of economic productivity through diversification, technological upgrading and innovation



The new Glass Medic repair curing light.

Case

A new repair curing system was launched and replaces the original ultraviolet neon light with LED technology. This allows better tuning of the light frequency to cure the Belron repair resin faster and more effectively. It will also reduce power consumption with a set timer and use rechargeable batteries, making the unit less cumbersome and self-contained. A great example in innovation not only supporting the improvement of customer quality, but also an easier tool to use for the technician, and a benefit to the environment.

MANAGEMENT APPROACH

Maintaining the market leading Glass Medic repair system and HPX resin technology has been important to maximise repair potential, to offer customers high quality, to lower the costs associated with replacing damaged vehicle glass and to reduce the environmental impact by repairing instead of replacing.

Belron has its own dedicated research and development division, Belron Technical. This is a team of innovators and thinkers – all focused on driving technical standards and developing innovations that break new ground in vehicle glass repair and replacement, as well as ADAS recalibration.

Belron also invests in other central functional areas such as purchasing, distribution, operations support, customer insight, marketing, digital and people development.

All of this helps Belron maintain its market leadership position and to offer cutting edge services to its customers.

KEY INDICATOR:

The Belron Technical R&D budget for 2019 GBP 1.8m

WHAT WAS ACHIEVED IN 2019

In 2019 Belron Technical significantly increased its focus on ADAS recalibration with an updated training and awareness programme rolled out to all branch employees. Testing has been completed on new technology to make ADAS recalibration software available as soon as new vehicles appear on the market.

> Sustainable Procurement

FIELD OF ACTION

Almost 40% of Belron turnover is spent on buying products and services. The majority by value is glass but there are many other products, such as glue, repair resin, trims and mouldings, tools and uniforms. First and foremost, Belron needs to be sure that the suppliers' business ethics reflect its own, as they become part of the value chain delivered to the customer. This requires more diligence and clear evidence that companies like Belron validate how the supplier manages its business and how it sources its products. In addition, poor financially run or operationally managed suppliers pose a risk to the continuity of the supply chain. From a brand perspective, if suppliers are using unethical practices or sub-suppliers this can reflect negatively on the reputation of Belron.

WAY FORWARD

The Belron objective is to have all suppliers (incl. local business unit suppliers) assessed and managed according to their risk profile. Belron International Group Purchasing has also adopted a lead accountability for the procurement of indirect materials as well as direct. This will lead to more consistency in the assessment of sustainable procurement approaches, especially with larger regional or global suppliers.

Belron will also expand the scope of its on-site audits, working in partnership with suppliers for continuous improvement.

UN Sustainable Development Goals (SDG)



Belron seeks to procure quality products from Responsible and sustainable sources and to minimize the environmental and negative social impact of its value chain.

Summary of the Belron Approach to Supplier Risk Management



MANAGEMENT APPROACH:

Belron obtains products from almost 100 global supplier locations on a group wide basis, and manages them through a Supplier Management Programme. This programme ensures that all suppliers of Belron are ethically compliant, financially stable, manage their risks, and comply with all legal requirements. This is done through a combination of on-site audits, external assessments, and internal management. This is to ensure that suppliers are fit for purpose and meet high ethical standards.

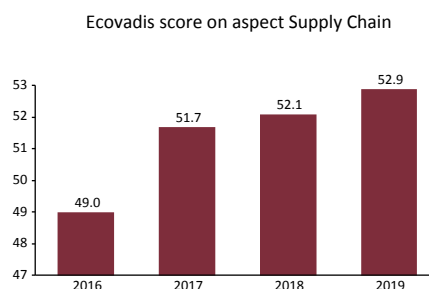
Each Belron business unit has its own process of managing the risk and sustainability criteria of its local suppliers. This is evaluated through the Ecovadis assessment.

WHAT WAS ACHIEVED IN 2019

During this reporting year, 55% of the Group suppliers (managed by the Group Purchasing Team) completed an Ecovadis assessment, meeting the minimum score requirement. The assessment process was supported with the continued programme of on-site audits.

In-country purchasing teams continued to manage their local suppliers with best practice shared across from the Centre, supporting the acceleration of sustainable practices throughout the supply chain.

KEY INDICATOR



The external assessment of progress in developing a sustainable supply chain has shown incremental increases over the past 4 years from 49.0 in 2016 to 52.9 in 2019.

