

D'leteren Automotive

1. General information

1.1. Basis for preparation BP-1, -2

The commercial name of the D'leteren Automotive business, "D'leteren", will be used throughout this chapter.

Considering the unique nature of each D'leteren Group business entity, D'leteren has chosen to present its ESG performance and accomplishments in a dedicated chapter.

D'leteren has adopted a consolidated approach to its 2024 sustainability reporting, aggregating data across all fully consolidated entities.

- The consolidation scope matches that of the company's financial statements (see pages 131 and 132 of this report), with no subsidiaries in which D'leteren has a majority interest being exempt from sustainability reporting.
- Entities not fully consolidated, such as Volkswagen D'leteren Finance, Lizy, Skipr and MyMove, are included as part of the value chain.

D'leteren aligns with the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS) by enhancing transparency in its sustainability practices. The sustainability statement addresses both upstream and downstream aspects of the value chain. This includes focusing on sourcing raw materials, managing supplier relationships, product use and end-of-life management. By considering both ends of the value chain, D'leteren ensures a comprehensive approach to sustainability, in line with the requirements of the CSRD.

The strategic approach to key non-financial topics, along with the main risks and opportunities associated with these areas and the methods used to manage them, are outlined in the relevant sections of this chapter.

The sustainability statement contains statements relating to the future development of the business. These statements are based on assumptions related to the development of the economic, political and legal environment in Belgium, which the company has made based on the information available and which it considers to be realistic at the time.

D'leteren did not use the option to omit a specific piece of information corresponding to intellectual property, know-how or the results of innovation.

1.2. Governance

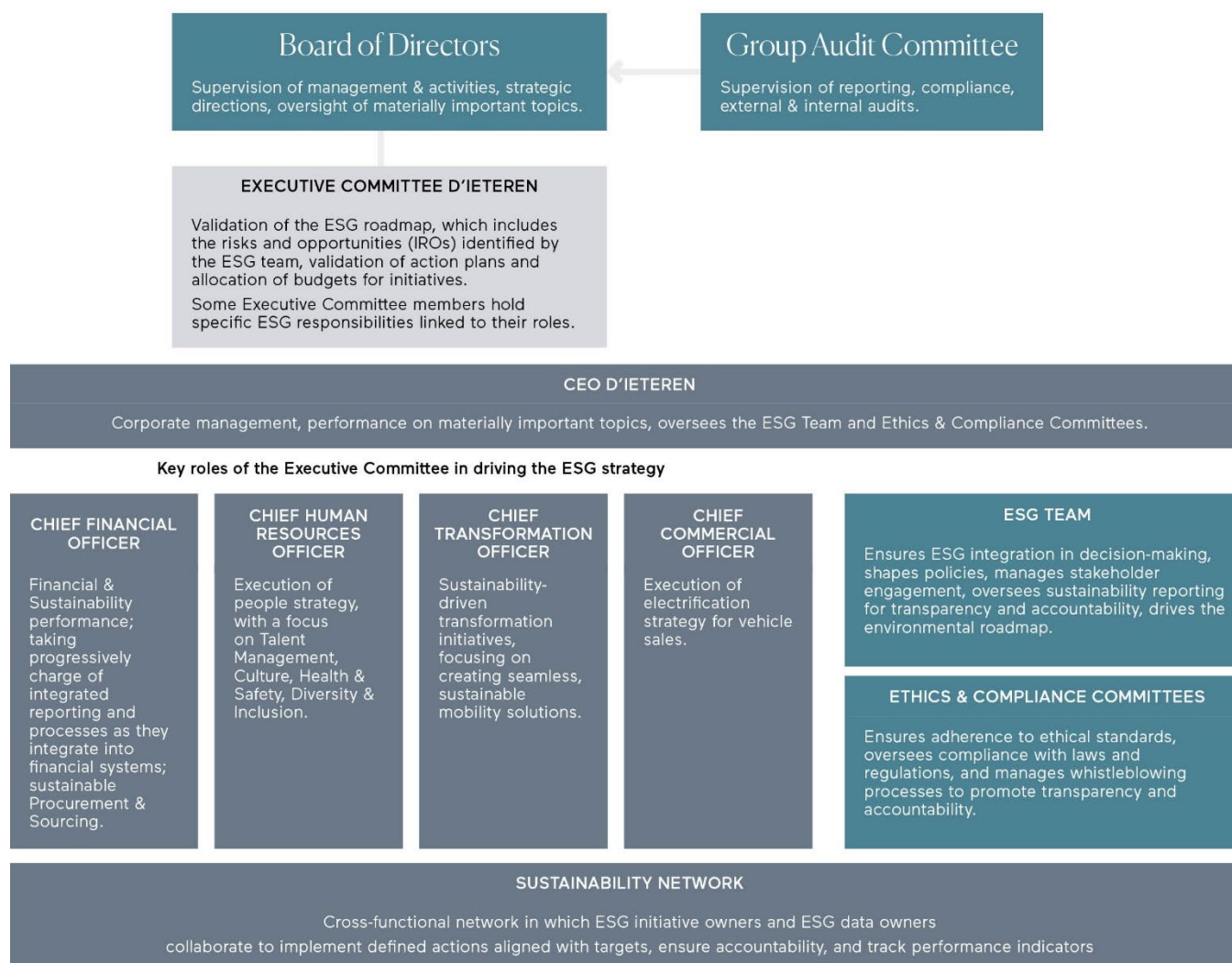
1.2.1. THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES GOV-1

D'leteren has established an integrated and holistic performance management and governance system. Central to this structure are the Board of Directors, the Executive Committee, the ESG team and designated ESG initiative owners, each playing distinct yet interconnected roles to drive the company's ESG agenda. The following graph illustrates the sustainability workflows.

- The Board of Directors (composed of 6 members, including one woman and no independent members) plays a crucial role, engaging in ESG strategy oversight and ensuring alignment with corporate sustainability targets, including achieving net-zero emissions. This ensures that sustainability considerations are embedded within the broader corporate strategy.
- The Executive Committee (composed of 8 members, including one woman) defines the ESG roadmap, which includes the risks and opportunities (IROs) identified by the ESG team, overseeing the validation of action plans (including targets) and the allocation of budgets for initiatives. Specific meetings strengthen the collaboration between the Executive Committee and the ESG team, facilitating informed decision-making. All members of the Executive Committee have received specialist training to ensure a thorough understanding of the impacts of environmental, social and governance (ESG) matters on the company. These training sessions were conducted by external advisors as well as internal teams, such as the Legal, Risk & Compliance, HR and ESG teams. Regular updates are also provided to keep the Executive Committee informed on the latest developments and best practices in these areas.
- The ESG team plays a key role in integrating ESG topics into the company's overall strategy. The team works directly with the Executive Committee to prioritise material ESG topics, develop sustainability goals and ensure compliance with external regulations and standards. By doing so, the team ensures that ESG considerations are embedded in decision-making processes at the main levels of the organisation. Additionally, the team is responsible for shaping ESG policies, managing stakeholder engagement, overseeing sustainability reporting and ensuring transparency and accountability in the company's ESG efforts. The ESG team collaborates with ESG initiative owners and data owners across the company. The team receives specialist ESG training to develop their expertise, is part of external networks of ESG specialists and collaborates with external advisors to enhance ESG risk assessments and regulatory compliance.

- The Ethics and Compliance Committees, under the CEO's leadership, meet regularly to ensure adherence to ethical standards, laws and regulations. They address ethical and compliance aspects to effectively integrate them into the company, prevent risks and, if necessary, consider remediation actions. In the course of their duties, the Head of Legal, Head of Audit and the Risk, Compliance & Whistleblowing Officer work closely with the CEO, further strengthening and supporting these efforts. The Ethics Committee also includes the ESG Manager and selected subsidiary representatives.

- The sustainability network links corporate and operational functions, with ESG initiative owners driving actions aligned with the ESG roadmap and targets, in close collaboration with the ESG team. ESG data owners manage reporting across operational entities, with regular updates from the ESG team to ensure effective task execution. These employees hold various roles across the company, including finance, HR, procurement, operations, etc., ensuring comprehensive coverage of D'Ieteren's activities.



1.2.2. SUSTAINABILITY MATTERS ADDRESSED BY MANAGEMENT GOV-2

D’leteren has established a structured system for reporting material impacts, risks and opportunities related to sustainability strategies to its administrative, management and supervisory bodies.

- The Board of Directors receives quarterly updates on the company’s ESG strategy and performance from the Executive Committee.
- Since the sustainability strategy is an integral part of the overall business strategy, topics such as the electrification of new vehicle sales, the development of new mobility solutions and the expansion of activities in the green energy market, are recurring subjects discussed by the Executive Committee during their monthly meetings. Clear directives are then provided to the senior management teams to implement the decisions made during these meetings.
- The CEO meets monthly with the ESG team to ensure strategic alignment, review progress on initiatives and discuss compliance-related ESG matters. Matters related to important IROs are discussed during these meetings as well as in the meetings with the Ethics Committee, of which the CEO is a member. Regular, targeted reports are also produced for specific teams, such as the Sales & Network department, which plays a key role in addressing climate change, the D’leteren HR community and the Ethics Committee.

All reports and presentations are prepared by the ESG team and reviewed by the CEO, the finance department, HR, or other relevant departments, depending on the topics at hand.

1.2.3. INCENTIVE SCHEMES GOV-3

D’leteren has integrated sustainability into its remuneration practices through its Long-Term Incentive Plan (LTIP). This plan, approved by the Board of Directors, links 4.76% of the variable pay for directors and members of the Executive Committee to key sustainability objectives. A central pillar of the LTIP is an environmental target to achieve a 50% reduction in CO₂ emissions by 2025, based on 2019 levels and within D’leteren’s historical scope¹. The LTIP also includes social targets focused on achieving gender parity in candidate pools by 2025, as well as employee engagement goals, aiming for a 75% engagement rate and 66% participation in surveys.

¹ D’leteren’s entities within this historical scope are: D’leteren Automotive, D’leteren Centers, Porsche Centre Antwerp & Porsche Centre Brussels (covering ~85% of gross margin and 95+% of EBIT generated by D’leteren in 2019). The historical scope covers Scope 1 and Scope 2 emissions, as well as some Scope 3 emissions, namely

1.2.4. STATEMENT ON DUE DILIGENCE GOV-4

Sustainability Due Diligence is the process through which D’leteren identifies, prevents, mitigates and reports the actual and potential negative impacts of its activities on the environment and people. It also encompasses the evaluation of how changes in the company’s strategy, business model, operations, and relationships - especially in the context of acquisitions or divestments - may affect sustainability. The core of this practice is assessing and measuring the negative impacts arising from D’leteren’s operations, products, services and business relationships across the value chain.

Core elements of due diligence	Paragraphs in the sustainability statement
Embedding due diligence in the governance, strategy and business model	1.2. Governance 1.3. Strategy 1.4. Impact, risk and opportunity management
Engaging with affected stakeholders in all key steps of due diligence	1.4.1. Double materiality assessment process 1.3.2 Interests and views of stakeholders 3.1.3. Engagement and channels to raise concerns
Identifying and assessing adverse impacts	1.4.1. Double materiality assessment process 1.3.3. Double materiality assessment result
Taking actions to address those adverse impacts	2. Environmental information 3. Social information 4. Governance
Tracking the effectiveness of these efforts and communicating	2. Environmental information 3. Social information 4. Governance

the emissions related to home-work commuting, logistics, business travel, waste and upstream emissions from Scope 1 and 2.

1.2.5. SUSTAINABILITY REPORTING RISK MANAGEMENT GOV-5

To ensure thorough sustainability reporting, D'Ieteren has implemented a data collection process which addresses several risks.

- D'Ieteren completed its double materiality assessment one year ahead of the first mandatory CSRD reporting date to ensure each entity had sufficient time to collect the requisite information. Subsequently, the ESG team coordinated the reporting process to guarantee that the information was collected in accordance with the legally mandated timeline.
- Regarding data accuracy, D'Ieteren prioritises primary data. In cases where primary data is unavailable, appropriate estimation methods are used and explained. Estimation methods are developed in collaboration with internal and external experts.
- Following an internal audit of its ESG strategy and reporting in 2022, during which risk assessment and internal control findings were communicated to the administrative, management and supervisory bodies, D'Ieteren implemented comprehensive data collection processes in 2023, further strengthened in 2024 through targeted initiatives. These included the development of customised data collection templates, which were explained individually to each entity within the company to ensure a clear and consistent approach. To improve data consistency, the collection process was centralised, particularly for energy and HR topics.

Additionally, the company provided specialist training and resources to ESG data owners to ensure reliable data management.

- In 2024, ESG data owners documented the processes for collecting and verifying their KPIs across all ESG topics identified by the DMA. This made it possible to identify areas where data reliability could be improved. A key priority was eliminating errors from manual calculations, which led to the progressive automation of tasks to reduce the risks associated with manual data handling. Collaboration with suppliers has also been a major focus, to improve the collection of value chain data. The external auditors were involved early, including through running a "pre-assurance process" to review data from the first half of the year and to familiarise themselves with the data collection processes.
- Looking ahead to 2025, D'Ieteren plans to further strengthen its internal control framework for non-financial reporting by adopting a risk-based approach. This will enable the company to further prioritise potential risks related to the quality of sustainability reporting, allowing for more proactive issue resolution. Furthermore, in 2025 non-financial reporting will be progressively integrated into D'Ieteren's financial systems, aligning it with the same rigorous standards applied to financial reporting. This integration is part of the company's broader strategy to ensure that its sustainability metrics are treated with the same level of accountability, transparency and consistency as its financial data.

1.3. Strategy

1.3.1. STRATEGY, BUSINESS MODEL AND VALUE CHAIN SBM-1

D'leteren's mission is to provide seamless and sustainable mobility for everyone, with sustainability at its core. The company has broadened its portfolio, expanding beyond vehicle distribution to offer a variety of mobility products and services. This shift reflects D'leteren's commitment to meet changing consumer needs and sustainability objectives, while fostering a more resilient and comprehensive business model.

Automotive products and associated services.

D'leteren's primary activity is the distribution of renowned automobile brands in Belgium, including Volkswagen (including commercial vehicles), Audi, SEAT, CUPRA, ŠKODA, Bentley, Lamborghini, Bugatti, Rimac and Porsche, as well as marketing Maserati. To align with its sustainability objectives, D'leteren has expanded its offerings to include electric vehicles (EVs) and actively supports the sale of second-hand vehicles, fostering circular economy practices. Beyond vehicle distribution, D'leteren also supplies spare parts and accessories to its sales and after-sales network. D'leteren Mobility Company manages vehicle sales and after-sales services along the Brussels-Mechelen-Antwerp axis, leveraging state-of-the-art dealerships to deliver a high quality customer experience. In addition, Wondercar and Wonderservice focus on bodywork and mechanical repairs, targeting both new and second-hand vehicles of all brands.

Renewable Energy Solutions

To support the shift to electric mobility, D'leteren is enhancing its ad-hoc electric products & services offering. These include EDI (charging stations for home and public use), as well as Go-Solar (solar panels and stationary batteries).

(e)-Bikes

D'leteren actively supports soft mobility through its Lucien brand, which specialises in the sale of (e)-bikes. With more than 20 stores across Belgium, Lucien offers a wide range of high quality bikes tailored to urban commuting and leisure needs. To make soft mobility even more accessible, Joule, another D'leteren initiative, provides flexible bike leasing solutions, enabling more people to adopt eco-friendly transportation without the upfront cost of ownership.

Shared mobility

The company plays a leading role in shared mobility, offering innovative solutions such as Poppy, a free-floating car-sharing service, and Taxis Verts, a paid passenger transport offering. These services enable customers to access flexible and efficient transportation options.

