Delivering meaningful growth

Environmental, Social and Governance Policy

March 2021

GBL

Overview

I. Introduction

Groupe Bruxelles Lambert (“GBL”) is an established investment holding company, with over sixty years of stock exchange listing. As a leading European investor, focusing on long-term and sustainable value creation and relying on a stable and supportive family shareholder base, GBL strives to maintain a diversified high-quality portfolio composed of global companies, leaders in their sector, in which it can contribute to value creation by being an engaged professional investor.

Over our long investment horizon, environmental, social and governance (“ESG”) factors, including climate change, resource scarcity or diversity have the potential to be significant drivers of risks or opportunities to profitability and shareholder value. A comprehensive investment strategy which accounts for long term trends requires management of investee companies to rigorously engage in reconciling short term versus long term risks and opportunities.

In our view, shareholder value is inextricably linked to the proactive integration of material ESG factors into company’s culture and strategy. As a patrimonial and engaged investor, GBL believes that organizations that are agile and able to anticipate, manage and integrate material ESG risks and opportunities into their strategy are more likely to create and to preserve value over the long term.

GBL believes that responsible investment (“RI”) is key to ensure the best interests for its shareholders and stakeholders, by seeking sustainable growth of its portfolio assets and ultimately long-term value creation.

In that context, ESG considerations are fundamental to the way GBL conducts business, not only in its investment activities, but also notably as a company, an employer and a contributor to the communities in which it operates.

The purpose of this environmental, social, governance and responsible investment Policy (“ESG Policy”) document is to explain the governance, policy and strategy for integrating ESG considerations into GBL’s core business. It presents the commitments and implementation guidelines regarding all three ESG pillars.

The ESG Policy complements GBL’s Corporate Governance Charter (the “Charter”), GBL’s Code of Conduct (the “Code”), GBL’s Diversity & Inclusion Policy (“D&I Policy”) and GBL’s Philanthropic Policy (“Philanthropy Policy”). GBL’s strategy is described in more detail in its annual report, which incorporates GBL’s ESG policy as well as processes, initiatives and progress achieved during the year.

The ESG Policy has been approved by GBL’s Board of Directors in March 2021. The ESG Policy will be reviewed on a tri-annual basis.

II. ESG Policy Drivers, Scope and Responsibilities

INTERNATIONAL NORMS AND REGULATORY DRIVERS

GBL has been formally committed to the United Nations Global Compact ("UNGC") initiative since 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. Under its commitment to the UNGC initiative, GBL recognizes in particular the provisions offered by the UN Guiding Principles on Human Rights and the Organisation of Economic Co-operation and Development ("OECD") Guidelines for Multinational Enterprises.

GBL is also a signatory to the Principles for Responsible Investment ("PRI") since 2018. Committing to the PRI and its 6 principles (covering in particular ESG integration, active ownership and transparency) is supporting GBL's ambitions to strengthen, deepen and expand ESG integration to the core of its operations.

Considering the challenges and threats offered by climate change, GBL publicly endorses the Paris Agreement under the United Nations Framework Convention on Climate Change ("UNFCCC") and supports the development of long-term adaptation and climte mitigation strategies in order to align financial markets with climate goals.

GBL also recognizes the provisions included in the latest European Union sustainable finance initiatives, in particular the Regulation (EU) 2019/2088 of the European Parliament and of the Council on Sustainability-related disclosures in the financial services sector (the "SFDR regulation") and the Regulation (EU) 2020/852 of the European Parliament and of the Council (the "Taxonomy regulation") as key structural frameworks for the definition and implementation of its ESG Policy.

SCOPE OF THE ESG POLICY

The ESG Policy scope of application ("ESG Scope") applies to Groupe Bruxelles Lambert and its direct and indirect wholly-owned subsidiaries (*"GBL as a responsible company"*).

The companies within GBL's portfolio (whether controlled or not, including Sienna Capital) are included in the ESG Scope under the *"GBL as a responsible investor"* approach. Those companies identify and address their ESG impacts and associated risks within the framework of their own internal controls and governance.

Referring to the content of section 3 *"ESG Policy at GBL"* and section 4 *"Responsible investment"* developed hereafter, the Scope is illustrated in table 1 below.