> Customer Welfare

FIELD OF ACTION

The Belron customer sits at the heart of the business and the company's purpose to, 'make a difference with real care'. To maintain its position in the market and to grow, Belron needs an experienced, highly trained technician team with the right piece of quality glass at the right time and place, for every job.

Not doing so would impact the customer experience, pose the risk of a breach of fitting standards which could in turn impact customer safety, and reputation of the Belron business.

WAY FORWARD

The new service model continues to be rolled out across the group and the benefits to both Belron and its customers are expected to continue to be delivered in 2020.

UN Sustainable Development Goals (SDG)



By the quality of its service, Belron contributes to reducing the number of global deaths and injuries from road traffic accidents



Belron contributes to achieving higher levels of economic productivity through diversification, technological upgrading and innovation.

MANAGEMENT APPROACH

The company offers an omni-channel experience to its customers; they can make contact by phone, online or by visiting a branch.

When a replacement is required, the work is performed by highly skilled technicians. The products and training are designed to deliver a service which is equivalent to the Original Equipment Manufacturer (OEM) standards. When applicable, the technicians will also carry out the recalibration of the car's Advanced Driver Assistance Systems (ADAS), which is paramount to ensure the safety of its customers on the roads. Furthermore, the Belron strategy to repair first, saves its customers both time and money.

Belron works in partnership with the insurance companies so that it can provide a seamless service for the motorist by making the vehicle insurance claim on the motorists' behalf.

It constantly reviews operational quality and monitors how its customers feel about the service they receive, using this to drive even better service. The company commits to respond positively and promptly to customer claims, enquiries and complaints made in good faith.

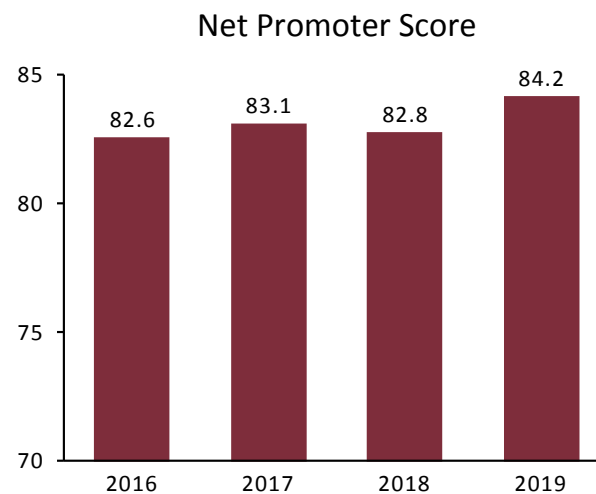
To regularly measure customer satisfaction across each of its business Belron asks customers to rate on a scale of one to ten, "How likely are you to recommend us to a colleague or friend?" (Net Promoter Score). This is measured on a weekly basis in every business unit and the results reviewed to see how Belron can maintain and improve its service to its customers.

WHAT WAS ACHIEVED IN 2019

Customer centred research and analysis continued to drive the business' understanding of how best to serve its customers. A new service delivery model was launched in 2019. This has helped to balance the mobile service with branch-based service depending on the distance to the customer, and the speed of delivery depending on the customers' needs, while still maintaining world class levels of customer satisfaction.

KEY INDICATOR

Belron consistently achieves a global NPS score of +80



> Employee Well-Being and Development

FIELD OF ACTION

Belron employees are at the very core of the business' quality of service. Therefore, their well-being and engagement are paramount. Furthermore, fostering employees' well-being is increasingly relevant in attracting and retaining talent to the business.

Case:

Belron once again celebrated some exceptional people across its business. The Belron Exceptional People Awards (BEPA) recognises, thanks and celebrates the Belron people who are making a big difference to customers and colleagues.

Those people in the business who make a big impact; are highly regarded by colleagues or customers; and perform exceptionally time and time again, are nominated and all nominees are considered by a panel including Gary Lubner.

Winners receive a personalised thank you by a Belron director and are given a bespoke gift or experience that truly means something to them.

In 2019, 77 BEPA winners were recognised from 23 Belron countries.



WAY FORWARD

Belron Technical will continue to roll out the IMI qualification to all trainers across Belron for VGRR, for ADAS recalibration and for dealing with high voltage vehicles (required for working on electric/hybrid vehicles).

