

# SUSTAINABILITY REPORT 2020 · 2021



# TABLE OF CONTENTS



## THE WORLD AROUND US, OUR SHARED CONCERN

- 05 Our shared concern
- 06 Message from the CEO  
and the Chairman
- 07 Bekaert at a glance
- 09 About this report



## OUR RESPONSIBILITY IN THE WORKPLACE

- 11 Our employees
- 12 Communicating with and engaging  
our employees
- 18 Health and safety
- 27 Embracing diversity
- 30 Highest ethics standards
- 32 Performance management



## OUR RESPONSIBILITY IN THE MARKETS

- 35 *better together* with our customers
- 42 *better together* with our suppliers
- 45 *better together* in the communities  
where we are active

We conduct and grow our business in a sustainable way so that our stakeholders all benefit.



## OUR RESPONSIBILITY TOWARD THE ENVIRONMENT

- 47 Our concern for the environment
- 55 Environment related data



## OUR RESPONSIBILITY TOWARD SOCIETY

- 59 Education & society



## OUR AMBITIONS

- 63 Ambitions
- 65 Glossary



## ANNEXES AND GRI CONTENT INDEX

- 67 Materiality assessment
- 68 General disclosure on governance and ERM
- 70 General information on sustainability reporting principles
- 71 Memberships & associations
- 71 Bekaert's conflict free minerals policy & compliance plan
- 72 GRI Content Index



# THE WORLD AROUND US

# OUR SHARED CONCERN

Our ambition is to create sustainable value for all our stakeholders: our customers, employees, shareholders, and the communities where we are active.

*better together* sums up the unique cooperation within Bekaert and between Bekaert and its stakeholders. We are committed to delivering long-term value to all of them and as such, create sustainable business partnerships.

## Sustainability standards

This report has been prepared in accordance with the GRI Standards: Core option. Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability. Bekaert's responsible performance in 2020 has been recognized by its inclusion in the Solactive ISS ESG Screened Europe Small Cap Index and the Solactive ISS ESG Screened Developed Markets Small Cap Index - a reference benchmark for top performers in terms of corporate social responsibility based on Vigeo Eiris' research - as well as in Kempen SRI.

In 2020-2021 respectively, rating agencies MSCI and ISS-ESG have analyzed the Environment, Social and Governance performance of our company, based on our publicly available information. Their reports are used by institutional investors and financial service companies.

For the fourth year in a row, Bekaert was awarded a gold recognition level from EcoVadis, an independent sustainability rating agency whose methodology is built on international CSR standards. The agency states that Bekaert forms part of the top 5% of all companies assessed in the same industry category.

In response to growing interest throughout the supply chain to report on the carbon footprint of operations and logistics, Bekaert also participates in the Climate Change and Supply Chain questionnaires of CDP (formerly known as the Carbon Disclosure Project).

Bekaert has received a 'B-' score in CDP's Supplier Engagement Rating (SER), an improvement of 2 steps compared with previous ratings. Bekaert's rating for disclosing and engaging with customers has significantly improved, bringing us in a leading 'A' rating position.

References to GRI Standards

GRI 102-40

GRI 102-42

Our company values distinguish us and guide our actions. We conduct business in a socially responsible and ethical manner. To us, sustainability is about economic success, about the safety and development of our employees, about lasting relationships with our business partners, and about environmental stewardship and social progress. This way, Bekaert translates sustainability into a benefit for all stakeholders.

The interests of our customers, employees, shareholders, local governments and the communities where we are active, are reflected in the way we drive our operations. We do this in a structured way: we have translated our ambitions for improvement into clear targets for the short term and are further developing our sustainability strategy for the coming years.



# MESSAGE FROM THE CEO AND THE CHAIRMAN

Dear reader,

GRI 102-14

2020 will be long remembered. The Covid-19 pandemic brought challenges and changes to the world of a magnitude that was impossible to foresee. As per the publication date of this report the pandemic is still taking a huge toll on economies and people's lives worldwide and has fundamentally changed long established certainties and priorities.

Despite the turmoil that Covid-19 has created in our markets and in our business, we remained focused on our priorities. This enabled us to secure the business continuity of our customers, the health and safety of our people, and—at the same time—offset the impact of the pandemic on our financial objectives.

Moving forward, our ambitions reach higher. The Board of Directors and the Bekaert Group Executive have recently established the company's strategy for the next five years with the ambition to transform the company's business portfolio toward higher value creation. Organic growth in core markets will be supported by extending our capabilities in the areas of innovation, digital and sustainability as well as by selective acquisitions and new partnerships.

In creating value for our stakeholders we commit to take all aspects of economic, environmental and social impacts into our consideration. We reflect and include the interests of customers, suppliers, employees, shareholders, communities and other stakeholders in the way we drive our operations. We conduct and grow our business in a sustainable way for the benefits of all our stakeholders.

We are currently defining, under the supervision of the Board of Directors, Bekaert's sustainability strategy for the longer term. The strategy will include the company's ambitions that will enable us to:

- » drive growth with differentiating, sustainable solutions for our customers;
- » create a safe, healthy, diverse and inclusive workplace for our employees;
- » reduce the environmental impact of our operations and products;
- » foster a positive impact in the communities where we are active;
- » create sustainable value for our shareholders.

We want to thank our employees, customers, partners and shareholders for their continued trust and support.



**OSWALD SCHMID**  
Chief Executive Officer



**JÜRGEN TINGGREN**  
Chairman of  
the Board of Directors





# BEKAERT AT A GLANCE



## Who we are

GRI 102-3  
GRI 102-7

Bekaert is a world market and technology leader in steel wire transformation and coating technologies. We pursue to be the preferred supplier for our steel wire products, services and solutions by continuously delivering superior value to our customers worldwide. Bekaert (Euronext Brussels: BEKB) was established in 1880 and is a global company with more than 27 000 employees worldwide, headquarters in Belgium and € 4.4 billion in combined revenue in 2020.



## What we do

GRI 102-2  
GRI 102-6

We seek to be the best in understanding the applications for which our customers use steel wire. Knowing how our steel wire products function within our customers' production processes and products helps us to develop and deliver the solutions that best meet their requirements and, through that, we create value for our customers.

Transforming steel wire and applying unique coating technologies form our core business. Depending on our customers' requirements, we draw wire in different diameters and strengths, even as thin as ultrafine fibers of one micron. We group the wires into cords, ropes and strands, weave or knit them into fabric, or process them into an end product. The coatings we apply reduce friction, improve corrosion resistance, or enhance adhesion with other materials.



## How we work

*better together* sums up the unique cooperation within Bekaert and between Bekaert and its business partners. We create value for our customers by co-creating and delivering a quality portfolio of steel wire solutions and by offering customized services on all continents.

We believe in lasting relationships with our customers, suppliers and other stakeholders, and are committed to delivering long-term value to all of them. We are convinced that the trust, integrity and irrepressibility that bring our employees worldwide together as one team create the fundamentals of successful partnerships wherever we do business.



## Our ambition

Our ambition is to create sustainable value for all our stakeholders: customers and other business partners, employees, shareholders, and the broader communities where we are active.

GRI 102-16

We have established, in the course of 2020, Bekaert's strategy for the next five years. We are determined to implement this new strategy with passion and focus and are convinced it will enable us to drive sustainable value creation.

A first set of actions was implemented with high priority. The Covid-19 pandemic did not delay but rather accelerated the progress we have made in all four pillars of our new strategy:

- » committing to high performance;
- » making our customers succeed;
- » being truly *better together*;
- » caring for the world around us.

Read more in this report about what we have achieved in 2020 to enhance the *better together* spirit among colleagues, with business partners and the broader communities, and in caring for the world around us.



# ABOUT THIS REPORT



## Reporting scope

GRI 102-48  
GRI 102-49

This report covers the Sustainability KPIs for all subsidiaries of the Bekaert Group. The sustainability actions and respective indices and certificates cover the wholly and majority owned subsidiaries of NV Bekaert SA.

When specified, the disclosures in this report include the actions and performance metrics of the joint ventures.



## Reporting period

GRI 102-50  
GRI 102-52

This report covers the activities between 1 January 2020 and 31 December 2020, unless stated differently and if relevant for the report. Bekaert reports annually on its sustainability performance.



## Process for defining reporting content

GRI 102-46

The content of this report has been defined considering the most significant indicators of our activities, the impact of and commitment to the company's interest groups, the efforts in enhancing sustainability and the level of detail established by the GRI Sustainability Reporting Standards.

Our interest groups are the Bekaert employees, suppliers, customers, shareholders, partners, local governments and the communities in which we are active.

More information on the reporting principles, our sustainability ambitions, and the materiality scope is included in chapter 6 and 7.

A photograph of a diverse group of people in a meeting. A bald man with a wide smile is the central focus, wearing a dark grey sweater. To his left, a woman with dark hair is partially visible in profile. To his right, a woman with blonde hair is smiling and clapping. The background is a blurred office setting with a whiteboard.

# OUR RESPONSIBILITY IN THE WORKPLACE

# OUR EMPLOYEES

Our employees are the driving force behind our global success. The true strength of our company lies at the heart of every Bekaert employee's passion to go the extra mile for our customers, to care deeply for each other, and for the world around us. That's what being *better together* is all about.



## How we emerge stronger from the global Covid-19 crisis

Bekaert responded to the Covid-19 pandemic with global and local measures to safeguard the health and safety of all employees and their families, and of contractors and visitors on our sites. We rigorously complied with the regulations deployed in all countries that host Bekaert activities. Meanwhile, we closely communicated with customers and suppliers in order to secure business and supply continuity.



From the onset of the Covid-19 crisis in China, it became clear that the epidemic had the potential to evolve into a pandemic. We wanted to be ready around the world to deal with the unprecedented challenges that this would bring about. We created eight workstreams to address the crisis. We focused on securing continuous supply to our customers, on well aligning sourcing and planning with demand, on securing liquidity, and – foremost – on protecting our people and their families. We embedded these eight workstreams in the day-to-day operations of the business units and the functions and further adapted them throughout the year, as the circumstances changed.

Our approach worked well, both when the pandemic hit our businesses hard, and in the fast rebound that followed.

## Our commitment toward our employees

As a company and as individuals, we act with integrity and commit to the highest standards of business ethics. We promote equal opportunity, foster diversity and we create a caring and safe working environment across our organization. Our values are ingrained in our culture and connect us all as One Bekaert team.

We act with integrity

We earn trust

We are irreplaceable!

GRI 102-16

# COMMUNICATING WITH AND ENGAGING OUR EMPLOYEES

To cope with the questions and uncertainties that the global Covid-19 pandemic brought, we used various internal communication channels to help employees stay informed, be actively involved and be recognized for their tremendous engagement.

GRI 102-43  
GRI 102-44

- » We set up a dedicated intranet site and distributed a weekly eNewsletter to share updates on the newest Covid-19 figures, the applicable safety rules and best practices from around the world.
- » Employees used Yammer to share stories and to support and motivate each other. The local HR teams ensured that all information was made available in print and on the digital screens in the production plants.
- » Country and plant managers from all Bekaert sites worldwide shared information and best practices during the weekly 'country calls'.
- » Commercial managers participated in the 'emerging stronger' commercial calls, where new tools and best practices for virtual customer conferences were exchanged for further deployment across the business. Customers brought testimonials about how they experienced working with Bekaert during this crisis.

People engagement and empowerment have always been important at Bekaert. We empower our teams with responsibility, authority and accountability, and count on the engagement of every Bekaert employee in driving a higher-level performance.



- » The Bekaert Intranet is a place where employees can share and obtain knowledge, find relevant information fast, connect with colleagues, collaborate with team members on common development programs, and actively contribute to impactful communications across the company. Moreover, the company's internal social media platform Yammer and video platform Stream are intensively used tools to share best practices, celebrations and ideas. Our employees regularly receive internal news bulletins with corporate messages and business updates.
- » Every quarter, Bekaert's CEO and CFO invite all managers and salaried professionals worldwide to join an internal webcast at the occasion of the financial news releases. They share information on Bekaert's performance and the actions to be taken and answer the questions raised. The sessions are recorded and can be replayed afterwards via our internal online video platform.
- » Next to the quarterly financial updates, employees are also invited to Communication Town Halls, hosted by the members of the Bekaert Group Executive. They share insights on market developments, decisions made and strategies established and implemented. These sessions engage active interaction with all participants.



- » Extraordinary efforts and contributions are awarded at Bekaert, particularly when it comes to excellent achievements in the fields of quality, customer excellence, SH&E, innovation, operational excellence and leadership.



*The CBSC team received the SH&E Excellence award in 2020*

### **Bekaert celebrates anniversaries in five sites**

In 2020, Bekaert celebrated the anniversaries of five sites.

The Ideal Alambrec Bekaert plant in Ecuador proudly celebrated its 80th anniversary. Although the Ecuadorian entity has witnessed many changes over the past eight decades, what has remained key throughout its history is the passion to work **better together** for and with the customers.

The Vicson-Bekaert plant in Venezuela celebrated its 70th anniversary.

In Europe, Bekaert's plants in Sardinia, Italy and Lipetsk, Russia celebrated their 10th anniversary. The anniversary of the plant in Lipetsk took place before the Covid-19 pandemic. The plant organized a great event that was attended by 500 enthusiastic Lipetsk team members, many customers and other business partners, and Belgian and Russian government officials and diplomats.



*Lipetsk employees celebrate their plant anniversary (pre-corona)*

The Bekaert India Technical Center also marked its 10th anniversary in 2020. The Consul General of Belgium, Mr Pierre Emmanuel Brusselmans, attended the celebration in person together with India management and BITC team members. The Bekaert Management and key customers participated online, due to Covid-19 restrictions.