New mobility solutions

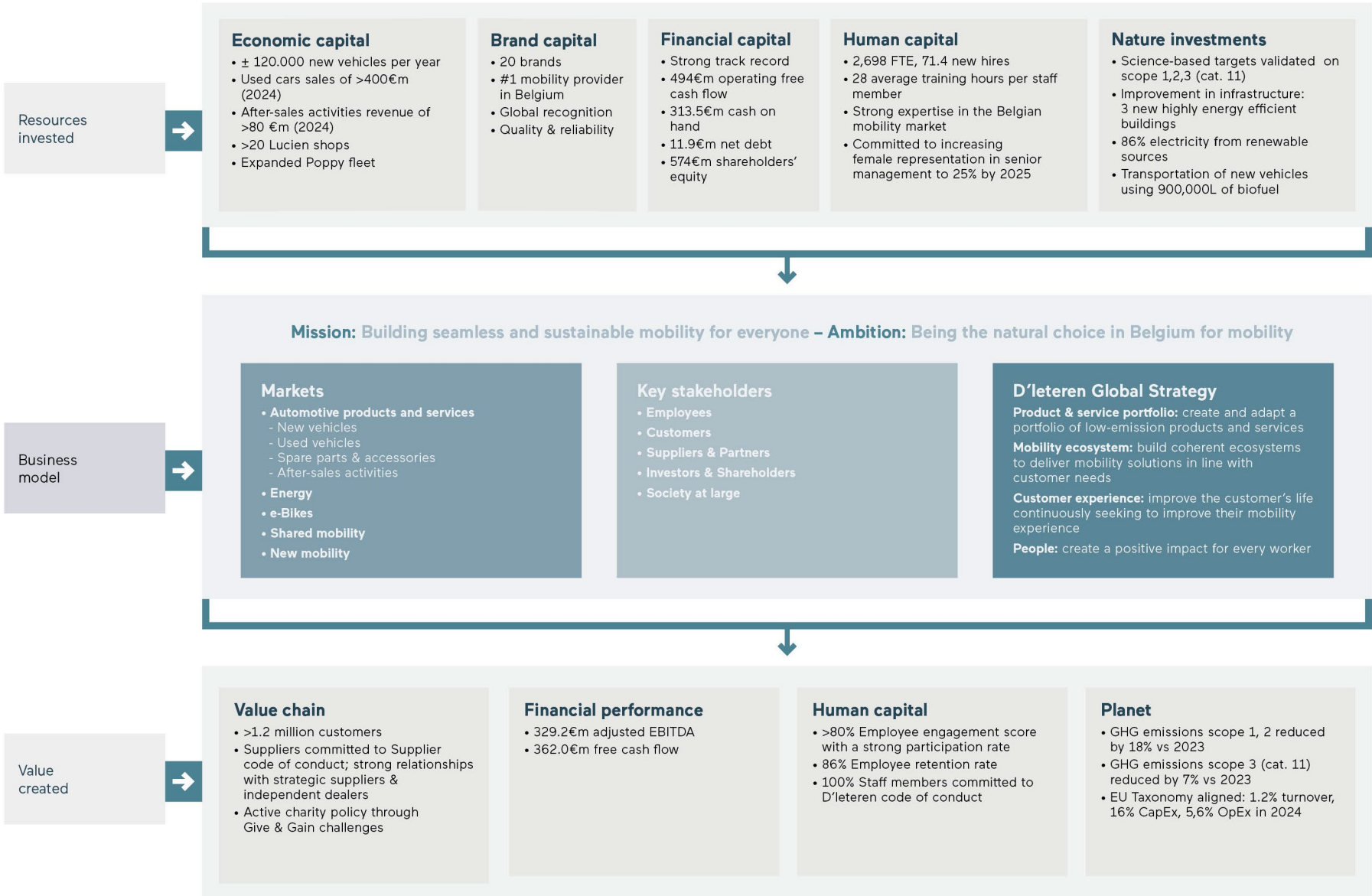
Continuing its focus on innovation, D'leteren has recently entered the market for microcars with the introduction of Microlino. This recent activity highlights the company's commitment to provide eco-friendly urban transportation options that address the challenges of modern cities.

In addition to these offerings is Mbrella, a platform designed to assist businesses in defining, implementing and managing effective mobility policies that take into account the growing diversity of mobility options.

As D'leteren operates across a wide range of activities, it is able to serve a diverse and extensive audience in Belgium. In its automotive-related activities, which represent the majority of its sales (80% of total sales in 2024), D'leteren caters to both individual and business customers. Business customers made up the largest share of D'leteren's vehicle sales, with 54% of vehicles sold, while 46% were sold to individual customers. Through its other services, D'leteren also serves a mix of professional and individual customers, further expanding its reach across various sectors. This broad customer base enables D'leteren to maintain a deep understanding of market trends and customer needs. (see page 27 for the revenue breakdown by activity).

As of the fiscal year-ending 31 December 2024, D'leteren reported an average of 2,698 FTEs in Belgium. This substantial figure underscores the company's focus on maintaining a reliable and capable workforce to adequately support its operational requirements in Belgium. More information on D'leteren's workforce is available in the topical section 3.1, "Own workforce"

How D’Ieteren creates value



D’leteren’s mission is the headline of its sustainability strategy

The sustainability strategy is set with the objectives of minimising risks for D’leteren, the environment and its people, and to capture new business opportunities.

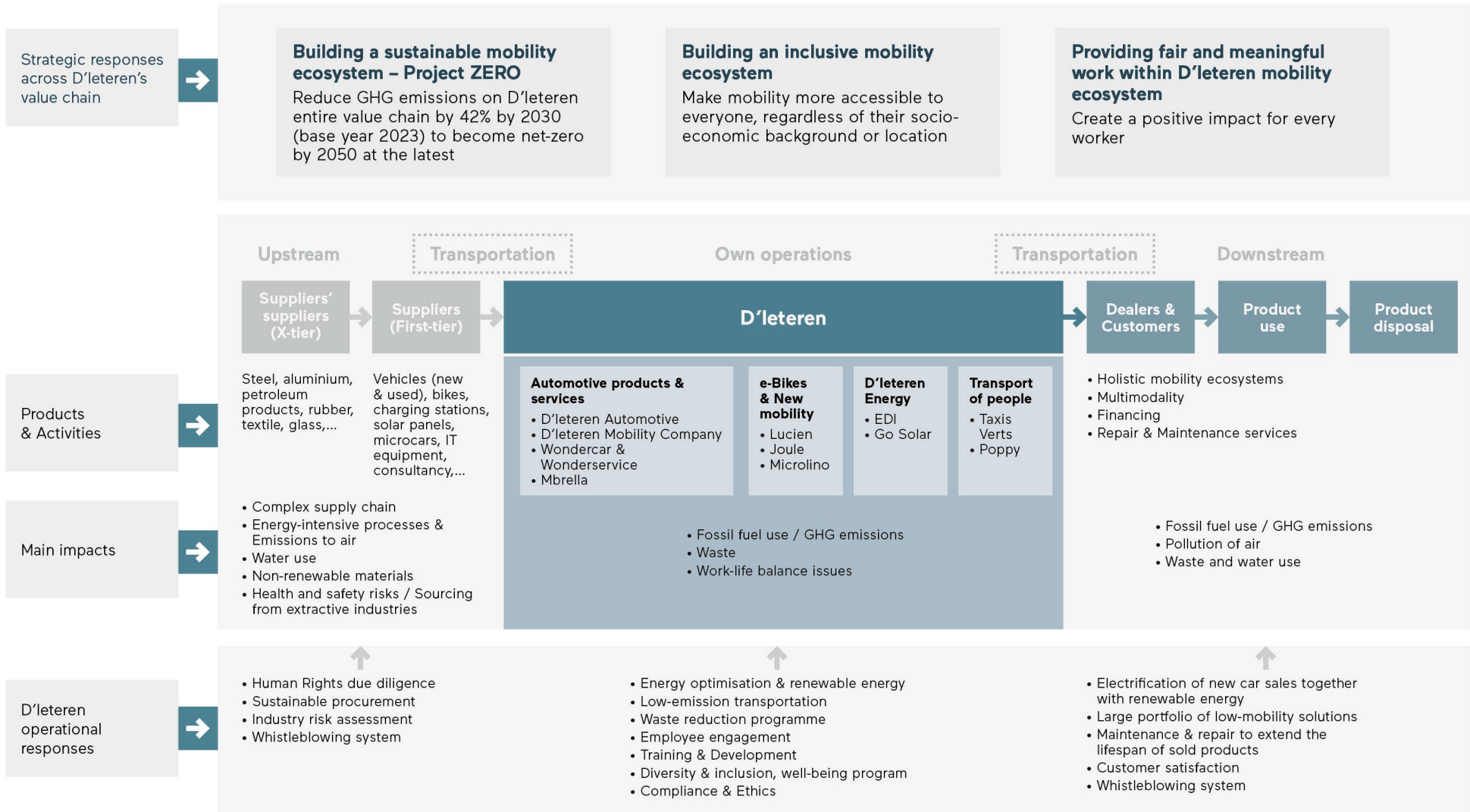
D’leteren’s strategy rests on three pillars: building a sustainable mobility ecosystem, building an inclusive mobility ecosystem and providing fair and meaningful work within the D’leteren mobility ecosystem. Ambitions for 2030 and commitments are stated in its strategy.

	Building a sustainable mobility ecosystem – Project ZERO	Building an inclusive mobility ecosystem	Providing fair and meaningful work within our mobility ecosystem
Ambitions →	Reduce our greenhouse gas emissions by 42% by 2030 (base year: 2023) to become net-zero across our entire value chain by 2050 at the latest.	Make mobility more accessible to everyone, regardless of their socio-economic background or location.	Create a positive social impact for every staff member.
Commitments →	<ul style="list-style-type: none">• Electrification of new car sales together with renewable energy• Accelerate the growth of our low carbon mobility products and solutions• Prolong the life of products, using cars in a smarter way and meeting customers in new ways	<ul style="list-style-type: none">• Developing a broader range of solutions beyond automotive ones with Lucien, Go Solar, Microlino• Developing accessible mobility solutions for everyone with Taxis Verts, Poppy, MyWay, Mbrella,...	<ul style="list-style-type: none">• Giving everyone a voice• Being an inclusive business• Accelerating diversity• Offering development opportunities for everyone
Key enablers →	Living our values – Ethics & integrity - Working long-term for positive change –All as One!		

All info available on Sustainable development | D’leteren (dieteren.be)

Managing sustainability impacts in D’leteren’s value chain

The ambition of D’leteren’s sustainability strategy applies to the whole value chain. Here is an overview of D’leteren’s main challenges and how the company approaches them.



1.3.2. INTERESTS AND VIEWS OF STAKEHOLDERS SBM-2

Why we engage	How we engage	Key topics and concerns discussed
Customers. Customers are central to D’leteren’s operations. The company endeavours to deliver high quality mobility products and services that drive superior satisfaction across both private and professional markets. Strong engagement with customers enables D’leteren to understand their needs and anticipate market trends.	<ul style="list-style-type: none"> - Customer satisfaction survey after both sales & after-sales services - Systematic qualitative & quantitative surveys, notably the biennial Polaris Mobility Survey - Key account manager relationships – ongoing dialogue - Mobility events such as the Brussels Motor Show or B2B mobility events - Customer Care Service - Whistleblowing system available to customers 	<ul style="list-style-type: none"> + Customer experience & satisfaction + Quality products, services & mobility solutions + Mobility needs & challenges + Sustainability management practices + Business ethics
Employees. Employees are recognised as key stakeholders and vital to achieving the company’s objectives. D’leteren is committed to fostering a culture of employee engagement by promoting open dialogue and collaboration. Employees are encouraged to actively contribute, ensuring their voices are heard and valued. The company also prioritises creating a supportive workplace where individuals can thrive, develop their potential, and work together towards shared goals.	<ul style="list-style-type: none"> - Annual employee engagement survey - Specific surveys on experience, values, well-being, etc. - Providing a process to provide protection against a negative impact on their employment - Works Council consultations - Annual performance dialogue - Talent management processes - Regular staff meetings & events - Ongoing dialogue with management & HR teams - Whistleblowing system available to employees - Innovation board 	<ul style="list-style-type: none"> + Company priorities & challenges + Economic performance and ESG management + Climate change & mobility solutions + Health & Safety + Diversity & inclusion + Training & development + Employee engagement + Customer satisfaction + Business ethics + Strategic changes and action plans
Partners and Suppliers. D’leteren’s suppliers & partners are key to creating mutual value. Open dialogue and collaboration foster innovation and ensure high standards in business ethics and sustainability. D’leteren’s long-standing relationships, including with local dealers and partners, such as the Volkswagen Group since 1948, are built on shared values and mutual benefit. By staying compliant with evolving regulations and supporting supplier innovation, D’leteren helps strengthen these partnerships, contributing to the achievement of both its goals and theirs.	<ul style="list-style-type: none"> - Assessments - Strategic and topic specific multi-stakeholder groups - Partner events - Specific dialogues, regular meetings and constant communication to ensure that its suppliers and partners are aligned with D’leteren’s goals - Whistleblowing system available to partners & suppliers 	<ul style="list-style-type: none"> + Quality of products & services + Supply chain reliability and efficiency + Company priorities & challenges + Health & Safety + Economic performance + Sustainability management practices + Business ethics
Shareholders and Investors. D’leteren maintains an active dialogue with the capital market to ensure transparency and to continuously improve its reporting practices. By providing comprehensive and timely information, D’leteren supports informed decision-making, protecting investors and shareholders. This approach fosters transparent and lasting relationships, while also aligning with shareholders and investors to integrate their perspectives into D’leteren’s sustainability efforts and meet financial expectations.	<ul style="list-style-type: none"> - Regular meetings including ESG-focused ones - Strategic and routine meetings with the family of shareholders - Publication of financial and non-financial statements in D’leteren Group’s annual reports - Press releases 	<ul style="list-style-type: none"> + Company’s financial performance + ESG disclosure and performance + Risks & Opportunities + Business Ethics
Society at large. As an industry leader, it actively shares market knowledge to inspire and drive sustainable mobility innovations. The company’s societal engagements are designed to position it as a benchmark in sustainable mobility, supporting broader goals of reducing carbon emissions.	<ul style="list-style-type: none"> - Participation in industry coalitions, peer networks, forums and public dialogues - Conferences, advocacy work - Publication of the Polaris Mobility Survey, among others - Sponsoring & charity support 	<ul style="list-style-type: none"> + Market trends & customer expectations + Business mission and strategy + Sustainability management practices

D'leteren's stakeholder engagement approach is a foundational component of its business model, designed to systematically capture and integrate insights on economic, social, environmental and governance issues. By maintaining structured dialogue groups and feedback mechanisms, and by using both local and global engagement tools, D'leteren ensures alignment with stakeholder expectations and responsiveness to external developments, market trends and emerging risks. Through regular participation in industry discussions and forums, D'leteren actively tracks societal expectations and industry benchmarks, broadening its understanding of stakeholder concerns related to sustainability.

The relationships with stakeholders are managed by the departments directly engaged with them, and the outcomes are systematically presented to the Executive Committee. These insights are regularly shared with employees to ensure that stakeholder expectations are understood and integrated where relevant. This process ensures that the company's actions align with stakeholder needs, driving informed decision-making and fostering a cohesive approach across the organisation. This strategic alignment with stakeholders has driven D'leteren's transformation over the past five years, evolving from a vehicle distributor to a comprehensive mobility solutions provider.

1.3.3. DOUBLE MATERIALITY ASSESSMENT RESULT SBM-3

The following disclosure reflects the topics identified as material across all of D'leteren Group's businesses. As detailed in the D'leteren Group Consolidated Chapter, the material topics of individual businesses were considered during the consolidation process. The results demonstrate that the sustainability topics identified at the consolidated level align closely with the material aspects of D'leteren Automotive's individual operations. However, some ESG topics identified in D'leteren Automotive's DMA are no longer being considered. These topics include Secure Employment, Work-Life Balance and Consumer Privacy for its own operations; Freedom of Association for its value chain; Mobility Solutions, Responsible Market Practices, Road Congestion and Consumer Safety for both its own operations and value chain. Finally, an entity-specific topic relevant to D'leteren has been added, namely Employee Engagement.

1.4. Impact, risk and opportunity management

1.4.1. DOUBLE MATERIALITY ASSESSMENT PROCESS IRO-1

In 2023, D'leteren applied the principles of the ESRS to conduct a comprehensive double materiality assessment (DMA) to identify key ESG topics. This assessment follows the framework used across D'leteren Group.