As the talent review and succession planning process continues, Belron will have a consistent view of its people and the development of successors, ensuring its People strategy enables the company to achieve sustainable business growth.



MANAGEMENT APPROACH

Belron continues with its aspiration to provide an environment for its people which is "the best place they will ever work".

Whilst each Belron business has its own policies and procedures in place with regards to its people, the core culture is maintained across the Group. The Spirit of Belron is described in four attributes: Care, Driven, Collaborative and Genuine with the Genuine attribute encompassing the business' Guiding Principles of Integrity, Respect and Trust.

With just under 30,000 people across the business in different roles, Belron recognises the areas that contribute to an employee's overall wellbeing:

- feeling valued
- innovation is celebrated
- customer focus is exceptional
- excellent work is recognised
- a genuine commitment to training and development
- a strong 'giving back' ethos
- ethics and responsibility are fundamental

For these areas to be meaningful for Belron people, the business units have many programmes in place that include training and development, recognition programmes, flexible working, feedback and community involvement.

KEY INDICATOR

The Belron People Measure survey continues to have a consistent response rate of over 50% which is a key focus as the business wants to hear from as many people as possible. This 'pulse' survey is sent out on a monthly basis to between 25% and 100% of employees within each business.

The average score (out of 10) across the business year on year is as follows:

- 2019: 7.5
- 2018: 7.5
- 2017: 7.8
- 2016: 7.5

In addition, the Ecovadis assessment tracks the overall progress of performance in Labour Practices and Human Rights, which has shown continuous improvement. This has reflected in the average scores for this area improving from 61.7 in 2018 to 65.2 in 2019.

WHAT WAS ACHIEVED IN 2019

The Institute of the Motor Industry (IMI), who approves standards of training and accreditation for the automotive industry, has approved Belron International as an IMI Awarding centre for VGRR and ADAS.

This stamp of approval endorses the Belron Way of Fitting (BWof) as a Quality Assured Programme to an industry standard. Belron is the first global VGRR company to be awarded this, giving independent credibility and a competitive advantage across the automotive industry as well as recognising and benchmarking the skill and development of the technicians.

Belron seeks to create an environment where all its people can thrive and be at their best, recognising that this is integral to the company's performance. In 2019 the business launched its talent review and succession planning process that will help future proof the business from the leadership team down.

UN Sustainable Development Goals (SDG)

More than offering a decent work environment, the Belron aspiration is for all its employees to feel that it is "the best place they will ever work". Thereby, it also fosters productive behaviors, customer orientation and strong performance.

UN Global Compact: Belron is committed to principles 3, 4, 5, 6 of UN Global Compact

> Employee Safety

FIELD OF ACTION

A key component of the Belron culture is the care it has for its people. The company demonstrates this through its focus on health and safety training and overall employee well-being.

One of the core risks identified is injury or harm to an employee whilst they are carrying out their role. This could result in long term absenteeism legal consequences and economic loss as well as distress to the employee and their family.

KEY INDICATOR

Each business is required to report on a monthly basis the number of reportable work-related accidents.

Safety training and accident information is also included in the Labour Practices and Human Rights section of the Ecovadis assessment. Each business collects and reports its own KPI and is responsible for defining improvement actions to minimise the number of accidents. The average score in this area has increased from 61.7 in 2018 to 65.2 in 2019.

MANAGEMENT APPROACH

Belron believes in creating a safe working environment for its people and customers. The business commits to providing everyone with the correct training and skills to feel confident in their role including stringent safety procedures for technicians so that they can deliver the highest technical standards.

Belron developed safety standards which are embedded in the Belron Way of Fitting. This is the method, tools, training and assessments developed and implemented across the group by the technical team of Belron. This includes Quality Starts with Safety - an awareness training of the importance of following the correct process when replacing a windscreen and the consequences of not doing it right 1-2-3-Easy - a training programme on the ergonomics of how technicians can avoid injury while doing their job and the STOP programme - how technicians should look after Self, Tools, Organise the work and use the right Process.

In addition, each business is responsible for implementing the necessary measures to comply with their national requirements and many businesses have dedicated Health and Safety and/or Internal Audit personnel to audit their procedures as well as highly skilled trainers to monitor and update training as needed. This local responsibility also covers Distribution and Warehouse activities and Customer Call Centres and Head Office personnel.