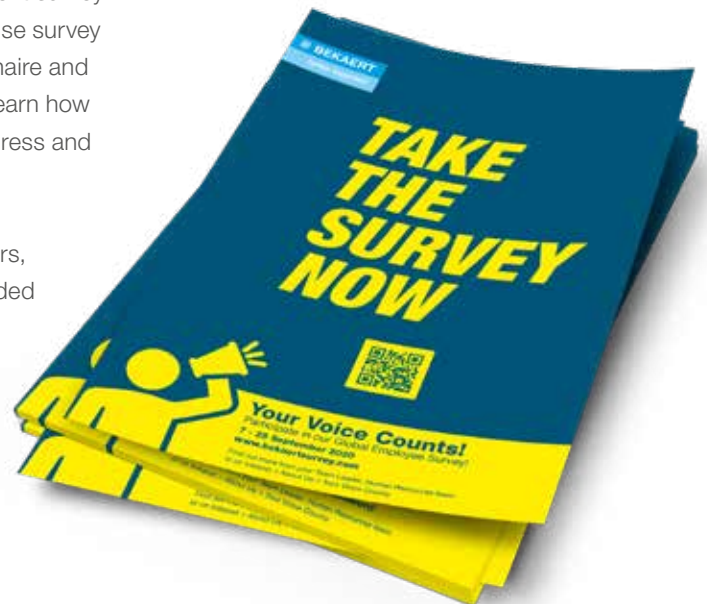
## Your Voice Counts engagement survey

GRI 102-43  
GRI 102-44

We conducted the third edition of the Your Voice Counts engagement survey in 2020. After an extensive company-wide survey in 2017 and a pulse survey in 2018, all employees were invited to complete the 2020 questionnaire and let their voices be heard. We are keen to continue the dialogue to learn how employees experience working with us, where we are making progress and where we can still do better.

The survey built further on questions we had asked in previous years, allowing us to measure our progress over time. Additionally, we added some health-related questions because we are conscious that Covid-19 has had and continues to have a significant influence on both our private and work life.

The surveys are developed in collaboration with an independent advisory firm. They help us conduct the engagement survey in a professional way, guaranteeing discretion, confidentiality and anonymity of the responses and respondents.



We had a high participation rate of 80% for the 2020 survey. Employees indicated that they feel safe at work and are able to balance work and personal responsibilities - two important aspects, especially during this Covid-19 period. The results also show that we are making progress on the improvement needs indicated in earlier surveys.

Our employees' opinions matter to us, and that is why we will keep asking their feedback frequently in the coming years.



## Introducing Hybrid working

In 2020, Covid-19 lockdowns triggered a massive shift in how businesses organize work and interactions. Literally overnight, the work done in offices moved to home offices about everywhere in the world. While employees always remained able to connect digitally and collaborate as close as—or even closer than—before, face-to-face interactions are being missed hard after a long period of isolation.



As a company, we have given a lot of consideration to how we intend to work in the 'new normal'. Feedback from employees has been an important part of the decision-making in finding a balanced approach. At the end of 2020, we introduced a hybrid working model at Bekaert. We will implement this global model as soon as the Covid-19 situation in our entities worldwide allows it.

The new way of working is increasingly relevant in today's society; boosting productivity, engagement and well-being with more flexibility to harmonize work life and personal life, while maintaining a strong connection with colleagues and with the company culture.



## Labor unions and collective bargaining agreements

GRI 102-41  
GRI 403-4  
GRI 407-1

Communication also includes the information exchange and negotiations with labor unions. We recognize the right of any employee to join or to refrain from joining a labor union. 82% of our employees worldwide are covered by collective bargaining agreements.

Agreements with trade unions are locally concluded and include the following elements:

- » personal protective equipment;
- » right to refuse unsafe work;
- » joint management-employee health and safety committees;
- » participation of worker representatives in health and safety matters;
- » inspections, audits, and accident investigations;
- » training and education;
- » complaints mechanism;
- » periodic inspections.



## Learning and development

GRI 404-2

We nurture talent through career development and life-long learning. We attach great importance to providing challenging career and personal development opportunities to our employees. Training programs not only include technical and job specific training, but also leadership modules that help our people develop and cooperate in a global business environment.

### Learning together virtually

Covid-19 has challenged us to look differently at the way we learn. While the training sessions were initially a mix of classroom lessons and online e-learning, the Covid-19 pandemic stimulated a rapid digital transformation of our training systems. We finalized the roll-out of our My Learning platform in all countries. It is a shared environment for digital learning that brings knowledge to our employees, no matter where they are or when they need it.

During the Covid-19 pandemic, we offered Smart Working courses. These articles, videos and online trainings supported employees in handling the challenges they faced and in adapting their work habits and routines. The courses focused on safety and physical and mental health, useful recommendations on effectively collaborating and connecting with colleagues and customers digitally, and advice on how to defend ourselves against cyber threats when working remotely.

GRI 404-2

Many of these courses are part of the Bekaert University, established in 2017. The Bekaert University offers training tailored to different professional areas. It provides our employees with inspiration, knowhow and peer support from colleagues and leaders in order to turn knowledge into action. In close collaboration with internal experts (both in the business and in the functional domains) and external learning institutes, we continuously evaluate and develop our training portfolio to make sure that we are always equipped to meet the demands of our customers and employees. The Bekaert University hosts several operational academies including commercial, manufacturing, and health, safety & environment.



In 2020, we added the Bekaert Basics academy to the Bekaert University portfolio. Bekaert Basics helps new employees understand our business and culture, facilitates engagement, and encourages them to inspire Bekaert by sharing best practices learned in previous career steps. It supports the process of acclimatizing new employees to the organization by providing the tools, resources, and knowledge that are needed to be productive and to thrive at Bekaert.

GRI 404-2



## Bekaert wins bronze Brandon Hall Group Excellence Award in Learning

The Human Capital Management Excellence Award is the most prestigious and longest-running recognition program in human capital management. Brandon Hall Group's industry-standard awards program recognizes organizations that successfully deploy human capital management programs achieving superior and measurable results.

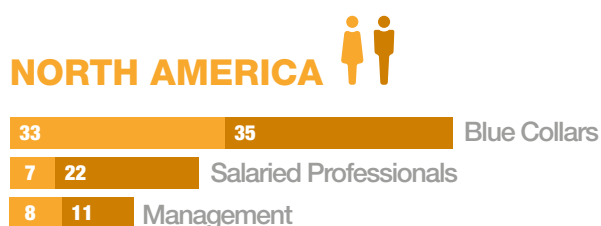
We were very excited to win the bronze award in a year that Brandon Hall Group received a record number of applications. This award is a valuable recognition and validation from experts in the area of learning.



## Average hours of training per employee

On average, each employee received 20 hours of training in 2020.

GRI 404-1



# HEALTH AND SAFETY



## Covid-19

The global spread of the pandemic is having a devastating human toll all over the globe. At Bekaert, too, we were confronted with infections among personnel and with lives lost due to Covid-19 complications.

We deeply regret that six of our team members passed away with Covid-19 complications. Our thoughts and sympathy are with their family, friends and colleagues.

Bekaert has implemented global and local measures to safeguard the health and safety of all its people. Despite the rigorous measures implemented in all our premises worldwide, we have had an elevated infection rate in certain locations. In case of suspected or confirmed infections at a location, additional actions are implemented on top of the prevailing Covid-19 health & safety procedure. This may imply a temporary shutdown.

We are still in the midst of the Covid-19 pandemic and continue to apply strict measures to keep our workforce safe.

Bekaert's global safety approach aims to create a no-harm, risk-free working environment for all our employees and for anyone working at or visiting our premises. We believe that taking care of people is fundamental to the success of the business. To achieve this, we operate with a set of standards, including principles and processes, while encouraging a culture of respect and compliance.



## Covid-19 rules

To help minimize the spread of the virus and to maintain business continuity, Bekaert implemented mandatory Covid-19 Prevention Rules that are applicable throughout the company.





### COVID-19 PREVENTION RULES

Follow the advice and measures consciously and help others to do so too

 <p>Check your body temperature twice a day. If it's higher than 37.3°C, stay home or go home, and contact a doctor</p>	 <p>Disinfect your work areas regularly <small>Your personal locker, (break)room, meeting room and break room tables and chairs</small></p>
 <p>Don't come to work if you or a member of your family have signs of the disease (fever, cough, difficulty breathing)</p>	 <p>Don't use your hands when coughing or sneezing &amp; avoid touching your face</p>
 <p>Wash hands regularly and thoroughly with soap and water or use a sanitizer, especially after touching surfaces</p>	 <p>Any physical contact, including handshakes, is prohibited</p>
 <p>Strictly keep a distance of at least 1.5 m (5 ft) between people</p>	 <p>Don't form groups inside or outside</p>
 <p>Wear your mask according to the situation <small>(See separate infographic "when to wear your mask")</small></p>	 <p>Ventilate the room at least every two hours</p>

Bekaert created a framework based on the several phases of an epidemic to help define and simplify how to manage the situation in a consistent way across all of our operating entities around the world. The framework is structured per phase of the epidemic/pandemic and is in line with or stricter than the local government guidelines that apply.

Many of our plants and offices have been in 'Phase 3: Ongoing epidemic' for a long period. The rules for this phase imply that employees must work from home if their job allows. If not, they should disinfect their work station multiple times a day, avoid face-to-face meetings, ventilate the area they work in, and follow the specific rules regarding wearing face masks and ensuring hand hygiene.

Alongside the distribution and enforcement of face masks at the work place, Bekaert also provided 75 000 company-branded face masks to employees and their family members worldwide.



### Bekaert chemists bundle their power in the fight against Covid-19

In the battle against Covid-19, hand sanitizers and surface disinfectant are crucial, yet at the beginning of the pandemic, were very scarce. In March 2020, chemists of the labs in the Bekaert Technology Center in Belgium combined their knowledge and skills to produce almost 500 liters of essential disinfectant products from the lab chemicals they had in stock. They supplied it to the nearby Bekaert plants, thereby helping their colleagues to stay safe at work.



## Safety programs

The Bekaert safety programs guide all employees toward the same safety mindset and behaviors worldwide.

### BeCare: no harm to anyone @Bekaert

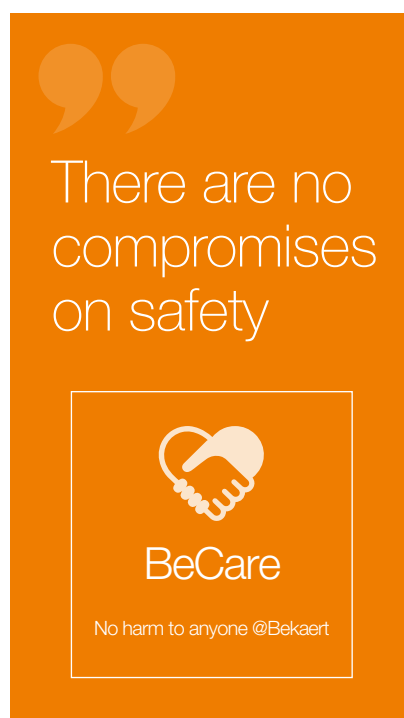
It is our goal to create a no-harm-to-anyone working environment at Bekaert. We commit to do whatever is necessary to eliminate accidents in the workplace.

BeCare, the Bekaert global safety program, launched in 2016, is our way to do this. It focuses on creating an interdependent safety culture, promoting strong risk awareness, removing risk tolerance, and investing in the necessary tools and equipment to create a safer working environment.

BeCare has changed the behavior in our plants and offices and in our meetings with business partners.

As we had trained 93% of our employees through intensive BeCare training sessions as at the end of 2019, we planned to complete the process by the end of 2020.

GRI 403-2



Although we started off well by kicking off the BeCare training sessions in our plants in Slovakia and Turkey in the beginning of 2020, the Covid-19 pandemic left us no choice but to put our schedule on hold, preventing us from reaching our 2020 goal. We intend to continue the training sessions worldwide in the second half of 2021.

## Felt Leadership

As part of the BeCare program, we introduced Felt Leadership in 2019 to all executive and plant leadership teams. Felt Leadership aims to increase the awareness for roles & responsibilities related to safety. During workshops, the leadership teams learn how to continuously demonstrate leadership and take accountability within their teams. Our plan was to further deploy Felt Leadership in Health & Safety to all supervisors and foremen worldwide in 2020, but this will be rescheduled to the second half of 2021 due to the restrictions imposed by the Covid-19 pandemic.



## Safety procedures

GRI 403-2

Bekaert has developed several safety procedures and standards that are applicable in all our plants worldwide. They aim for a coherent and standardized approach of processes and actions worldwide.



## Life Saving Rules

At Bekaert, we believe all incidents and injuries are preventable. In line with our BeCare safety program, and to put more emphasis on safety in specific situations, our employees must follow the Life Saving Rules. The rules are simple dos and don'ts in 10 hazardous situations that have the highest potential to cause death.

They apply to everyone: employees, contractors and visitors. Moreover, they are not only applicable at the workplace, but also highly recommended at home and in other situations, in particular on the road. Abiding by these rules is a condition of employment at and access to our sites. Following these rules and helping others to do so will save lives. That is why consequence management applies to those who do not follow the Life Saving Rules.

The Life Saving Rules were implemented in all our locations in the course of 2019, and this is reflected in the safety numbers of 2020. There is a significant decrease in the number of incidents that might result in a potential fatality in a context of high-risk related activities. That is exactly where the Life Saving Rules focus on. The rate dropped by 37% in 2020, compared with last year.

## Permit to work

Three of the Life Saving Rules relate to tasks for which a Permit to Work is mandatory. A Permit to Work is an on-the-job document that authorizes specified people to carry out non-routine hazardous work that is not described in a standard operating procedure. We have a group-wide standard procedure Permit to Work that all plants need to follow. Examples of activities that require a Permit to Work are among others working at height, working in a confined space, and energized electrical work.