The starting point for the 2023 materiality assessment was the ESRS 1 longlist of sustainability topics. To identify relevant topics from this list, D'leteren relied on prominent publications in the transport sector, relevant public policies and findings from its biennial mobility survey (Polaris). Insights from the 2020 impact materiality assessment were also incorporated, highlighting critical ESG topics across D'leteren's operations, such as climate change, health and safety, labour rights, and anti-corruption measures.

This process was further enriched by integrating D'leteren's forward-looking strategy for sustainable mobility and considering industry trends, such as the transition to electrification and initiatives to reduce emissions. The approach was designed to address both dimensions of the double materiality: the impact of D'leteren's activities on sustainability issues and the influence of these issues on the company's business performance.

Subsequently, 14 stakeholder groups, totalling over 100 individuals, were engaged to validate and refine the analysis. These groups participated in interviews and surveys to assess the severity, scope, irreversibility and likelihood of negative impacts associated with each ESG topic. To ensure a thorough evaluation, D'leteren also consulted both internal and external experts.

For financial materiality, the internal risk management system was used to consistently evaluate the identified financial risks related to the DMA, using the same methodology as for other types of risks. Currently, D'leteren presents financial materiality through qualitative analyses but is preparing for the quantification of potential financial impacts to meet future reporting requirements as they come into effect.

The double materiality assessment resulted in a shortlist of material topics, each categorised as either impact material, financially material, or both.

The final list of material topics was presented to the CEO and the Executive Committee.

The double materiality process shapes the content of D'leteren's sustainability disclosures and informs its priorities on sustainability issues. For mature areas identified as material, D'leteren has set targets and action plans, which are disclosed in its sustainability statements. In areas where processes are less developed, the company is actively working to devise strategies, define action plans and implement changes.

The same process was used for the identification of IROs for all material topics mentioned in the following sections.



1.4.2. GENERAL STATEMENT ON MINIMUM DISCLOSURE REQUIREMENTS FOR POLICIES, ACTIONS AND TARGETS MDR P, A & T

When no policies, actions, or targets are available in some sections, it is often due to the fact that the first double materiality exercise has highlighted a number of new material topics for the business that have not yet been completely integrated. These new topics are mainly value chain topics, which will be further discussed for integration. This is not the case for mature areas such as climate change and own workforce which are already integrated into the overall strategy.

Additionally, isolated information related to current and future financial resources (CapEx and OpEx) allocated to specific actions is not available (except when indicated otherwise). This is due to the fact that most actions are punctual or continuous actions that are not specifically tracked, nor specifically linked to one ESG topic, nor subjected to a specific time horizon for completion or budget but are rather seamlessly integrated into a general strategy or daily operations. Most of the time, no baseline values are set for targets. The evolution of progress towards targets is, rather, measured in a rolling way by making sure that year-on-year progress is perceived (except for climate related and own workforce targets).

The metrics disclosed are validated through internal verification and by an external assurance provider. In some cases the metrics are compiled and processed by external consultants (CO₂ emissions, waste). No other external validation is sought by D'leteren.

2. Environmental information

2.1. Climate change

2.1.1. TRANSITION PLAN FOR CLIMATE MITIGATION E1-1

D'leteren is committed to addressing climate change through a comprehensive transition plan, "Project ZERO," which aims to achieve net-zero emissions by 2050. This policy (available on Sustainable development | D'leteren) aligns with the Paris Agreement's goal of limiting global warming to 1.5°C. The strategy is structured in multiple phases, leveraging strategic levers and ensuring regulatory compliance, all while integrating the transition plan into the company's broader business and financial strategies.

Strategic phases for emission reduction

- Phase 1, introduced in 2019 on the historical scope² reducing direct greenhouse gas emissions and limited indirect emissions by 50% in 2025.
- Phase 2, introduced in 2023 on D'leteren's entire value chain: reducing greenhouse gas emissions by 42% by 2030 (2023 as base year) to become net-zero by 2050 at the latest, in line with its Science Based Targets.
- Phase 3 on D'leteren's entire value chain: capturing the remaining 10% of GHG emissions by 2050, in line with D'leteren's SBTi commitment to becoming net-zero by 2050.

Leveraging strategic levers to meet SBTi targets

- D'leteren is prioritising electrification, aiming for at least 60% of electric vehicle sales by 2030, and supporting the transition with a green energy bundle that includes charging stations, solar panels and stationary batteries. The company is also adopting a mobility-as-a-service model to improve resource efficiency, reduce emissions, and promote sustainable transportation through car-sharing, e-bike leasing and flexible mobility plans for B2B customers.

Managing fossil fuel exposure

- **Shift to electric vehicles and biofuels.** To manage fossil fuel exposure, D'leteren is accelerating the shift to electric vehicles both for company cars and the sales of vehicles to customers and exploring the use of biofuels for its logistics. The promotion of teleworking also contributes to reducing emissions associated with traditional commuting.
- **Locked-In GHG emissions.** Tackling the substantial greenhouse gas emissions from new vehicle sales, particularly those of internal combustion engine (ICE) vehicles, is a critical focus for D'leteren as it strives to achieve its decarbonisation goals. ICE vehicles, with their higher emissions, pose a challenge to the company's progress. To counteract this, D'leteren has developed a robust electrification

strategy that integrates seamlessly with its broader business objectives, aligning with the company's overarching mission. This strategy focuses on reducing emissions through the sale of electric vehicles (EVs), supported by the deployment of comprehensive charging and green energy infrastructure, enabling customers to transition smoothly to electric mobility. Additionally, D'leteren benefits from Volkswagen's strong commitment to electrifying its product range, further reinforcing D'leteren's ability to meet CO₂ reduction targets and drive the transition to cleaner, more sustainable mobility solutions.

Regulatory compliance and governance

- D'leteren has received the validation of the Science Based Targets initiative for its near-term target and its net-zero target, ensuring compliance with the European Climate Law.
- The transition plan has received approval from administrative, management and supervisory bodies, ensuring robust governance and oversight, and has been endorsed by the Board of Directors. This underscores the company's dedication to leading climate action within the automotive industry.

Financial and operational investments

- D'leteren cannot disclose the amount of CapEx and OpEx specifically related to its climate objectives as its funding is seamlessly integrated in the funding of day-to-day activities. In general, all costs related to the sale of new electric vehicles, or the development of alternative mobility, are related to the general strategy and activities of D'leteren while also enhancing key components of the Project ZERO transition plan. Additionally, the transition to electric company cars represents a significant investment that is not yet fully detailed, as the estimated cost range remains too broad to be considered reliable at this stage. An initial budget of €800,000 was allocated in 2024 for the use of biofuel in new vehicle logistics, along with €700,000 for direct costs dedicated to specific ESG team projects.

Integration and employee engagement

- As mentioned, project ZERO is seamlessly integrated into D'leteren's broader business strategy, aligning with the company's mission and long-term objectives. Its development involved substantial collaboration with the Executive Committee and is fully aligned with D'leteren's strategic priorities. The project has also received endorsement from the Board of Directors, reinforcing a strong organisational commitment to embedding sustainability throughout the company's operations. Project ZERO is incorporated into the company's 5-year strategic plan, with each department reporting on its CO₂ reduction trajectory alongside its

² D'leteren's entities within this historical scope are: D'leteren Automotive, D'leteren Centers, Porsche Centre Antwerp & Porsche Centre Brussels (covering ~85% of gross margin and 95+% of EBIT generated by D'leteren in 2019). The historical scope covers Scope 1 and Scope 2 emissions, as well as some Scope 3 emissions, namely

the emissions related to home-work commuting, logistics, business travel, waste and upstream emissions from Scope 1 and 2.

profitability trajectory. A Sustainability-Linked Loan tied to emission reductions further reinforces this integration, ensuring that sustainability objectives are embedded in financial planning.

- The company is actively fostering a culture of sustainability through initiatives such as the D'leteren Climate School and dedicated internal workshops. These programmes are designed to raise awareness about climate change, educate employees on its impacts and inspire actionable engagement. By integrating these initiatives into the workplace, D'leteren seeks to reinforce the importance of sustainability in daily operations, empowering employees to contribute meaningfully to the company's environmental goals and fostering a collective commitment to a greener future. The Climate School offers e-learning modules to deepen understanding of climate issues and their relevance to specific functions, including IT, HR, Procurement and Marketing.

Progress

D'leteren has already made progress in implementing its transition plan. The company is on track to meet its initial CO₂ reduction target, which aims for a 50% reduction in its historical scope by 2025, with a 53% reduction already achieved by 2024. The numerous actions taken, as detailed in section 2.1.4, have yielded positive results.

Regarding the reduction of emissions across its entire value chain, in line with the Paris Agreement and validated by the SBTi for 2030 and 2050 targets, progress has already been made. Emissions have been reduced by 18% in Scope 1 and 2, and by 7% in Scope 3.

EU Paris-aligned Benchmarks. The company is not excluded from the EU Paris-aligned Benchmarks, as D'leteren does not meet any of the criteria that could lead to exclusion.

2.1.2. CLIMATE-RELATED IROS SBM-3

		Impacts	Risks/opportunities	Time horizon (R/O)
Climate change adaptation	Own operations & value chain	Potential significant positive impact The uptake of electric vehicles (EVs) and alternatives like bikes and car-sharing can cut road congestion, pollution and CO2 emissions, and enhance urban life, while also boosting local economies	Moderate opportunity D'leteren can tap into sustainable transport solutions and new market segments, leading to an increase in revenue, considering the younger generation's preference for alternative mobility, increased corporate mobility budgets, the popularity of car-sharing and bikes, and tighter car regulations. Significant risk Current and future regulations around internal combustion engines and consumer behavioural change could impact D'leteren's revenue	Short & Medium term
Climate change mitigation		Actual significant negative impact Car manufacturing and its value chain are highly energy intensive. Passenger vehicles sold by D'leteren, including the production and use phases, are major GHG emission contributors.	Significant risk D'leteren faces risks from the scarcity of resources needed for products like electric vehicles, bikes, solar panels and charging stations. Transitioning to electric vehicles, switching to renewable energy and installing electric infrastructure like charging stations, increase costs for customers and could reduce D'leteren sales.	Short & Medium term

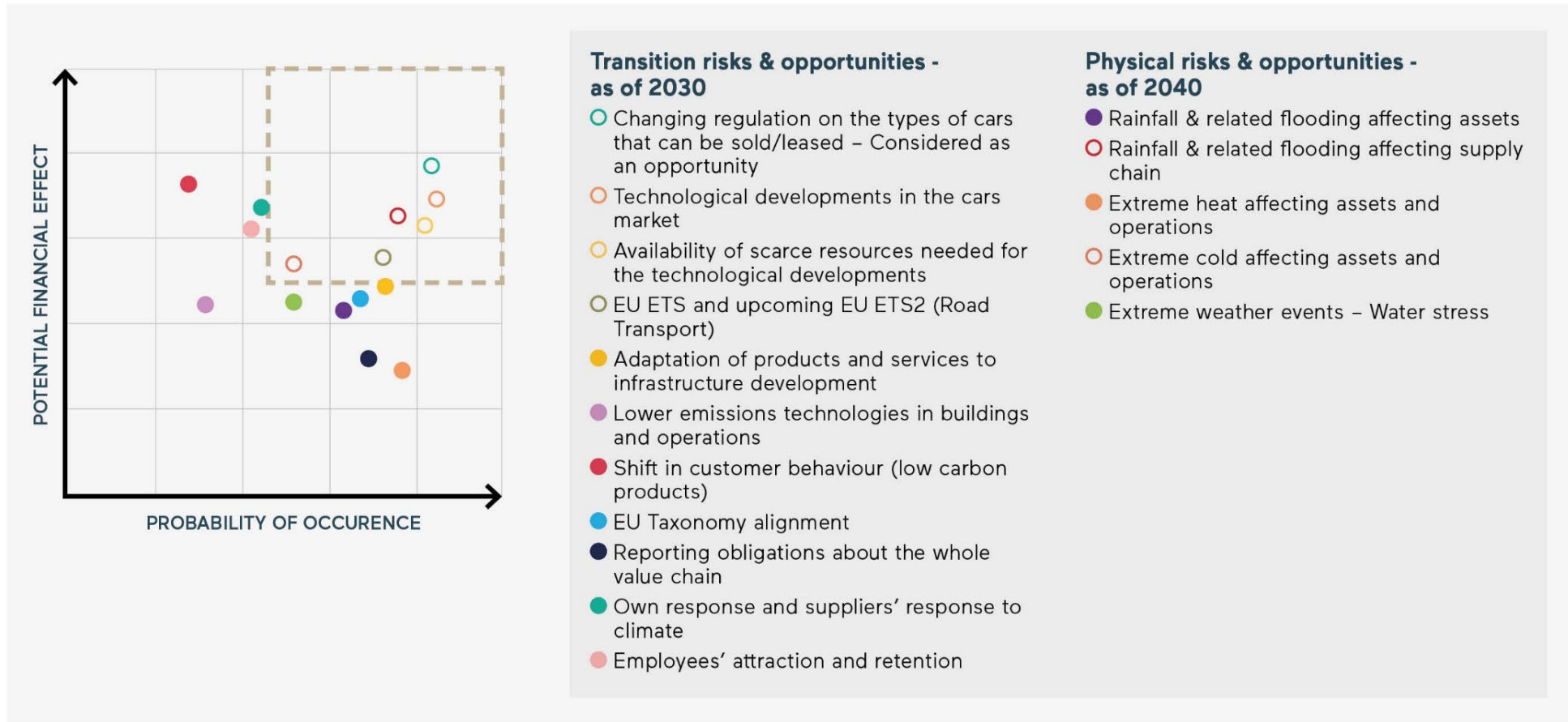
		Impacts	Risks/opportunities	Time horizon (R/O)
Energy	Own operations & value chain	Actual significant negative impact Vehicle production is energy-intensive, and cars or e-bikes are powered by energy. D'leteren's own operations also consume energy to run its operations, impacting climate and air quality.	Moderate risk Aligning with the Green Deal and "Fit for 55" exposes D'leteren to financial risks, including higher compliance and adaptation costs, potential carbon taxes, and market shifts	Short & Medium term
		Actual moderate positive impact D'leteren is expanding its renewable energy solutions, like solar panels and home batteries, through its subsidiary D'leteren Energy (EDI and Go-Solar), leading to a reduction in air pollution, health benefits and job creation.	Moderate opportunity New opportunities emerging from shifting from fossil fuel consumption to renewable energy to charge EVs, leading to an increase in revenue	

D'leteren has been actively transitioning to low-carbon mobility for several years, demonstrating its commitment to sustainability well before the double materiality assessment (DMA) was conducted. In 2019–2020, D'leteren engaged more than 60 senior managers from various business functions, supported by expert bodies, to review and refine its strategy. This comprehensive effort was further enhanced in the following years by the results of the Polaris surveys, conducted since 2022, which gathered insights from a wide range of professional and individual customers.

This proactive approach explains why six major risks identified through a scenario analysis and confirmed by the DMA are already embedded in the company's overall strategy and financial risk management framework (see page 246 of the annual report).

The company's Executive Committee closely monitors the implementation of its strategy and financial risk management framework. These are reviewed regularly, particularly during the budgeting process and as part of the five-year strategic plan, which integrates both economic and environmental considerations. This iterative process ensures that D'leteren's strategy remains resilient, forward-looking and aligned with its long-term vision - anchored in its 220-year history and family-oriented values.