GBL as a responsible company	GBL as a responsible investor
In scope: GBL and its direct and indirect wholly-owned subsidiaries	**Listed assets:** adidas, SGS, Pernod Ricard, LafargeHolcim, Umicore, Imerys, GEA, Ontex, Mowi
	Private assets: Webhelp, ParquesReunidos, Canyon [1], Sienna Capital

Table I: Illustration of GBL ESG Policy scope of application
(1) Canyon to be integrated from FY2021 onwards

RESPONSIBILITIES FOR ESG POLICY

CEO and Board of Directors

GBL's Board of Directors reviews and approves ESG strategic orientations, performance and reporting, whilst:

- the Standing Committee makes recommendations to the Board of Directors including ESG strategic orientations, ESG Policy and related processes, projects and resources;
- the CEO is responsible for the monitoring of the compliance with ESG Policy through a yearly assessment of the performance and efficiency of 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 ESG-specific risk assessment performed as part of the portfolio monitoring process.

Head of ESG

The formal responsibility for ESG matters has been delegated to the Head of ESG 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 of Directors and the Head of ESG 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 company secretary and the legal and human resources departments in charge of social and governance matters at GBL level.

Key performance indicators

GBL's management approach entails the measurement and monitoring of its ESG actions through key performance indicators ("KPIs"). ESG KPIs are derived from the group's key achievement areas (or "ESG objectives") presented hereafter (see section 5).

Since 2018, ESG KPIs have been structured over a three-year period and approved by GBL's Board of Directors. New ESG KPI related to the implementation of the ESG Policy have been approved by the Board of Directors of March 2021. They will be reviewed annually in the future or in case of changes in the ESG Policy.

III. ESG Policy at GBL

As an investment holding company and leveraging on the ESG materiality assessment conducted, GBL has adopted a twofold approach for the structure of its ESG Policy:

- **GBL as a responsible company:** in spite of its non-material direct impact from an environmental and social standpoint, GBL values ESG responsibility and awareness. GBL has a long history of being a responsible employer and consistently demonstrates integrity and strict ethical standards. The current section focuses on such matters.
- **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, contribute to enhance GBL's investment performance over the long term. The section *"Responsible investment"* is dedicated to GBL as a responsible investor.

GOVERNANCE

GBL has adopted the Charter 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. The Charter is the reference document for any governance-related policies and processes.

Board and management diversity

GBL is committed to the proper application of corporate governance provisions. GBL strives to apply 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, in accordance to the D&I Policy.

Corporate governance

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. 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.

Ethics & integrity

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 which further indicates to whom all employees can refer should any question or insecurity arise. The Code indicates limits and elements to be considered for the full compliance to local regulations as well as anti-corruption practices supported by GBL.

SOCIAL

Human rights

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 Policy, its D&I Policy and its Code and includes compliance with all applicable laws, while the group endeavours to support and respect internationally proclaimed human rights.

Employee-related matters

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

As an employer, GBL believes that value creation derives, among other things, from its ability to attract and retain talented people with diverse genders, 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.

GBL's Diversity & Inclusion Policy develops these principles and further indicates to whom all employees can refer should any question or doubt arise.

Community involvement – GBL ACT

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 business in a way that benefits the communities where GBL is established.

In 2019, GBL set up a new Philanthropy Policy targeting projects developed in Belgium and articulated around the following three pillars: Education, Health and Environment. To complement this, GBL created a Philanthropy Committee in 2019 to select the supported projects. GBL employees have the opportunity to present projects that are then analysed and reviewed by the Philanthropy Committee as described in the Philanthropy policy.

ENVIRONMENT

Due to the nature of its activity as a financial holding company, 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 within the portfolio, as described in the following sections.

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.

GBL promotes leading energy efficiency, clean mobility and waste management practices at its head office with the aim to reduce its energy consumption and natural resources 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.

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 its employees' awareness by promoting ecological gestures such as the use of water fountains, and paper reduction and / or recycling at the office.

IV. Responsible Investment

As a long term financial investor, understanding ESG issues allows GBL to reduce risks and capture opportunities in portfolio management and to contribute to enhance GBL's investment performance over the long term. GBL believes that the integration of ESG factors into the investment analysis and management of its participations is supporting better risk adjusted return for its portfolio of participations.

ESG integration is primarily carried out by the Investments department and GBL investment professionals under the supervision of the Head of Investments and the Head of ESG. The Head of ESG in coordination with the Head of Investments works across the organization to support investment analysis on the impact of ESG factors and conduct research on industry standards and best practices.