## Equipment safety standard

Apart from the behavioral component, we realize that equipment safety is also key in our efforts to improve our safety performance. To meet this need, we have an equipment safety standard in place that describes the requirements to which all new and existing equipment should comply. Our Engineering departments start their design process from this standard when they develop a new machine. Existing machinery is evaluated on its safety-related risks via a risk assessment method. The method prioritizes the risks that could have the most severe impact and are most likely to happen.



### A healthy workplace

In addition to the BeCare initiatives aimed at eliminating safety risks, we also want to create and maintain a healthy workplace for our employees.

## Workplace conditions

We monitor workplace conditions such as noise, dust and temperature, and are defining and implementing a roadmap to make further improvements. Our new investments take into account strict standards with regards to all working conditions.

All employees and subcontractors working in the Bekaert plants worldwide wear the safety and health equipment provided to avoid the risks of injuries and health impact. This includes uniforms, dust filters, eye and ear protection and grippers and hoists to lift and handle spools, coils, and pallets in an ergonomic way.

Bekaert will not purchase or renew the lease contract of diesel-powered forklifts and other internal trucks in the plants, unless there is no alternative, to eliminate the CO<sub>2</sub> emissions.

## Handling and storing chemicals

Throughout the company, we pay special attention to the safe handling and storage of chemicals. A database records all chemicals used in our plants and strict health and safety guidelines apply to our employees. Employees who are exposed to potentially hazardous materials go through a medical check-up every six months. We are developing and optimizing techniques and processes that eliminate the need for hazardous chemicals during heat

treatment processes.

Increasing regulatory complexity combined with a trend toward eco-friendlier resources and products, have triggered the design of a product stewardship framework and related capability building in 2020. The framework covers:

- (1) standardized chemical management;
- (2) environmental compliance of both raw materials and finished products;
- (3) related customer expectations.

In line with the ISO 14001 requirements, a company-wide process for lifecycle management has been developed. The process aims to identify potentially significant environmental impacts in the entire supply chain and considering all the stages of the lifecycle of our finished products and how to address them in an appropriate way.

At Bekaert, we closely monitor the EU REACH regulation to confirm compliance in a proactive way related both to the raw materials we are using and to our finished products. We are in contact with our suppliers to verify their REACH compliance in the supply process of raw materials and verify the related potential impacts of Brexit. Furthermore, we identify substances of concern and start proactive phase-out programs. In case we identify important regional differences in hazard classification and exposure limits, we are committed to applying our own company-specific hazard classification and exposure limits which are mandatory if no stricter regulations apply.



## International Health and Safety Week

In September 2020, Bekaert organized its 13th International Health & Safety Week.

*Hello, how are you?* was the key topic of this year's Health and Safety Week. Well-being is about feeling comfortable, healthy, and happy – in your personal life and at work. We created a Well-being framework to introduce the topic in the company. The framework explains that well-being is determined by four components. It's a complex combination of feeling physically vital, being mentally resilient, having the ability to manage stress and emotions,

and having a sense of purpose.

The CEO and members of the BGE explained the Well-being framework in a video, and gave personal examples to illustrate and clarify the four components. Our entities organized (digital) sessions for their teams using webinars and e-learning. In locations where the Covid-19 situation allowed it, real-life sessions were organized.



## Safety related data

GRI 403-2

In 2020, we made an impressive breakthrough in safety performance. The efforts and dedication to improve safety have been really successful. While every accident or life-altering risk that occurs on our premises is one too many, we are proud of the progress we have made with our teams.

In 2020, the Total Recordable Incident Rate, the Lost-Time Incident Frequency Rate and the Serious Injury rate all decreased significantly, compared to 2019. A great achievement of our teams!

- » The Total Recordable Incident Rate was 22% lower compared to 2019 as a result of a significant decrease in incidents.
- » The Lost-Time Incident Frequency Rate was 13% lower than last year, driven by the reduction in incidents that led to lost time.
- » We managed to significantly lower the number of incidents leading to life-altering injuries, resulting in a 85% drop of the Serious Injury rate, compared to last year.
- » 16% of all incidents either led or could potentially have led to a life-altering injury, down from 24% in 2019.
- » The number of incidents that happened in high risk situations (but not necessarily resulting in a serious injury) has decreased with 33% in 2020. This significant drop is considered to be directly related to the awareness increase after the implementation of the Life Saving Rules, which focuses explicitly on these high risk situations.

45% of the injuries that happen at Bekaert involve hands and fingers. Unfortunately and despite all safety measures, one of these incidents in 2020 was life-altering for one of our employees. The number decreased from nine life-altering incidents in 2019 to one in 2020. In safety procedures and during safety trainings, special attention is given to the prevention of hand and finger injuries. Other body parts that were injured were head and neck (16%), upper limbs (15%), lower limbs (8%), feet and toes (8%) and torso, back and organs (6%).

GRI 403-9

It goes without saying that we want no fatalities or accidents with life-altering injuries to occur, ever. We are proud to see the impact of the many safety trainings, awareness campaigns, safety standards and risk assessments on our safety results. We will continue our efforts in making Bekaert a safe place to work.

Bekaert holds a group-wide OHSAS certificate that covers 40% of the plants. In 2021, the OHSAS certificate will transition to ISO45001.

GRI 403-1

On average, each Bekaert employee received 8 hours of safety-related training in 2020.

GRI 403-5

GRI 403-9

### Internal awareness campaign 'Tus manos hacen magia'

In 2020, the team in Inchalam, Chile, launched a campaign for all plant workers and administrative staff to encourage them to take care of their hands.

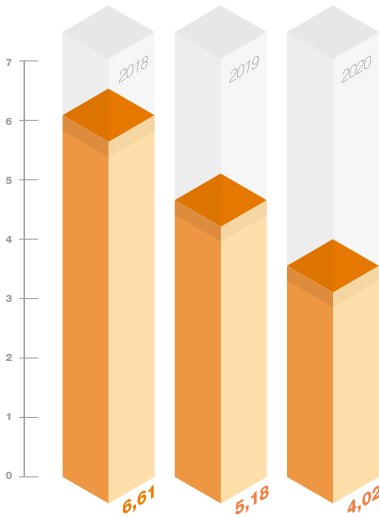
This campaign started by surprising the employees with a magic show that highlighted the versatility of the hands. The show made clear that without self-care, interdependence, hierarchy of controls and safe behavior at all times, we can lose our hands or fingers, without the possibility of recovering them. No magic trick can ever bring them back.

The campaign was applauded by our team members and by their children and other relatives who participated.

The team sealed their commitment by adding a colorful handprint on a large canvas. The canvas has been displayed at the entrance of the plant, in order to remind everyone that hands are irreplaceable.



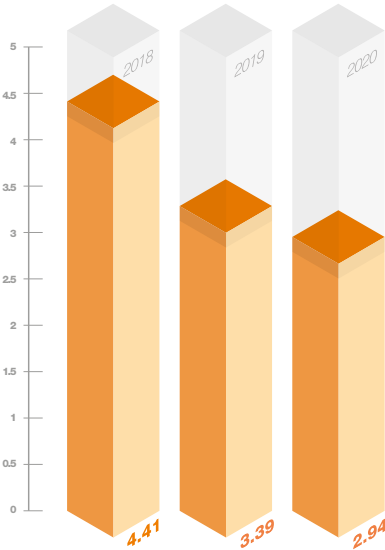
**Total Recordable Incident Rate  
Bekaert Combined (consolidated  
plants + joint ventures)**



*TRIR: Total Recordable Incident Rate: all recorded incidents per million worked hours*

GRI 403-9

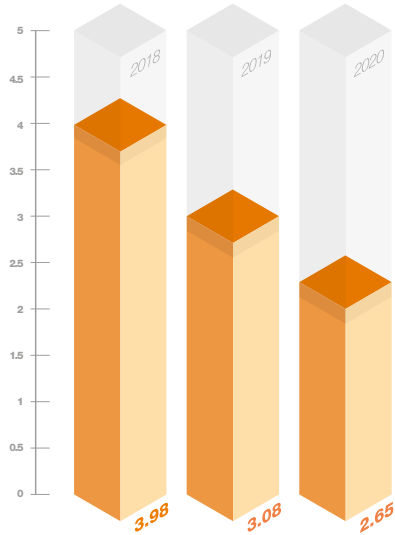
**Lost Time Incident Frequency  
Rate (LTIFR) Bekaert  
Consolidated Plants**



*LTIFR: Number of lost time incidents per million worked hours*

GRI 403-9

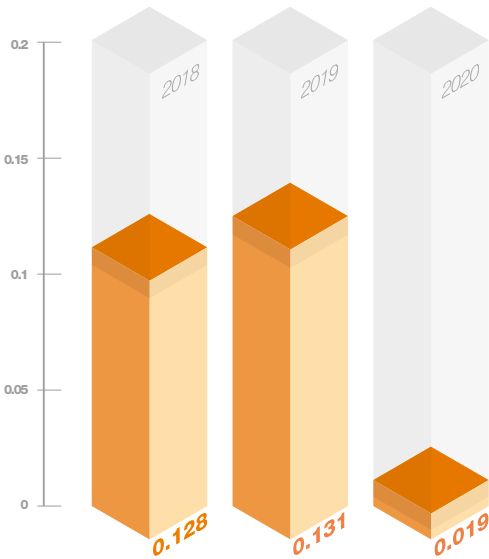
**Lost Time Incident Frequency Rate  
(LTIFR) Bekaert Combined  
(consolidated plants + joint ventures)**



*LTIFR: Number of lost time incidents per million worked hours*

GRI 403-9

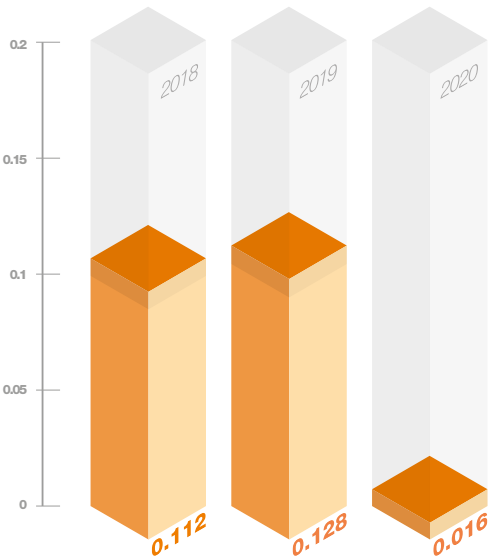
**SI Rate Bekaert  
Consolidated plants**



*SI rate: number of serious injuries per million worked hours*

GRI 403-9

**SI Rate Bekaert Combined  
(consolidated plants + joint ventures)**



*SI rate: number of serious injuries per million worked hours*

GRI 403-9



## Incident rates per region

Group data per region	LTIFR <sup>(1)</sup>	LTIFR <sup>(1)</sup>	LTIFR <sup>(1)</sup>	SI rate <sup>(2)</sup>	SI rate <sup>(2)</sup>	SI rate <sup>(2)</sup>	TRIR <sup>(3)</sup>	TRIR <sup>(3)</sup>	TRIR <sup>(3)</sup>
	All (Bekaert payroll employees + contractors)	Bekaert payroll employees	Contractor	All (Bekaert payroll employees + contractors)	Bekaert payroll employees	Contractor	All (Bekaert payroll employees + contractors)	Bekaert payroll employees	Contractor
EMEA	7.88	8.59	2.01	0.00	0.00	0.00	8.90	9.57	3.35
Latin America	2.46	2.70	1.67	0.13	0.17	0.00	2.46	2.70	1.67
North America	3.73	3.69	4.32	0.00	0.00	0.00	16.50	16.77	12.95
Asia Pacific	0.62	0.71	0.39	0.00	0.00	0.00	1.24	1.41	0.78
JV's in Brazil and Colombia	0.72	0.86	0.40	0.00	0.00	0.00	2.17	2.76	0.80

(\*) Contractor: employee of a supplier who performs a predefined tasks on a regular base on our premises. This includes but is not limited to employees of cleaning services, security services, temporary employment agencies (interim workers).

GRI 403-9

## Incident rates per gender

Group data by gender (payroll employees)	MALE		FEMALE	
	2019	2020	2019	2020
LTIFR <sup>(1)</sup>	3.57	3.27	1.78	2.34
SI rate <sup>(2)</sup>	0.08	0.02	0.16	0.00
TRIR <sup>(3)</sup>	6.16	5.01	2.92	2.88

<sup>(1)</sup> LTIFR: Lost Time Incident Frequency Rate: number of lost time incidents per million worked hours.

<sup>(2)</sup> SI: real Serious Injuries per million worked hours.

<sup>(3)</sup> TRIR: Total Recordable Incident Rate: all recorded incidents per million worked hours.

GRI 403-9



## Safety champions in consolidated plants

In 2020, 15 plants achieved 1 year without recordable safety incidents. 6 plants were 2 years incident-free. 4 plants achieved 3 years without recordable safety incidents and 2 plants even managed to keep their plant incident-free for 7 or more years.

### Bekaert teams unite to combat Covid-19

Our team members in China were the first to be confronted with the virus challenges and with tight methods to contain the spread. Their learnings have been tremendously valuable for us. Their measures and best practices were integrated in Bekaert's global Covid-19 Prevention Rules:

- » social distancing floor markers at the employee gate entrances;
- » perimeter borders around office desks;
- » distance in the locker rooms;
- » extended canteen hours to accommodate strict shift-assigned lunch hours;
- » daily temperature check before arriving onsite;
- » hand sanitizer available throughout the plants and offices;
- » frequent cleaning and disinfection of dressing rooms, desks, displays, equipment, etc.;
- » masks for everyone, at all times.