Physical and transition risks identified by the scenario analysis under a rapid transition (Net-Zero by 2050) and high emissions scenario (SSP 5-8.5)



D'leteren's response to its 6 main risks and opportunities

#	Risk/Opportunity	Probability of occurrence & potential financial effect	D'leteren's response
1	<p>The risk that D'leteren is not prepared for the changes in Belgian legislation and tax environment (e.g. decrease in company cars) OR The opportunity that D'leteren adapts promptly to changing regulation (e.g. highly efficient cars, electric vehicles, digitalisation)</p>	<p>There has been a growing push to reform the tax benefits associated with company cars to encourage more environmentally friendly transportation options. As from 2026 in Belgium, only electric company vehicles will be deductible.</p> <p>Under a rapid transition scenario, D'leteren is expected to see its share of revenues increase by 2030, the company already being positioned as a leader in the electric car market.</p>	<p>Currently, D'leteren holds a 28% market share in the electric vehicle segment and provides a full range of products and services that support e-mobility. This comprehensive offering is especially appealing to B2B customers seeking to reduce their carbon footprint while transitioning to electric solutions. In light of growing regulations promoting electrification, D'leteren is strategically positioned to take advantage of the increasing demand for electric vehicles, charging infrastructure, renewable energy and related services, strengthening its competitive position in the market.</p>
2	<p>The risk that D'leteren's car supplier(s) (VW Group) fail to keep up with technological innovations in the automotive industry, potentially lagging behind (e.g. moving towards EV) OR The opportunity that D'leteren leads the offering for low carbon solutions by investing in new technologies</p>	<p>There have been tremendous technological innovations from the Volkswagen Group in recent years to move towards zero emissions in the use phase for vehicles. Innovation used to be around hybrid vehicles and is now mostly focused on electric vehicle developments (e.g. increased battery lifetime and autonomy, decreased charging time).</p> <p>In the short term, the loss of market share would be limited as the company is a leader in electric car sales in Belgium thanks to the VW Group's early commitment to electric vehicles and D'leteren is well-positioned in other mobility segments too. As of 2030, innovations to decrease the climate impact of mobility are expected to further increase under a net-zero scenario.</p>	<p>In line with its mission to build sustainable and accessible mobility for everyone, D'leteren has established a comprehensive ecosystem of products and services dedicated to e-mobility. This includes collaboration with its key partner, the Volkswagen Group, which is committed to being a major player in the electric vehicle market.</p> <p>Additionally, D'leteren has developed a complete portfolio of alternative mobility solutions, encompassing cycling, car-sharing, paid passenger transport and micro-mobility services. These offerings are designed to meet evolving customer needs and address climate challenges. As a result, D'leteren is positioned as a key player in the decarbonisation of transportation, enabling it to capitalise on market opportunities in the sector.</p>
3	<p>The risk that the low availability of scarce resources needed for the technological development disrupts D'leteren's supply chain</p>	<p>Given the increasing demand for materials crucial to automotive manufacturing like rare earth elements, lithium and cobalt, this risk is likely to happen and will extend in the future while electric cars keep on developing and other sectors electrify their processes.</p> <p>The current demand for rare materials can still be managed as it is limited to a few sectors. As of 2030, more and more sectors are expected to rely on rare materials for their low-carbon innovations, affecting their availability for EV batteries, leading to: disruptions in supply chains, investments in alternative technologies or sourcing strategy, risks in the company's growth prospects if it cannot secure a steady supply of new vehicles.</p>	<p>Recognising the importance of this issue, Volkswagen, D'leteren's main supplier, has integrated the circular economy into its operations, prioritising recyclable materials, material supply, reuse (e.g., battery recycling) and recovery models. This is guided by its new "Regenerate+" strategy to enhance efficiency and reduce environmental impact.</p> <p>In response to the risk that scarce resources could disrupt its supply chain, D'leteren is promoting the sale of second-hand vehicles and offering maintenance and repair services. The company is also integrating circular economy practices to extend vehicle lifecycles, reducing dependence on limited resources and gradually transitioning towards a "vehicle as a service" business model.</p>

#	Risk/Opportunity	Probability of occurrence & potential financial effect	D'leteren's response
4	The risk that carbon price increases for fuel, electricity and carbon-intensive raw materials could lead to higher operating costs for D'leteren and decreased demand on the market for mobility solutions (e.g. EU ETS and ETS2 for road transport).	<p>There is a proposal to establish a separate ETS for road transport (referred to by some as "ETS2") from 2027, targeting emissions from sectors not currently covered by the existing system. Fuel suppliers that will be required to monitor and report their emissions with the carbon cost most likely being passed through to energy consumers.</p> <p>Energy price increases currently only affect OpEx by increasing energy costs related to buildings and operations (materials' price increase – Steel). Operating margins could also be affected by raw material price. As the scope of the EU ETS will extend to the carbon cost of energy suppliers in the transport sector, the increased price of energy should trickle down to customers. Demand for EVs/thermic cars could be affected and result in lower revenues for D'leteren by 2030.</p>	<p>At the end of 2024, D'leteren conducted a financial model to assess the impact of rising carbon prices on car manufacturers, vehicle sales prices and demand for new vehicles. The results show that the risk is low by 2030 and no specific action plan is needed. Additionally, D'leteren's strong focus on vehicle electrification helps mitigate the risk for its customers of rising fuel prices due to increased carbon costs.</p> <p>Regarding its own operations, D'leteren has initiatives in place aligned with its CO₂ reduction goal for 2030. These include transitioning to 100% green electricity at all its sites, using 100% electric company cars and ensuring its buildings and infrastructure are highly energy efficient.</p>
5	The risk that heavy rain and flooding events lead to a disrupted supply chain and transportation	<p>Occurrences of storms and high winds could damage infrastructure associated with D'leteren's key dealerships and warehouses. This can lead to damage to stock and block distribution routes with debris, impacting operations and revenue.</p> <p>The financial impact could be severe, including the cost of contingency plans, such as alternative transportation routes or additional inventory buffers, increased operational costs to maintain service levels, potential loss of revenue from delayed sales and reduced operational efficiency, alongside possibly higher insurance and recovery costs.</p>	<p>This risk has been accounted for in the company's overall risk management strategy for several years as D'leteren is dependent on car deliveries from VW factories. In the event of supply chain disruptions, D'leteren maintains close communication with the VW Group and manages customer relationships. The company has demonstrated agility in financially mitigating the effects of lower production levels in 2021 and 2022 during the COVID-19 crisis and the semiconductor shortage that affected new vehicle deliveries.</p>
6	The risk that extreme cold events exceed 6 or more consecutive days, leading to damaged assets and disrupted operations	<p>According to the IPCC scenarios, colder extremes could occur due to climatic variability. However, the frequency and intensity of extreme cold events remain low today. In a scenario of high levels of emissions and minimal adoption of mitigation strategies, it could lead to unpredictable and severe weather patterns, including unexpected cold snaps due to dramatic shifts in atmospheric circulation. Belgium might experience harsh winter conditions intermittently, despite an overall trend towards warming.</p> <p>A prolonged cold wave can influence vehicle purchasing, particularly if customers perceive electric vehicles as less reliable under such conditions (battery efficiency, electricity price, recharge time). In addition, the financial implications include the need for robust infrastructure capable of withstanding extreme weather, increased maintenance and potential damage to assets not adequately prepared for intense cold conditions.</p>	<p>In response to the potential impacts of a prolonged cold wave on vehicle purchasing, D'leteren acknowledges that extreme weather conditions, including cold waves, can influence customer perceptions, particularly regarding the reliability of electric vehicles (EVs).</p> <p>The Volkswagen Group anticipates severe cold weather scenarios by incorporating battery heating systems to maintain optimal performance, developing batteries resistant to low temperatures. EVs also optimise energy management to reduce cold-weather range loss.</p> <p>Additionally, EDI charging stations provided by D'leteren are highly resistant to extreme cold (-25°C), heat (+45°C) and humidity. To further promote electric mobility and address customer inquiries, the D'leteren Academy offers e-mobility training to the commercial teams across the network.</p> <p>Regarding its facilities, D'leteren, in collaboration with D'leteren Immo, is carrying out the necessary renovations to insulate buildings and build highly energy-efficient structures, thereby protecting its assets stored inside.</p>

2.1.3. IDENTIFICATION OF CLIMATE-RELATED IROS IRO-1

D’leteren recognises climate change as a central material issue, prompting the company to incorporate its 2022 scenario analyses to refine the prioritisation of climate-related risks and opportunities.

The 2022 scenario analysis (TCFD) had provided qualitative results and was conducted on D’leteren’s own operations and its value chain. From 2024 onwards the TCFD exercise will be progressively improved, through assimilation into financial modelling frameworks, to enable the assessment of prospective impacts on financial outcomes.

The TCFD analysis employed projections based on the Intergovernmental Panel on Climate Change’s (IPCC) sixth assessment report, supplemented by insights from the Network for Greening the Financial System (NGFS) Climate Scenarios 2022. The primary scenarios include 1/ SSP1-2.6: a low emissions pathway aiming for temperature stabilisation below 2°C by 2100, 2/ SSP5-8.5: envisioning a high-emissions future with temperature increases exceeding 3.8°C, 3/ current policies: predicated on existing policies with anticipations of around 3°C warming. These scenarios were based on the latest scientific advancements, drawing extensively from IPCC global climate models. Additional guidance is provided by data from the World Resources Institute and the European Space Agency, ensuring relevance to regional impacts.

The physical risk assessment focused on identifying acute and chronic risks across three time horizons: short term (up to 2025), medium term (up to 2030) and long term (extending to 2040 and 2050). These time horizons align with the company’s strategic planning, whether in the short term to meet the annual budget or in the medium term to meet the 5-year strategic plan.

The first phase in D’leteren’s process was the identification of conceivable climate-related hazards that may affect its operations. Supported by expert bodies, D’leteren evaluated a spectrum of potential hazards. These hazards include extreme weather events such as heavy rainfall and flooding from rivers, storms, high winds and extreme temperatures. Additionally, hazards like landslides, wildfires and chronic conditions such as water stress and drought were examined. Subsequent to identifying the hazards, D’leteren evaluated the exposure and sensitivity of its assets and business dealings to these identified hazards. The assessment involved high-emission scenario projections up to the year 2050, with a targeted focus on areas along the Brussels-Malines-Antwerp axis, where D’leteren conducts its main activities. Critical sites such as the National Distribution Centre were scrutinised. The assessment further included analysis of upstream vulnerabilities, gathering insights from Volkswagen’s sustainability practices, alongside examining downstream exposure tied to transit logistics within Belgium.

Classification of climate-related hazards

	Temperature-related	Wind-related	Water-related
Chronic	Temperature variability		Water stress
Acute	Extreme heat	Storms and high winds	Drought
	Extreme cold		Heavy precipitation
			Flood

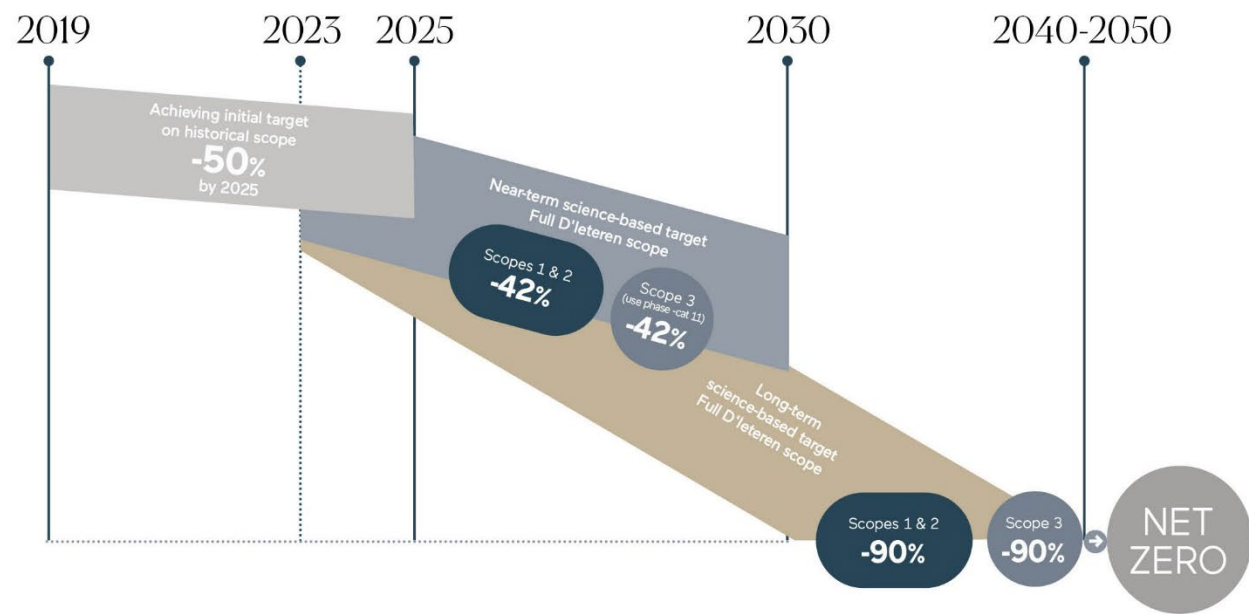
Regarding climate-related transition events, D’leteren identified risks, including rising carbon costs and increasing energy prices, regulatory compliance, transition to electric vehicles, internal combustion engine emissions, supply chain disruption and the shift in consumer demand. Consequently, the company identified opportunities to expand its product offerings by including sustainable mobility solutions, such as car-sharing, electric vehicles and e-bikes, in order to capture market segments that prefer sustainable options.

The findings outlined by the scenario analysis regarding climate-related transition risks and opportunities, as well as by the DMA, have already been largely addressed by the strategic work conducted in 2019 and 2020.

2.1.4. POLICIES, ACTIONS & TARGETS E1-2,-3,-4

Project ZERO is designed to address climate-related impacts, risks and opportunities, with a strong emphasis on reducing GHG emissions and accelerating the transition to low-carbon mobility. It focuses on both mitigation and adaptation strategies. Project ZERO is designed to achieve net-zero emissions by 2050, aligning with global efforts to combat climate change. It is overseen by the Executive Committee.

Project ZERO roadmap



The targets were set based on the guidance established by the SBTi for the transport sector to achieve the Net-Zero Standard. These targets were validated by the SBTi at the end of 2024.

As no changes are anticipated in the assets, these targets remain consistent with the boundaries defined by the GHG inventory, ensuring alignment with the current scope of emissions and the company’s existing operational framework. These targets have been set based on realistic market projections, considering existing and upcoming regulations,

customer behaviour studies, including the Mobility Polaris survey, and the production strategy led by the Volkswagen Group, in order to ensure their reliability.

To detect any future GHG emission sources, D’leteren screens its activities and strategic plans, including preliminary ESG evaluations for potential acquisitions. To ensure that the company is on track to meet its CO2 emission reduction targets, progress is tracked monthly for the strategic categories of the carbon footprint.

Project ZERO will be achieved in two phases.

Phase 1 on the historical scope: reducing direct greenhouse gas emissions and limited indirect emissions by 50% in 2025 (2019 as the base year)

- The entities within this historical scope are: D'leteren Automotive, D'leteren Centers, Porsche Centre Antwerp & Porsche Centre Brussels (covering ~85% of gross margin and 95+% of EBIT generated by D'leteren in 2019)
- The historical scope covers Scope 1 and Scope 2 emissions, as well as some Scope 3 emissions, namely the emissions related to commuting, logistics, business travel, waste and upstream emissions from Scope 1 and 2.

Several actions have been taken since 2019, reducing emissions by 50% in 2024 vs 2019, and further actions will be taken to meet the 2025 target.

- Several energy-intensive buildings were closed. The size of the headquarters was reduced in line with office occupancy levels. Office temperatures were lowered to 19 degrees Celsius and 100% of the relevant sites use green electricity. New buildings have been constructed by D'leteren Immo with the aim of making them highly energy-efficient (see the D'leteren Immo Chapter for more information). These include the Mobilis site in Brussels, the D'leteren Mobility site in Kontich, and D'leteren Park, which will host D'leteren personnel and is scheduled for completion in the first half of 2025. These buildings have been designed with advanced energy-saving features, including state-of-the-art insulation, energy-efficient lighting and renewable energy systems to minimise the environmental footprint and reduce operational energy costs.
- The mobility policy has been adapted to gradually increase the proportion of electric vehicles used by employees while offering a broader range of alternative solutions, such as bike leases and a mobility budget. By the end of 2024, 65% of company vehicles were electric, up from 32% in 2023. Starting in 2025, D'leteren Park will provide over 600 charging points for employees, visitors and local residents to support the transition to electric mobility. Additionally the mobility budget has been adjusted to encourage more employees to make the switch towards EVs.
- D'leteren encourages teleworking and remote conferencing, leading to less employee commuting.
- Since 2024, D'leteren has been using biofuel (HVO) for the delivery of new vehicles and accessory parts to dealerships.

