



Our Way  
of Working  
Integrity, Respect & Trust

# United Nations Global Compact Communication on Progress 2017

## About Belron

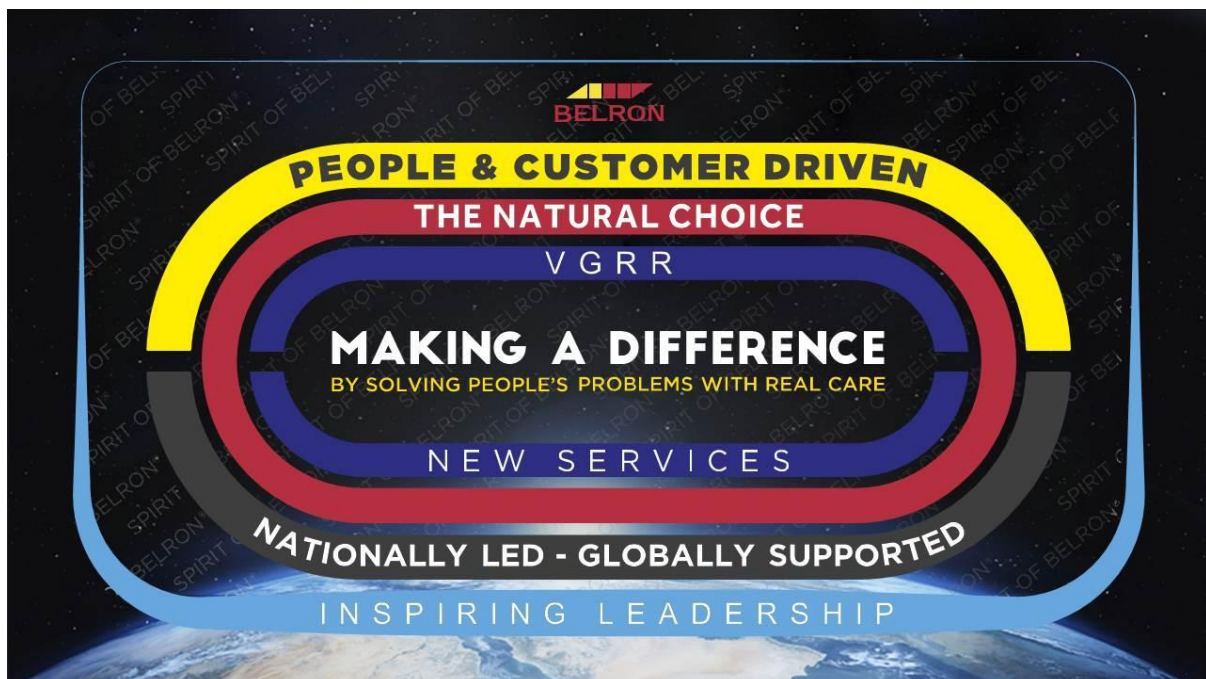
Belron makes a difference by solving people's problems with real care. We are the worldwide leader in vehicle glass repair and replacement with more than ten major brands - including Carglass®, Safelite® Autoglass and Autoglass®. In addition, we manage vehicle glass and other insurance claims on behalf of insurance customers. We look after around 15 million consumers each year in 33 countries on five continents with a focus on service quality generating a very high level of customer satisfaction.

**Making a difference:** our people love making a difference to someone's day. But we also make a difference to the people we lead and to the communities we serve.

**By solving people's problems:** these are everyday hassles that cause people stress. For example, a problem with vehicle glass is not planned and most people don't know what to do. We solve these issues, efficiently, using leading-edge tools and technology and our expertise.

**With real care:** we take care of our customers but also we care for our people and our communities, and we do it genuinely.

We have a clear strategy to be what we call 'people and customer driven'. What this means for us is that we have to be both customer driven and people driven; we cannot be one without the other. The two dimensions are innately entwined and we believe that by taking care of our people they will take care of our customers.