In that regards, we view the materiality framework developed by the Sustainability and Accountability Standards Board ("SASB") as a key supporting referential to structure and develop GBL's proprietary approach of ESG risk analysis. Since 2020, GBL licenses and applies the SASB Materiality Map® General Issue Categories in its work.

The Head of ESG and the Investments team support GBL's role as an active and engaged owner. Paramount to our asset owner positioning, GBL seek to build core shareholding positions with adequate governance. The potential to become a reference shareholder and exercise influence, the potential to gain board representation and the ability to leverage a strong management team are clear and undisputed investment criteria for GBL that support directly our ability to work alongside our portfolio of participations on ESG integration in a unique way.

Considering the nature of our core business and the long-term investment time horizon characterizing GBL investment holdings, GBL's ESG integration process encompasses the following key steps in the investment process.

EXCLUSION POLICY

GBL acts in accordance with domestic and international laws, bans, treaties and applicable embargoes to define its investment universe. Beyond these legal requirements, GBL will also consider the following exclusion criteria when assessing potential investments.

Controversial behaviour and legally required exclusions

As a signatory of the United Nations Global Compact, ("UNGC") and recognizing the provisions included in the United Nations Guiding Principles for Business and Human Rights and the OECD Guidelines for Multinational Enterprises, GBL will assess the behaviour of organisations in accordance with these frameworks and excludes investments in organisations involved in severe breaches of these principles.

Controversial weapons

GBL excludes investments in organisations directly involved in the development, production, maintenance and trading of controversial weapons. Banned or controversial weapons are those that fall under the scope of the following international conventions:

- anti-personnel landmines as defined in Article 2 of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction (Ottawa Treaty);
- cluster munitions as defined in Article 2 of the Convention on Cluster Munitions and biological and toxin weapons as defined in Article I of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction (Biological Weapons Convention);
- chemical weapons as defined in Article II of the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction (Chemical Weapons Convention).

Pornography

GBL does not wish to be associated with any business where human rights are violated. GBL excludes direct investments in organisations involved in the pornography, prostitution and sex industries.

Tobacco

Considering public health concerns associated with tobacco, but also human rights abuses, poverty impact, environmental consequences, and the substantial economic cost associated with tobacco, GBL excludes direct investments in organisations involved in the production, supply and retailing of tobacco products (thresholds for application: more than 5% of their revenues).

Fossil fuels

As coal is the biggest contributor to climate change derived from human activity, GBL excludes direct investments in:

- companies developing or planning to develop new thermal coal capacities in mining, production, utilities or transportation infrastructures;
- companies generating more than 5% of their revenues from thermal coal mining extraction;
- companies with revenues in transportation or thermal power generation of more than 25% of their revenues without a climate strategy in line with UNFCCC Paris Agreement (climate strategy for coal exit by 2030 in EU and OECD countries and in all other countries by 2040; climate strategy in place by 2025).

Considering the environmental damages, social cost and carbon profile associated with non-conventional oil and gas exploration and production and in particular oil sands, GBL excludes investments in organisations deriving more than 5% of their revenues from exploration and production, trading, storage or transportation of non-conventional oil and gas products. By 2025, GBL will exclude any organization deriving more than 5% of their revenues from exploration and production, trading, storage or transportation of conventional oil products without a clearly defined climate strategy aligned with the UNFCCC Paris Agreement and covering its greenhouse gas emissions scope 1 (direct emissions), scope 2 (indirect emissions) and scope 3 (emissions related to the use of the product).

The compliance of the existing portfolio of participations with the GBL Exclusion Policy is reviewed on an annual basis. We expect the management team and governance entities of our portfolio of participations to carefully assess their direct and indirect exposures to such controversial activities on a yearly basis and to take appropriate actions in order to protect their reputation, license to operate, access to markets and shareholder returns.

PRE-INVESTMENT PHASE ESG RISK IDENTIFICATION

ESG integration starts with the identification and recognition of ESG risks at very early stage of the investment process. Potential investment targets are therefore initially screened for compliance with the exclusion policy described above and then potential eligible investment targets are screened under a two-step approach:

1. Initial ESG risk assessment using the GBL Proprietary ESG rating framework;
2. In-depth ESG risk assessment and due diligence.

GBL Proprietary ESG rating

The GBL Proprietary ESG rating supports ESG integration. It leverages on a fully automated ESG rating production methodology to validate the relevance of an investment opportunity and potential further resources allocation. It opens the path to constructive discussions internally and with the targeted companies in the second stage of the ESG risk assessment and due diligence process.