## Health and safety committees

GRI 403-4  
GRI 403-3

Our integral workforce is represented in formal joint management-worker health and safety committees. They help monitor and formulate advice on occupational health and safety programs.

# EMBRACING DIVERSITY

At Bekaert, we believe in working together to achieve better performance. As a truly global company, we embrace diversity across all levels in the organization, which is a major source of strength for our company. This applies to diversity in terms of nationality, cultural background, age or gender, but also in terms of capabilities, business experience, insights and views.



## Nationality diversity

Bekaert employs people of 68 different nationalities in 44 countries around the world. This diversity is mirrored in all levels of the organization, as well as in the composition of the Board of Directors.

GRI 405-1

Throughout our organization, 388 employees have another nationality than that of the country they work in. The countries where we have the largest foreign employee workforce are Chile (102 foreign employees or 7% of the Chilean workforce), Belgium (62 foreign employees or 4% of the Belgian workforce) and Slovakia (60 foreign employees or 3% of the Slovakian workforce).

GRI 405-1

<b>NATIONALITY DIVERSITY</b> 31 December 2020	# people	# nationalities	# non-native <sup>(1)</sup>	% non-native
Board of Directors	13	8	7	54%
Bekaert Group Executive (BGE)	8	7	6	75%
Senior Vice Presidents (B16-B18) <sup>(2)</sup>	14	3	2	14%
Next leadership level (B13-B15) <sup>(2)</sup>	87	16	40	46%
<b>TOTAL LEADERSHIP TEAM</b>	<b>109</b>	<b>19<sup>(3)</sup></b>	<b>48</b>	<b>44%</b>

<sup>(1)</sup> Non-native = nationality other than the one of the mother company's social seat (i.e., Belgium)

GRI 405-1

<sup>(2)</sup> Hay classification reference

<sup>(3)</sup> Sum of nationalities across leadership team



## Gender diversity

GENDER DIVERSITY 31 December 2020	% male	% female
Blue collars	93%	7%
Salaried professionals <sup>(1)</sup>	69%	31%
Management <sup>(2)</sup>	81%	19%
<b>TOTAL BEKAERT EMPLOYEES</b>	<b>88%</b>	<b>12%</b>

<sup>(1)</sup> In previous reports referred to as white collars

GRI 405-1

<sup>(2)</sup> B7 and above (Hay classification reference)

The manufacturing character of Bekaert's operations explains the predominantly male population among operators.

Bekaert adopts a recruitment and promotion policy that aims to gradually generate more diversity, including gender diversity. Information about gender diversity in the Board of Directors can be found in the Annual Report 2020 (chapter Report of the Board: Corporate Governance).

GRI 405-1

**Gender diversity** in the Board of Directors and in the Leadership Team of Bekaert:

GENDER DIVERSITY 31 December 2020	# people	% male	% female
BOARD OF DIRECTORS	13	62%	38%
Bekaert Group Executive (BGE)	8	87%	13%
Senior & next leadership level <sup>(1)</sup>	101	79%	21%
<b>TOTAL LEADERSHIP TEAM</b>	<b>109</b>	<b>80%</b>	<b>20%</b>

<sup>(1)</sup> B13-B18 (Hay classification reference)

GRI 405-1

By 2030, Bekaert aims to reach a gender diversity ratio of 33% at the leadership level.



## Age diversity

AGE DIVERSITY 31 December 2020	under 30 years old	30-50 years old	over 50 years old
Blue collars	24%	63%	13%
Salaried professionals	16%	68%	16%
Management <sup>(1)</sup>	3%	69%	28%
<b>TOTAL BEKAERT EMPLOYEES</b>	<b>21%</b>	<b>64%</b>	<b>15%</b>

<sup>(1)</sup> B7 and above (Hay classification reference)

GRI 405-1



Our  
employees  
are our  
most  
important  
asset



Age diversity in Bekaert's highest governance bodies:

AGE DIVERSITY 31 December 2020	# people	30-50 years old	over 50 years old
BOARD OF DIRECTORS	13	31%	69%
Bekaert Group Executive (BGE)	8	50%	50%
Senior Vice Presidents (B16-B18) <sup>(1)</sup>	14	21%	79%
Next leadership level (B13-B15) <sup>(1)</sup>	87	51%	49%
<b>TOTAL LEADERSHIP TEAM</b>	<b>109</b>	<b>47%</b>	<b>53%</b>

<sup>(1)</sup> Hay classification reference

GRI 405-1

Employment data:

REGION 31 December 2020	EMEA	North America	Latin America	Asia Pacific	TOTAL <sup>(1)</sup>
Blue Collars	6 067	1 129	4 844	8 489	20 529
Male	5 250	1 075	4 695	8 252	19 272
Female	817	54	149	237	1 257
Salaried professionals	1 545	266	1 656	1 847	5 314
Male	1 018	159	1 092	1 424	3 693
Female	527	107	564	423	1 621
Management	640	152	244	576	1 612
Male	526	129	204	447	1 306
Female	114	23	40	129	306
Total Male	6 794	1 363	5 991	10 123	24 271
Total Female	1 458	184	753	789	3 184
<b>GRAND TOTAL</b>	<b>8 252</b>	<b>1 547</b>	<b>6 744</b>	<b>10 912</b>	<b>27 455</b>

<sup>(1)</sup> Joint ventures included

GRI 102-8

Most people employed by Bekaert have a permanent contract. Employees with a temporary contract are usually on the payroll of external organizations and agencies (Special Economic Zones, employment agencies) and are hence not included in the Bekaert payroll numbers.

99% of the Bekaert employees work full-time.

GRI 102-8

# HIGHEST ETHICS STANDARDS



## Respecting human rights

Bekaert is firmly committed to complying with national legislations and collective labor agreements. Bekaert adheres to the Universal Declaration of Human Rights and the treaties and recommendations of the International Labor Organization.

We are committed to respecting the rights and dignity of each employee. We promote equal opportunity and do not discriminate against any employee or applicant for employment on the basis of age, race, nationality, social or ethnic descent, gender, physical disability, sexual preference, religion, political preference, or union membership. We recognize and appreciate the cultural identity of our teams in all the countries in which we operate and do business.

The recruitment, remuneration, application of employment conditions, training, promotion and career development of our employees are based on professional qualifications only.

GRI 102-12



## Code of Conduct

The Bekaert Code of Conduct describes how we put our three Bekaert values – integrity, trust and irrepressibility – into practice and which leadership behaviors we expect from every Bekaert employee. Our Code of Conduct covers, among others, key areas regarding human rights, child labor and forced labor, and anti-bribery and corruption policy and principles.

GRI 205-2  
GRI 408-1  
GRI 409-1

Our hiring policy states that every new employee receives a copy of our Code of Conduct and every year, all salaried professionals and managers worldwide are required to read the Bekaert Code of Conduct, to pass a test on business ethics cases, and to renew their commitment to the principles of the Code via Bekaert's online global learning platform.

GRI 102-16

In 2020, we further extended the annual commitment process by rolling out a mandatory training session that reminds employees of the principles to follow when confronted with ethical choices. 100% of the managers and 100% of the salaried professionals renewed their commitment to the Code of Conduct in 2020 and it is our goal to maintain full annual commitment results.

We planned to train all operators on the principles of the Code of Conduct worldwide by the end of 2020. The isolation procedures imposed by the Covid-19 pandemic prevented us, however, from achieving our goal. We did manage to train the vast majority of our blue collar workforce in 2020 and intend to reach our goal by the end of 2021.

Particular training programs on the Code of Conduct and on anti-corruption and anti-bribery policies are also provided to functional groups (e.g., the purchasing function). In addition, the Group Internal Audit department regularly audits adherence to the respective policies and procedures, and recommends corrective actions where necessary. All policies are available to personnel on the Bekaert Intranet.

GRI 205-2



## Speak up

Our Code of Conduct also contains the procedures to raise an integrity concern. Employees have the choice between talking to their supervisor, HR manager or the Internal Audit manager, sending an email to [integrity@bekaert.com](mailto:integrity@bekaert.com) or reporting it via our website where it can also be done anonymously.



All concerns and complaints are handled confidentially and Bekaert takes the necessary measures to protect employees against any form of retaliation. This information, including the follow-up process, is regulated through a formal procedure that follows the European Union's Directive for the protection of persons reporting on breaches of Union law (or 'Whistleblower Protection Directive').

We want to encourage all our employees to 'Speak Up' when having factual or suspected integrity concerns and questions. At the end of 2020, we started preparing a global 'Speak Up' campaign that was launched early 2021 in all our sites. The campaign materials are available in all relevant languages.

GRI 406-1



## Information Security

An important aspect of our Code of Conduct, especially with many of the teams working remotely, is Information Security: securing our company's and customers' people, data, and assets. Our employees are our strongest link, and the most effective protection is their awareness of potential cyber threats and the latest Information Security risks. That is why we have taken multiple actions in 2020 to increase awareness for and general knowledge about Information Security:

- » We have introduced the Information Security Rules. They explain the actions we can take to defend against cybercriminals and ensure that our information remains protected. We always need to operate wisely and remain vigilant while surfing and sharing information on the web.

- » In October 2020, we had our first Information Security Week. External experts hosted demo and awareness sessions to the general Bekaert audience, with more detailed training programs for specific teams such as IT and Engineering. We intend to turn this into an annually recurring event.
- » We executed simulated phishing exercises to raise security awareness.
- » All employees must be aware of the potential dangers and need to know what to do to reduce these risks. In the online Information Security Awareness course, employees learned the fundamentals of information security and safe computing habits, and how to react to threats in a secure way. 100% of the managers and salaried professionals completed the Information Security Awareness training in 2020.



With respect to privacy protection of personnel related data, Bekaert has implemented all necessary measures, policies, procedures and processes in order to be General Data Protection Regulation (GDPR) compliant.

# PERFORMANCE MANAGEMENT



## Performance Reviews

In order to stimulate high performance, commitment, and the continuous development of all employees, the group targets are deployed into team and personal targets for everyone.

Bekaert has developed and deployed a People Performance Management (PPM) program. PPM is our way of looking at people performance and how we can better achieve our goals in the future. As such, PPM is part of a larger effort to become a much more performance-driven organization. In 2020, the Bridon-Bekaert Ropes Group teams worldwide joined the PPM program, making it now a coherent process in all consolidated entities of Bekaert

The performance management process includes two-way personal development reviews, transparency, feedforward and leadership behavior.

Enablers for the people performance management practice are: a clear alignment of team and individual goals with business priorities; frequent performance steering and coaching; fair recognition in line with the achieved performance; and better supporting tools that allow employees to keep track of their performance and feedforward actions throughout the year.

Percentage of employees who received a performance review in 2020<sup>(1)</sup>:

EMPLOYEE CATEGORY	percentage
Managers	100%
Salaried professionals	100%
Blue collars	78%

(1) Excluding joint ventures

GRI 404-3



## Remuneration & Benefits

We offer competitive salaries and benefits designed to enhance the financial, physical and overall well-being of our employees and their families. Our offerings differ from country to country and are often adapted to local social security policies. We provide a wide range of employee benefits that may include retirement benefits, healthcare plans, service awards, labor accident disability coverage and paid leave. For detailed information on employee benefits, we refer to section 6.16 of the Annual Report.

GRI 201-3



Benefits provided to full-time and part-time employees by significant locations of operation (> 1 000 employees):

BENEFIT	Belgium	Slovakia	China	Chile	US	Indonesia
Life insurance	Yes	Yes	Yes	Yes	Yes	Yes
Health care	Yes	No	Yes	Yes	Yes	Yes
Disability coverage	Yes	Yes	Yes	Yes	Yes	Yes
Parental leave	Yes	Yes	Yes	Yes	Yes	Yes
Retirement provision	Yes	Yes	Yes	Yes	Yes	Yes
Stock ownership	No	No	No	No	No	No

These benefits are not provided to temporary workers ('interim workers') who are not on the Bekaert payroll.

GRI 401-2  
GRI 403-6



## Termination and severance

Bekaert has closed and restructured several sites in 2020. The management only implements such measures when other options to restore the performance in view of securing a sustainable, profitable future, have failed or are non-existent.

In implementing such measures, the management aims at mitigating the social impact for the affected employees by considering re-industrialization, re-employment help and a fair severance package.

More information on Bekaert's recent restructuring programs is available in the Annual Report 2020.

GRI 404-2

A photograph of two men in business attire shaking hands. The man on the left is smiling broadly, wearing a grey blazer over a blue checkered shirt. The man on the right is seen from the side, wearing a blue shirt and glasses. The background is a blurred office environment.

# OUR RESPONSIBILITY IN THE MARKETS

# OUR MARKETS

We believe in lasting relationships with our customers, suppliers and other stakeholders, and are committed to delivering long-term value to all of them. We are convinced that the trust, integrity and irrepressibility that bring our employees worldwide together as one team also create the fundamentals of successful partnerships, wherever we do business.



## ***better together* with our customers**

We deal openly and honestly with our business partners. We expect our business partners to adhere to business principles consistent with internationally accepted ethical standards.

### **Continuous customer supply despite Covid-19 restrictions**

As from the outbreak of Covid-19, we learned valuable lessons from our regional management and plant teams in China. We immediately applied those learnings in the other parts of the world when the Covid-19 became a pandemic.

We anticipated the consequences on supply chains early and coordinated our sourcing and supply needs on a global scale. Thanks to our global network, we succeeded in preventing supply interruptions, both upstream and downstream, and delivered as agreed with our customers.

### **Our commitment toward customers and other business partners**

We promote and apply responsible and sustainable business practices in all our business and community relationships. Our sourcing and innovation programs enhance sustainability throughout the value chain.