**CEO statement**

Belron® is pleased to once again reaffirm its continued support of the Ten Principles of the United Nations Global Compact (UNGC). In doing so we are committed to the adoption and embedding of the UNGC Principles across our business, to publically report on our progress and to advance sustainable business practices through advocacy to our people, our business partners and suppliers as well as civil society.

We have made some great progress during 2016 and early 2017 in transforming our business to being a purpose led organisation, putting our people and our customers at the forefront of our business. Being a people and customer driven organisation for us is about having a mind-set that puts people first, about wanting the organisation to be the best place we have ever worked. By providing a highly engaging environment for our people, we experience high levels of commitment and really feel everyone has the interests of the organisation at their heart.

The Spirit of Belron is our unique culture. While it is always difficult to put a culture into words, we have tried to capture the Belron culture in four words: Caring; Driven; Collaborative; and Genuine. We believe in taking care of our people, our customers and our communities. We aspire to be exceptional rather than ordinary. We believe that we will travel further together rather than apart and finally we believe that being genuine is key to our long term sustainability.

We have made some great progress during 2016 on expanding our business to incorporate new services. We acquired a business in Belgium and one in Canada which specialise in automotive damage repair. These were the first major acquisitions as part of our new services strategy. In addition, we have substantially expanded our non-glass claims management activities in the USA. We also piloted smart repair services in our Dutch and Italian businesses and continued to expand our mobile vehicle damage services in the UK.

A couple of the CSR highlights for me during 2016 was the Spirit of Belron Challenge, which saw over 2000 Belron people, their families and friend and our business partners come together to raise money for our global charity, Afrika Tikkun, raising over EUR 1 million; and that ten of the Belron businesses have now achieve a gold standard on the Ecovadis sustainability platform.

The following report looks at our progress in embedding the UNGC Principles for reporting year 2016.



**Gary Lubner**  
**CEO, Belron®**





- **Ethical responsibility** – we continue to ensure our way of working is maintained through regular training and monitoring and we are guided by our principles of **integrity, respect and trust**
- **Environmental responsibility** – we continue to take meaningful steps in reducing our impact on the environment
- **Social responsibility** – we continue to be actively involved in supporting communities around the world and selected causes as a global group
- **People responsibility** – we continue to strive for exceptional levels of engagement for our people, aspiring to be the “best place we will ever work”

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

Belron has made great progress with its strategy of externally assessing and benchmarking the CSR (Corporate Social Responsibility) progress of each of its businesses, using the Ecovadis ([www.ecovadis.com](http://www.ecovadis.com)) sustainability platform. The assessment evaluates the gap between the aspirations outlined in the principles of the UNGC and the current status of actions taken in each Belron business. It provides a benchmark against other organisations and a scorecard which identifies opportunities for improvement.

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.

By the end of 2016 all of the Belron businesses had been assessed at least once. As of the end of March 2017, ten businesses have a gold rating; ten a silver rating and three bronze. Carglass Finland, which has recently been acquired, has not yet been assessed and the Belron business in Turkey is currently only a point off reaching a bronze rating. Overall the Belron Group is performing in the top 9% of the 30,000+ companies assessed by Ecovadis and our aim is to be in the top 2% (gold-rated across the board) by 2020.

The assessment, benchmarking and gap analysis process has delivered real engagement in many of our businesses along with clear actions and targets for improvement in a business area which is not always easy to grasp. This is evident in that four of our businesses improved their performance from bronze to silver and three businesses from silver to gold. With our 2020 we aim to ensure that CSR thinking is integrated into everything we do and to build it into the working processes of our people.

The two biggest opportunities for improvement identified are:

- every business to have a clearly defined policy covering all aspects of our impact on the environment, along with actions to improve on the priority areas and;
- implement a better process for engaging suppliers on the sustainability journey and ensure that they are aligned with the Belron Code of Ethics - Our Way of Working

In July 2016 we held a workshop for all our CSR ambassadors across the businesses where we reviewed progress against the original CSR benchmarking strategy communicated in 2015. The agenda included the sharing of good practices and working on common opportunities for improvement. This was followed up with a webinar with the delegates to assess the impact of the workshop. We also had individual consultations with the businesses to review progress, share actions and stimulate engagement. We will hold another workshop in the summer of 2017 to keep the momentum going and in particular to widen the engagement within the businesses and across functions.

