



GBL

Groupe Bruxelles Lambert

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1. Our management approach

1.1 Our commitment

As a patrimonial and engaged investor, GBL believes that responsible management is key to ensure the best interests for its stakeholders, by seeking sustainable growth of its portfolio assets and ultimately long-term value creation.

While GBL's primary focus is to carry out profitable and sustainable activities, it also seeks to play a role within the broader society in which it operates. GBL's responsible management approach consequently aims at benefiting to all stakeholders.

1.2 Our responsible management approach

As an investment holding company, GBL has adopted a twofold approach to its responsible management:

- GBL as a responsible company:**
 In spite of its non-material direct impact from an environmental and social standpoint (as presented in section 1.4), GBL values ESG responsibility and awareness. The group has a long history of being a responsible employer and consistently demonstrates integrity and strict ethical standards.
- GBL as a responsible investor:**
 GBL's material impact is primarily indirect, i.e. through the companies composing its portfolio. Incorporating ESG factors into its investment analysis, within both the investment process and the portfolio monitoring, will contribute to enhance GBL's investment performance over the long term.

GBL's responsible management approach has thus been structured on each of these levels through (i) the identification of the most relevant stakeholders and (ii) the materiality assessment of ESG factors. GBL's mid-term ESG objectives and related key performance indicators have been defined similarly, as presented in the following sections.

1.3 Stakeholders

GBL's stakeholders have been identified based on their impact in relation to the group's activities and are primarily composed as follows:

Our key stakeholders

GBL as a responsible company	GBL as a responsible investor
<ul style="list-style-type: none"> • Employees • Shareholders • Analysts • Regulator • Communities in which the company is established 	<ul style="list-style-type: none"> • Portfolio companies • Institutional investors

Note: GBL's suppliers are primarily consultants and office supply providers, which are not considered material given the limited volume of transactions.

GBL has an ongoing dialogue with its key stakeholders, notably through the following interactions:

- employees: day-to-day relationships;
- reference shareholders: meetings of the Board of Directors and its specialized Committees;
- GBL's shareholders (whether individual or institutional): general assembly meetings;
- analysts: primarily meetings held after the annual and half-year results;
- institutional investors: roadshows;
- portfolio companies: meetings of the governance bodies, general assembly meetings, roadshows...;
- community: direct engagement particularly through the philanthropic actions;
- regulator: compliance with regulations in force and applicable to GBL.

1.4 Materiality assessment

A materiality assessment has been conducted by GBL, notably based on the group's continuous engagement and interactions with its key stakeholders and their related expectations, to identify the material areas of ESG focus.

Through this materiality assessment, ESG risks are mapped from both perspectives, i.e. at the levels of GBL as a company and as an investor.

Materiality assessment

		GBL as a responsible company			GBL as a responsible investor		
		Environmental	Social	Governance	Environmental, Social and Governance		
Materiality	High risk/Prioritize			<ul style="list-style-type: none"> • Board and management diversity • Corporate governance • Ethics & Integrity 	Subsection 2.1	As a patrimonial and engaged investor focused on long-term value creation in a sustainable manner, GBL embedded ESG responsibilities at all stages of: <ul style="list-style-type: none"> • The investment process • Portfolio monitoring 	Subsection 3
	Medium risk/Manage		Employee-related matters: <ul style="list-style-type: none"> • Diversity and inclusion • Training and development 		Subsection 2.2		
	Low risk/Monitor	GBL considers its impact on the environment as non-material as a result of: <ul style="list-style-type: none"> • No production or distribution activities • A limited headcount of around 50 people 	Subsection 2.3	<ul style="list-style-type: none"> • Community involvement • Human rights 		Subsection 2.2	

1.5 Reporting framework

GBL's choice of reporting frameworks mirrors the twofold responsible management approach described in section 1.2.

GBL as a responsible company	GBL as a responsible investor
<p>The non-financial reporting is inspired by the United Nations Global Compact framework ("UNGC"), which GBL formally committed to in 2018. Adhering to the UNGC and its 10 principles (covering human rights, labour, environment and anti-corruption) allowed GBL to cover all general areas that could be impacted by its activities.</p> <p>This report has been prepared in accordance with the Global Reporting Initiative Standards ("GRI"): Core option (refer to page 78 and 79 for the GRI content index).</p>	<p>Having a long-term and through-the-cycle approach to investing, GBL recognizes the importance of ESG factors in its investment decisions and portfolio monitoring. The UN Principles for Responsible Investment ("UNPRI") thus constitute an appropriate and inspiring framework for GBL as its set of principles allow ESG issues to be incorporated into investment practices.</p> <p>GBL is a signatory to the UNPRI since 2018 and will report under this framework for the first time on its reporting period covering 2019.</p>
Reporting detailed in Section 2	Reporting detailed in Section 3

GBL's statutory auditor, Deloitte, performed a review of the non-financial information as disclosed in the sustainability report and verified that it includes all the information required by article 119, § 2 of the Companies Code, which became article 3:32, §2 of the Code on companies and associations on January 1, 2020, and is in accordance with the consolidated financial statements for the financial year ended December 31, 2019. Deloitte do however not express any opinion on the question whether this non-financial information has been established in accordance with the internationally recognised frameworks mentioned in the directors' report on the consolidated financial statements. PwC has provided ISAE 3000 limited assurance on GBL's assertion that the Annual Report 2019 meets the requirements of the GRI Standards (Core Option). PwC's assurance opinion is available upon request.

1.6 Key performance indicators

GBL's management approach entails the measurement and monitoring of its ESG actions through key performance indicators ("KPIs"). Those KPIs are derived from the group's mid-term ESG objectives, which are structured since 2018 over a 3-year period and approved by GBL's Board of Directors. New objectives related to the 2020-22 period have been approved by the Board of Directors of March 11, 2020.

These mid-term objectives follow the twofold approach presented in section 1.2. The KPIs monitored by GBL (i) as a responsible company are presented in section 2 page 67 and (ii) as a responsible investor in section 3 page 71.

1.7 Responsibilities

CEO and Board of Directors

The Board of Directors reviews and approves the ESG strategic orientations, performance and reporting, whilst:

- the CEO is responsible for the monitoring of the compliance with the ESG Statement through a yearly assessment of the performance and efficiency of the actions undertaken to pursue GBL's long-term commitments and objectives; and
- the Audit Committee reviews and assesses on a yearly basis the risks inherent to GBL, including the ESG-specific risk assessment performed as part of the portfolio monitoring process (see section 3).

ESG Lead

The formal responsibility for ESG matters has been delegated to the General Secretary who is the assigned "ESG Lead". GBL believes however that, in addition to giving the tone at the top, proper ESG integration requires widespread workforce engagement, as corporate culture is key in order to ensure alignment with the group's strategy.

The Board and ESG Lead are therefore supported by all corporate functions, primarily:

- the investment team in charge of deploying GBL's ESG approach as a responsible investor at each stage of the investment cycle;
- the communication team; and
- the legal and human resources departments in charge of social and governance matters at GBL level.

1.8 Policies

As a long-term and listed investor, GBL has developed (i) an ESG Statement, (ii) a Diversity & Inclusion Policy, (iii) a Code of Ethics and (iv) a Corporate Governance Charter (the "Charter").