#### **Ecuador team shares Covid-19 knowledge and expertise with customers in Biosafety Program**

The Ideal Alambrec Bekaert team launched a 'Biosafety Program' in response to customers in the construction sector struggling with the implementation of Covid-19 protection measures on the building sites. Our SH&E expert visited the customers' construction sites, conducted interviews and verified the builders' safety protection measures and procedures. After the audit, a detailed report and a recommended action plan was provided and discussed. Our company's medical team also offered training and medical support at the restart of customer operations after a lockdown.

The program has strengthened the relationship with our customers and demonstrated that we care about the success of our customers' business.



## Quality as a top priority

Quality is essential for good customer relations. Our customers have a choice, and we strive to be their best choice. We support our customers by adding value to the products and solutions we provide.

It is absolutely key to meet our customers' quality expectations, both in terms of product specifications and service levels.

We therefore engage our employees in understanding those expectations well, so they can actively contribute in creating customer value.

### Connecting with our customers: on-site and online

In the beginning of 2020, pre-Covid-19, the Lipetsk plant in Russia invited their steel cord customers to discuss what we can do better in serving their needs and how we can collaborate in developing new steel cord types. The Bekaert Lipetsk Quality and Technology teams also visited the customer sites to understand their processing needs well.



### Connecting with our customers online

Virtual communication sessions became the norm in all of our customer contacts in 2020. The continuously changing business dynamics all over the world required constant alignment and interaction. While being isolated and banned from personal, face-to-face contacts through live meetings, visits, trade fairs or conferences, the online meetings brought us closer together than before. They also brought together more teams and individuals than the regular sales-purchasing relationships.

We explored and extended the use of digital channels, integrated a live chat on our website, and shared information and expertise in virtual engagement campaigns.





Plant teams connected with customers and colleagues working from home via livestream to view pre-qualification tests. We organized customer training sessions online, while conventions and trade shows went digital with avatar networking and virtual booths. We also activated My Bekaert and My Rope, user-friendly customer portals on our website. These digital platforms have built interaction and trust in our commercial relationships.

## Supporting our customers' sustainability programs

We actively cooperate with customers in sustainability initiatives. We support our customers' sustainability programs by implementing specific actions in our respective policies and by joining sustainability initiatives and standards to accommodate their priorities. Acting as a socially and environmentally responsible supplier helps our customers achieve their sustainability targets too.

### **Bekaert awarded for sustainable concrete reinforcement solution**

The international building group Webuild awarded Bekaert during their 5th Global Supply Chain convention for our contribution in creating a sustainable solution for concrete reinforcement and ensuring high standards of performance by using the mix of Dramix® steel fibers in concrete instead of traditional steel mesh.

### **Bekaert receives 'B-' score in CDP's Supplier Engagement Rating (SER)**

Bekaert has received a 'B-' score in CDP's Supplier Engagement Rating (SER), an improvement of 2 steps compared with previous ratings. Bekaert's rating for disclosing and engaging with customers has significantly improved, bringing us in a leading 'A' score position.

## Innovation & co-development

In 2020, 84% of Bekaert's global portfolio of Research & Innovation efforts targeted distinct sustainable benefits. These projects include innovations that:

- » limit the use of natural and harmful resources;
- » lower energy consumption and exhaust;
- » increase recycling opportunities;
- » enhance safety;
- » address the renewable energy market needs.

It is our aim to increase the share of R&D efforts with a direct sustainability link to 90% by 2025. Therefore, we have added a specific classification in our R&D project management tool to enhance measurement and prioritization.

## Bekaert products help prevent the spread of coronaviruses

Bekaert products help to make the air we breathe virus-free.

Our metal fiber media is used for reusable High Efficiency Particulate Air (HEPA) filters in face masks and ventilation systems, while our thin steel wires are used to reinforce nose-covering clips in medical face masks.

We brought the production flow of these thin steel wires to the highest level of priority in 2020 and helped avoid disruptions in the market.



## Bekaert TAWI® wins China Patent Excellence Award

The Bekaert TAWI® patent was awarded the 21<sup>st</sup> China Patent – Excellence Award. As the only national level award sponsored by the China IP Administration and World IP Organization, the China Patent Award is very prestigious.

TAWI® is a new generation coating for tire cord filaments. The coating provides environmentally-friendly benefits as it excludes the need for tire makers to add cobalt to the rubber plie compounds.

## Bridgestone and Bekaert knowledge-sharing

The Bridgestone plant in Pune (India), sent a cross-functional team of production, maintenance, safety, and quality experts to our production plant in the same region, to discuss best practices in all of these expertise domains. The team liked Bekaert's concept of customer stewards and were impressed by our BeCare program. Finally, they greatly appreciated the Mini Company concept that is implemented in our plant to bring customer-centricity to the shopfloor.



## 50th anniversary of Bekaert-Bridgestone relationship

Bekaert's business relationship with Bridgestone started in 1970 and took many forms. Throughout this half century of collaboration, the relationship has always been characterized by learning and developing, growing and innovating, and stretching the limits of ambition and improvement, true to the Japanese motto 'moto moto' (always more and always better). The Covid-19 pandemic didn't allow us to celebrate this milestone in our long history together, but definitely did not put a halt on our close relationship.

### **Offering value-creating solutions to cable producers**

In close collaboration with the customer, Bekaert developed Bezinox® non-magnetic cable armoring wire for an offshore wind farm project. This new innovative product brings lots of value for the cable producers, allowing them to design cables with lower cross section, and by eliminating power losses in bringing the power ashore.



### **BBRG creates digital twin for European floating wind turbine projects**

Bridon-Bekaert Ropes (BBRG) joined the consortium for the European MooringSense project funded by the Horizon 2020 initiative, which aims to reduce the costs associated with floating offshore wind energy production by up to 15% while increasing efficiency. As part of the research consortium, BBRG helped define the digital twin that will optimize the operation and maintenance of the floating wind turbines' anchoring and mooring systems, along with the specifications and validation procedures of the components that make up the solution proposed by MooringSense. This digital twin is a replica of the mooring system, enabling real time virtual monitoring, predictive modelling, and development simulations.

The MooringSense project has received funding from the European Union's Horizon 2020 research and innovation program under Grant Agreement No. 85170.

### **BBRG signs strategic partnership to meet the needs of accelerating offshore wind markets**

As floating wind power will become increasingly important, Bridon-Bekaert Ropes Group has decided to expand its presence in station keeping by partnering with IDEOL, an internationally recognized leader and pioneer in floating offshore wind. Both companies signed a strategic partnership aimed at developing a new industry-transforming synthetic mooring solution to meet the fast accelerating floating offshore wind market's cost reduction, capacity and lead-time expectations.

In co-developing new products with customers, Bekaert pays particular attention to the confidentiality and secrecy of customer and research data. As a market and technology leader in various markets, we are aware of the compliance rules and the necessity to have the systems and behavior in place to ensure intellectual property rights and data privacy. Bekaert has received no formal complaints from customers regarding such potential infringements.

GRI 418-1

Bekaert has implemented all necessary measures, policies, procedures and processes in order to be and remain GDPR compliant. The confidentiality principles on data privacy of this EU regulation are obviously also respected toward our customers worldwide.

GRI 418-1

## Listening to our customers

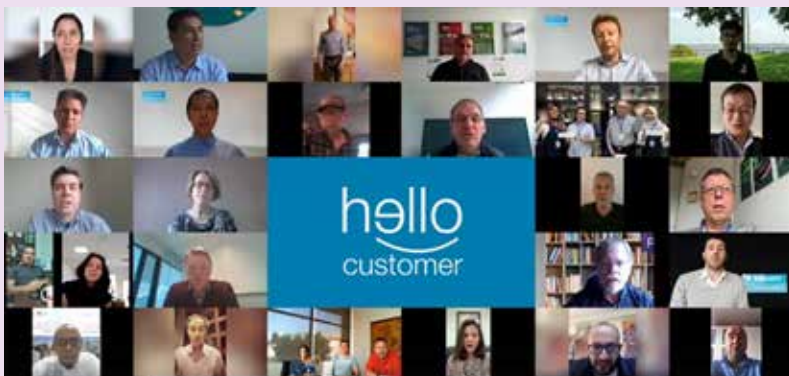
We work closely with customers and suppliers by engaging in co-development projects, by conducting feedback initiatives and satisfaction surveys, and by performing industry analyses together. Customer surveys are executed annually or bi-annually in all sectors and regions and are based on either standard methodologies or customized to address specific improvement themes.

GRI 102-43  
GRI 102-44

### Increasing supplier-customer insights with 'Hello Customer!'

In November 2020, we launched the 'Hello Customer weeks' where we highlighted and celebrated customer excellence at the heart of everything we do at Bekaert. Bringing value-creating solutions based on deep customer insight is essential to face tomorrow's challenges and is what drives our employees across the company, in whatever location or function they are active.

Through online information sessions and customer meet & greets in all kinds of forms – mostly virtually and by exception physically if and where safety measures allowed – employees around the globe interacted with customers and brainstormed about how we can serve them even better.





### **A-Cords and Ropes conduct customer survey**

Bekaert values the feedback of customers to know how to serve them better. To gain insights into their satisfaction level, both the Ropes and the A-Cords teams of Bridon-Bekaert Ropes Group (BBRG) invited their customers to participate in a customer survey, conducted by an external research company. The survey is based on the Customer Performance Index, an approved methodology to capture customer feedback in a structured way.

The outcome was positive. A-Cords received an AA label, which means that they belong to the 10% best-performing companies in their benchmark group, which consists of 1000 B2B companies. The customers confirmed that BBRG A-Cords is a trustworthy supplier to work with. The Ropes team received an A label, which puts them in the top 25% of best-performing companies in the benchmark group. This good ranking is mainly driven by the added value they offer to their customers. Both the A-Cords and the Ropes teams will continue leveraging their strengths and work on further service extensions to help customers realize their business objectives.

## **Information Security**

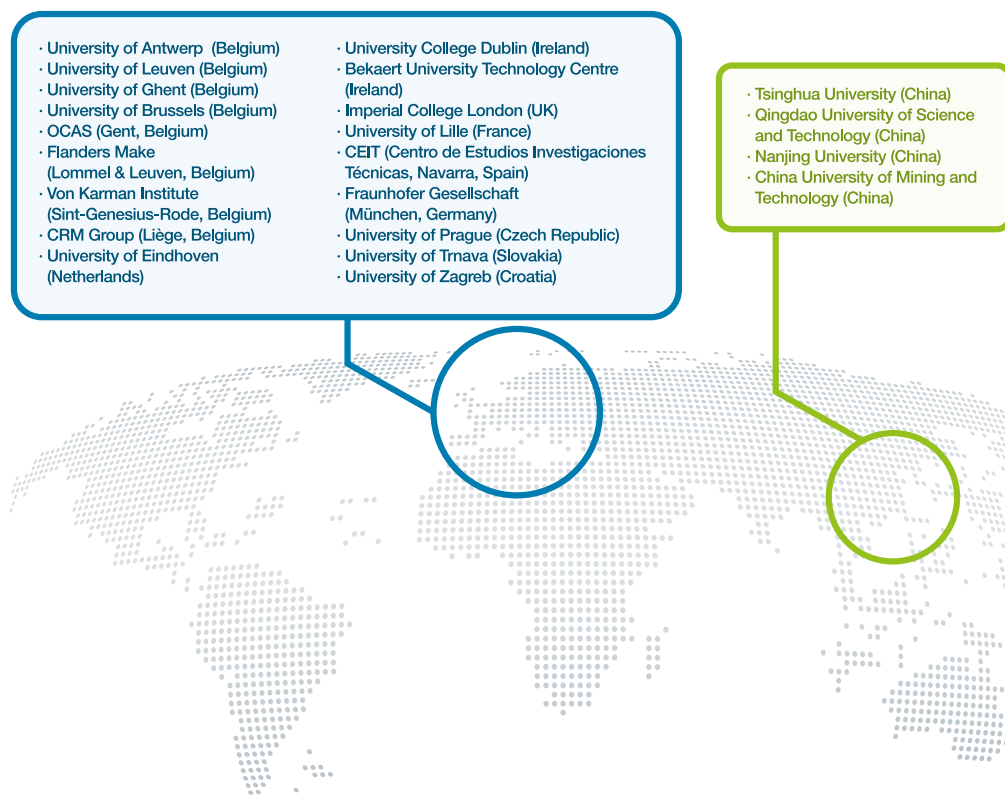
An important aspect of our Code of Conduct, especially with many of the teams working remotely, is Information Security: securing our company's and customers' data on people, assets, and other information. The most effective protection is our employees' awareness of potential cyber threats and the latest Information Security risks. That is why we have taken multiple actions in 2020 to increase their awareness for and general knowledge about Information Security.

More information can be found in the chapter 'Our responsibility in the workplace'.

## Open innovation

Apart from customer-specific R&D, Bekaert establishes international partnerships with universities and research institutes to foster open innovation on various research themes. We also consider investments in early-stage companies and venture capital funds that may create new attractive business models adjacent to Bekaert's current field-of-play. In 2020, we continued and further extended our international cooperation programs with academic institutions, technology clusters and research partners.

Our academic partnerships particularly focus on physical metallurgy, metallic coatings, modeling, and on special laboratory analysis techniques that are not available in-house.



***better together* with our suppliers**

## Our Supply Chain

Steel wire rod is the main raw material used for the manufacturing of steel wire products. Bekaert purchases different grades of wire rod from steel mills from around the world and transforms them into steel wire and steel wire products by using mechanical and heat treatment processes, as well as by applying unique coating technologies. The wire products produced by Bekaert are shipped to industrial customers who further process our material into half or end products; or to end customers, directly or via distribution channels.