During 2016 we carried out a full review of the Belron Code of Ethics - Our Way of Working with input from our businesses as well as an external review by the Institute of Business Ethics ([www.ibe.org.uk](http://www.ibe.org.uk)). We firmly believe that our purpose and spirit combine to create a genuine way of working which is fundamental to who we are and how we operate. This guides the way we do business and acts as reference point when decisions are made and ensures that we do the right thing when faced with difficult business dilemmas.

The first phase of this new guide will be for the Belron Senior Leadership Group across the business and aims to:

- reaffirm the principles of integrity, respect and trust;
- provide guidance on behaviours and doing what's right;
- reinforce our culture and the way we do business and;
- stimulate interest, thoughts and conversations around ethical decision making

## **Labour Practices & Human Rights**

### **Assessment & standards**

The aggregated results from the Ecovadis assessment show that the areas of labour practices and human rights, and fair business practices are the highest scoring across the group. These results show that in these areas Belron are in the top 20% of the 30,000+ business assessed by Ecovadis around the world.

Within the process of completing the assessment the business units need to provide their policies, actions and results in relation to their implementation of health and safety policies; working conditions; actions in place regarding discrimination and human rights; employee rights to join collective bargaining organisations and health and safety indicators such as accident rates and hours of training. This process enables our businesses to regularly revisit policies and procedures to ensure they are up to date with all relevant legislation and working practices.

It is imperative that all Belron operations continue to be managed and operated to high ethical standards that protect and support the rights and interests of everyone. All of our people, our contractors and our supplier working conditions are required to be compliant with national legislation and in cases where this is deemed insufficient, with the relevant International Labour Organisation (ILO) Standards.

We make it clear in Our Way of Working that at Belron, any form of discrimination based on race, nationality, religion, age, disability, gender, marital status, sexual orientation, pregnancy, union membership or political affiliation is unacceptable. We have policies and procedures in place should such situations arise to deal with them promptly and effectively.

### **People engagement & recognition**

The Belron People Measure, which was successfully launched in 2015, is now live in 20 of the Belron businesses. This is a simple, short pulse survey which randomly selects 25% of our people from each business via text every month. The text asks three questions:

1. On a scale of 1-10 how was work for you over the last month?
2. What was good about it?
3. What could have been better?

The results of each survey are reviewed with action taken wherever possible. The results are also shared across each participating business showing what the response rate was; the average score and the verbatim comments from questions two and three. The survey enables us to have a regular update on how our people are feeling and to take action if necessary. A couple of our businesses saw record engagement scores during this last reporting year. This pulse survey, along with a number of other activities in support of 12 specific areas that we know drive engagement help us towards our aspiration of being 'the best place you will ever work'.

An example of this on-going aspiration is the Belron business in Portugal was ranked in the top 100 best companies to work for in Portugal at the AESE (Associação de Estudos Superiores de Empresa) Business School Best Companies to Work For 2016 Awards. The business was shortlisted from 45,000 entries for the award which recognises companies that have a good organisational climate and stand out for their responsible behaviour towards their people and society.

Carglass® Portugal is a clear example of our organisational climate, where people feel like they belong to a family. With excellent initiatives aimed at nurturing this spirit, Carglass® Portugal also presents methodologies and tools for actively listening to its people for continuous improvement and development.

The Belron Exceptional Customer Service Awards continue to be a great success in recognising our everyday heroes. These are Belron people who are providing exceptional services to our customers throughout the year, and sometimes saving lives too. In 2016, a record 76 Belron people were nominated from 21 of our businesses. Their inspiring stories of passion, dedication and commitment to outstanding service included:

- 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
- outstanding 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

### **Communicating**

As a Group, we continue to create working environments in which everyone feels valued and can be heard. We are constantly creating a culture of communication with all our people using newsletters, the intranet, workshops, forums and social media where appropriate.