- The ESG Statement reflects the core values that guide GBL and the CEO on environmental, social and governance issues. It presents the commitments and implementation guidelines regarding all three ESG pillars.
- The Diversity & Inclusion policy supports and facilitates a diverse and inclusive environment that embraces differences and recognizes their benefits. These differences can be notably age, gender, sexual identity and orientation, disability, ethnicity, and cultural and religious backgrounds.
- The Code of Ethics provides guidance in conducting business activities in accordance with the highest legal, ethical and professional standards. It is made available to all employees and the Directors, and notably covers compliance, responsible management, conflicts of interest, anti-corruption and anti-bribery, relations with third parties, respect at work and non-discrimination.
- GBL has adopted the Charter (as referred to in page 177 of the Governance section) that brings together all of the company's corporate governance rules and particularly the principles governing the conduct of GBL's Directors and its specialised Committees, as well as these bodies' operating rules. This document also includes the Dealing Code, which defines the rules applicable to transactions in GBL shares.

GBL is committed to responsible and transparent communication towards its stakeholders. The ESG Statement, The Diversity & Inclusion policy, The Code of Ethics and the Charter are available on its website and form the reference framework applicable to GBL and its holdings. GBL employees are regularly updated on the group's policies.

1.9 Scope

GBL's ESG approach described in this section applies to Groupe Bruxelles Lambert and its subsidiaries:

- whose principal activities are investing, reinvesting, owning, holding, managing or trading in shareholdings in other companies, or proposing to do so, and/or engaging in treasury management activities;
- other than Sienna Capital's direct or indirect subsidiaries; together being the "GBL Group" or "GBL".

This consequently excludes from the considered scope (the "ESG Scope"):

- the companies within GBL's portfolio (whether controlled or not);
- the investment fund managers into which Sienna Capital invests; and
- the companies into which Sienna Capital co-invests.

Those companies identify and address their ESG impacts and associated risks within the framework of their own internal control.

Section 3 hereafter provides an overview of the key sustainability commitments of GBL's portfolio companies, and notably their long-term vision and strategy.

We highlight the fact that the Directive 2014/95/EU on non-financial reporting (transposed into the Belgian law of September 3, 2017) covers the GBL Group and its consolidated operating activities (detailed in page 116). As the consolidated operating activities are excluded from the ESG Scope (see above), please refer to their own ESG analysis and reporting on their website:

Imerys "Sustainable Development" on www.imerys.com
ECP III www.ergoncapital.com/strategy.php
Webhelp www.webhelp.com/en-be/about-us/social-responsibility



Sustainability report

2. A responsible company

2.1. Governance

a) Board and management diversity

Commitment

GBL is committed to the proper application of the corporate governance provisions. GBL strives to apply the principle of diversity to the composition of its governance bodies and this notwithstanding the presence of a controlling shareholder. Therefore, with regards to the selection of new Directors and management, GBL applies diversity criteria and does not tolerate discrimination of any kind.

Implementation

For some years now, GBL has gradually strengthened the presence of women in its Board of Directors which counts six women out of a total of eighteen members. GBL thus respects the quota of a third of its Directors of a different gender that of the rest of the Board required by the law of July 28, 2011, which aims at ensuring diversity within the Boards of Directors of listed companies.

The company also strives to ensure that members of the Board of Directors and the management have various complementary backgrounds in the financial, industry and services sectors and from the national and international academic world. The composition of the Board of Directors and the profiles of its members are detailed in the Governance section in page 178 to 185.

In addition, the Board of Directors ensures the presence and contribution of independent Directors in sufficient number and quality, thus ensuring the respect of all shareholders' interests.

GBL has otherwise also rejuvenated its Board of Directors in recent years, with the average age of Directors falling from 64 years (end of 2013) to 59 years (end of 2019).

b) Corporate governance

Commitment

GBL believes that sound corporate governance is essential to be able to generate long-term sustainable returns and is committed to the highest standards of governance. Responsibility for ESG has been assigned to the Board of Directors, which supervises the implementation of the ESG Declaration on the basis of the annual report prepared by the ESG Lead.

The rules of conduct for the members of GBL's Board of Directors and of its specialised Committees, as well as the rules governing the functioning of these bodies, are laid out in the Charter (see page 177).

Implementation

Attesting of GBL's priority given to a sound and strong corporate governance, the Board of Directors assesses its own performance every three years based on an individual questionnaire. This questionnaire concerns the size, composition and collective performance of the Board of Directors, as well as the actual contribution of each Director and the Board of Directors' interaction with the CEO. Furthermore, the non-executive Directors meet annually, in the absence of the CEO, to review their interaction with the management.

c) Ethics & Integrity

Commitment

GBL is committed to carrying out its business ethically and in accordance with all applicable laws. This includes the prohibition on the use of illegal practices, including bribery, corruption and market abuse to obtain or retain a commercial advantage.

GBL's core values and business principles are specified in the Code of Ethics which further indicates to whom all employee can refer to should any question or insecurity arise. The Code of Ethics indicates limits and elements to be considered for the full compliance to local regulations as well as anti-corruption practices supported by the group.

Implementation

Ethics and integrity are embedded into GBL's day-to-day activities as reflected by the following actions:

- GBL monitors that all employees and Directors are given access to the ESG Statement, the Diversity & Inclusion Policy, the Code of Ethics and the Charter. Yearly training courses are organized for all employees to (i) raise their awareness to GBL's corporate values and related anti-corruption practices and (ii) require them to comply with these policies. In 2019, no incidents related to corruption were reported with regards to GBL and its employees;
- a whistleblowing process is in place within GBL. All the employees can exercise their right to report in a secure manner a violation (actual or potential) of the Code of Ethics. The reporting is confidential and without any retaliation risk;
- with regards to conflicts of interest, GBL's policy is detailed in pages 196 and 197 of the Governance section;
- any invitation or gift offered or received should remain within acceptable limits in accordance with current practice;
- GBL does not make any political contributions and is not involved in lobbying activities;
- GBL complies with the General Data Protection Regulation, a dedicated European regulation entered into force on May 24, 2018. The group ensures that the personal data is protected and that employees receive periodic training.

2.2. Social

a) Employee-related matters

Commitment

GBL has a headcount of around 50 people. This allows dialogue to be based on proximity and trust between the management and the employees.

As an employer, GBL believes that value creation derives, among other things, from its ability to attract and retain talented people with diverse gender, backgrounds and skills and adhering to GBL's ethical values. These talented people are a key asset for GBL as an investment holding company.

GBL commits to the following principles:

- creating a positive and long-term working relationship with its employees;
- providing a diverse and inclusive workplace in which people are treated with mutual respect and dignity as well as fairly;
- providing equal opportunities in employment, appointment and advancement based on appropriate qualifications, requirements and performance;
- ensuring a safe and healthy workplace environment, free from all forms of discrimination.

Implementation

GBL's commitment is overseen by the CEO and the Human Resources department. The group strives to create an environment where people are valued, supported and empowered to be successful both personally and professionally. This involves conducting half-year assessments where the development opportunities and career objectives of each employees are discussed and reviewed. Furthermore, GBL gives all individuals the resources to develop their expertise and leadership skills, by supporting and providing training opportunities for its employees' professional development.

All GBL's employees are covered by a collective bargaining agreement.

Furthermore and when feasible, GBL outsources some services to organizations employing people with disabilities.

b) Community involvement

Commitment

GBL is convinced that it can be successful as a business and create shareholder value only if it seeks to serve all of its stakeholders. This involves conducting the business in a way that benefits the communities where GBL is established.

Implementation

In 2019, GBL has set up a new philanthropy policy targeting projects developed in Belgium and articulated around the following three pillars:

- Education
- Health
- Environment

To complement it, GBL created a Philanthropy Committee in 2019 to select the supported projects. GBL employees had the opportunity to present projects that are analyzed and reviewed by the Philanthropy Committee.