The GBL proprietary ESG rating is structured around four dimensions to capture different insights offered by ESG analysis: potential publicly available external ESG ratings, ESG momentum, ESG controversies and ESG materiality (structured around the SASB Materiality Map® Issue Categories framework).

The GBL proprietary ESG rating gives direct access to key ESG risks and achievements in the most critical part of the ESG spectrum such as corporate governance, controversies, climate and diversity risks or SASB Materiality Map® Issue Categories' metrics.

We differ from established ESG research practices due to our strong focus on ESG controversies (in absolute number and in severity) and the reference to the SASB Materiality Map® Issue Categories as the core framework to assess ESG operational performance and the materiality of ESG.

The initial ESG risk assessment is therefore carried out under GBL's Proprietary ESG risk analysis framework. The initial ESG risk assessment is produced in-house using GBL Proprietary ESG rating tool that provides GBL's investment team with a proprietary ESG risk rating supporting the identification of potential ESG risks in new investment opportunities on a scale from AAA (highest rating) to CCC (lowest rating). Companies with an ESG rating at B or CCC are excluded from the investment universe.

In-depth ESG Due Diligence

On the basis of the initial findings, GBL's CEO can make the decision to further allocate resources and to conduct in-depth ESG Due Diligence on a potential investment. This analysis will be carried out internally by GBL's Investment team and GBL's Head of ESG with the potential support from third party ESG specialists.

The scope of the ESG Due Diligence and the nature of the work will be defined in reference to SASB Materiality Map® Issue Categories and industry knowledge. It can typically include the following areas:

- *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:* labour rights and working conditions, human rights and livelihoods, social supplier and procurement standards, business ethics and governance, customer and product responsibility, etc.

The results of the in-depth ESG Due Diligence are integrated in the investment analysis, the financial modelling and the equity valuation process.
The investment memo summarizing the recommendation of the CEO and covering the ESG risk assessment is submitted by the CEO to GBL's Board of Directors for decision following a positive recommendation from GBL's Standing Committee.

POST-INVESTMENT ESG INTEGRATION

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

Publicly listed assets

In the case of listed assets, the findings of the ESG Due Diligence support the engagement with the governance bodies and the management of the invested company on potential ESG risks and opportunities.

Privately owned assets

In the case of privately owned assets, the findings of the ESG Due Diligence are integrated in the 100-day action plan on the acquired asset. Particular attention is given to ESG responsibilities in the newly acquired entities, and GBL ensures that the ESG responsibilities are clearly defined at the Board of Directors' level and across the organization in order to ensure successful implementation of the ESG component of the 100-day action plan.

The ability of GBL's investment team to execute the 100-day action plan, including the ESG strategy remains paramount to the investment decision.

On-going ESG engagement with portfolio companies

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. 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, the Head of Investments and the Head of ESG).

Periodic review of ESG risks

Beyond the ongoing day-to-day monitoring of 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, the process of which is presented below, 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 and (ii) the knowledge and expertise of GBL's investment team on the portfolio companies and, more generally, their sectors.

Stage 1: data collection

- **Company data:** public information made available by portfolio companies (annual reports, sustainability reports);
- **Proprietary data**: in-house compliance questionnaire covering ESG aspects structured around the SASB Materiality Map® Issue Categories sent by the GBL representative in the governance bodies to the management of the portfolio companies (the "Compliance Review");
- **ESG reports**: information derived from reports issued by tier 1 third party ESG rating providers (the "ESG rating Provider");
- **Market data:** statistics and analysis collected by GBL's third party ESG expert (the "ESG Expert") on impact related to risks identified by the ESG rating Provider or during the "Compliance Review."

Stage 2: initial risk assessment

- **Risk exposure assessment:** likelihood score determined using risk exposure scores in the ESG rating reports and market data if no ESG rating report available under the SASB Materiality Map® Issue Categories;
- **Impact assessment:** inherent impact assessed by ESG Experts based on the following impact categories: financial, compliance and legal, reputational, business related;
- **Risk management assessment:** mitigation factor determined using the risk management scores in ESG rating reports and adjusting the scores based on answers received in the context of the Compliance Review and the SASB Materiality Map® Issue Categories' approach.

Stage 3: adjusted risk assessment

- **Input from the GBL's investment team:** residual impact score determined reflecting the adjusted inherent impact and adjusted mitigation factor obtained following the review and adjustment derived from in-house knowledge of the portfolio companies and their sectors;
- **ESG risk mapping:** for each portfolio company, mapping of the key risks based on their probability of occurrence and impact assessment.