Every Belron business unit respects the right of all their people and contractors to be involved in trade unions or collective bargaining arrangements. We engage directly with our people through well-developed communication programmes, but we ensure that we as a business and our suppliers uphold the freedom of association and the effective recognition of the right to collective bargaining.

One of the Belron centrally facilitated communication programmes is the annual European Social Structure meeting. The 2016 meeting - held in Budapest, Hungary - had representatives from nine of the European Belron businesses. This forum enables the representatives to give specific feedback and ask questions put forward by their internal people forums. At the meeting the representatives also received a business overview and update on the main financial figures and the development of the Group over the year. The new Belron Purpose statement and strategic vision was also shared.

**Supplier partnerships**

Through Our Way of Working and our CSR benchmarking programme we have systems in place to ensure that the Articles of the United Nations Universal Declaration of Human Rights are assessed, prioritised and implemented as they apply to our sphere of influence. This means that in no instance will, inhumane treatment of our people or those in our supply chain be acceptable including any form of forced labour, physical punishment or other abuse.

Belron outlaws the use of child labour in any form. We do not employ anyone below the age of 16 or the local legal minimum employment age should this be different in a country we operate in. We will not use suppliers who use child labour in any manner.

We continued during 2016 to take meaningful steps on improving the management of our suppliers. Our Procurement Team has been developing an efficient way of assessing suppliers' adherence to the Belron Supplier Code of Conduct. The process now being implemented supports our purchasers to identify and categorise the risk associated with their suppliers. Using a web-based system to address the adherence and where necessary, carry out assessments and audits to check compliance and effectively manage the risk.

The system enables users to produce reports easily, allowing our 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.

In addition to these actions taken to improve the management of our suppliers, we have a cross-functional team in place to assess how best to address modern slavery. The team is made up of specialists from Procurement, Legal, Health & Safety and Corporate Responsibility. In response to the Modern Slavery Act 2015, Belron International and Belron UK will be publishing their statements in June 2017 setting out our approach to addressing the risk as well as our due diligence process.

**Environment****Reducing the impact of our fleet**

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 approximately €50M 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.



Since the last Communication on Progress, we have also continued to undertake further specific actions to minimise our impact on the environment. These include:

- move our glass recycling centre from the UK to Belgium where 100% of the vehicle glass is recycled and not just 90%;
- approve the investment in a second recycling centre in the US so that we can recycle the glass in the East and West of the country;
- increase the centralisation of glass recycling across Europe, using reverse logistics to minimise the environmental impact of local recycling trucks and improve the efficiency and control of central recycling processes;
- continuing to deploy electric vehicles in France and piloting electric vehicles in other countries across Europe to establish the case for implementation;
- evaluating the opportunities for LPG and hybrid vehicles in our US market where use of electric vehicles is not yet possible and;
- through our group environmental impact reporting, increasing the engagement within the business to reduce the overall carbon footprint per job

In 2017 our main focus will be to continue the deployment of electric vehicles within our fleet to replace diesel vans in areas of high population density. We will also focus on increasing driver engagement in reducing fuel consumption and improving driver safety.

### **Anti-corruption**

We are explicit in Our Way of Working that offences such as bribery and corruption are not tolerated within the business. Belron itself will not accept or offer money to induce favourable treatment for Belron, for example, accepting money from or donating money to any employee of a government organisation or a government official. Similarly, we do not tolerate any such activity by our people or by those with whom we do business.

Our CSR benchmarking programme results show that our approach to fair business practices places us in the top 13% of businesses across the world using the Ecovadis platform. Each of our businesses is assessed on the policies, actions and results in relation to anti-bribery and corruption, conflict of interest, fraud, money laundering, anti-competitive practices, truthfulness of marketing and advertising messages as well as data protection and privacy.

All Belron people, contractors and external parties are encouraged to raise any genuine concern about any suspected misconduct or malpractice, including bribery, facilitation payments, extortion and money laundering provisions, ethical misconduct or any perceived infringement of their rights through their line manager or someone within the People and Leadership team. If for any reason they feel unable to do that our Speak Up line, provided and managed independently by Expolink, is available in all our business languages for them to use. All concerns are properly investigated in a fair

and effective manner and we have mechanisms in place to ensure that no form of retaliation or reprisal for reporting suspected infringements takes place as a result of any raised concern.