<p>2019 Launch of GBL's new philanthropy policy and Committee</p>	<p>EUR 1.8 million allocated in 2019 vs. EUR 1.4 million in 2018</p>	<p>57 projects supported in 2019 vs. 67 in 2018</p>
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Illustrations of GBL's community involvement

In the cultural field, Musica Mundi



Recognized internationally, the association Musica Mundi organizes every summer since 21 years an international chamber music workshop and festival de chambre for young musicians being between 10 and 20 years old.

In 2018, the association has inaugurated its school, the Musica Mundi School, enabling young musicians to pursue their professional musical training and general studies simultaneously; a unique pedagogical formula in Western Europe. The school opened its doors in September 2018 with 25 young musicians being selected. For the 2019-2020 academic year, the school has accepted, upon audition, 11 additional students to reach a total of 36. In May 2019, the students took part - for the first time - to the official Cambridge exams and performed regularly throughout the year in public and private concerts.

GBL has been supporting Musica Mundi since 2008. GBL's Philanthropy Committee has decided to continue supporting the association in 2019.

In the educational field, DUO for a JOB

Launched at the end of 2012 in Brussels, DUO for a JOB is a social start-up offering free, effective and personalized support to young jobseekers from a migrant background by offering them the opportunity to form a duo for 6 months with experienced volunteers being over 50 years old. Thanks to this intergenerational and intercultural mentoring programme, the association has since then created 2.500 duos with 3 out of 4 young people finding a positive solution within 12 months and 9 out of 10 mentors starting a new accompaniment. The association is active in Brussels, Liège, Antwerp and Ghent, and aims at opening new branches in the coming years to offer its services to more and more people.

In 2019, GBL's Philanthropy Committee decided to support the DUO for a JOB initiative.

In the environmental field, RHEA

Since 2013, the RHEA research centre has been working on the adaptation of agroecological principles to the field realities of several farms in Belgium on the basis of agroecological management contracts for their farms.

In this context, RHEA has the ambition to launch a project of "support to the transition of Walloon farms to agroecology". This project will precisely allow to change scale and to undertake a transition program of Walloon farms on the whole territory of the region. The objective of the project is to play a key role as a pilot and catalyst in the important area of developing agroecology to ensure healthy food for the future.

For the first time in 2019, GBL, through its Philanthropy Committee, is supporting RHEA in this environmental approach.

c) Human rights

Commitment

As a matter of principle, respect for human rights has always been embedded into GBL's responsible management philosophy. The whole of the company must defend this commitment. Direct and indirect human rights impacts are considered during dealings with business partners, where material and relevant.

GBL's commitment to respect human rights is defined in its ESG Statement, its Diversity & Inclusion Policy and its Code of Ethics, includes compliance with all applicable laws, and the group endeavours to support and respect internationally proclaimed human rights.

Implementation

As a diversified investment holding company, GBL recognizes the role it can play in supporting and respecting the universal protection of human rights. It believes that respecting and protecting human rights is fundamental to creating long-term sustainable value.

Implementation efforts at group level include raising awareness of all employees with regards to corporate values and related human rights aspects, including freedom of speech and opinion, paying fair compensation, and absence of discrimination.

2.3. Environment

Commitment

As highlighted in the materiality assessment section (detailed in page 62), GBL has a non-material direct environmental impact.

In spite of this non-material environmental footprint, GBL recognizes its role in:

- promoting environmental values in its operations and in limiting any negative impact within its own scope; and
- acting as a professional investor by embedding in its investment cycle all ESG aspects and notably the environmental one at the level of the portfolio, as described in section 3.

GBL is committed to complying with applicable environmental laws and regulations, and to address and assess, where relevant and applicable, the foreseeable environmental impacts associated with its activities.

Implementation

Over the years, GBL has focused its efforts on resource conservation, energy efficiency and waste management. As a responsible company, GBL remains committed to continually reducing its low direct impact on the environment and at the level of portfolio companies, GBL supports the environmental management initiatives (as described in section 3). In addition, GBL promotes leading energy efficiency and waste management practices at its head office. As an illustration, its premises have been fully renovated to reduce their energy consumption

In spite of its non-material environmental impact, GBL aims at minimizing its carbon footprint as a way to contribute to the global effort and act as an example vis-à-vis its portfolio companies. In this context, GBL will start, as from 2020, to assess its carbon emissions with the objective to offset it.

Finally, all GBL employees are expected to be mindful of the environmental impact of the company and to respect the commitments made in this area. Through its commitment in an environmental approach, the group raises the awareness of its employees by promoting ecological gestures such as the usage of water fountains and the reduction and / or the recycling of paper at the office.

2.4. Key performance indicators

GBL as a responsible company

UNGC Principle	KPI	Objective	2019	2018
	Governance			
	a) Board and management diversity			
	% of women in the Board of Directors	33	33	33
	Directors have various complementary backgrounds in the financial, industry and services sectors and from the national and international academic world	yes	yes	yes
	# of independent Directors in the Board of Directors	5	5	5
	Average age of Directors		59	59
	% of Directors under 30 years old		0	0
	% of Directors between 30 and 50 years old		28	22
	% of Directors over 50 years old		72	78
	b) Corporate governance			
	% of independent Directors in the Audit Committee	50	60	60
	The chair of the Audit Committee is held by an independent Director	yes	yes	yes
	% of independent Directors in the Nomination, Remuneration and Governance Committee	50	60	60
	c) Ethics & Integrity			
10 Business should work against corruption in all its forms, including extortion and bribery.	A yearly training course is organized for all the employees	yes	yes	yes
	# of confirmed incidents of corruption	0	0	0
	# of confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
	# of confirmed incidents when contracts with business partners were terminated or not renewed due to violation related to corruption	0	0	0
	# of public legal cases regarding corruption brought against the organisation or its employees	0	0	0
	# of reports received through the whistleblowing process	0	0	0
	Social			
	a) Employee related matters⁽²⁾			
3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining ⁽¹⁾ ;	Average workforce (full time equivalent)		48.2	46.9
4 the elimination of all forms of forced and compulsory labour;	% of women (full time equivalent)		39.8	44.3
5 the effective abolition of child labour; and	% of permanent contracts at year-end		96.1	97.7
6 the elimination of discrimination in respect of employment and occupation.	Average number of training hours per employee		12.5	14.4
	% of employees receiving regular performance review		100	100
	% of employees with higher (university/graduate level) education background at year-end		83.5	82.4
	Employee turnover excluding retirements (in %)		10.0	16.5
	# of interns during the year (full time equivalent)		1.7	1.9
	# of nationalities		8	6
	Average age of employees		41.8	42.6
	% of employees under 30 years old		15	21
	% of employees between 30 and 50 years old		63	51
	% of employees over 50 years old		22	28
	b) Community involvement			
	Total contributions (in EUR million)		1.8	1.4
	Number of supported projects		57	67
	c) Human rights			
1 Business should support and respect the protection of internationally proclaimed human rights; and	All employees and Directors have access to the ESG Statement, the Diversity & Inclusion Policy, the Code of Ethics and the Charter		yes	yes
2 make sure they are not complicit in human rights abuses.				
	Environment			
7 Business should support a precautionary approach to environmental challenges;	As a holding company without any production or distribution activities and a limited headcount around 50 people, GBL does not have a material direct environmental impact, and consequently does not have environmental KPIs.			
8 undertake initiatives to promote greater environmental responsibility; and				
9 encourage the development and diffusion of environmentally friendly technologies.				