Stage 4: reporting

- **GBL's Audit Committee**: review of the ESG risk mapping by portfolio company;
- **GBL's Board of Directors**: presentation of the key ESG risks;
- **Portfolio companies:** key risks to be monitored by GBL's representatives in the governance bodies of the portfolio companies.

Divestment policy

As an investment vehicle deploying permanent capital, GBL is not constrained by an investment horizon. Investments are therefore held for as long as deemed appropriate to optimize their value. Continuous assessment of the portfolio assets is conducted in order to monitor risks in a rigorous and constant manner and potentially to define a disposal strategy. This assessment focuses on capital preservation and limiting the downside risk by analysing the following areas: potential for further value creation, valuation risk, specific company risk including ESG risks and, portfolio concentration risk.

V. Key Areas of Achievements

Under its ESG Policy, GBL retains specific key areas of achievements to deploy its ESG and responsible investment ambitions and targets. Table 2 hereafter summarises these achievements.

GBL as a responsible company	GBL as a responsible investor
Governance [1] – % Independent Non-Executive Directors (INED): 33% by FY2023	Governance [1] – % INED in listed, controlled companies: 33% by FY2025 – % INED in listed, non-controlled companies: 50% by FY2025 – Private assets: addition of INED(s) to the Board of Directors determined on an ad hoc basis
Governance [2] – % Women on Board of Directors: 33% by FY2023	Governance [2] – To achieve the legal requirements and potential local market practices ahead of the regulatory deadline
Diversity – 40% Women in the overall workforce by FY2025	Diversity – 100% participation coverage with Diversity & Inclusion policy and targets in place reflected in KPIs by FY2025
Climate change – Board of Directors specific oversight on climate-related risks and opportunities: responsibilities formalized as of FY2020 – Climate neutral company as of FY2020 – Internal combustion engine vehicles banned from newly acquired employees' fleet of vehicles in profit of hybrid or electric engine powered vehicles as of FY2021 – Signatory of Task Force on Climate-related Financial Disclosures ("TCFD") – Commitment to Financial Sector Science Based Targets initiative ("SBTi")	Climate change – Board of Directors specific oversight on Climate related risks and opportunities: 100% of participations with formalized responsibilities by FY2021 or within 2 years post acquisition – Climate risk physical assessment: 100% participations covered over FY2020-FY2022 or within 2 years post acquisition – Financial Sector SBTi – Portfolio Coverage approach: 100% coverage by FY2030 or within 3 years post acquisition
Supply Chain – Supply chain conformity with ESG Policy: implementation of Code for suppliers by FY2022 – Increase sourcing of products and services from like-minded suppliers with a focus on impact/local sourcing	Supply Chain – Supply chain coverage by relevant ESG due diligence: 100% coverage or within 2 years post acquisition
Reporting and Transparency – Sustainability reporting aligned with Global Reporting Initiative – Core Option as of 2020 – Sustainability reporting aligned with Sustainability Accounting Standard Board ("SASB") Financial sector guidelines - FY2021 – Climate reporting matching Task Force on Climate-related Financial Disclosures' requirements ("TCFD") – FY2021 – Assurance on ESG data and processes: process quality insurance (as of FY2020), data quality insurance (FY2022) – PRI annual survey submission as of FY2019 – CDP Questionnaire: completion of annual assessment from FY2020 onward	Reporting and Transparency – Sustainability reporting aligned with Sustainability Accounting Standards Board ("SASB") relevant industry guidelines: 100% of participations coverage as of FY2022 or within 2 years post acquisition – Climate reporting matching Task Force on Climate-related Financial Disclosures' requirements ("TCFD"): 100% of participations coverage as of FY2022 or within 2 years post acquisition – CDP Questionnaire: 100% of participations completing CDP Annual Assessment by FY2023 or within 2 years post acquisition – Assurance on ESG data and processes: 100% participation coverage for assurance on process quality as of FY2023 or within 2 years post acquisition, 100 % participation coverage for assurance on data quality insurance as of FY2025 or within 3 years post acquisition

Table 2: GBL key ESG commitments 2025-2030

VI. ESG Competence Building Efforts

GBL ensures an adequate level of training and competence building efforts for the different functions involved in the implementation of its ESG Policy. Beyond the regular interaction with the Board of Directors on ESG topics as described, a yearly ESG session is organized for the Board of Directors on ESG topics while GBL's executives and the workforce benefits from periodic training.