During 2016 the Speak Up line received 21 calls from our people either reporting an incident or making an enquiry. Each call is reported to a Belron central team who work with the in-country Executive management to follow up all concerns raised. The Speak Up line continues to be an effective system for Belron people and the business as a whole.

Our legal team provides training and awareness to all our businesses on anti-corruption law and our anti-corruption policies to ensure that we continue to compete fairly and in compliance with all applicable anti-bribery laws.

**Making this report available to all stakeholders:**

Our Communication on Progress is available through our internal intranet and on our external websites <http://www.belron.com/aboutus/whatwestandfor/> and [www.belronethics.com](http://www.belronethics.com).

View the Belron activity report as part of the D'leteren Annual Report 2016

<http://www.dieteren.com/en/newsroom/annual-report/2016>

APPENDIX

**United Nations Global Compact**

**Communication on Progress**

**Policies & Procedures in place against the Ten Principles**

		<b>Policies &amp; Procedures in place</b>
	<b>Human Rights</b>	
1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Belron Code of Ethics - Our Way of Working (available in all the Belron business languages) Ethics on-line portal ( <a href="http://www.belronethics.com">www.belronethics.com</a> ) Our Way of Working awareness training sessions Supplier audit programme
2	Businesses should make sure they are not complicit in human rights abuses	International Speak Up line available in all Belron business languages Supplier Code of Conduct Ecovadis CSR benchmarking assessment for all corporate businesses Modern Slavery Statements (Belron International & Belron UK) - available June 2017
	<b>Labour</b>	
3	Businesses should uphold the freedom of association and the effective recognition of the rights to collective bargaining	Belron Code of Ethics - Our Way of Working Ethics on-line portal Our Way of Working awareness training sessions Supplier audit programme
4	Businesses should support the elimination of all forms of forced and compulsory labour	International Speak Up line available in all Belron business languages Supplier Code of Conduct
5	Businesses should support the effective abolition of child labour	Employee Forums and Works Councils active within business units European Works Council (annual meeting) Health & Safety training for central offices employees and specific training for technician population
6	Businesses should support the elimination of discrimination in respect of employment and occupation	Human Resources policies and procedures in place to ensure employee well-being Global employee recognition programmes in place Ecovadis CSR benchmarking assessment for all corporate businesses
	<b>Environment</b>	
7	Businesses should support a precautionary approach to environmental challenges	Carbon footprint reporting tool across all our corporate business units to support them in managing and reducing their carbon footprint Centrally developed best practice environmental policy Annual reporting of carbon footprint to GRI indicators within parent company shareholders report
8	Businesses should undertake initiatives to promote greater environmental responsibility;	Adoption of Ecovadis platform as an external measure of progress Reporting template to compare branch product carbon footprint with the mobile products Benchmarking tool to identify opportunities to reduce building related energy and the associated carbon footprint Sharing of best practice for use of reverse logistics to centralise disposal of waste
9	Businesses should encourage the development and diffusion of environmentally friendly technologies	Centralised evaluation of suppliers' CSR credentials to promote great responsibility within the supply chain Template to comply with the European Energy Directive Ecovadis CSR benchmarking assessment for all corporate businesses

	<b>Anti-corruption</b>	
10	Businesses should work against corruption in all its forms, including extortion and bribery	<p> Belron Code of Ethics - Our Way of Working  Ethics on-line portal (<a href="http://www.belronethics.com">www.belronethics.com</a>)  Our Way of Working awareness training sessions  Supplier audit programme  International Speak Up line available in all Belron business languages  Supplier Code of Conduct  Russia anti-corruption policy  Key principles Anti-Competitiveness  Anti-Competitiveness online training module  Anti-Bribery policy  Risk Management Programme  Ethical Conduct Programme  Ecovadis CSR benchmarking assessment for all corporate businesses </p>