(1) GBL respects the right of employees to enter into an association. The group has no works council given that the regulatory thresholds are not met.

(2) KPIs computed based on Groupe Bruxelles Lambert and its subsidiaries as defined in section 1.9 Scope (see page 63 for more information).

Sustainability report

3. A responsible investor

3.1. Commitment

As a patrimonial and engaged investor, GBL believes that effective management of ESG aspects by portfolio companies can have a positive impact on their long-term performance and their ability to create value in a sustainable manner. GBL consequently embeds ESG at all stages of its investment process and portfolio monitoring.

	Investment process	Portfolio monitoring
Commitment	<ul style="list-style-type: none"> Positive impact on the company's long-term performance through sustainable value creation 	
Objectives	<ul style="list-style-type: none"> Understand the Target's ESG risk and related mitigation processes Assess whether the investment opportunity is in line with GBL's ESG approach and commitments 	<ul style="list-style-type: none"> Identify material risks and potential opportunities from an ESG perspective Following-up on action plans defined by the portfolio companies to mitigate the identified ESG risks and ultimately to strengthen their operational performance Ensure that the portfolio companies remain aligned with GBL's ESG approach and commitments
Methodology	<ul style="list-style-type: none"> Negative screening aimed at excluding companies not aligned with GBL's responsible management philosophy Positive screening of investment opportunities consisting in identifying and assessing ESG related tailwinds as part of the analysis of the investment criteria 	<ul style="list-style-type: none"> Engaged ownership approach of GBL vis-à-vis its portfolio companies Direct engagement with the governance bodies of the portfolio companies on ESG matters
Tools	<ul style="list-style-type: none"> Due diligence by third party ESG specialists Research reports provided by tier 1 ESG-rating providers 	<ul style="list-style-type: none"> Formal engagement with the Boards of Directors of GBL's portfolio companies, through the Compliance questionnaire In-depth risk assessment of portfolio companies

3.2. Implementation within the investment process

GBL incorporates the analysis of ESG aspects into its investment process with the aim to identify companies with sustainable business models over the long term. GBL believes that ESG compliance and commitments are drivers of sustainable growth and ultimately of long-term value creation for any company, and consequently contribute to maximizing its investments' performance over the long run.

GBL conducts into in-depth analysis of new investments notably under the ESG angle as part of GBL's strategic investment criteria (refer to pages 16 and 17 of the Strategy section), with the aim to identify risks as well as opportunities.

In terms of ESG risk assessment, negative screening is conducted with the aim to exclude companies that do not comply with GBL's responsible management philosophy, including its Code of Ethics and its ESG Statement. In this context, GBL will ascertain whether practices in relation to environmental, social and governance responsibility are consistent with international standards.

Positive screening of investment opportunities consists in taking into account ESG-related tailwinds forming part of GBL's investment mandate (as described in page 12 of the Strategy section).

Both screenings are based on due diligence work carried out by third party ESG specialists, as well as on research reports provided by independent tier 1 ESG-rating providers. Due diligence scope varies according to the business nature of the considered investment target and may include:

- from an environmental perspective: Resource efficiency, pollution prevention and management, ecosystems and biodiversity, climate change, environmental supplier and procurement standards, environmental product responsibility, etc;
- from a social and governance perspective: Labor rights and working conditions, human rights and livelihoods, social supplier and procurement standards, business ethics and governance, customer and product responsibility, etc.

GBL thus invests in companies that share its principles and commitment with regards to the imperative need to behave responsibly and ethically as well as serve the whole of the community.

3.3. Implementation within the portfolio monitoring

GBL has an engaged ownership approach in the companies in which it invests and ensures through a direct engagement with their governance bodies that they are managed in a manner consistent with its responsible management philosophy, including its Code of Ethics and its ESG Statement.

Each portfolio company remains responsible for developing its own ESG policies, programs and key performance measures. This is monitored by GBL's investment team as part of the asset rotation guidelines (refer to page 16 of the Strategy section). GBL believes, however, that it is necessary to promote common guidelines on responsible management within its various shareholdings.

In case of an incident arising at the level of a portfolio company and being reported to GBL through its governance bodies, monitoring would be ensured by GBL's representative(s) within the relevant governance body, with the assistance of the relevant advisers. Any significant incident would be discussed, reviewed and monitored by the relevant reporting levels at GBL (including the CEO, the Chief Legal Officer and the Head of Investments). This escalation process was followed for the Syrian case which arose in 2016 in relation to LafargeHolcim.

In order to monitor appropriately its portfolio from an ESG perspective, GBL conducts on a yearly basis an in-depth risk assessment focusing on its portfolio companies.

This risk assessment, whose process is detailed in chart in page 70, has been structured by GBL to combine information from third-party ESG-rating reports and market data with proprietary data derived from (i) GBL's in-house Compliance questionnaire (see page 69 for covered areas) and (ii) the knowledge and expertise of GBL's investment team on the portfolio companies and, more generally, their sectors.

On that basis, GBL's ESG risk assessment does cover a wide scope of ESG factors including:

- from an environmental perspective: Resource efficiency, pollution prevention and management, ecosystems and biodiversity, climate change, environmental supplier and procurement standards, environmental product responsibility, etc;
- from a social and governance perspective: Labor rights and working conditions, human rights and livelihoods, social supplier and procurement standards, business ethics and governance, customer and product responsibility, etc.

This assessment aims at identifying, for each portfolio company, its key ESG risks, and, if assessed as material, (i) translating them into potential adjustments to the investment theses, (ii) reporting them to GBL's Audit Committee and ultimately to GBL's Board of Directors, and (iii) ensuring their monitoring by GBL's representatives through the governance bodies of the portfolio companies.

GBL's compliance questionnaire

GBL conducts a yearly review of its portfolio to understand and assess the approach followed by the companies to integrate compliance into their internal policy.

Compliance is the process to ensure that a company and its subsidiaries comply with all the standards applicable to them, their employees and executives.

In that respect, GBL has developed a dedicated in-house questionnaire which is communicated to the portfolio companies by GBL's representative(s) in their governance bodies.

The questionnaire is structured around the following pillars:

Compliance culture in the organization	Risk assessment and follow-up	Control activities and process	Monitoring and reporting	Training and communication
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The answers provided by the portfolio companies are analyzed and processed with an independent expert:

- main conclusions are presented once a year to GBL's Board of Directors;
- the information is used as an input data for GBL's ESG risk assessment (see above).

Climate risk's assessment in 2020

As part of its portfolio monitoring, GBL will conduct in 2020 an in-depth analysis from a climate perspective.

This assessment will notably aim at:

- mapping the climate impact and identifying the portfolio's maturity degree on that matter and its exposure to carbon pricing mechanisms;
- understanding the portfolio's exposure to physical and climate transition risks and ultimately feed its ESG risk management process and investment strategies.

Scope of portfolio review applicable to the reporting period ending on December 31, 2019

Companies taken into account in the scope of portfolio review for 2019 are:

- the following portfolio companies: adidas, Pernod Ricard, SGS, LafargeHolcim, Umicore, Imerys, GEA, Ontex and Parques Reunidos;
- Sienna Capital (taking into account the exclusions detailed in section 1.9.).