GBL strongly encourages its investment professionals to strengthen their ESG awareness and skills in understanding the link between financially material sustainability information and a company's capabilities to drive enterprise value. In that process and beyond the internal trainings offered, GBL actively supports them to acquire the Fundamentals of Sustainability Accounting Credentials and certification.

In order to promote ESG best practices and knowledge sharing on latest ESG trends, GBL organizes on a yearly basis an "ESG Day" gathering ESG Professionals and Executives from GBL and its portfolio of participations.

VII. Stewardship and Voting

As a long term professional shareholder, GBL believes that promoting good corporate governance standards, social responsibility and environmental stewardship is an essential part of its ownership responsibilities.

Corporate governance refers to the system by which a corporation is directed and controlled. It relates to the functioning of the managing board, supervision and control mechanisms, their inter-relationships and their relations with stakeholders. A good corporate governance creates the framework ensuring that a corporation is managed in the long-term interest of shareholders. Therefore GBL expects all participations in which we invest to comply with high corporate governance standards.

Voting is an integral part of this effort and we intend to exercise our votes attached to all our investments. The analysis of the voting resolutions is carried out by the Investment Department considering the overall investment strategy defined for the portfolio company.

Considering the influence we exercise on our portfolio companies due to the relative size of our shareholding and our involvement in the various governance entities of the companies, we have to ability to pre-emptively review and amend the content of the resolutions submitted for vote and we will support them.

GBL management intends to participate physically to the shareholder meetings but depending on the conditions, may also favour to exercise its vote by mail, procuration or any electronic format compliant with the local regulation and legal dispositions.

VIII. Transparency and Modalities of Reporting for GBL ESG and RI (Responsible Investment) Performance

TRANSPARENCY SUPPORTED BY LEADING INTERNATIONAL SUSTAINABILITY REPORTING FRAMEWORKS

GBL complies with the relevant local and European regulatory requirements for non-financial disclosure in its financial communication. Voluntary disclosures of non-financial information under commonly accepted international frameworks support an efficient allocation of capital and, GBL commits for its own listing to produce transparent non-financial information under the Global Reporting Initiative ("GRI") Standards Core option, the Sustainability Accounting Standards Board ("SASB") standards and the Task Force on Climate-related Financial Disclosures ("TCFD") requirements.

We also expect our participations to disclose financially relevant and material ESG factors to allow investors to better understand, evaluate and assess potential risk and opportunities, including the potential impact of ESG factors on the company's performance. GBL supports the alignment of its participations' non-financial reporting practices with the Global Reporting Initiative ("GRI"), the Sustainability Accounting Standards Board ("SASB") and the Task Force on Climate-related Financial Disclosures ("TCFD") requirements and expect such practices to be in place by FY2022. Transparency shall be enhanced by the implementation of an assurance process covering the data collection processes and the data quality.

Beyond the non-financial information disclosure in regulatory filing and in our annual report, from 2021 onward, GBL will also disclose its achievements in responsible investment under the PRI annual reporting process and in the climate space under the CDP annual reporting process. We encourage our stakeholders to refer to these submissions for more information on our practices and achievements.

RELATIONSHIP WITH ESG RATING COMPANIES AND THE ROLE OF SUSTAINABLE FINANCE

As a long term institutional, patrimonial and engaged investor, GBL strives to build organizations that are agile and able to anticipate, manage and integrate ESG risks and opportunities into their strategy. We strongly believe in the ability of the financial markets to value such achievements.

Considering the lack of regulatory oversight, methodological inconsistencies, structural underperformance of some ESG ratings, ESG rating questionnaire fatigue experienced by many corporates at odd with the rise of artificial intelligence capabilities, and the massive burden on resources that should rather be directed to internal ESG efforts, GBL is rationalizing it interactions with ESG rating providers and is selectively concentrating its interactions with select few.

Therefore, going forward, GBL's efforts will be restricted to Sustainalytics and MSCI. Considering the rise of ESG rating capabilities within credit rating agencies, this will be reviewed on an annual basis.

Beyond GBL, we strongly encourage our participations to operate such selectivity vis-à-vis ESG rating providers and to seek more direct pricing and validation of their ESG achievements by the financial markets via the issuance of sustainable finance products, in line with their financial needs and ESG capabilities.

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