GRI 102-9

Bekaert has about 18 000 active suppliers of which 45% are delivering into EMEA, 6% in Latin America, 16% in North America and 33% in Asia Pacific.

GRI 102-10

Steel wire rod represents more than half of the total spend of purchases and is ordered from vendors from all over the world. The Purchasing function manages the supply process.

GRI 102-9  
GRI 102-10

## Recycled steel: stimulate a circular economy

The total volume of wire rod we purchased in 2020 contained 38% of recycled material, compared to 35% in 2019.

The percentage of recycled material depends on the product specifications and the access to scrap-based wire rod.

- » Today most of the steel used to produce wire rod is made via the primary route. This process is based on virgin iron ore that is molten to pig iron in a blast furnace. Iron-ore based steel only uses a limited amount of steel scrap as coolant for the subsequent converter process.
- » Steel produced via the secondary route (electric arc furnace melting) is usually made of re-melted steel scrap. Depending on quality demands and scrap availability also iron ore based additions can be needed in this process, resulting in less than 100% recycled material in the final steel.

Bekaert purchases from different sources, in line with the product quality requirements and customer expectations.

GRI 301-2

Bekaert has made further progress on projects started in 2019 to develop tire cord constructions and bead wire diameters with wire rod of recycled steel. Further improvement of the steel alloy, our processing performance, and tests by the co-developing customers may help increase the share of recycled material in our raw materials base.

### Virtual Supplier Campaign - Together, we will emerge stronger

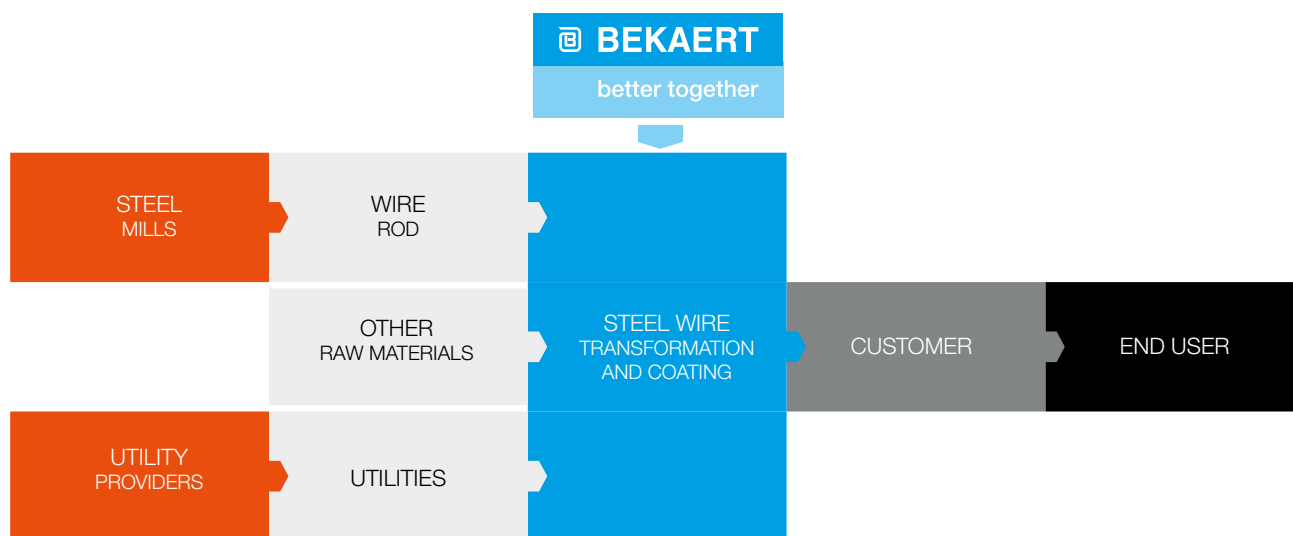
To ensure business continuity during and after the Covid-19 pandemic, Bekaert's Procurement team has set up a Virtual Supplier Campaign. The purpose was to share ideas with suppliers to mutually strengthen our future competitiveness and surmount the health crisis together.



## Suppliers and Bekaert Procurement Team secure Covid-critical PPE globally

From the outbreak of Covid-19 onwards, the Bekaert procurement teams worldwide have been working closely together with each other and with suppliers to secure the supply of raw materials and of Covid-critical Personal Protective Equipment (PPE).

To safeguard the health of our employees, every plant needs a minimum stock of Personal Protective Equipment (PPE), sanitizers and face masks in particular. The shortages in the market due to the global rush on PPE made this a very challenging responsibility for our Purchasing teams. Together, we succeeded in ensuring timely supplies from suppliers holding the appropriate certificates and demonstrating flexibility and speed in covering our worldwide PPE needs.



## Building a sustainable supply chain

Bekaert's purchasing department continued its engagement with suppliers to enhance sustainability awareness and control upstream in the value chain. The Bekaert Supplier Code of Conduct outlines environmental, labor and governance related requirements that suppliers must comply with. At the end of 2020, this supplier commitment represented 94% of our spend, putting us well on track to achieve our targets.

GRI 308-1  
GRI 407-1  
GRI 408-1  
GRI 409-1  
GRI 414-1  
GRI 414-2

The use of Key Supplier Agreements remains very important for the purchase of wire rod and other supply categories. Such agreements are multi-year partnerships in which sustainability, supply chain integration and innovation are explicit building blocks.

All wire rod suppliers, as well as suppliers of other critical materials and all new suppliers, are formally evaluated on a yearly basis, and corrective action plans are put in place when the minimum required levels have not been reached. These action plans are closely monitored in order to keep the focus on improvement high.

At Bekaert, we closely monitor the EU REACH regulation to confirm compliance, and we ask our suppliers to verify their REACH compliance in the supply process of raw materials.

Bekaert conducted 36 supplier audits in 2020, down from 49 in 2019. This was due to the Covid-19 pandemic and global travel restrictions. We are, however, still on track to reach our 2025 target.

## Responsible sourcing of minerals

Bekaert recognizes the importance of responsible sourcing. In 2020, all suppliers covered by the Responsible Minerals Initiative (RMI), signed the Bekaert Supplier Code of Conduct (or delivered proof of following its principles) and 100% of our tin and tungsten suppliers completed the most recent Conflict Minerals Reporting Template (CMRT).

This is an initiative of the Responsible Business Alliance (RBA), and the Global e-Sustainability Initiative (GeSi), that helps companies from a range of industries to address conflict mineral issues in their supply chain.

100% of suppliers covered by the RMI endorsed Bekaert's Conflict Free Minerals policy and compliance plan.

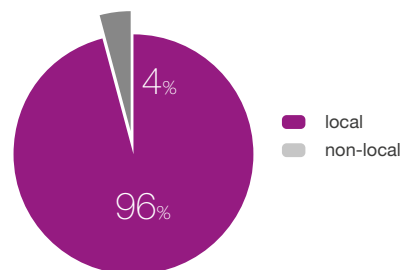
In 2017, Bekaert set a target to have 100% of its tin and tungsten suppliers complete the Conflict Minerals Reporting Template (CMRT) annually by 2020. We already reached that target in 2018. We have also established a plan to comply with the anticipated 2021 legislation changes.

GRI 102-10

## Local sourcing

In sourcing raw materials and other supply needs, Bekaert sources locally (i.e., in the same region as where the materials are being processed) unless the sourcing options are inadequate in terms of quality, quantity, or cost.

Bekaert supply sources and use by region (regions: EMEA, North America, Latin America, and Asia Pacific).



GRI 204-1

## Other market place related data

Direct economic value generated and distributed: all data are available in the Financial Review chapter of the Bekaert Annual Report 2020 \$5.1, \$5.3, \$5.4, \$5.6, \$6.13.

GRI 201-1



***better together in the communities where we are active***

Bekaert strives to be a loyal and responsible partner in the communities where we are active. We interact with the local governments in a transparent, constructive way. We do not support political institutions and in our communications, we adopt a neutral position with respect to political issues. We are firmly committed to complying with national legislations and collective labor agreements. Bekaert adheres to the Universal Declaration of Human Rights and the treaties and recommendations of the International Labor Organization.

### Acknowledgement

We wish to thank the Flemish government's Flanders Innovation & Entrepreneurship (VLAIO) agency, as well as the Belgian federal government.

Their subsidies and incentives for R&D projects involving highly educated scientific staff and researchers in Flanders are essential for maintaining a foothold for R&D activities in Belgium.

We also want to express our sincere appreciation for the support of the Irish Research Council and I- Form, the SFI Research Centre for Advanced Manufacturing.



A pair of hands is shown from the bottom, cupping a glowing, fiery Earth. The Earth is depicted with bright orange and yellow flames or lava-like patterns over a dark, textured surface, suggesting a planet under duress or in a state of intense heat. The background is a deep space scene with numerous small, distant stars and a soft, warm glow emanating from the right side, possibly representing a distant sun or star. The overall composition is centered and evokes a sense of global responsibility and environmental urgency.

# OUR RESPONSIBILITY TOWARD THE ENVIRONMENT

# OUR CONCERN FOR THE ENVIRONMENT

We continuously strive to develop processes that use less material, cut energy consumption and reduce waste.

Our concern for the environment is reflected in:

- » the development of products that contribute to a cleaner environment;
- » prevention and risk management;
- » the development of new, eco-friendlier production processes for our plants worldwide.



## 1 Development of products that contribute to a cleaner environment

At Bekaert, we develop products that contribute to a cleaner environment. Ecology is an aspect that is already considered during the R&D phase of new products. In many cases, it is even a driving factor.

### Anchoring our presence in floating offshore wind

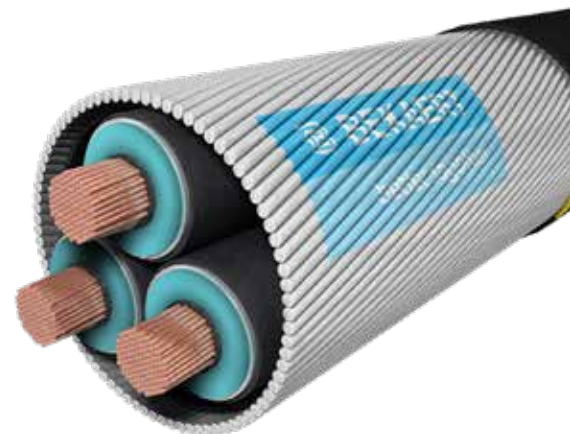
Floating wind platforms are an answer to further decarbonize the global energy mix and increase security of supply. Our solutions for wind farms are testimony to our commitment to sustainability. We have several products in our portfolio that are used to build (floating) wind farms: Dramix® for concrete reinforcement, Bezinox® armoring wire to bring electricity ashore via subsea power cables, A-cords timing belts for blade pitch adjustment, superconductor wires for turbine generators, Bekinox® heating cables to de-ice windmill blades, and steel and synthetic mooring lines so platforms stay put.

#### Bezinox® non-magnetic armoring wire eliminates heat losses entirely

Our latest coating innovation, Bezinox®, is Bekaert's new-generation cable armoring solution for submarine power cables that transfer electricity from offshore wind farms to land. The Bezinox® non-magnetic armoring wire with galvanized stainless steel lowers the total cost of ownership by reducing energy losses and heat dissipation, and offering a predictable and reliable coating lifetime.

#### Our commitment toward the environment

We care for the climate and promote a circular economy: we develop and install manufacturing equipment that reduces energy consumption and optimizes recycling. We use renewable energy sources wherever possible and avoid the discharge of untreated effluents and waste.



Thanks to its low permeability, stainless steel reduces energy losses in the armoring that otherwise occur by the cable's magnetic field. Our solution increases the cable's efficiency without having to change the cable design. In addition, a-magnetic armoring helps reduce the need for insulation materials to prevent heat dissipation, which is a technical and environmental concern for HVAC cable manufacturers. Finally, the heavy zinc layer protects the wire against pitting and crevice corrosion.

#### **Bekaert supplies Bezinox® armoring wire to the NorthSeaLink and to the HornSea Two wind farm**

Bekaert's Bezinox® armoring wire was immediately welcomed by cable producers to armor subsea cables that transmit wind power between countries, the NorthSeaLink between Norway and the United Kingdom being one of the most recent examples.

Bezinox® armored cables also bridge 89 kilometers between the offshore wind farm Hornsea Two and the UK coast. As the largest offshore wind farm in the world, it will power over 1.3 million homes with green electricity. The park will become operational in 2022.

#### **BBRG brings winds of change in energy markets**

As a global mooring specialist, Bridon-Bekaert Ropes Group produces ropes for floating wind turbines and other offshore renewable applications. Keeping multiple large offshore turbines on station in dynamic shallow water conditions brings along unique, mission-critical requirements. Bridon-Bekaert meets those requirements. We offer mooring solutions with ropes produced from steel spiral strand to synthetic fibers and an extended set of technical solutions and services.

#### **First synthetic mooring ropes delivered for floating wind turbines**

BBRG has delivered the first synthetic mooring ropes for a floating wind pilot in Japan. The synthetic fiber rope combines wet yarn coating properties and parallel subrope-type constructions, providing superior fatigue endurance over conventional ropes.



### Equinor's Hywind Tampen Floating Wind project selects Bridon-Bekaert to supply long-term mooring

Equinor's Hywind Tampen project has been awarded to Bridon-Bekaert Ropes Group (BBRG) by Aker Solutions (Kværner) with a contract to supply 35 long-term mooring lines for 11 floating offshore wind turbines.

BBRG will supply their SPR2+ product in lengths of 147m of sheathed spiral strand, complete with high strength, easy to connect sockets on custom-designed offshore installation reels.