Specificities related to 2019:

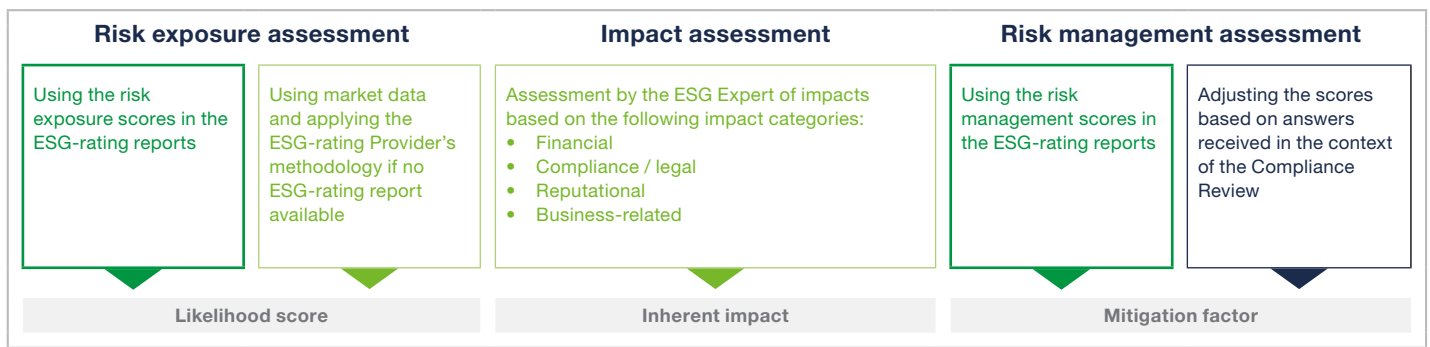
- **Total:** In March and April 2019, GBL entered into forward sales related to 15.9 million Total shares (representing 0.60% of the capital). At maturity of these sales, on January 24, 2020, GBL's ownership in Total was reduced to 0.01%. GBL has thus finalised its exit from the Total group. On that basis, Total has been excluded (i) from the ESG risk assessment and (ii) from the following section dedicated to the ESG commitments of the portfolio companies (those commitments being prospective). For information purposes, the KPIs related to GBL acting as a responsible investor are presented for 2019 by including Total and excluding Total.
- **Webhelp:** The acquisition of the Webhelp group has been finalized in November 2019. GBL specifies the fact that (i) a due diligence notably covering social and data protection aspects has been carried out in the context of the acquisition process and (ii) Webhelp will be included in the ESG risk assessment process from 2020 onwards.