WHAT WAS ACHIEVED IN 2019

The Belron businesses continue to monitor and manage their health and safety incidents, with action plans in place for continuous improvements. To support the local process, Belron has implemented a common measure to be reported at Group level to track incidents across its operations.

WAY FORWARD:

In 2020 Belron will collect and monitor monthly KPIs for work related health and safety incidents. This will support Group level and line management governance and enable focus to be brought on sharing best practice.

Belron Technical will update all the core training programmes relating to both customer and technician safety.



UN Sustainable Development Goals (SDG)

Through respecting standards and setting ambitious programmes aimed at increasing its employees safety, Belron contributes to promote labour rights and to ensure a safe and secure working environment for all its workers.

> Community Engagement

FIELD OF ACTION

Belron believes it has a responsibility to give back to the communities where it operates and in South Africa where the roots of the business lie.

'Giving Back' is a key aspect of the Belron culture, demonstrating the 'Care' attribute of the Spirit of Belron.

By involving its people, through their passion and energy, these activities have a positive impact not only on the communities where the business operates, but also on engagement.



Case:

In October, the Belron business in the US hosted the **Safelite® Autoglass Charity Classic**. This event saw Safelite leaders, business partners and charity representatives come together at the New Albany Country Club, Ohio to raise money for the Safelite Foundation's Impact Grant Programme. The programme provides grants of up to USD 25,000 that enable a charitable organisation to make a significant impact in its community.

Since 2011, the Charity Classic has helped the Safelite Foundation generate and distribute more than USD 3 million through 140 impact grants. In 2019, the event raised a record-breaking USD 1.5 million.

The Safelite® AutoGlass Foundation was created in 2005, aimed at supporting organisations that promote the health and well-being of families through monetary and in-kind contributions, as well as volunteer hours.

MANAGEMENT APPROACH

Belron is committed to making a meaningful impact on society which is why its businesses and people across the world choose their own community initiatives and organisations to support. Each business sets its own 'Giving Back' agenda and through this approach, see a greater sense of personal involvement and achievement amongst its people. Support is provided in many ways including financial donations, volunteering time, sharing resources or participating in sporting events which also benefits the well-being of its people.

KEY INDICATOR

Total fundraising:

Afrika Tikkun

2019	EUR 1.7 million
2018	EUR 1.2 million
2017	€ EUR 1.2 million

Local giving

2019	EUR 3.75 million
2018	EUR 3.45 million
2017	EUR 3.25 million

WHAT WAS ACHIEVED IN 2019

The Belron businesses continued to partner with local charities and organisations. These long-term partnerships enable the businesses and their people to fully understand the needs of the organisation and where they can make a difference. Over 300 charities have benefited from financial or in-kind support from the Belron businesses.

Belron once again hosted a successful Spirit of Belron Challenge. The event in September saw 1,650 Belron people, their families and friends, business partners and suppliers, from 23 of the Belron businesses, swim, cycle and run for the global charity partner, Afrika Tikkun.

The event also recognised and celebrated the 25th anniversary of the charity, setting a fundraising target of ZAR 25 million (approximately EUR 1.5 million). In the true Belron 'spirit', its people and its partners came together and smashed the target.

The Belron people were also joined by four Afrika Tikkun beneficiaries - Tumelo, Njabulo, Puseletso and Fortunate who were chaperoned by Nehwoh, General Manager of the Uthando and Belron Centres. These young people personify for Belron how its support makes a difference every day to thousands of lives in South Africa.

WAY FORWARD

Belron and its businesses will continue to look at ways that it can have a positive impact on the communities in which it operates, as well as continued support for Afrika Tikkun at Group level.

UN Sustainable Development Goals (SDG)



Through the Belron/Afrika Tikkun partnership the charity is able to support over 17,000 beneficiaries across many programmes in its 'cradle to career' model.

> Ethical Principles

FIELD OF ACTION

Human rights are a fundamental pillar of ethics and the Belron Guiding Principles support this. The company has established clear standards for itself and sets expectations of similar standards from its partners.

A breach of these standards not only impacts those involved but could result in a detrimental impact Belron brands caused by adverse publicity.

KEY INDICATOR

The businesses' approach to ensuring that the Human Rights of its people and those within its supply chain are upheld, is measured and evaluated within the Ecovadis sustainability assessment. Within two areas of the assessment - Labour Practices & Human Rights and Sustainable Procurement - each business provides information on its policies, actions and results on topics such as working conditions discrimination and social dialogue.