Phase 2 on D'leteren's entire value chain: reducing greenhouse gas emissions by 42% by 2030 (base year 2023) to become net-zero by 2050 at the latest

This is an ambitious plan because:

- it covers Scopes 1, 2 and 3 defined by the GHG Protocol, i.e. the direct and indirect emissions produced by the company, its fully consolidated subsidiaries and its value chain (suppliers, customers as well as companies in which D'leteren has a minority interest such as Volkswagen D'leteren Finance);
- becoming net-zero is challenging for a company whose business is historically based on high carbon products.

2023 was chosen as the base year as it reflects a normal level of activity for D'leteren, similar to the level in 2019 before the COVID-19 pandemic. 2020 and 2021 were impacted by the health crisis, followed by a shortage of new vehicles in 2022 due to the semiconductor crisis in the automotive sector.

In 2024 D'leteren's carbon footprint reached 4.865 million tonnes CO₂e, compared with 5.208 million in 2023.

- More than 98% of the emissions were related to Scope 3 and more specifically to the purchased goods and services (28%) and the use of sold products categories (70% of the overall emissions).
- A decrease of 7% was recorded in 2024 vs 2023, mainly due to the decline in new vehicles sold.
- New cars represent a major part of emissions (84% of total emissions) due to their purchase (construction of materials bought), the customer use phase and their end of life.
 - Internal combustion engine cars represented most of the cars sold in 2024 (62%) and most of emissions related to cars (74%).
 - Electric car sales registered a sharp rise in 2024 with 27% of total vehicles sold by D'leteren against 23% in 2023, with D'leteren being the leader in this segment in Belgium. Electric cars are more emissive than thermal cars in the construction phase, but less emissive during the use phase, and benefit from a favourable Belgian electricity mix.

3 levers will be used to achieve this reduction for Scope 3

LEVER 1 – Electrification and renewable energy

D'leteren is targeting a share of fully electric cars in its sales of at least 60% by 2030, which will enable the company to achieve a 42% reduction in emissions associated with vehicle use, in line with its 2030 reduction target. To facilitate the transition to electric cars for customers, D'leteren ensures that charging is made easy by complementing its electric vehicle offering with a green energy bundle (EDI charging stations, Go-Solar panels and stationary batteries).

LEVER 2 – Accelerating the growth of low-carbon mobility products and solutions

Consumers are carefully considering their mobility choices according to their context. In order to cater for this, D'leteren has enlarged its offering with bikes, shared mobility and driver-assisted mobility.

- Through e-bikes with Lucien, shared mobility with Taxis Verts and Poppy, or micromobility with Microlino, the goal is to transition from high-carbon to low-carbon products.

- With Mbrella, D'leteren helps business customers design flexible and multimodal mobility plans, promoting the use of the most appropriate mode of transport according to circumstances.

By taking these actions, D'leteren contributes to accelerating the decarbonisation of mobility in Belgium.

LEVER 3 – Prolonging the life of products, using cars in a smarter way and meeting customer needs in new ways

The demand from individual and corporate customers is gradually shifting towards flexible models based on use rather than ownership of the car. To meet these expectations, D'leteren is considering mastering the transformation from one-off asset sales to vehicle-as-a-service models. This is crucial for optimising vehicle utilisation and, consequently, reducing the production of new vehicles. Based on the principles of the circular economy, D'leteren could thus address consumer mobility needs more efficiently and with less resource consumption, resulting in lower emissions. This pillar, currently under analysis and development, will enable the company to reduce its Scope 3 emissions, beyond the usage phase category.

Tracking the effectiveness of actions

#	Name	Action	Progress	Process and stakeholders	CO ₂ emission reductions FY2024
1	Energy Efficiency in Buildings	Existing buildings: improved insulation and technology upgrades (heat pumps where feasible,...); new highly energy-efficient buildings	3 new highly energy-efficient buildings: Mobilis (with a BREAAAM certification), D'leteren Mobility Center in Kontich and D'leteren Park (under construction – will be effective in H1 2025)	Collaboration with D'leteren Immo and involvement of property management systems	-613 tCO ₂ e
2	Renewable Energy Sourcing	Energy management	86% of D'leteren sites using green electricity at the end of 2024	Driven by the ESG team and the entities involved	-151 tCO ₂ e
3	Own fleet electric transition	Transition to 100% electric company cars by 2030 and enhance green charging infrastructure	Current electrification level at 65% for D'leteren Automotive	Adaptation of Green Mobility Policy – Driven by the mobility manager at D'leteren Automotive	-1,479 tCO ₂ e
4	Reduction of emissions related to vehicle use through the electrification of new vehicle sales	Reduce category 11 'Use of Sold products' CO ₂ emissions by 42% by 2030, with electric vehicles making up 60% of sales.	Electric vehicle sales reached 27% in 2024 against 23% in 2023	Annual CO ₂ trajectory established by brands department in line with the 2030 reduction target; monthly tracking by the ESG team	-371,396 tCO ₂ e (resulted from increase in electrification and decrease in sales volume)
5	Reduction of emissions in outbound logistics	Biofuel use	900,000L of biofuel used for deliveries of new vehicles (vs 0L in 2023)	Managed by logistics in collaboration with transportation companies – certification by Deloitte	-2,452 tCO ₂ e

2.1.5. ENERGY CONSUMPTION AND MIX E1-5

Energy consumption and mix	Unit	2024
Fuel consumption from coal and coal products	MWh	0
Fuel consumption from crude oil and petroleum products	MWh	15,246
Fuel consumption from natural gas	MWh	23,256
Fuel consumption from other fossil sources	MWh	0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	2,114
Total fossil energy consumption	MWh	40,616
Share of consumption from fossil sources in total energy consumption	%	64%
Consumption from nuclear sources	MWh	3,556
Share of consumption from nuclear sources in total energy consumption	%	6%
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	MWh	0
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources	MWh	16,057
Consumption of self-generated non-fuel renewable energy	MWh	2,850
Total renewable energy consumption	MWh	18,907
Share of consumption from renewable sources in total energy consumption	%	30%
Total energy consumption	MWh	63,078

Energy production	Unit	2024
Non-renewable energy production	MWh	0
Renewable energy production	MWh	2,850

Energy intensity per net revenue	Unit	2024
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	MWh/€m	12

2.1.6. GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS E1-6

	Retrospective			Milestones and target years		
	2023 (base year) ⁽¹⁾	2024	2025	2030	2050	Annual % target / base year
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO ₂ eq)	10,048	7,834	6,865	5,828	1,005	6%
Scope 2 GHG emissions						
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	-	3,044	-	-	-	-
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	508	794	718	295	51	6%
Significant Scope 3 GHG emissions						
Total Gross indirect (Scope 3) GHG emissions (tCO ₂ eq)	5,197,204	4,856,207	3,889,853	3,570,567	519,720	4%
1 Purchased goods and services	1,483,775	1,385,077				
2 Capital goods	18,892	27,295				
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	2,424	1,943				
4 Upstream transportation and distribution	26,689	23,609				
5 Waste generated in operations	269	63				
6 Business travel	340	646				
7 Employee commuting	1,199	1,306				
9 Downstream transportation	236	237				
11 Use of sold products	3,640,085	3,396,889				
12 End-of-life treatment of sold products	17,976	10,076				
13 Downstream leased assets	4,505	7,918				
15 Investments	814	1,148				
Total GHG emissions						
Total GHG emissions (location-based) (tCO ₂ eq)	-	4,867,084	-	-	-	-
Total GHG emissions (market-based) (tCO ₂ eq)	5,207,760	4,864,835	3,897,435	3,576,690	520,776	4%

(1) D'leteren Automotive has performed a rebaselining exercise for its 2023 base year in order to correct calculations and harmonise the baseline to a more detailed and complete calculation methodology used in 2024, aiming for increased quality of data used

Revenue information	2024
Net revenue used to calculate GHG intensity (€m)	5,269
Net revenue (other) (€m)	0
Total net revenue (in financial statements) (€m)	5,269

GHG intensity per net revenue	2024
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/€m)	923
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/€m)	923

2.1.7. INTERNAL CARBON PRICING

D'leteren's approach to carbon management focuses on direct emissions reduction rather than implementing internal carbon pricing mechanisms. This is why the company does not have an internal carbon pricing mechanism in place.

2.2. Pollution in the value chain

2.2.1. IDENTIFICATION OF POLLUTION-RELATED IROS IRO-1

Impacts		Risks/opportunities	Time Horizon (R/O)
Pollution	Value chain Actual significant negative impact The metal mining industry is a significant air pollution contributor, with airborne particulates also affecting worker health. Fuel combustion in vehicles emits harmful substances, contributing to air quality issues and damaging ecosystems.	Moderate risk D’leteren has limited direct control over Volkswagen’s production process; however, any regulatory infringements or failure to meet customer expectations may have an impact on the Company’s distribution of vehicles, leading to a decrease in sales.	Short term

This identification was primarily based on discussions with stakeholders, most of whom are based in Belgium where D’leteren operates and are potentially affected by this environmental issue (downstream). A review of available documentation was also conducted to identify the impact of the metal mining industry, from which the Volkswagen Group sources materials, a major contributor to air pollution, particularly due to airborne particulates that also affect worker health (upstream).

This air pollution, which is systemic to the transport sector, has short-, medium-, and long-term effects on both the environment and human health, with consequences felt locally and globally.

2.2.2. POLICIES E2-1

D’leteren addresses air pollution throughout its value chain through its Project ZERO policy (more information in section 2.1.4.), led by the Executive Committee, as it is a strategic initiative for the company.

In terms of vehicle use, internal combustion engine (ICE) vehicles are significant sources of air pollution. They emit carbon monoxide (CO), nitrogen oxides (NOx), particulate matter (PM), and carbon dioxide (CO2), all of which harm public health and contribute to climate change. In contrast, electric vehicles (EVs) produce no emissions during their use, significantly reducing air pollution, particularly in urban areas.

Regarding production, vehicles contribute to air pollution beginning with the extraction of raw materials. Electric vehicles, due to the manufacturing of their batteries, are more polluting in this phase compared to traditional vehicles. However, overall, the environmental footprint of EVs is much lower than that of ICE vehicles, especially when the electricity used for charging comes from renewable sources.

By encouraging the adoption of cleaner technologies (such as EVs), sustainable energy sources and alternative mobility solutions, D’leteren aims to mitigate air pollution throughout its value chain.

2.2.3. ACTIONS E2-2

Addressing value chain air pollution mainly involves tackling the GHG emissions caused by both the use and the production of new vehicles. Details on Project ZERO’s climate mitigation actions aiming both to reduce and to prevent GHG emissions are provided in section 2.1.4.

Downstream, in addition to reducing total emissions as mentioned in section 2.1, D’leteren’s efforts, towards transitioning to electric vehicles and moving away from fossil fuel combustion, will also achieve a corresponding reduction in pollutants such as nitrogen oxides (NOx) and particulate matter.

In addressing upstream challenges, particularly in vehicle production, which is D’leteren’s primary product and the most material aspect regarding air pollution (80% of D’leteren net sales), the company can rely on the Volkswagen Group’s SBTi target to reduce CO2 emissions linked to vehicle production by 50% by 2030 (compared to 2018) on Scopes 1 and 2. This will be achieved by using renewable energy and secondary materials, and by creating closed-loop material systems, which will reduce emissions from raw material extraction and processing. On the other hand, by extending the lifecycle of its vehicles notably through regular maintenance and repairs, D’leteren will help to prevent the emissions associated with the production of new vehicles.

Additionally, to restore and regenerate air quality, D’leteren has partnered with the forestry organisation, Sylva Nova, to preserve and restore forest ecosystems, particularly in Belgium. This collaboration focuses on enhancing the resilience of forests as natural carbon sinks, helping to mitigate the impact of climate change and improve air quality. For further details, see section 2.4.2.

2.2.4. TARGETS E2-3

D’leteren’s Science Based Targets to reduce Scope 3 emissions will lead to a corresponding reduction in air pollution across its value chain. A detailed explanation of D’leteren’s science-based emissions reduction targets is provided in section 2.1.4.

2.3. Water in the value chain

2.3.1. IDENTIFICATION OF WATER-RELATED IROS IRO-1

Impacts		Risks/opportunities
Water	Value chain Actual significant negative impact Vehicle production uses substantial volumes of water during the production processes (metalworking, painting, etc.) and requires water-intensive raw materials (metals, textiles). This water usage affects ecosystems and communities, potentially leading to water scarcity and stress. Car wash stations, which are part of the automotive industry's downstream operations, use, on average, 150L per standard vehicle.	

This identification was primarily based on discussions with stakeholders, most of whom are based in Belgium where D’leteren operates and are potentially affected by this environmental issue (downstream). A review of available documentation was also conducted to identify the impact of the metal mining industry, from which the Volkswagen Group sources materials (upstream).

2.3.2. POLICIES, ACTIONS & TARGETS E3-1,-2,-3

D’leteren is currently focused on understanding and managing the water usage in its supply chain. D’leteren plans to work collaboratively with its main suppliers and its dealers in the coming two years to develop a deeper understanding of water use impacts and opportunities for improvement throughout its value chain. This approach will enable the company to establish a policy with a clear baseline, including realistic, measurable targets and action plans aligned with broader sustainability objectives once a comprehensive data foundation is in place.

As for car wash activities, a large number of dealerships, including those owned by D’leteren, use a closed-loop water system, which recycles and reuses water within the car wash process. This system significantly reduces water consumption by filtering, treating and reusing water, ensuring that less fresh water is required. Closed-loop systems also minimise water waste and prevent contaminants from being released into the environment, supporting D’leteren’s broader environmental sustainability commitments.

2.4. Biodiversity in the value chain

2.4.1. IDENTIFICATION OF BIODIVERSITY RELATED IROS SBM-3 IRO-1 E4-1

Impacts		Risks/opportunities
Biodiversity	Value chain Actual significant negative impact Given the sector in which the company operates, biodiversity was identified as having a high impact on D’leteren’s upstream value chain. Land use changes from exploration, natural resource extraction and the construction of manufacturing plants contribute to negative environmental effects, such as biodiversity loss, habitat destruction, deforestation and soil erosion.	

D’leteren has assessed the materiality of biodiversity mainly through discussions with stakeholders, the majority of whom are based in Belgium, where the company operates and where this environmental issue may have significant impacts. Additionally, a review of relevant documentation was carried out to evaluate the effects of the metal mining industry (potential systemic risks), which supplies materials to the Volkswagen Group.

D’leteren has performed a first analysis identifying which of D’leteren sites are near biodiversity-sensitive areas but has not yet assessed the extent of the potential harm to these areas or natural habitats. In addition, D’leteren has not yet identified and assessed its dependencies on biodiversity and ecosystem services. As a result, no transition plan for biodiversity or specific required biodiversity measures have yet been identified and put in place.

2.4.2. POLICIES, ACTIONS & TARGETS E4-2,-3,-4

D’leteren is actively engaged in this area through its close collaboration with Sylva Nova on forestry conservation projects in Belgium. Founded in 1994, Sylva Nova focuses on promoting responsible forestry practices and ecosystem conservation, aligned with the internationally recognised Forest Stewardship Council (FSC) standards. These standards ensure that forests are managed in an environmentally responsible, socially beneficial and economically viable manner. Initially a partnership, D’leteren has strengthened its collaboration with Sylva Nova. In January 2025, the company announced its investment in Sylva Nova through a minority stake acquisition and financial contribution. This investment will support Sylva Nova in advancing its research and development activities, particularly European initiatives aimed at enhancing forest resilience to climate change. Through this investment, D’leteren is reinforcing its sustainability strategy by investing in natural carbon capture solutions to address the residual emissions remaining after the company’s primary reduction efforts. A roadmap will be developed between D’leteren and Sylva Nova in 2025 to outline clear actions and targets focused on enhancing forest resilience to climate change and improving carbon sequestration measurement methods.