The Hywind Tampen project is an 88 MW floating wind power project intended to provide electricity for the Snorre and Gullfaks offshore field operations in the Norwegian North Sea. It will be the world's first floating wind farm to power offshore oil and gas platforms and the world's largest floating offshore wind farm in industrializing solutions and reducing costs for future offshore wind power projects. Equinor's Hywind Tampen project will be the first floating wind array using steel spiral strand as mooring lines, a solution balancing the need for strength, compliance and maximal robustness against cutting or abrasion.



### Reducing CO<sub>2</sub> exhaust and air pollution of vehicles

Bekaert's super-tensile and ultra-tensile steel cord ranges for tire reinforcement are examples of our sustainability focus as from the R&D phase. These steel cords allow tire makers to produce tires with a lower weight, thinner plies, and lower rolling resistance. This revolution enables a potential 15% reduction in weight of the reinforcement areas of tires, thereby reducing the CO<sub>2</sub> emissions of a vehicle by up to 5%, which leads to a global reduction of almost 1.5 billion kg of CO<sub>2</sub>, based on 2020 data.

GRI 305-5 scope 3

Bekaert provides heating cables with a superior performance, enabling Adblue® systems to work very effectively for diesel engines. The heating cables guarantee that the Adblue® systems work under cold conditions. Adblue® systems reduce the NOx levels with more than 90%, turning these into harmless N<sub>2</sub> and H<sub>2</sub>O, leading to a cleaner environment.



## Sustainable solutions for the construction industry

Dramix® steel fibers for concrete reinforcement use 50% less steel, in weight, compared to traditional steel reinforcement solutions. The installation process of Dramix® reinforced concrete also offers other benefits, such as a lower total cost of ownership, durable constructions, and the safety and ergonomic advantages for builders during the installation.



Murfor® Compact, Bekaert's high-performance masonry reinforcement, is a sturdy mesh of high tensile strength steel cords, supplied on a roll for thin joint masonry and glued brickwork. The strong structure of the reinforcement controls cracks and strengthens masonry. This lightweight product is easy to handle and install. As the product can be cut to size on-site, scrap is reduced to an absolute minimum.



Fortifix®, Bekaert's latest reinforcement solution for renovating road cracking, retains its high stiffness and optimal elongation even after installation and continuous, heavy traffic. Its anti-reflective cracking interlayer is an easy-to-use steel cord structure for non-structural road renovations that not only provides a high service-life, but is also 100% recyclable. Thanks to its user-friendly format, Fortifix® can be easily rolled out on rough and smooth surfaces.



Other examples of Bekaert product developments that lead to more environmentally friendly applications are:

- » Water-based coatings as a substitute to solvent-based coatings.
- » Our high-tensile fences contain less steel, which makes them lighter and easier to use, without losing any of its strength. The Bezinal® zinc-aluminum coating protects against corrosion that can cause breakage and failure. The combination of these two elements leads to a longer lifetime, which creates value for the customer. The woven wire fences are not only used for crop or cattle protection. They are also an ideal solution to secure solar arrays as they cast almost no shadow over the solar panels.



## 2 Prevention and risk management

GRI 102-11

Prevention and risk management play an important role in Bekaert's environmental policy. This includes measures against soil and ground water contamination, responsible use of water and worldwide ISO 14001 certification.

- » Responsible use of water is an ongoing priority. We constantly monitor our water consumption and are implementing programs that aim to reduce water usage over the long term.



- » In 2020, 87% of the Bekaert plants (excluding BBRG) worldwide were ISO 14001 certified. ISO 14001 is part of the ISO 14000 internationally recognized standards providing practical tools to companies who wish to manage their environmental responsibilities. ISO 14001 focuses on environmental systems. Bekaert's full worldwide certification is an ongoing goal. Bekaert received a group-wide certification for ISO 14001 and ISO 9001. The ISO 9000 family addresses various aspects of quality management.
- » Bekaert complies with the European RoHS regulation on hazardous substances.



3

### Development of eco-friendlier production processes

Our ambition is to develop eco-friendlier production processes for our plants worldwide. We do this by implementing worldwide initiatives that aim to reduce energy consumption and CO<sub>2</sub> emissions and by installing energy-efficient infrastructure and equipment in our new plants and plant extensions.

Responsible use of energy is a continuous concern at Bekaert.

GRI 302-1

- » Since 2015, Bekaert runs the Bekaert Manufacturing System (BMS), a transformation program focused on manufacturing excellence, including energy reduction measures. Bekaert's overall energy consumption decreased compared to 2019 due to a combination of different factors: the energy reduction actions from the BMS program came fully into action and footprint changes in both the Rubber Reinforcement and the Steel Wire Solutions activities enhanced the energy efficiency overall.
  - The energy intensity ratio reduced thanks to earlier introduced energy reduction programs implemented, and the change in footprint and product mix.
  - 100% of Bekaert's production plants are equipped with LED lights.
  - In 2020, Bekaert also improved the energy efficiency of machine engines and optimized operational cycles and settings of production systems.

#### Proalco-Bekaert awarded for sustainability initiatives

Proalco, Bekaert's subsidiary in Colombia, has received a level 3 gold category award for being a competitive and efficient company in the implementation of energy efficiency and sustainability actions. The award was granted by Corporación Ambiental Empresarial (CAEM), an organization set up by the Camara de Comercio de Bogota (CCB) with support of the United Nations Development Program (UNDP) and Global Environment Facility (GEF).

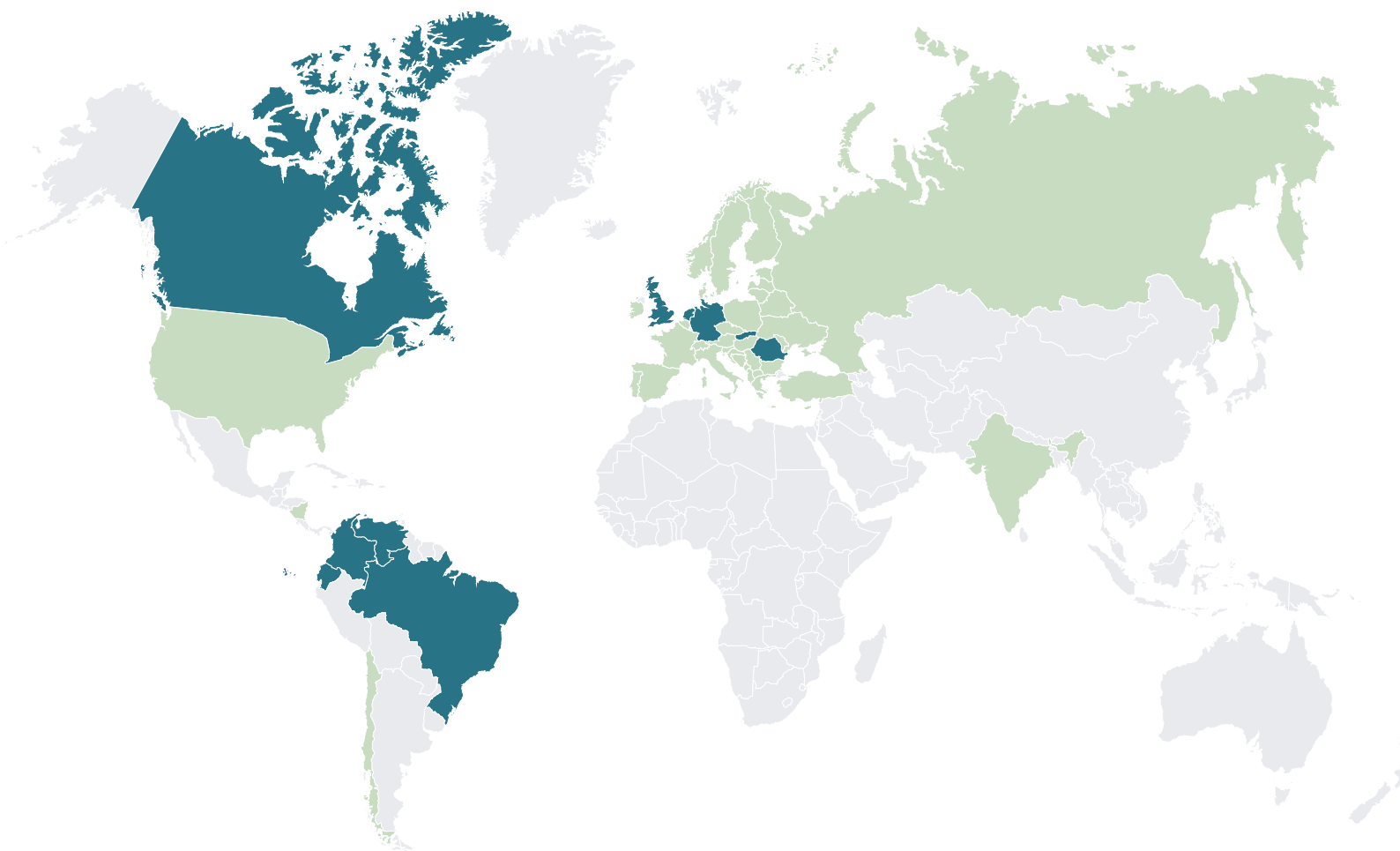
The organization promotes a transfer toward sustainable technologies through the application of energy efficiency projects in industrial companies in Colombia, in order to reduce greenhouse gas emissions and improve productivity and competitiveness.

- » In total, 43% of the electricity consumed came from renewable energy sources in 2020, up from 42% in 2019. The success rate in sourcing renewable energy sources largely depends on the availability of these sources and of the proof of origin. In countries like Brazil, Canada, Colombia, Ecuador, Venezuela, Romania, Slovakia, the Netherlands and the UK, practically 100% of Bekaert's electricity consumption comes from renewable energy sources. Bekaert has the ambition to purchase 55% of electricity needs from renewable energy sources by 2025.
- » Due to the increased share of renewable energy sources, we were able to reduce our GHG intensity ratio for electrical energy by 5% in 2020 compared to 2019, putting us well on track to realize our ambitions.

#### **Bekaert to source 100% of US electricity needs from renewable energy**

In December 2020, ENGIE North America completed the construction of the King Plains windfarm in Oklahoma, US. Bekaert entered into a 35 MW Virtual Power Purchase Agreement (VPPA) with ENGIE North America in 2019 and is considering additional VPPAs as we work to achieve 100% renewable energy supply in the US. We are also looking into sourcing VPPAs in Europe as one of the measures to meet the company's global ambition of 55% renewables by 2025.





Countries where  
Bekaert sources  
**100%**  
of the electricity  
needs from renewable  
energy in 2020

Countries that will source  
a significant share of the  
electricity needs from  
renewable energy  
**BY 2025**

Responsible water process management is another aspect of our efforts to make our production processes more eco-friendly.

- » Bekaert's Ranjangaon plant in India has a zero liquid discharge water purification system. As a result, all industrial wastewater streams there are recycled and reused in the production process.
- » The Bekaert plant in Izmit (Turkey) uses reverse osmosis membrane filtration as a first treatment step of the incoming raw water for the production of process water. In 2019, the plant installed a water treatment unit to allow the reuse of backwash wastewaters as process water, thereby reducing their water footprint by more than 23 000 m<sup>3</sup> per year.
- » The roof of our BBRG plant in Newcastle (UK) has a guttering system to collect rainwater and channel it into an underground storage tank. A water filtration and pumping system cleans and circulates the rainwater through the water system. The water is used for the general factory water outlets including hosepipes, toilets and fire hydrants. Any surplus rainwater flows into the River Tyne via a contaminant interceptor system. The roof also has solar panels that provide energy to heat the water. 95% of the water use in the plant is reclaimed.
- » A tank system was installed in our plant in Indonesia in 2020 to discharge rainwater in a ground well. The installation first collects rainwater from the main factory roof, then filters the water in separate tanks and as a last step discharges the water into a 150 meter deep well. The purpose is environmental conservation, maintaining the groundwater level for the surrounding area by restoring water that the site is using.
- » Also in our joint venture plant in Contagem (Brazil) rainwater is collected in a tank. In addition there is a closed water circuit through which the water is used to cool equipment. In the next step the water returns to the tank, receives primary treatment and returns to the water circuit. This way 97% of the water (20 000m<sup>3</sup> monthly) is reused;
- » The plant in Zwevegem (Belgium) joined a government-supported project to have its filtered wastewater reused by other companies in the neighborhood. This initiative is taken to prevent water stress and will come into effect in 2021.



## Waste

- » 100% of all steel scrap at Bekaert returns to the steel industry for recycling.
- » Our plants in Ranjangaon (India) and Slatina (Romania) have a mechanical vapor recompression evaporator to treat waste lubricant from wet wire drawing. This new type of evaporator consumes 50% less energy compared to heat pump-based evaporators that were used in the past. The clean distillate that is produced by the new evaporator can be reused either as cooling water or as process water. The waste concentrate has only one tenth of the original volume. Additionally, a pretreatment method was defined to allow evaporation of lubricant containing degreaser waste, so that up to 90% of the water can be extracted for reuse.

# ENVIRONMENT RELATED DATA



## Energy<sup>(1)</sup>

Total energy consumption = 4 577 GWh

GRI 302-1

Of which:

- » Electrical energy (incl. cooling) = 2 880 GWh
- » Thermal energy (steam and heat) = 286 GWh
- » Natural gas = 1 410 GWh

Energy Intensity Ratio<sup>(1)</sup>:

GRI 302-3

- » Electrical energy (incl. cooling) = 876 kWh/ton
- » Thermal energy (steam & heat) = 87 kWh/ton
- » Natural gas = 429 kWh/ton

Methodology used: the energy data are monitored in a central database.

Renewable Energy:

43% of the electricity needs came from renewable energy sources in 2020.

Bekaert has determined ambitions to increase the share of renewable energy for the longer term (2025). By 2025 we want to increase the share of renewable energy to 55%.