ESG risk assessment

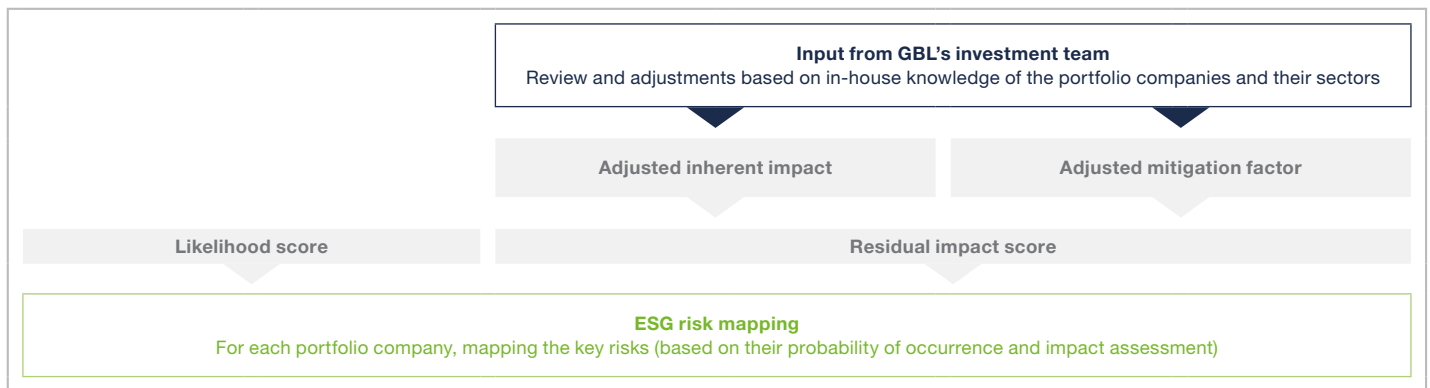
Stage 1 - Data collection



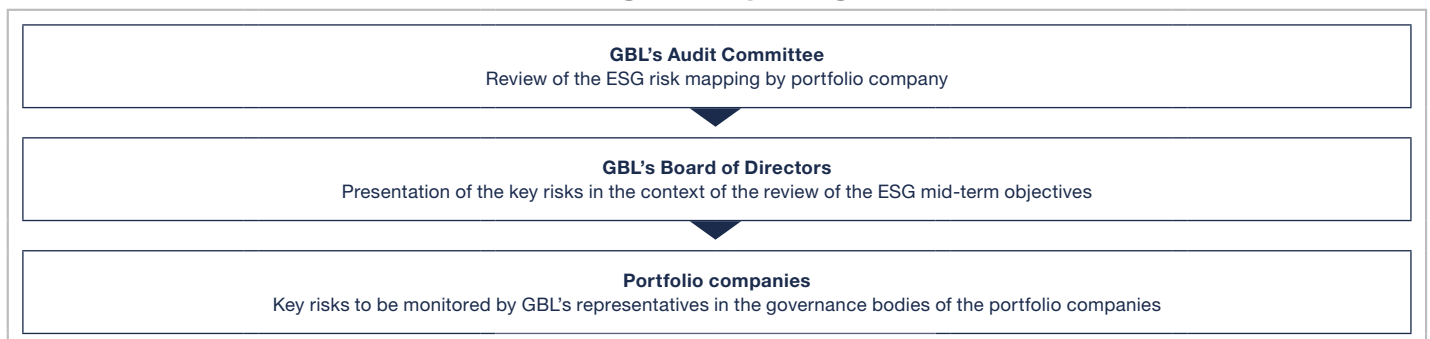
Stage 2 - Initial risk assessment



Stage 3 - Adjusted risk assessment



Stage 4 - Reporting



□ Assessment extracted from the ESG-rating reports

□ Analysis performed by the ESG Expert

□ Actions and analyses performed by GBL

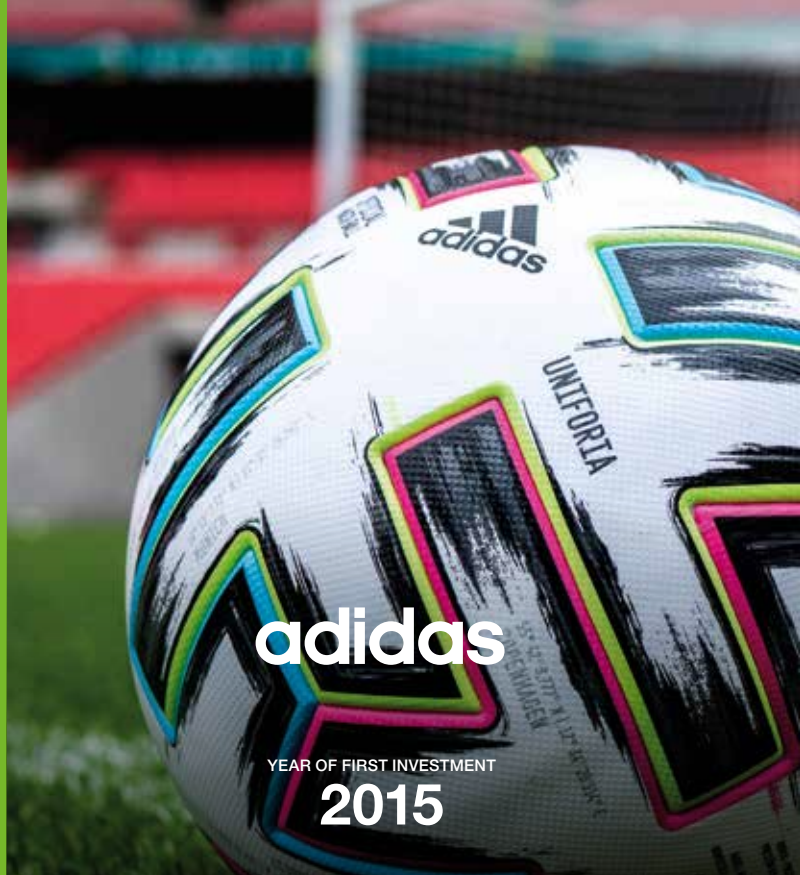
3.4. Key performance indicators

GBL as a responsible investor

	Underlying rationale	Objective	Target	2019		2018
				without Total	with Total	
Training team	GBL believes in widespread workforce engagement to ensure proper integration of its ESG strategy	GBL employees involved in the investment process and portfolio monitoring participate to annual ESG awareness training	yes	yes		yes
Investment process	GBL takes a prudent approach to risk and incorporates the analysis of ESG aspects into its investment process which leads to invest in companies with sustainable business models	% of new investments in private assets, for which an ESG component is included during the due diligence phase	100	100		100
		% of new investments in listed assets, for which ESG research reports provided by independent specialists are consulted and taken into account during the investment decision process	100	n.a.		n.a.
Portfolio monitoring	GBL believes that it is necessary to promote common guidelines on sustainable development and responsible management within its participations. ESG is part of key performance measures tracked by its investment team, alongside other traditional financial indicators	% of portfolio covered by the yearly ESG risk assessment	100	95	91	92
		% of answers received from the portfolio companies with regards to the Compliance questionnaire	100	100	n.a.	100
		Review of ESG positioning of portfolio companies vs. Peers phased over 2020-2022	100	n.a.	n.a.	n.a.
		Climate impact & transition assessment of portfolio companies by a third party in 2020	yes	n.a.	n.a.	n.a.
Calculation methodology: percentages calculated based on the portfolio value and excluding Sienna Capital						
At portfolio companies' level	Portfolio companies (excluding Sienna Capital): GBL requires that practices in relation to environmental, social and governance responsibility are ensured at the level of potential targets and portfolio companies, consistently with the international standards	% of portfolio companies for which an ESG strategy has been defined	100	100	100	100
		% of portfolio companies for which a regular ESG standardised reporting is in place	100	89	90	89
		% of portfolio companies for which the ESG aspects are integrated within annual financial reports	100	89	90	89
		% of portfolio companies for which efficient governance bodies are and remain in place, including the Audit Committee, through which GBL seeks appropriate disclosure on ESG issues by the potential target companies.	100	100	100	10
		% of portfolio companies adhering to the UNGC or equivalent	100	89	90	67
		% of portfolio companies having a whistleblowing system in place	100	100	100	100
		% of portfolio companies having a Code of Ethics and/or Conduct in place	100	100	100	100
		% of portfolio companies disclosing an anti-bribery and/or corruption policy	100	100	100	100
% of portfolio companies for which an employee satisfaction survey is performed	100	89	90	89		
Calculation methodology: percentages calculated based on the number of portfolio companies and excluding Sienna Capital						
Sienna Capital		Sienna Capital to commit to UNPRI by 2020 (with disclosure as from 2022)	yes	n.a.		n.a.
		Sienna Capital funds to commit to UNPRI by 2021 or 2022	yes	n.a.		n.a.
GBL as investor of its portfolio companies	Being an engaged and responsible investor, GBL aims at exercising its influence within the governance bodies and the General Shareholders' Meetings of its portfolio companies. GBL's representatives attend and actively participate in governance bodies' and General Shareholder's Meetings.	% of participation (attendance and vote) by GBL representatives to the Board of Directors meeting of portfolio companies	100	100	100	100
		% of participation (attendance and vote) by GBL representatives to the meetings of the Audit, Strategic and Nomination & Remuneration Committees of portfolio companies (if relevant)	100	100	100	100
		% of participation (attendance and vote) by GBL representatives to the Annual General Meeting of the shareholders of portfolio companies	100	100	100	100
Calculation methodology: percentages calculated based on the portfolio value and excluding companies into which GBL is not represented						

Sustainability report

Key ESG commitments of portfolio companies



As highlighted before, the portfolio companies identify and address their ESG impact and associated risks within the framework of their own internal control. Summarised below are their strategic commitments and objectives in the ESG field.

adidas' commitment to sustainable practices rests on the company's mission: To be the best sports company in the world. Best means that adidas designs, builds and sells the best sports products in the world, with the best service and experience in a sustainable way. adidas has a clear roadmap for 2020 and beyond, which is a direct outcome of its business strategy "Creating the New". The company believes that, through sport, it has the power to change lives. But sports needs a space to exist. These spaces are increasingly endangered due to man-made issues, including human rights violations, pollution, growing energy consumption and waste. Its holistic approach to sustainability responds to the challenges that endanger the spaces of sport and simultaneously the planet and people. Building on existing programs, it tackles these subjects that are most material to its business and its stakeholders, and translates its overall sustainability efforts into tangible goals for 2020 that have a direct impact on the world of sport adidas operates in.

External recognition

For the 20th consecutive time, adidas was selected to join the Dow Jones Sustainability Indices, the world's first global sustainability index family tracking the performance of the leading sustainability-driven companies worldwide. Adidas was assessed for its corporate economic, environmental and social performance and rated as overall leader in the Textiles, Apparel and Luxury Goods Industry.

In 2019, adidas was again included in the FTSE4Good Index designed to measure the performance of companies demonstrating strong ESG practices.

Throughout 2019, adidas remained a constituent of MSCI World ESG Leaders Index, MSCI Global Sustainability Indices and the MSCI Global SRI Indices as well as of the STOXX Global ESG Leaders indices.

Initiative	Commitment / assessment
SBTi	Committed ⁽¹⁾
CDP Climate Change	B

Additional information

www.adidas-group.com/en/sustainability/managing-sustainability/general-approach/

(1) Committed companies have 24 months to submit targets to the SBTi for validation



Pernod Ricard

YEAR OF FIRST INVESTMENT

2006



SGS

YEAR OF FIRST INVESTMENT

2013

ESG

In line with the Pernod Ricard consumer-centric model, the group's Sustainability & Responsibility strategy is centered around a robust framework with four pillars: Nurturing Terroir, Valuing People, Circular Making and Responsible Hosting, all of which directly support the United Nations Sustainable Development Goals (SDGs) to help achieve prosperity for the planet and its people.

Each pillar includes ambitious targets for 2030 aimed at driving innovation, brand differentiation and employee attraction. All pillars are based on a 2030 timeline with 2020 and 2025 milestones, in line with the schedule set out by the SDGs.

Pernod Ricard's Sustainability & Responsibility strategy was built on the material risks of its business, consumer concerns and the world's agenda. The strategy is the result of a long process from qualitative interviews to the involvement of sustainability experts with over 300 colleagues globally and external experts. More than 20 workshops were held with representatives from Brand Companies, Market Companies, Regions, HQ and the Top Management team to build the strategy. From this data, ambitious goals were developed where Pernod Ricard's impact could be greatest.