2.5. Resource use and circular economy

2.5.1. IDENTIFICATION OF IROS RELATED TO RESOURCE USE AND CIRCULAR ECONOMY IRO-1

Impacts		Risks/opportunities	Time horizon (R/O)
Waste	Own operations & value chain Actual significant negative impact Vehicle production operations generate significant waste, including hazardous materials. D'leteren and the dealerships produce waste such as used oil, scrap metal, tyres, packaging. Improper disposal or recycling of this waste impacts biodiversity and pollutes the air and water, affecting local communities.		
Resource inflows & outflows	Value chain Actual significant negative impact Inflows: EVs are a major consumer of raw materials (nickel, copper, etc.) with electric bikes and solar industries also being dependent on various materials (lead, lithium, silver). Extracting these materials is energy-intensive and causes significant ecological disruption. Additionally, mining activities are frequently associated with human rights violations and negatively impact local communities, including displacements and socio-economic disruptions. Outflows: Incorporating circularity in product development and sourcing is vital for the automotive industry to reduce resource pressure. Managing end-of-life batteries is also crucial due to toxicity concerns. Similarly, solar panels can become hazardous waste.	Moderate risk D'leteren faces risks from the scarcity of resources needed for products like electric vehicles, batteries, solar panels and charging stations. Rising costs due to the depletion of or the reliance on recycled materials might reduce customer appeal for these mobility options, leading to a decrease in sales.	Short & medium term

The identification process included consultations with stakeholders, such as suppliers and environmental experts, whose insights were essential in assessing impacts along both upstream and downstream activities. As D'leteren manages waste in compliance with legal requirements, the affected communities could not be clearly identified, and their involvement in circular economy practices was therefore not addressed. In parallel, D'leteren reviewed existing reports, industry benchmarks, and third-party analyses to deepen its understanding of the broader implications of its operations.

Specific attention was given to vehicles, including electric vehicles, which account for a significant share of the company's revenue and have the greatest impact. The automotive industry is among the largest global consumers of raw materials, requiring a wide range of inputs. Failing to consider this risk could lead to disruptions in the supply chain. This is why the ESG team also holds regular meetings with the Volkswagen Group to address various sustainability topics, including circular economy initiatives. These meetings provide valuable

insights into the actions taken by the Volkswagen Group, particularly under its new sustainability strategy, Regenerate+, and help address specific questions raised by stakeholders. At the other end of the value chain, the disposal and recycling of vehicles and batteries were also evaluated. A long-standing collaboration with Febelauto, the Belgian organisation responsible for managing end-of-life vehicle recycling, has provided D'leteren with critical insights into recycling processes and the operational structure of this sector.

Internally, D'leteren also assessed its waste management practices. Through its procurement department, the company currently challenges the sustainability strategies of its waste management partners to better understand the broader implications of waste handling and recycling.

This comprehensive analysis has enabled D’leteren to identify and prioritise key areas for improvement, including resource efficiency, waste management and the implementation of circular economy principles.

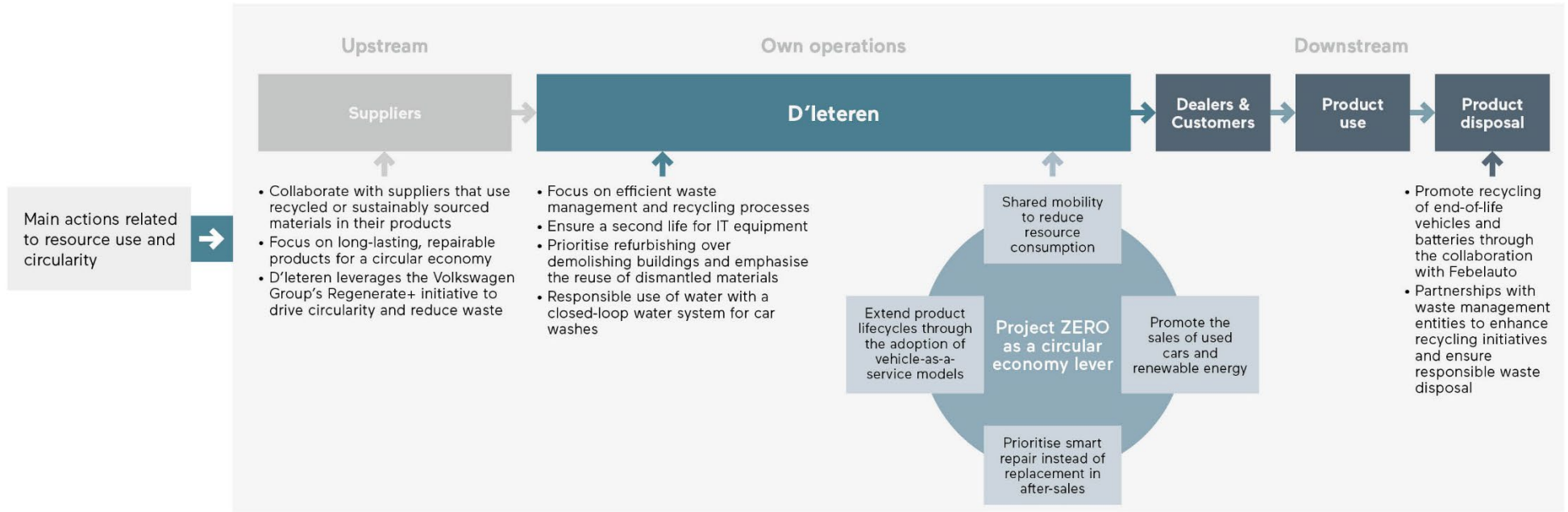
2.5.2. POLICIES E5-1

A key driver of D’leteren’s circular economy efforts is its ongoing decarbonisation initiative, which lies at the heart of the company’s strategy through its Project ZERO climate plan. This plan includes waste management and prevention within its operations, the promotion of renewable energy across its activities and value chain, the development of shared mobility solutions for customers and extending the lifespan of the vehicles it sells. These efforts contribute not only to reducing the company’s carbon footprint but also to decreasing resource consumption. Project ZERO applies to D’leteren’s own operations (D’leteren Automotive and all subsidiaries) as well as its value chain. Further information can be found in section 2.1.4.

2.5.3. ACTIONS E5-2

D’leteren has embarked on a series of initiatives aimed at integrating circular economy principles and enhancing resource efficiency across its operations and its value chain. Project ZERO represents a pivotal shift in this approach to resource management, integrating circular economy principles as a core strategic element.

Additionally, D’leteren has implemented a Supplier Code of Conduct to promote carbon reduction among suppliers. By 2025, this policy will expand to include circularity in procurement processes. By integrating circularity into procurement decisions, D’leteren aims to progressively increase its use of renewable and recycled resources. Further information can be found in section 3.2.3.



Resource use and circular economy in the supply chain

- By distributing Volkswagen Group vehicles in Belgium, D'leteren ensures that the vehicles it offers contribute to the reduction of primary resource consumption and the promotion of circular economy-related practices. Volkswagen's "Regenerate+" strategy sets clear sustainability targets aimed at enhancing circularity and environmental responsibility. Volkswagen plans to significantly reduce waste generation and increase the reuse of materials in their vehicle production by optimising design and manufacturing processes. Volkswagen's target is to integrate 40% recycled materials into its vehicles by 2040. As part of this initiative, the ID. family already incorporates sustainable materials, such as seat covers made from ocean plastics and recycled PET bottles. Additionally, some seat textiles are made entirely from recycled materials.

Waste reduction and management Initiatives

- D'leteren intends to implement a waste management programme in 2025 to increase recycling, which will apply to the waste-generating activities including D'leteren Mobility, D'leteren Automotive and Wonder. In 2024, the groundwork for D'leteren's waste management programme was laid by conducting a comprehensive inventory of all waste collection companies active within the organisation. Following this review, a selection of key companies was made to work across all entities, ensuring a consistent and streamlined approach. These companies were chosen based, among other factors, on ESG criteria. This cross-functional approach enables D'leteren to use an improved reporting process, enhancing the monitoring of waste management performance.
- D'leteren has implemented a comprehensive IT equipment lifecycle management programme as part of its circular economy initiatives. This programme ensures that IT equipment, including computers and mobile phones, is effectively recycled and reconditioned for reuse. This programme currently applies to the main entities of D'leteren and its dealerships. D'leteren collaborates with a recycling and reconditioning company and uses a leasing model to optimise the lifecycle management of its IT assets.
- In the same effort to reduce waste, D'leteren prioritises refurbishing over demolishing buildings and emphasises the reuse of dismantled materials. A notable example of this approach is the D'leteren Park project, where the new main building has been designed with sustainability as a central focus. Scheduled for completion in the first half of 2025, the project reflects D'leteren's circularity commitment. This practice will be extended to all new buildings occupied by D'leteren, ensuring a consistent focus on sustainability. Additionally, old office equipment once belonging to D'leteren Automotive has been sold or donated rather than discarded, further contributing to waste reduction. Responsibility for these initiatives lies with project managers at D'leteren, who work closely with D'leteren Immo.

Shared mobility to reduce resource consumption

- Through its free-floating car-sharing service, Poppy, and its paid passenger transport service, Taxis Verts, D'leteren provides customers with alternatives to car ownership. Taxis Verts, acquired by D'leteren in 2022, primarily operates in the Brussels region with a fleet of over 700 vehicles, where the vehicles are mainly owned by the drivers who provide the service under the Taxis Verts brand. Poppy,

launched in 2018, operates in Brussels, Antwerp, Ghent and the main airports in Belgium, with a fleet of over 2,300 vehicles, cars, vans and electric vehicles. The fleet size can vary over time as the service continues to expand and evolve. Both services are overseen by D'leteren's Transformation Office to ensure continued development and expansion in the coming years. This model contributes to lower resource consumption by optimising vehicle use. Instead of each customer owning a vehicle that remains idle for extended periods, shared mobility services like Poppy and Taxis Verts allow multiple users to share the same resources. This reduces the overall demand for vehicle production, along with the associated consumption of raw materials and energy, thereby promoting a more sustainable approach to transportation.

Promoting sales of used cars and renewable energy

- Selling second-hand vehicles contributes to the circular economy by giving products a second or even a third life, reducing the demand for new resources, and minimising waste. D'leteren is actively engaged in the sale of second-hand vehicles, primarily through its MyWay brand. MyWay operates within the dealerships owned by D'leteren Mobility Company and across its network of independent dealers across Belgium.
- Solar panels generate renewable energy, reducing reliance on non-renewable resources and lowering carbon emissions. When paired with electric vehicle (EV) charging stations, solar power can directly charge EVs with clean energy, minimising the environmental impact of transportation. As these two activities are relatively recent within D'leteren's portfolio, their development is closely overseen by the Transformation Office, which ensures the allocation of the necessary operational and financial resources for their successful growth. Both companies operate throughout Belgium and provide services to both individual and professional customers.

Prioritise smart repair instead of replacement in after-sales

In bodywork activities, smart repair services are prioritised over replacement to offer cost-effective and environmentally friendly repair solutions. These services focus on minimising material usage, maximising energy efficiency, reducing emissions, and conserving resources, thereby lowering the environmental impact compared to traditional repair methods. All sites operating under the Wondercar franchise in Belgium, whether in D'leteren's own dealerships or in the independent dealer network, are equipped with dedicated smart repair areas and the advanced technologies required for these interventions. Wondercar has ambitious expansion plans through 2030, targeting all vehicle brands, not just those of the Volkswagen Group distributed by D'leteren.

Extending vehicle lifecycles

- In addition to its used vehicle sales activities, D'leteren introduced Wonderservice three years ago - a programme dedicated to providing mechanical repairs and maintenance for second-hand vehicles. This initiative ensures proper upkeep and extends the lifespan of these vehicles. At present, there are 8 Wonderservice centres within the network. Dedicated teams within WonderGroup are responsible for overseeing this expansion and are working closely with the dealer network in Belgium to implement Wonderservice as a franchise model within their dealerships.
- A key component of D'leteren's strategy is extending vehicle lifecycles to meet the growing demand from individual and corporate customers who are gradually shifting toward flexible, usage-based models rather than car ownership. D'leteren is focusing on mastering the transition from one-off asset sales to vehicle-as-a-service models. The Transformation Office is currently analysing and developing an action plan, which involves strategic planning and adapting operational processes to integrate circular economy principles. Progress updates will be shared in 2025.

End-of-life of vehicles and batteries

- In line with the European Directive on the end-of-life of vehicles, passenger cars and light commercial vehicles must be 85% recyclable and 95% recoverable at end of life. Every vehicle brand in the Volkswagen Group complies with these standards. Furthermore, D'leteren works closely with Febelauto, which organises and oversees the management of end-of-life vehicles and batteries in compliance with the European Directive. Currently, Febelauto ensures that approximately 97% of the weight of these vehicles is recycled in an approved and controlled manner.

2.5.4. TARGETS E5-3

At this stage, no formalised targets are in place.

By 2025, D'leteren plans to define targets, aligning them with its broader sustainability ambitions. D'leteren relies for this on collaboration with key partners. These partnerships are essential not only for effectively tracking progress but also for jointly developing actionable and impactful strategies. Long-standing relationships with stakeholders such as the Volkswagen Group and Febelauto, as well as partnerships with waste management players in Belgium, will allow D'leteren to enhance transparency, accountability and the continuous improvement of practices throughout the value chain.

2.5.5. RESOURCE INFLOWS E5-4

As a distributor and seller of a diverse range of vehicles, including cars, commercial vehicles, (e)-bikes, solar panels, charging stations and automotive spare parts and accessories, D'leteren also provides essential services such as maintenance, repair and mobility solutions. These multifaceted operations necessitate a robust approach to resource management, ensuring that all products are sourced, used and reported in a manner that aligns with both environmental sustainability and economic viability.

The main resource inflows include raw materials, energy (electricity and fuel), water and components sourced from suppliers.

A comprehensive approach to carbon footprint tracking is integral to D'leteren's sustainability efforts. D'leteren uses the GHG Protocol corporate value chain (Scope 3) accounting and reporting standard to categorise reused and recycled materials accurately, ensuring consistent and reliable ESG reporting.

2.5.6. RESOURCE OUTFLOWS E5-5

Due to its logistics, mechanical repair and bodywork activities, D'leteren generates both non-hazardous waste (79% of total waste) and hazardous waste (21%). Non-hazardous waste includes, among others, packaging materials, tires and plastics, while hazardous waste consists of used oils, solvents, batteries and paint residues. These waste streams are managed responsibly through energy recovery via incineration, recycling, and re-use. Landfilling is used only as a last resort, in full compliance with the waste treatment hierarchy and all applicable environmental regulations.

Non-recycled waste	Unit	2024
Total amount of non-recycled waste	Tonnes	726
Percentage of non-recycled waste	%	30

Waste-related data	Unit	2024
Total amount of waste generated	Tonnes	2,446
Total amount of hazardous waste	Tonnes	514
Total amount by weight diverted from disposal	Tonnes	1,792
Total hazardous waste generated diverted from disposal	Tonnes	482
Total hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	9
Total hazardous waste generated diverted from disposal to recycling	Tonnes	473
Total hazardous waste generated diverted from disposal to other recovery operations	Tonnes	0
Total non-hazardous waste generated diverted from disposal	Tonnes	1,310
Total non-hazardous waste generated diverted from disposal to preparation for reuse	Tonnes	63
Total non-hazardous waste generated diverted from disposal to recycling	Tonnes	1,247
Total non-hazardous waste generated diverted from disposal to other recovery operations	Tonnes	0
Total amount by weight directed to disposal	Tonnes	654
Total hazardous waste generated directed to disposal	Tonnes	32.69
Total hazardous waste generated directed to incineration	Tonnes	32
Total hazardous waste generated directed to landfill	Tonnes	0.36
Total hazardous waste generated directed to other disposal operation	Tonnes	0
Total non-hazardous waste generated directed to disposal	Tonnes	621
Total non-hazardous waste generated directed to incineration	Tonnes	395
Total non-hazardous waste generated directed to landfill	Tonnes	227
Total non-hazardous waste generated directed to other disposal operation	Tonnes	0

3. Social information

3.1. Own workforce

3.1.1. OWN WORKFORCE IROS SBM-3

Impacts		Risks/opportunities	Time horizon (R/O)	
Health and safety	Own operations	Actual moderate negative impact White-collar employees are primarily exposed to risks such as work-life imbalance and burnout, while blue-collar workers face greater health and safety challenges due to manual labour, machinery use and hazardous substances. Self-employed and third-party workers experience risks similar to those of white-collar employees performing comparable tasks. Addressing these issues is critical to minimising disruptions and maintaining operational efficiency.	Moderate risk D'leteren faces direct operational costs (like salaries) and indirect costs (like replacement expenses) due to employee injuries, burnout and absenteeism.	Short term
Training and development		Actual moderate positive impact Investing in employee growth boosts brain health, employability and well-being and prepares employees for future challenges	Moderate risk Fleet electrification and digitalisation necessitate upskilling and reskilling. In the value chain, unskilled workers in manufacturing and dealerships could impact D'leteren's products and services, leading to operational disruptions and financial losses.	Short term
Diversity		Actual moderate positive impact A diverse workforce enhances cultural awareness, personal growth, equality, employee happiness, engagement and social collaboration. It also helps companies better understand and respond to diverse customer needs and expectations.	Moderate risk A low female representation poses operational risks like challenges in attracting talent and potential performance dips due to lack of diversity. This could lead to higher recruitment costs, reduced innovation and ultimately lower profitability.	Short term

As a service-oriented company, D'leteren recognises the vital role its employees play in its success. Their dedication and expertise are the foundation of the company's leadership position in Belgium. To sustain this status and ensure resilience in a rapidly evolving environment, D'leteren's strategy and business model carefully account for their potential impact - both positive and negative - on its workforce.