The overall Group average score for 2019 for Labour Practices & Human Rights was 65.2, up 3.5 points from 2018.

UN Sustainable Development Goals (SDG)



Belron makes sure that individual rights are respected throughout the organisation within its sphere of influence.

UN Global Compact: Belron is committed to principles 1 and 2 of UN Global Compact

MANAGEMENT APPROACH

Human rights are addressed in the Belron ethics policy and Guiding Principles as well as through the programme in place to assess suppliers. Belron people treat each other with respect and ensure that their activities do not contribute directly or indirectly to human rights abuses. 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.

In the company's Guiding Principles, it commits to promote a culture of respect and equal opportunity in which individual success depends solely on personal ability and contribution. It also commits to promoting an open and fair recruitment process, hiring and promoting people on the basis of their ability for a role and their appreciation, respect and alignment with the Belron culture.

Belron outlaws the use of child labour in any form. It does not employ anyone below the age of 16 or the local legal minimum employment age should this be different in a country it operates in. It will not use suppliers who use child labour in any manner. All of its employees, contractors and suppliers working conditions are required to be compliant with national legislation and in cases where this is deemed insufficient, with the relevant International Labour Organisation Standards. In no instance will inhumane treatment of its people or those in its supply chain be acceptable including any form of forced or bonded labour, physical punishment or any other abuse.

WHAT WAS ACHIEVED IN 2019

The Belron businesses have been developing and launching their localised codes of conduct. Through the awareness training carried out in the businesses, the best practice communication shared emphasised the importance and responsibility of speaking up. To support this, Belron provides a centrally facilitated Speak Up line through a third-party provider. Whilst Belron encourages concerns to be raised within the local country, the Speak Up line is provided as an additional channel to raise concerns confidentially. Belron is committed to ensuring that those who raise concerns are free from retaliation or reprisals.

During 2019, 33 calls were made to the line with 22 of these being classed as 'Original Incident Reports'. All reports are investigated by the Central Legal team in conjunction with the country contact, to find an appropriate resolution to the issue raised. The Ethics Hotline in the US business (also through a third-party provider) received 43 reports during the reporting year. Eight of these reports were substantiated and appropriate action was taken.

In 2019, the Belron Group Supply Chain Management team formalised its approach to assess and monitor the sustainability activities of its Group suppliers. A key aspect of this approach is auditing of activities using the Ecovadis sustainability assessment as well as site-level audits. The on-site audits include interviews with workers on site. The workers are randomly selected from different departments and ensure a mix of gender representation. The interviews include questions on working conditions such as wages, working hours and health and safety. The output from the interviews is included in the audit report and corrective action plan. The Group Purchasing team works closely with suppliers on all areas of non-compliance or improvement opportunities in order to maintain ongoing development.

> No tolerance for Bribery and Corruption

FIELD OF ACTION

Belron is explicit in its Guiding Principles that it will not tolerate any forms or attempts of corruption or bribery either towards or by its people or partners regardless of local customs and business practices.

A breach of this could seriously damage the reputation of the business and result in legal consequences.

UN Sustainable Development Goals (SDG)



Belron contributes to reducing corruption and bribery in all their forms UN Global Compact: Belron is committed to principle 10 of UN Global Compact

MANAGEMENT APPROACH

The Belron Guiding Principles are in place and upheld to ensure that offences such as bribery and corruption are not tolerated within the business. Anti-bribery and corruption is one of the compliance matters that the Group Legal team promotes throughout the business. The approach is business unit and market specific and therefore the policies and procedures adopted will depend on a number of factors including the relevant risk and local rules in each business unit country. In higher risk jurisdictions, more stringent measures are put in place to help prevent anti-bribery and corruption.

Training and awareness sessions on anti-corruption law and anti-corruption policies is provided where Belron perceives any material risk, in order to help ensure that each business continues to compete fairly and in compliance with all applicable anti-bribery laws.

KEY INDICATOR:

The businesses' approach to anti-bribery and corruption is one of the topics measured within the Fair Business Practices/Ethics section of the Ecovadis sustainability assessment. All the businesses provide information about their policies, actions and results in relation to this topic as well as conflicts of interest, fraud, money laundering; and anti-competitive practices.

In 2019, the overall average score across the Group in this area once again saw an increase, up from 64.0 to 66.2.

Ecovadis score on aspect Business Ethics