External recognition

In recognition of Pernod Ricard's strong commitment to sustainable development and responsible consumption, it has received a gold rating from Ecovadis and is ranked number one in the beverage sector in Vigeo Eiris

Pernod Ricard has also been recognized as a Global Compact LEAD company, demonstrating its ongoing commitment to the United Nations SDGs and its ten principles for responsible business.

In 2019, the group has officially become a member of RE100, a global initiative led by The Climate Group in partnership with CDP which brings together 221 international companies committed to 100% renewable electricity.

Initiative	Commitment / assessment
SBTi	Target set at "well-below 2°C"
CDP Climate Change	A

Additional information
www.pernod-ricard.com/en/sr/

Sustainability is at the core of SGS' objective of adding Value to Society beyond traditional financial returns, making a positive impact for all its stakeholders: customers, employees, shareholders and society. It is one of its six Business Principles and it is embedded in its decision-making processes.

SGS sustainability strategy is built on four pillars: Professional Excellence, People, Environment and Community. Each one is supported by group-wide policies, global programs and local initiatives. The group continues to provide benefit to society by providing consumers with confidence, supporting more than 400 local communities, protecting the environment, helping industries to innovate and enabling governments to more effectively deliver services to their citizens.

In addition, SGS is positively contributing to the Sustainable Development Goals, is pursuing its Sustainability Ambitions 2020 and is taking a leadership position by quantifying its Value to Society.

Achievements

SGS is now a well-established global sustainability leader. In 2019, SGS has been named a leading company in the Dow Jones Sustainability Indices for the sixth year in a row, maintained their status in the FTSE4Good Index and received the Platinum medal recognition from EcoVadis.

SGS implemented a carbon neutral strategy, and is committed to reduce CO₂ emissions at source through its sustainability programs and offsetting any remaining or unavoidable emissions.

Additionally, the group has been included in the prestigious CDP A-list for their commitment to climate-change mitigation and adoption to the Task Force on Climate-Related Financial Disclosures.

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	A
CDP Supply Chain	Supplier Engagement Leader

Additional information

www.sgs.com/en/our-company/corporate-sustainability/sustainability-at-sgs



LH
LafargeHolcim

YEAR OF FIRST INVESTMENT
2005



umicore

YEAR OF FIRST INVESTMENT
2013

Climate change, population growth, business ethics, sustainable urban development and resource scarcity: today's and tomorrow's challenges require pan-international actions. LafargeHolcim's sustainability approach capitalizes on its worldwide presence to provide solutions towards meeting these social, environmental and stakeholder challenges, with one clear goal: to create shared value with society.

In 2019, LafargeHolcim made excellent progress in executing its Strategy 2022 – “Building for Growth.” In the context of its growth strategy, the group believes that sustainability is a great opportunity for itself. LafargeHolcim's innovative products and solutions enable customers around the world to reduce their impact on the environment and build more quickly and efficiently.

The group Strategy 2022 is focused on building for growth, and sustainability is a key element. LafargeHolcim's vision is to be recognized by its industry and by society as being at the forefront of sustainable construction solutions and innovation, and by its stakeholders as a responsible and ethical company.

LafargeHolcim is committed to contribute its share along its entire value chain. The group's 2050 vision for the built environment rests on four strategic drivers: Climate and Energy, Circular Economy, Environment and Community. In the center of all the group's activities to address the four drivers is Innovation. LafargeHolcim will continue to develop innovative products and solutions for a built environment that meet these criteria, satisfying a continuously growing market demand for sustainable solutions.

External commitments & recognition

With its integrated approach to sustainable development, LafargeHolcim aims to embrace the UNGC principles. The group was again included in the FTSE4Good index in 2019.

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	A-
CDP Water	B

Additional information

www.lafargeholcim.com/sustainable-development

Umicore's main contribution to a more sustainable world centres on the products and services it provides to its worldwide customer base. The areas where it can make the most telling contributions are:

- resource scarcity and efficiency: Umicore operates one of the world's most sophisticated precious metals recycling facilities and across its activities, it can recover over twenty precious and non-ferrous metals from industrial residues, electronic scrap, rechargeable batteries, automotive and industrial catalysts, fuel cells and more. The recovered materials are then transformed into pure metals and new products;
- clean air: Umicore provides automotive catalysts to clean the exhaust gases from internal combustion engines in light-duty and heavy-duty vehicles of all fuel types, and the rechargeable battery materials and automotive catalysts that are required to power hybrid, plug-in hybrid and full electric vehicles. The group also produces catalysts for fuel cell-powered vehicles and for stationary or industrial applications.

Horizon 2020

Umicore's “Horizon 2020” strategic plan adopts a conscious view of the group's presence in the overall value chain. The group strives to leverage its sustainability expertise both up the value chain (supply) as well as down the value chain (products and services). From a supply perspective Umicore seeks to provide environmental and ethical sourcing benefits for comparatively scarce raw materials in order to foster sustainable success and growth. Umicore develops products and services that create sustainable value for its customers and society and increase resource security. The group aims to drive an even more efficient use of metals, energy and other substances in its operations. To this end it will pursue selective eco-efficiency initiatives in business units and sites where these can generate compelling value. Umicore seeks to be a safe, healthy and engaging workplace with zero lost time accidents. In terms of occupational health the group aims to further reduce employee exposure to specific metals. Umicore also wants to make progress on specific strategically important themes of talent management, diversity and employability.

Initiative	Commitment / assessment
CDP Climate Change	D

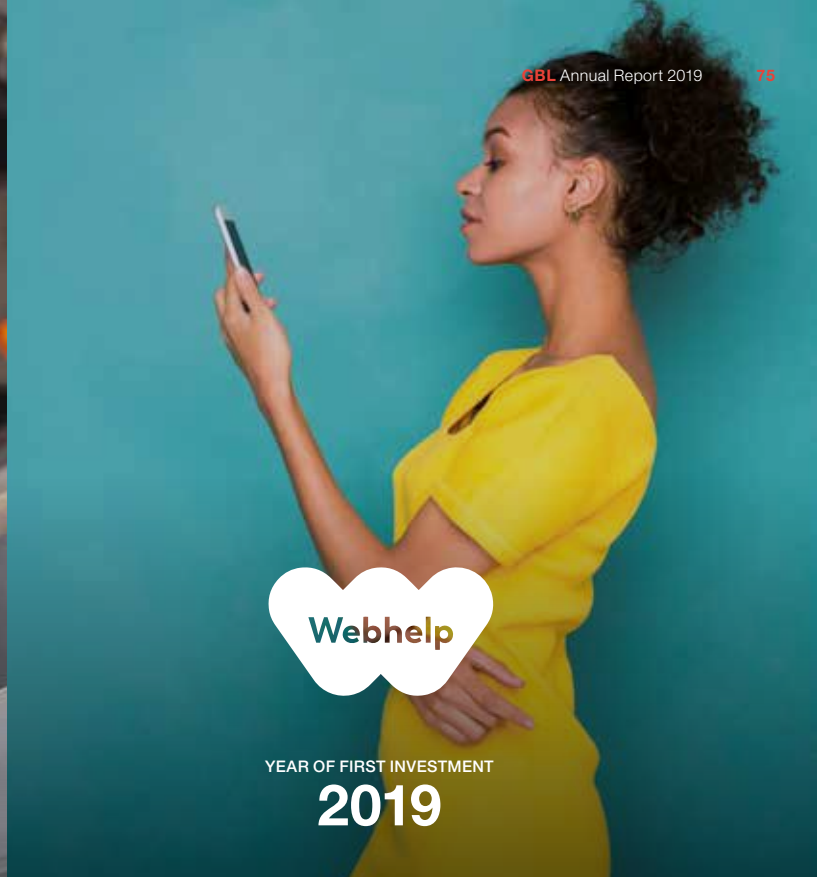
Umicore has fully monitored and reported on emissions since 1999 and included reduction targets in the strategic approach starting in 2010. Umicore delivered emissions reductions beyond their targets then, and today is committed to continuous improvement of environmental performance as it continues to grow through 2020. For more, see annualreport.umicore.com