Historically focused on vehicle distribution in Belgium, the company's business model has undergone significant transformation. Today, D'leteren offers a broad portfolio of mobility solutions designed to meet the changing needs of its customers. This evolution, driven by sustainability goals and shifting market demands, introduces material impacts on employees, such as the need for upskilling, role adjustments and an increased emphasis on well-being.

D'leteren considers its strategy and business model as well-adapted to address these challenges. The company proactively mitigates adverse impacts by implementing robust training programmes, safeguarding the mental and physical health of its employees, and enhancing their long-term employability. These efforts aim to align the workforce with the company's evolving goals while maintaining high levels of employee satisfaction.

Diversity is also central to D'leteren's strategic vision. The company acknowledges that a diverse workforce is crucial to meeting the expectations of its varied customer base and strengthening its position as an attractive employer.

D'leteren maintains open and transparent dialogue with its workforce through collaboration with labour unions and other representative bodies. The company systematically engages these stakeholders in the development and adjustment of its strategy. For example, the Works Council is always the first to be informed about any major changes to the company's strategic direction or action plans. Concerns and suggestions from unions and other employee representatives are often considered during decision-making processes. The success of these initiatives is demonstrated by D'leteren's annual employee engagement survey, which continues to achieve record high scores year after year. These results affirm the company's commitment to balancing the demands of its evolving business model with the well-being, diversity and development of its workforce.

No specific types of operations or geographic areas within D'leteren's workforce are at significant risk of forced labour or compulsory labour. This reflects the company's commitment to ethical employment practices and compliance with international labour standards.

3.1.2. POLICIES **S1-1**

D'leteren integrates key principles of occupational health and safety, respect for individuals, and diversity and inclusion into its Code of Conduct, The WayWeWork, which applies to all its employees. (Further information on the Code of Conduct can be found in section 3.2.3.). These principles are embedded in the company's broader sustainability strategy, ensuring a consistent approach to fostering a safe, respectful and inclusive work environment across all its entities. As part of its sustainability strategy, D'leteren is committed to providing meaningful work that creates a positive social impact for all employees. This includes giving everyone a voice, promoting inclusivity, prioritising safety, offering opportunities for skill development and upholding human rights in all operations while ensuring compliance with labour standards.

The HR Policy, under the responsibility of the HR department of D'leteren Automotive, also integrates key topics such as occupational health and safety, diversity, training and skills development, and non-discrimination, alongside a broader range of subjects, including compensation policy, culture and new ways of working, among others. This policy is complemented by the work regulations, established in collaboration with the Works Council. Unlike the Code of Conduct, this policy is not uniformly implemented across all entities within the company. It currently applies to the former operational technical unit, which included D'leteren Automotive, D'leteren Centers, and Volkswagen D'leteren Finance (not covered in this non-financial reporting, as D'leteren does not hold a majority stake). The other entities within D'leteren are more recent, with some still in the process of expansion. Following the social elections in May 2024, a new operational technical unit was established, now comprising D'leteren Automotive, D'leteren Mobility Company, Volkswagen D'leteren Finance, Wonder, D'leteren Energy (EDI & Go-Solar). These entities will progressively adopt the same policies. However, other entities such as Lucien, Poppy, Taxis Verts and Microlino are not included in the new operational technical unit due to their current stage of development. Together, these entities represent around 10% of D'leteren's workforce as of 31 December 2024, and maintain their own organisational structures adapted to their specific needs.

The HR policy and the Code of Conduct are inspired by the key principles of the United Nations regarding worker protection, as outlined in the UN Guiding Principles on Business

and Human Rights and the International Labour Organization (ILO) standards. The company guarantees respect for fundamental worker rights, including non-discrimination, freedom of association, safe working conditions and fair labour practices. The Code of Conduct specifically addresses issues related to any form of unlawful, forced or compulsory labour. Furthermore, D'leteren ensures compliance with national labour laws and international standards through its dedicated HR Legal department, which oversees and supports adherence to these regulations.

In line with the Code of Conduct and the HR policy, the HR departments across D'leteren's entities implement measures related to health and safety, training and diversity, empowering managers to effectively deploy these initiatives and conducting regular employee experience surveys followed by concrete actions. The dedicated H&S department implements the necessary actions and processes to prevent health and safety risks, particularly regarding psychosocial risks, medical check-ups and remediation measures, notably when an employee returns from a long-term sick leave.

3.1.3. ENGAGEMENT WITH THE WORKFORCE AND CHANNELS TO RAISE CONCERNS **S1-2, -3**

D'leteren actively engages with its workforce to guide decisions and actions that address both actual and potential impacts. This engagement takes place directly with employees and through their representatives.

HR departments play a crucial role in workforce engagement and aligning it with the company's objectives. They support managers by implementing initiatives such as mandatory appraisal reviews to ensure continuous feedback. HR also assists managers in applying corrective actions when needed. For example, if an employee misses deadlines, corrective actions may include setting clearer expectations or offering additional training, while remediation for interpersonal conflicts could involve conflict resolution training or mediation. An HR community, including HR staff members from all entities, has been created to ensure the sharing of information and best practices across company entities.

D'leteren conducts annual employee experience surveys throughout the whole company to gather feedback on topics such as work-life balance, health and safety, and diversity and inclusion. These surveys, which are anonymous in order to encourage openness and honesty, provide valuable insights into employee concerns and the effectiveness of existing measures. In 2024, 61% of employees participated in the employee engagement survey with a 85% employee engagement score, reflecting the workforce's trust in this feedback mechanism. Based on the results, managers and their teams develop localised action plans to address the issues identified and improve outcomes in subsequent surveys. Employee feedback also helps shape company-wide initiatives. One example is the collaborative development of new ways of working for the upcoming D'leteren Park facilities, ensuring that the workspace aligns with employee expectations for a modern and supportive environment.

Monthly meetings with the Works Council, representing employees from D'leteren Automotive, Volkswagen D'leteren Finance, Wonder, D'leteren Mobility Company, D'leteren Energy, provide an avenue for incorporating workforce perspectives into decision-making. In 2024, no strikes were recorded, demonstrating the constructive relationship between D'leteren's management and employee representatives.

D'leteren ensures employees are well-informed about the channels available for raising concerns through regular intranet communications. In 2024, D'leteren updated its Code of Conduct to reinforce these processes, outlining the available channels for reporting issues, such as contacting trusted individuals, external parties, or using the Integrity Alert system. The updated code also emphasises the company's commitment to protecting employees from retaliation, with clear consequences for any retaliatory actions. Employees who raise concerns are provided with a response within a reasonable timeframe, ensuring clarity and resolution.

Health and safety are managed collaboratively by dedicated teams and the Prevention and Protection at Work Committees across D'leteren's main sites. Reports are prepared after committee meetings and necessary actions are implemented depending on the specifics of the situation requiring action. For instance, this may involve ordering prefabricated containers for the storage of high-voltage batteries or addressing the need for ergonomic improvements in offices that are not adequately designed. Progress and follow-ups on actions are monitored in subsequent sessions.

Training initiatives are enhanced through satisfaction surveys conducted by the D'leteren Academy, which gather feedback from participants. This approach ensures the continuous improvement of training programmes and enables swift responses to any concerns raised.

D'leteren also takes into account the specific needs of more vulnerable employees.

- In 2024, D'leteren launched the internal network, "Ladies in Motion", aimed at creating opportunities for female employees to connect, share informal exchanges and provide collective support. This initiative also facilitates the collection of feedback to better address the needs of female staff.
- A personalised approach is adopted to address individual requirements, including adjustments to workplace infrastructure, accessibility improvements and flexible working hours.

D'leteren's comprehensive and structured approach to workforce engagement, social dialogue and diversity ensures that employee needs are met while fostering a supportive and inclusive work environment.

3.1.4. MANAGING IMPACTS ON THE WORKFORCE S1-4

D'leteren adopts a comprehensive approach to managing material risks related to its personnel, ensuring fairness and accessibility for its workforce. These actions are being gradually implemented across its entities, taking into account the specifics of each, with the target date for full implementation of key activities set for 2025. The initiatives align either with the company's overall development or address specific needs, such as the well-being programme, which was introduced to tackle growing stress in a changing environment. The effectiveness of these actions is assessed through employee experience survey results and the monitoring of key indicators, including diversity and safety metrics as well as employee engagement scores.

The company allocates dedicated resources to the management of its material impacts, including a specific annual budget for programmes that address employee well-being, diversity and training. These efforts are overseen by dedicated teams within HR.

Finally, D'leteren ensures that its practices do not cause or contribute to negative impacts on its workforce. Any tensions arising between business pressures and the prevention of negative impacts are managed through ongoing discussions with relevant stakeholders.

Career development and training

Talent management is a core focus of D'leteren's workforce strategy, aimed at fostering growth and ensuring career development for its employees. The company implements mandatory performance appraisals and provides a clear career progression framework to guide employees in their professional journey. Central to this is the D'leteren Academy, which offers a range of training programmes and learning opportunities designed to build skills and help employees advance their careers.

In 2024, the company reported an average of 28 training hours per employee. The training programmes are continuously updated to address the evolving needs of the business. These programmes include specific courses focused on emerging industry trends such as e-mobility, artificial intelligence and sustainability, particularly through the Climate School. These efforts aim to equip employees with the skills needed to adapt to the growing electrification of vehicles and the broader shift toward sustainable practices.

In addition to formal training, in 2024 D'leteren organised internal events to foster knowledge sharing and professional growth. The company hosts "Lunch & Learn" sessions, where external experts share insights from their careers to inspire employees. These events also provide a platform for discussing best practices, particularly in areas such as customer satisfaction management.

Furthermore, D'leteren keeps employees informed about the latest market trends and innovations through the distribution of innovation newsletters. These newsletters highlight key developments that impact the industry, ensuring that employees remain up-to-date with market changes and are well-prepared to navigate future challenges.

To further enhance career development, D'leteren has introduced an intra-mobility programme. This initiative encourages employees to explore different roles within the organisation, facilitating collaboration, knowledge-sharing and broadening career opportunities. The company also organises Career Week events, where managers present various roles and HR conducts sessions to help employees navigate career development successfully within D'leteren.

In response to the shortage of qualified technicians, D'leteren launched the "Drive Your Future" campaign in 2024. The initiative connects potential candidates with job opportunities across the company via the dedicated site, driveyourfuture.be.

These initiatives reflect D'leteren's ongoing commitment to providing a supportive environment for career advancement, internal mobility and talent retention, ensuring the company remains a dynamic and competitive employer.

Health & Safety

Ensuring a safe and healthy working environment is a top priority at D’leteren, especially for employees in technical and manual roles. The company invests in safety equipment and provides specialist training. To strengthen safety practices, D’leteren collaborates with risk prevention advisors and safety coordinators, ensuring the effectiveness of these measures throughout the organisation.

D’leteren is also progressively expanding the coverage of its own workforce under its Health & Safety (H&S) management system for its recent activities. This approach ensures that an increasing number of employees benefit from structured safety protocols, risk assessments and continuous improvements in workplace safety.

In addition to physical safety, D’leteren has implemented a comprehensive health and well-being strategy. The company supports the right to disconnect and offers assistance with sick and parental leave. The “Employee Care” programme plays a key role in promoting mental well-being by focusing on stress management and burnout prevention, helping to create a balanced work-life environment.

Furthermore, D’leteren runs regular health prevention campaigns, including medical check-ups for employees over 45 and vaccination programmes, ensuring the physical health of its workforce.

These combined initiatives foster a supportive and safe workplace where employees can thrive both physically and mentally.

Diversity and Inclusion

Creating a diverse and inclusive workplace is a strategic priority for D’leteren. As part of this ongoing effort, the company pursued the “Accelerating Diversity” programme launched in 2023, which includes workshops, training on unconscious bias, mentoring and newly introduced e-learning modules. These initiatives are designed to increase awareness of diversity and inclusivity and to foster an environment where all employees can thrive. In 2024, D’leteren expanded its diversity efforts by rolling out the “Ladies in Motion” network.

In addition to these programmes, D’leteren is actively focusing on promoting the inclusion of older employees through its “Vitalo 45+” programme. This initiative targets employees over 45 years old, providing them with tailored development opportunities, ensuring they can continue to grow professionally, and addressing the challenges specific to this demographic. The programme includes skills development, career guidance and strategies for maintaining long-term career satisfaction.

3.1.5. TARGETS S1-5

D’leteren has established targets to be achieved by 2025, designed to enhance diversity, employee development and to maintain a safe workplace.

These targets were defined to comply with legislation, incorporate employee feedback from engagement surveys, and to reflect the management team’s ambition to support its workforce and make D’leteren a great place to work. They are under the responsibility of the HR department and are communicated to employee representatives and the relevant workforce.

#	Social matters	Targets & Progress
1	Career Development & Training	4 training days per employee by 2025 to enable employees to embrace change, develop new skills and improve overall performance. 28 training hours per employee were provided in 2024 compared to 15 in 2023.
2	Health & Safety	D’leteren promotes a healthy work-life balance to prevent and avoid any negative impact on employee health and well-being through stress, lack of work-life balance and consequent unfair work conditions. D’leteren strives towards 0 fatalities year on year. No fatalities occurred in 2024, as per the previous five years.
3	Diversity & Inclusion	D’leteren Automotive is committed to increasing the share of women in its management committees to 25% by 2025. In 2024, 22.9% of management committee members were female, compared to 22.4% in 2023.

Progress is reviewed annually and reported to the Works Council. In cases where objectives are not being met, such as with diversity, additional measures will be implemented. For instance, the management team has decided that hiring managers for white-collar positions will only receive CVs when there is a 50/50 gender balance between male and female candidates.

3.1.6. CHARACTERISTICS OF EMPLOYEES S1-6

Employment characteristic					2024
Headcount	Female	Male	Other	Not disclosed	Total
Employees	567	2,335	-	-	2,902
Permanent employees	560	2,267	-	-	2,827
Temporary employees	7	68	-	-	75
Non-guaranteed hours employees	0	0	0	0	0

Headcount by country					2024
Belgium					2,902

Turnover	Unit	2024
Total employee turnover	n	401
Employee turnover rate	%	14.5

3.1.7. NON-EMPLOYEES S1-7

Non-employees	2024
Total number of non-employees in the workforce	427

3.1.8. DIVERSITY METRICS S1-9

Employees in top management by gender	Headcount	Share
Male	143	79%
Female	38	21%
Other	-	-
Not disclosed	-	-
Total employees	181	

Age distribution of employees	Headcount	Share
Under 30 years old	670	23%
Between 30 and 50 years old	1,536	53%
Over 50 years old	696	24%

3.1.9. HEALTH AND SAFETY S1-14

Health and safety management			2024
	Employees	Non-employees ⁽¹⁾	Total
Percentage of employees covered by H&S management system	99%	-	-
Number of fatalities due to work-related injuries and ill health	0	0	0
Number of recordable work-related accidents	45	-	-
Rate of recordable work-related accidents	1.06	-	-

(1) The phase-in option is used for this data. The total is not calculated as information related to non-employees is not available.

	2024
Employee cases of recordable work-related ill-health	2
Days lost to work-related injuries, ill health and fatalities	1,086

3.1.10. INCIDENTS, COMPLAINTS AND SEVERE HUMAN RIGHTS IMPACTS S1-17

	2024
Number of incidents of discrimination within own workforce (including harassment)	5
Number of complaints to the company (including grievances)	5
Number of complaints filed to National Contact Points for OECD Multinational Enterprises	0
Total amount of fines, penalties and compensation (€m)	0

3.2. Workers in the Value Chain

3.2.1. VALUE CHAIN WORKERS IROS SBM-3

		Impacts	Risks/opportunities	Time horizon (R/O)
Health and safety	Value chain	Potential significant negative impact Upstream, potential injuries are primarily caused by machinery and chemical exposure, which could be related to individual incidents or more systemic in regions with weak labour regulations. Downstream, workplace safety concerns are mainly related to individual incidents within the working environment.		
Child/ Forced labour		Potential significant negative impact Raw material extraction and manufacturing is plagued by widespread child labour and human rights abuses, exacerbated by high corruption risks. These issues negatively affect the health, safety, and human rights of affected populations.	Moderate risk The occurrence of child labour and/or forced labour abuses within the value chain may constitute operational risks due to supply disruptions, reputational damage potentially impacting sales and investor confidence, as well as non-compliance risks.	Short term

Upstream and Downstream Workers

Upstream, the value chain predominantly involves workers in manufacturing industries and raw material extraction. These workers face systemic risks, such as hazardous machinery and difficult labour conditions. The most vulnerable workers in D'leteren's value chain include those in raw material extraction who face risks such as child labour, forced labour, hazardous working conditions, exploitation and insufficient legal protections, particularly in regions with weak labour regulations.

Downstream, workers include those employed in dealerships, logistics and support functions (IT, HR, Finance,...), as well as employees in joint ventures, notably Volkswagen D'leteren Finance.

For workers within Volkswagen D'leteren Finance who face the same impacts due to the similar nature of their activities, particularly white-collar roles, D'leteren ensures the uniform application of its HR policies, treating their interests with the same regard as those of D'leteren's direct employees.

3.2.2. ENGAGEMENT WITH VALUE CHAIN WORKERS S2-2

D'leteren ensures the interests and views of workers in the value chain are integrated through specific engagement mechanisms.

Upstream:

- D'leteren participates in ESG roundtables with its main partner, the Volkswagen Group, where issues related to workers in the value chain can be reported if necessary.
- The Procurement & Sourcing department at D'leteren Automotive challenges its suppliers, particularly during new contract negotiations or contract renewals, focusing on working conditions and respect for human rights.

Downstream:

- D'leteren Mobility Company engages with TRAXIO, the Belgian federation representing businesses in the mobility sector. TRAXIO advocates for better labour conditions and safety standards, serving as a voice for downstream workers.
- D'leteren has established a Dealer Council, under the responsibility of the Chief Commercial Officer, to provide a structured platform for dialogue with both independent and company-owned dealerships. Monthly meetings allow the company to integrate the perspectives and concerns of these stakeholders into its strategic decision-making processes.
- The D'leteren Academy provides an annual training programme for the staff of both independently owned and company-owned dealerships, ensuring regular contact with them.

Insights and gains are reported to the Executive Committee if deemed strategic, and actions are implemented if necessary. The D'leteren Academy incorporates feedback from training sessions to adapt and improve its programmes.

Given this structured approach, where D'leteren ensures that concerns and interests of value chain workers are considered through direct dialogue with key stakeholders, the company does not deem it necessary to conduct a formal assessment of whether workers are aware of or trust these structures.

3.2.3. POLICIES, REMEDIATION, MANAGING IMPACTS AND TARGETS

S2-1, -3, -4, -5

D'leteren has implemented various policies to ensure the protection of workers' rights.

D'leteren's Supplier Code of Conduct sets clear expectations for suppliers and subcontractors of D'leteren Automotive. Under the responsibility of the Procurement & Sourcing Department at D'leteren Automotive and, therefore, the Chief Financial Officer, the Code requires strict adherence to key principles, including the elimination of illegal, forced, or compulsory labour, and child labour. Suppliers must avoid discrimination, comply with laws on working hours, rest days and minimum wages, and respect employees' freedom of association. They are also expected to protect the health of their staff, subcontractors, local communities and product users. These requirements are inspired by the principles in the Global Compact, the International Chamber of Commerce Charter for Sustainable Development, and relevant International Labour Organization conventions. The Supplier Code of Conduct applies to suppliers of indirect products and services with which D'leteren Automotive maintains business relationships, regardless of nature, transaction type, or duration. The Code is available in three languages and is systematically presented for signature with every new contract or contract renewal, making it contractually binding. An ESG questionnaire complements the Supplier Code of Conduct, including questions related to human rights and work conditions. The ESG criteria make up 10% of the total score for the selection of the supplier.

Strategic suppliers, such as the Volkswagen Group, are not subject to the Supplier Code of Conduct. Instead, these relationships are governed by formal importation agreements between D'leteren and the Volkswagen Group. Under these agreements, D'leteren acts as the official importer of Volkswagen Group brands in Belgium, a role that differs significantly from a standard supplier-buyer relationship. The importation contract, signed by D'leteren's CEO, defines the terms and conditions of this partnership, creating a collaborative framework rather than a typical procurement process. Compliance clauses complement the contract, reflecting the shared importance of these matters for both D'leteren and the Volkswagen Group. Additionally, the contract includes a compliance guide that explicitly addresses labour conditions, prohibiting forced and child labour as well as trafficking in human beings.

On their side, all dealers must adhere to a compliance directive to join the official distribution network for Volkswagen Group brands. This directive complements their dealership contract, outlining standards and obligations for dealers and service partners. All these contracts, guides and directives are aligned with the principles of the Global Compact, the International Chamber of Commerce Charter for Sustainable Development, and relevant International Labour Organization conventions.

The Integrity Alert System, accessible on the D'leteren website, allows any worker in the value chain to anonymously report concerns related to human rights or labour conditions. This system is managed by an independent third party, enhancing trust among workers in the value chain, as it ensures impartiality in addressing their concerns. Since its creation, no incidents have been reported through this system and, as a result, there has been no need to implement specific processes for addressing such concerns. In the event that an incident is reported, it would be handled in the same manner as other matters by the Risk, Compliance and Whistleblowing Officer, in accordance with established procedures (for further information, please refer to section 4.1.3.).

Evolution in 2025

The Supplier Code of Conduct and the ESG questionnaire, along with the grievance mechanism, represent initial steps to benefit workers across the value chain. At this stage, no formalised actions, targets, or processes are in place. Before advancing with an action plan, defining targets and establishing processes to monitor progress, D'leteren plans to review its supply chain strategy in 2025. This review aims to more effectively manage the impacts and risks related to workers in the value chain. The review of the strategy will likely result in an update to the Supplier Code of Conduct and the approach to supplier assessments. This work will commence in the first half of 2025, with a roadmap to be developed outlining the actions to be taken. Targets will be defined in connection with the IROs identified by the DMA, and progress will be closely monitored.

Currently, in terms of actions, D'leteren stays informed about the practices, policies and measures implemented by the Volkswagen Group, particularly regarding labour practices within its supply chain. A continuous media search is conducted to ensure that D'leteren remains well-informed in the event of any incidents. If such incidents arise, D'leteren will contact its partner to gather further information.

For reference, the Volkswagen Group adheres to the five steps outlined in the OECD's *Due Diligence Guidance for Responsible Business Conduct* and complies with the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*. In 2020, the group introduced a Raw Materials Due Diligence Management System based on these OECD guidelines.

3.3. Entity specific – Employee engagement

As a service-oriented company, employee engagement is a key strategic focus. D’leteren is committed to being a “Great Place to Work” for all its employees, fostering a positive and engaging work environment.

High engagement levels lead to a better quality of life for employees, who find purpose in their work and feel connected to a company they trust and value. This engagement aids in retaining talent and contributes to economic growth. Engaged employees significantly benefit D’leteren, reducing absenteeism and turnover and increasing productivity.

Employee Engagement is assessed annually, which measures employee commitment and satisfaction based on key statements related to their work and the company. The survey gauges their sense of purpose, pride, motivation and accomplishment within the organisation. Participation rates are also tracked to ensure broad involvement. This process helps D’leteren gather valuable insights.

Employee engagement is measured across all entities, ensuring that all employees, at every level of the company, are included in this important evaluation. The Human Resources department is responsible for deploying the engagement survey, which is overseen by the Executive Committee. Both the participation rate and the engagement score are part of the Long-Term Incentive Plan for the management team, alongside other ESG criteria, emphasising the company’s commitment to long-term employee satisfaction and organisational performance.

A global target has been set for the entire company, both for the employee engagement rate and the participation rate, with a goal to be achieved by 2025. This target serves as the benchmark for annual measurement. The results are broken down by department and entity to provide greater granularity and enable targeted actions where needed. Each department head is responsible for sharing their team’s results and discussing the actions to be implemented. The effectiveness of these actions is measured the following year during the next engagement survey, ensuring continuous improvement.

Employee engagement	2023	2024	2025 target
Participation rate (%)	61%	61%	66%
Engagement score	83%	85%	75%

4. Governance

4.1. Business Conduct

4.1.1. IDENTIFICATION OF BUSINESS CONDUCT IROS IRO-1

		Impacts	Risks/opportunities	Time horizon (R/O)
Corruption and bribery	Own operations	Potential moderate negative impact Raw material extraction has faced scrutiny over bribery and corruption, often due to complex technicalities and close private-public sector relations in obtaining mining licences.	Moderate risk Reported corruption and bribery cases can lead to employee loss, operational inefficiencies, reputational damage, public trust loss and significant fines.	Short term
Corporate culture		Potential moderate negative impact A poor corporate culture can result in unethical behaviour, leading to societal problems like trust erosion or unsafe working conditions, and can also cause environmental issues, including air and water pollution.	Moderate risk Engaging in unethical behaviour stemming from D'leteren's own operations is reputational, leading to potential financial losses (decrease in sales).	Short term

4.1.2. THE ROLE OF THE ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES GOV-1

The company's Executive Committee, including the CEO, plays a key role in promoting a culture of integrity and ensuring the implementation of effective anti-corruption and anti-fraud measures. Senior management is integral in promoting and embedding these values across the company. They serve as role models, embodying the company's core values of collaboration, responsibility, care, enthusiasm and a pioneering spirit in their daily activities.

The Legal Department and the Internal Audit, HR and ESG teams are essential in overseeing compliance and ethical practices within the organisation. In 2024, D'leteren appointed a Risk, Compliance and Whistleblowing Officer to spearhead these efforts.

Each company entity has a designated Legal Team contact who provides compliance advice, ensuring that all areas of the business are covered. Regular audits of procedures, including accounting and purchasing, are conducted to evaluate the effectiveness of compliance systems. These audits are complemented by internal controls that enforce adherence to anti-corruption policies.

Any significant issues or risks identified are escalated immediately to the relevant department for further review and action and to the CEO. This ensures that the administrative and management bodies are consistently informed and can make well-grounded decisions to steer the company in line with its values and objectives. Independence and competence are considered when determining which party will investigate notifications.

To further strengthen ethical oversight, D'leteren has established an Ethics Committee that meets three times a year to review ethical issues and determine appropriate actions. The Ethics Committee regularly updates and shares guidance through communication efforts and targeted risk-based training for employees

D'leteren also has a Compliance Committee which meets quarterly. Further information can be found in section 1.2.1.

The combined expertise of D'leteren's supervisory bodies - including legal professionals, auditors and HR and ESG specialists - ensures that the company upholds the highest standards of business conduct. These experts regularly receive training to stay informed about the latest best practices in governance, risk management and compliance. By maintaining strong relationships with external consultants and experts, D'leteren further strengthens its ability to meet ethical and legal obligations.

4.1.3. BUSINESS CONDUCT POLICIES AND CORPORATE CULTURE G1-1, -3

The governance framework designed to prevent and detect corruption and bribery

#	Name	Objective	Scope & availability	Responsibility	Stakeholders
1	Code of Conduct 'The Way We Work'	Serves as a guideline for ethical and responsible conduct. Reflects D'leteren's commitment to integrity, transparency and compliance with the law.	Binding for all employees in all brands and businesses. Accessible on both internal and external websites. Included in the onboarding programme for new employees. Reminder of key principles via internal communications.	Directors & Executive Committee, Managers, Ethics Committee	Employees, third parties acting on behalf of D'leteren Directors of all D'leteren entities demonstrate their commitment to the Code of Conduct and its ethical standards by signing the D'leteren commitment letter.
2	Supplier Code of Conduct	Ensures suppliers adhere to D'leteren's ethical principles.	Applies to all suppliers and subcontractors. Communicated to suppliers by the Procurement team.	Procurement, ESG team	Suppliers and subcontractors
3	D'leteren Integrity Alert System	Allows violations to be reported in a safe environment.	Accessible to all employees, customers, suppliers & partners. Available on internal and external websites of the company.	Risk, Compliance and Whistleblowing Officer	Employees and external whistleblowers
4	Whistleblowing Policy	Provides procedures for reporting complaints, concerns and irregularities.	Applies to all entities within D'leteren, available to all employees and external stakeholders. Available on internal websites.	Risk, Compliance and Whistleblowing Officer	Employees and external stakeholders
5	Employee Experience Survey	Evaluates corporate culture annually.	Conducted annually for all employees.	Human Resources Department	Employees

At the heart of D'leteren's commitment to ethical conduct is "The Way We Work", a comprehensive Code of Conduct that outlines the principles for preventing conflicts of interest, adhering to laws, combating corruption, building trust and maintaining internal controls. This Code serves as a foundational document that guides the behaviour of all employees and management. The principles outlined in D'leteren's Code of Conduct are aligned with the key principles of the United Nations. Employees are required to acknowledge their commitment to these ethical standards, reinforcing the importance of integrity in their daily activities.

Furthermore, the introduction of a Supplier Code of Conduct in 2023 extends these standards to the supply chain, requiring suppliers to educate their teams and report any risks or violations. Further information can be found in section 3.2.3.

Another key component of D'leteren's commitment to accountability is the D'leteren Integrity Alert System, a whistleblowing mechanism that allows for the safe and confidential reporting of misconduct. This system ensures that any breaches of the Code of Conduct are addressed swiftly and appropriately. The whistleblowing policy fosters a culture of transparency and accountability, encouraging employees to report any unethical behaviour without fear of retaliation. The D'leteren Integrity Alert System is complemented by other channels, including line managers, Human Resources, Legal, Audit, the CEO. Within a reasonable period of receiving a notification, initial communication with the reporting party is established and a preliminary assessment determines whether there is merit to the allegation and whether an investigation should be initiated.

All investigations are conducted with utmost respect and confidentiality if requested, observing the rights and guaranteed protections of all parties involved. D’leteren ensures compliance with the legal requirements with regard to the protection of whistleblowers. Any form of retaliation may give rise to disciplinary measures in accordance with D’leteren’s applicable rules and policies, up to and including dismissal.

Employee training and awareness are central to D’leteren Automotive’s anti-corruption efforts. The company arranges mandatory training programmes for its employees, including new hires. These programmes are delivered via web-based sessions by the D’leteren Academy, ensuring wide accessibility. Training topics include ethics, prevention of corruption and bribery, compliance with laws and avoiding conflicts of interest. The company emphasises high participation rates in training sessions, particularly for members of the management committees as well as the Executive Committee, who are expected to serve as role models. They are regarded as functions at risk due to the nature of their responsibilities. The members of the Ethics Committee provide support for policy-related queries and monitor training participation.

Functions at risk	2024
Number of functions-at-risk of bribery and corruption (FAR)	158
Percentage of FAR receiving training (%)	93%

4.1.4. INCIDENTS OF CORRUPTION OR BRIBERY G1-4

The company has reported no confirmed incidents of corruption or bribery, nor any convictions or fines in recent years. As a result, there have been no breaches to investigate and, thus, no corrective actions, investigations, disciplinary measures, or changes in procedures have been necessary. D’leteren’s commitment to maintaining high ethical standards and rigorous anti-corruption measures has contributed to this positive outcome.

	2024
Number of convictions	0
Amount of fines (€m)	0