Additional information

www.umicore.com/en/about/about-umicore/sustainability/



YEAR OF FIRST INVESTMENT
1987



YEAR OF FIRST INVESTMENT
2019

Imerys' Corporate Social Responsibility Charter supports the group's long-term strategy. Commitments on safety & health, environmental impact reduction, human resources, diversity and inclusion, relations with communities and corporate governance and ethics play a vital role in safeguarding the group's future. To achieve these commitments, every employee in the group must support them through their actions.

Since 2017, the group CSR program has been overseen by a CSR Steering Committee, chaired by the CEO, which meets quarterly. The responsibilities of the CSR Steering Committee are to establish group CSR ambitions, validate the group CSR strategy and guide and monitor implementation on progress towards the group objectives.

In 2018, the group announced the launch of its new CSR program referred to as SustainAgility. Mid-term objectives and performance results of the SustainAgility program are reported on annually within the group's Universal Registration Document and available on the group's website.

Memberships, commitments and assessments

Imerys became a signatory member of the United Nations Global Compact in 2016, supports the ambitions of the United Nations Sustainable Development Goals and has duly identified within the SustainAgility program the policies and practices within its operations that directly or indirectly contribute to these sustainable development objectives.

The group also participates in the annual EcoVadis ESG assessment and received a gold rating (64-94th percentile).

Initiative	Commitment / assessment
SBTi	Target set at 2°C
CDP Climate Change	B

Additional information

www.imerys.com/group/our-group/our-commitments

Webhelp operates with a high level of social responsibility, and the determination to conduct business in an ethical, fair and enlightened way challenges the group to be better for its people and for its communities.

Webhelp is passionate about upholding human rights and promoting diversity. The group partners with local authorities on issues affecting vulnerable groups, and consistently offers employment and training opportunities.

As a responsible employer, Webhelp offers positive working conditions, and provides a pleasant and modern working environment. Its commitment to health and safety has been consistently strong since the group was launched, and it continually strives to improve conditions in line with evolving standards. Webhelp also places considerable emphasis on offering social benefits and respecting the culture of its communities.

The group uses a number of internal processes to ensure its high standards are maintained:

- regular written assessments of individual performance;
- both internal and external audits; and
- customer satisfaction surveys after every contact.

Accreditations

For the 10th consecutive time, Webhelp was rewarded with the Human for Client label. This label demonstrates the group's commitment to a socially responsible environment and employee satisfaction.

Since 2012, Webhelp is committed to the UN Global Compact, which supports responsible social practices.

Additional information

www.webhelp.com/en-gb/about-us/social-responsibility/



GEA engineering for a better world

YEAR OF FIRST INVESTMENT
2017



Ontex

YEAR OF FIRST INVESTMENT
2015

At GEA, sustainability and value creation are inextricably intertwined. They serve as its guideline for entrepreneurial decisions and the further advancement of the group. GEA's understanding of sustainability implies that the group assumes responsibility for the way it handles its business and its economic, ecological and social impacts while ensuring transparency of reporting in this field in accordance with the GRI Standards. GEA monitors and communicates its contribution to the Sustainable Development Goals.

In 2019 GEA has clearly allocated Corporate Responsibility within the company's organizational structure with direct reporting line to the Executive Board and rolled out and trained important new policies for Compliance and Corporate Responsibility. These documents apply to all employees worldwide and ensure a common understanding of corporate behavior. Furthermore, GEA sets and strives to achieve concrete short- and long-term goals related to quality, occupational health and safety and environmental protection based on targets and actions. They are monitored continuously and communicated annually. In addition, the management systems and respective actions and results are audited by external certifiers and auditors. GEA's corporate claim encapsulates its key value proposition "engineering for a better world". In this way, GEA sets itself the goal of designing value-added processes in a responsible manner and contributing to the sustainable management and protection of natural resources with increasingly efficient products and process solutions for customers. This claim is reflected in the mission statement "Sustainable value creation".

Frameworks and performance

The policies and guidelines such as Compliance Policies, Code of Corporate Responsibility, and Code of Conduct for Suppliers and Subcontractors are all based on international standards and herewith follow the "Guidance on Social Responsibility" (ISO 26000) and the UN Global Compact initiative. The group also pledged to respect human rights and generally accepted core labor standards of the ILO and it fully abides by the OECD Guidelines for Multinational Enterprises.

GEA participates in the annual EcoVadis CSR performance monitoring scheme (2019: "Silver" with 60 points).

Initiative	Commitment / assessment
CDP Climate Change	A-

Additional information

www.gea.com/en/company/corporate-responsibility/index.jsp

As a leading supplier of personal hygienic products for both private label and branded markets, Ontex believes that sustainable business practices contribute to genuine business success.

Ontex aims to integrate sustainability into all policies, aspects and activities of the organization and actively encourages suppliers and employees to perform their activities in an environmentally, socially and economically responsible manner. Ontex has three strategic aims to guide its work: sustainable growth, people at the heart and responsible production.

Ontex strives for sustainable growth, offering responsible products at an affordable price ("Sustainable growth"). The group wants to create a positive impact on society and improve people's lives wherever it connects with them ("People at the heart"). Finally, Ontex strives to operate with the ecological limits of the planet in mind so that it can support the needs of present and future generations ("Responsible production").

Commitments

The group's sustainability strategy has been developed to demonstrate and report against the action Ontex takes to advance broader environmental and social goals, such as the UN Sustainable Development Goals (SDGs).

The most recent CDP Climate Change result of B- was an improvement on the previous rating, and was in part due to the commitment by Ontex to be carbon-neutral in operations by 2030.

Initiative	Commitment / assessment
CDP Climate Change	B-

Additional information

www.ontexglobal.com/sustainability



Parques Reunidos seeks to have a positive impact on its team and communities by operating responsibly. The safety and wellbeing of all its guests is the group's top priority. Parques Reunidos complies with each and every one of the established safety regulations, and goes beyond regulatory requirements, setting new standards for the industry worldwide.

The group also has a strong focus on sustainability, protection of wildlife and the natural world, environmental education, science and research. Parques Reunidos is committed to ensuring that animals receive the best possible care. Its zoos and marine life parks make sure all of the animals' needs are met and exceed all government regulations and professional animal care standards.

Parques Reunidos Foundation

The Parques Reunidos Foundation goal is to contribute to creating a more sustainable and more charitable society, enabling vulnerable communities who have special needs to easily access educational and entertaining experiences at Parques Reunidos, as well as preserving biodiversity by supporting research and raising awareness about sustainability.

The Foundation aims to share the "Parques Reunidos Spirit" with society by fostering a global adoption of a social model inspired by sustainable development and that integrates vulnerable communities.

For several years Parques Reunidos has been actively contributing to the United Nations Sustainable Development Goals through its activity.

Additional information

www.parquesreunidos.com/en/commitment/