## CO<sub>2</sub> <sup>(1)</sup>

### Scope 1

GRI 305-1

Natural gas

- » GHG emissions natural gas = 259 569 ton CO<sub>2</sub>
- » GHG intensity ratio natural gas = 79 kg CO<sub>2</sub> /ton

Transport

GHG emissions from outbound logistics:

- » Global sea freight: 22 603 ton CO<sub>2</sub>
- » Road transport for Rubber Reinforcement EMEA: 8 249 ton CO<sub>2</sub>
- » Air freight: 803 ton CO<sub>2</sub>

GHG intensity ratio from outbound logistics:

GRI 305-4

- » Global sea freight: 0.055 ton CO<sub>2</sub>/ton product sold
- » Road transport for Rubber Reinforcement EMEA: 0.0388 ton CO<sub>2</sub>-eq/ton

GhG emissions from company cars & busses (excluding JVs): 3 606 ton CO<sub>2</sub>/year

GHG emissions from business travel (air): 1700 ton CO<sub>2</sub> (without radiative forcing (RF))

### Scope 2

GRI 305-2

The CO<sub>2</sub> footprint has been calculated based on the country specific kWh to CO<sub>2</sub> conversion factors per individual country as listed in the 2019 'International Energy Agency' CO<sub>2</sub> conversion standards.



GHG emissions from purchased electricity and other types of energy:  
(Scope 2 emissions):

- » Electrical energy (including cooling) = 1 195 306 ton CO<sub>2</sub>
- » Thermal energy (Steam and heat) = 52 718 ton CO<sub>2</sub>

GRI 305-2

GHG Intensity Ratio:

GRI 305-4

- » Electrical energy (including cooling) = 363 kg CO<sub>2</sub>/ton.
- » Thermal energy (Steam and heat) = 16 kg CO<sub>2</sub>/ton.

Taking into account the efforts we are making and the ambitions we are defining to increase the share of energy from renewable sources, our GHG emissions are to reduce by 25% in 2025 versus the reference year 2015 (see ambitions and glossary - page 63 and 65).



## Water<sup>(1)</sup>

GRI 303-1

### Water withdrawal

GRI 303-3

Total water withdrawal was 8 088 megaliter (ML) of which 4 651 ML from areas with water stress.<sup>(2)</sup>

Freshwater withdrawal by source:

- » Surface water: 587 ML of which 530 ML from areas with water stress
- » Groundwater: 2 201 ML of which 449 ML from areas with water stress
- » Third party water: 5 300 ML of which 3 672 ML from areas with water stress:
  - 4 783 ML from surface water of which 3 513 ML from areas with water stress
  - 517 ML from groundwater of which 158 ML from areas with water stress

### Water discharge

GRI 303-4

Total water discharge is 3 595 ML in 2020 of which 1 823 ML to areas with water stress.

Water discharge by destination:

GRI 303-2

- » Surface water: 1 511 ML of which 462 ML freshwater and 1 049 ML other water
- » Groundwater: 0 ML
- » Sea water: 91 ML of which 37 ML freshwater and 54 ML other water
- » Third party water: 1 993 ML of which 221 ML freshwater and 1 773 ML other water



Water discharge to areas with water stress was 1 823 ML of which 717 ML freshwater and 1 106 ML other water.

Our water discharge is filtered at our own premises.

### **Water consumption**

GRI 305-5

Total water consumption was 4 493 ML of which 2 828 ML from areas with water stress.

- (1) Data provided by the respective plants
- (2) Water stress: in areas with water stress, the ratio of total annual water withdrawal to total available annual renewable water supply is high (40-80%) or extremely high (>80%)

A photograph of three children in a classroom setting, focused on a craft project at a yellow table. A girl in a light blue striped shirt is in the foreground, holding a blue circular object. Behind her, a boy in a red and black plaid shirt is also working. To the left, another child is partially visible, holding a red circular object. The background shows shelves with various supplies and a warm, indoor lighting.

# OUR RESPONSIBILITY TOWARD SOCIETY



# EDUCATION & SOCIETY

## Supporting education and training initiatives

In China, Bekaert has continued building strong relationships with various schools. Bekaert Weihai, for example, has been supporting the Xiyuan Center Kindergarten since 2015. To celebrate International Children's Day in 2020, Bekaert Weihai initiated a project to support the kindergarten with education materials that stimulate the childrens' creative thinking.

The Bekaert team in India collected food, clothes and stationery for the annual 'Joy of giving' project. In February 2020, they donated the goods to a local organization that supports children with education and social well-being. The team in India also donated computers to local schools.



Ideal Alambrec Bekaert, our subsidiary in Ecuador, supported the Universidad de Cuenca and its Architect & Urbanism Faculty with the design and the building of a house for a family in need. Colleagues from our plant in Ecuador gave guidance to the students and donated Armex® reinforcement solutions.

### Our commitment toward society

We support and develop initiatives that help improve the social conditions in the communities where we are active.

Education projects form the backbone of Bekaert's social funding and other community-building activities, because we believe that education and learning help create a sustainable future.

Covid-19 brought another dimension to our responsible actions that help support society. From the outbreak of the pandemic onwards, we have engaged and supported the communities where we are active with protection awareness initiatives and with donations and voluntary help to medical and care centers around the world.

## Supporting social community initiatives

### Fighting the Covid-19 pandemic *better together*

From the outbreak of the new corona virus onward, Bekaert has taken initiatives to donate personal protection equipment to hospitals and local communities.

In China, our teams supported the epidemic control efforts in nine cities through donations of face masks, hand sanitizer and other protective materials. A group of colleagues also volunteered with local health organizations and participated in blood donations.



Another example is Bekaert Lipetsk in Russia. The plant donated reusable fabric masks, protective suits and hand sanitizer to the local school and medical center, and installed plastic screens in the polyclinic to assure safe distancing between medical staff and patients.



Our plants in Slovakia and Belgium donated face masks to local communities, medical centers and retirement homes. Bekaert Orrville (US) donated N95 masks to a New York hospital, while the Bekaert team in Sardegna (Italy) provided 8 000 masks to the local hospital in Cagliari.

Volunteers of the Bekaert team in Burgos (Spain) manually assembled face shields made of recycled materials and newly created parts using a 3D printer. They donated hundreds of face shields to the local hospitals.

Bekaert's joint ventures in Brazil donated sanitizers and more than 20 000 face masks and shields to the municipalities of Itaúna, Contagem and Sabará. Moreover, 200 mattresses and 50 beds were provided to a local field hospital, and another 400 mattresses to the government for distribution to hospitals in the state of Minas Gerais. Three tons of coated steel wire were offered to the State Secretariat for Public Security for the production of 5 million face masks.

Our joint ventures and partner ArcelorMittal, together with the Senai/MG Center for Innovation and Technology and other organizations, volunteered in the repair of over 150 mechanical respirators for hospitals in Brazil.



With the campaign 'Masks for All', Belgo Bekaert Arames and Belgo Minera Bekaert initiated a sewing program of face masks by unemployed citizens thus stimulating temporary employment in the region. Our joint ventures also supplied the materials to sew 138 000 face masks.

In total Bekaert donated 92 000 face masks and 121 000 FFP2 masks to medical centers, retirement homes and communities worldwide.



There was also extraordinary news beyond Covid-19. The team in Slovakia is very proud of two colleagues who saved other people's lives by donating bone marrow. The chance to find a bone marrow match with a non-relative is only 1%. Our colleagues became the only hope for the two patients and the donation was successful.

Acma & Acmanet, subsidiaries of Bekaert in Chile, participate in a program called 'Renca Participa'. The program seeks to find employment for people from the Renca community in Santiago who have lost their jobs due to the Covid-19 pandemic. This initiative aims at promoting the economic development of the community. The colleagues from Acma also helped build a recreation park in Renca.



*Colleagues from Acma helped with the construction of the parc 'Parque Las Palmeras' in Renca (Chile).*

Following the success of last year, the team from Bekaert in Lipetsk (Russia) built a second playground for children in Gryazi. This was a joint initiative between Bekaert and the local authorities.



# OUR AMBITIONS



# AMBITIONS

Bekaert is further developing its sustainability strategy for the coming years. The 2025 ambitions in this overview may be amended upon finalization of the strategy review.

SUMMARY AND PROGRESS ON OUR MAIN SUSTAINABILITY AMBITIONS		
KPI	2020 performance	By 2025
<b>ECONOMIC</b>		
<p>Generate economic value through employment, investments, dividends and payments to capital providers and governments.</p> <p>Increase revenue, profit &amp; ROCE.</p>	<ul style="list-style-type: none"> <li>» Underlying EBIT of 7.2% (versus 5.6%)</li> <li>» Underlying ROCE increased by 28% to 12.2%</li> <li>» Gross dividend proposal of € 1.00, in line with the Company's policy</li> </ul>	<ul style="list-style-type: none"> <li>» We project FY 2021 consolidated sales to reach at least € 4 billion, subject to demand and currency evolutions, and intend to exceed the solid underlying EBIT margin of 2020 by 40-60 bps in 2021. Moving forward, our actions to further step up our performance should generate robust progress toward our long term goals.</li> <li>» Consistent dividend policy over the years</li> </ul>
<b>PEOPLE</b>		
Gender diversity	<ul style="list-style-type: none"> <li>» Board of Directors: 38%</li> <li>» Leadership level: 20%</li> </ul>	<ul style="list-style-type: none"> <li>» Board of Directors: 38%</li> <li>» Leadership level: 33% (by 2030)</li> </ul>
<p>Integrity: Code of Conduct (CoC)</p> <ul style="list-style-type: none"> <li>» Annual commitment declaration</li> <li>» Training on the principles of CoC</li> </ul>	<ul style="list-style-type: none"> <li>» 100% of managers</li> <li>» 100% of salaried professionals</li> <li>» Operators: local policy &amp; deployment</li> </ul>	<ul style="list-style-type: none"> <li>» Maintain</li> <li>» Maintain</li> <li>» Maintain</li> </ul>
Safety: no harm to anyone at Bekaert	<ul style="list-style-type: none"> <li>» Zero fatalities</li> <li>» 1 serious injury</li> <li>» 84% BeCare coverage</li> </ul>	<ul style="list-style-type: none"> <li>» Zero fatalities</li> <li>» Zero serious injuries</li> <li>» 100% BeCare coverage</li> </ul>
<b>ENVIRONMENT</b>		
<p>Energy consumption reduction</p> <ul style="list-style-type: none"> <li>» LED light program</li> </ul>	<ul style="list-style-type: none"> <li>» Replacement complete (100%)</li> <li>» Consumption reduction by 50%</li> </ul>	100% replacement in BBRG
Renewable energy as a % of total energy	43% (versus 42% in 2019)	55%
<p>Exhaust direct &amp; indirect Green House Gas (GHG) emissions:</p> <ul style="list-style-type: none"> <li>» CO<sub>2</sub> – scope 1 (direct) <ul style="list-style-type: none"> <li>• Natural gas</li> </ul> </li> <li>» CO<sub>2</sub> – scope 2 (indirect) <ul style="list-style-type: none"> <li>• Electricity</li> <li>• Thermal (steam &amp; heat)</li> </ul> </li> <li>» Total</li> </ul>	<p>GHG intensity ratio:</p> <ul style="list-style-type: none"> <li>• 79 kg CO<sub>2</sub>/ton</li> <li>• 363 kg CO<sub>2</sub>/ton</li> <li>• 16 kg CO<sub>2</sub>/ton</li> </ul> <p>-----</p> <ul style="list-style-type: none"> <li>» 458 kg CO<sub>2</sub>/ton = -6.5% versus reference year 2015 and -3.5% versus last year</li> </ul>	» -25%
<p>Exhaust from outbound transportation</p> <p>Exhaust from transportation used by personnel</p>	<ul style="list-style-type: none"> <li>» Road transport Rubber Reinforcement EMEA: 8 249 ton CO<sub>2</sub></li> <li>» Global sea freight: 22 603 ton CO<sub>2</sub></li> <li>» Global air freight: 803 ton CO<sub>2</sub></li> <li>» Global company car fleet: 3 606 ton CO<sub>2</sub></li> <li>» Global business travel: 1 700 ton CO<sub>2</sub></li> </ul>	<ul style="list-style-type: none"> <li>» Extend scope</li> <li>» Add sustainability KPI to carrier selection criteria in order to reduce outbound CO<sub>2</sub> exhaust</li> </ul>

## SUMMARY AND PROGRESS ON OUR MAIN SUSTAINABILITY DEVELOPMENT AMBITIONS

KPI	2020 performance	By 2025
<b>MARKETS</b>		
» Product and process innovation	» 84% of global R&D programs target distinct benefits in terms of H&S and/or the environment	» 90% of global R&D programs target distinct benefits in terms of H&S and/or the environment
» Downstream impact of innovation: annual CO <sub>2</sub> savings attributable to Bekaert ST/UT tire cord	» 1.5 billion kg CO <sub>2</sub> savings, similar to last year	» 2.3 billion kg CO <sub>2</sub> savings
Upstream supply chain		
» Conflict minerals	» 100% coverage and compliance from direct tin/tungsten suppliers	» Maintain
» Supplier Code of Conduct	» 94% spend coverage	» 96% spend coverage
» Supplier CSR audits	» 36 audits	» 45 audits
» Supplier self-assessments EcoVadis	» 59% spend coverage	» 75% spend coverage

# GLOSSARY

## GLOSSARY relative to the ambition statements above

GENDER	
Gender diversity %	Indication of the opposite (minority) gender share
Leadership team	Bekaert Group Executive + B13 and above managers (Hay classification reference)
SAFETY	
Serious injuries	Accidents with life-threatening/life altering injuries
BeCare coverage %	% of employees trained in BeCare, Bekaert's global safety program
ENVIRONMENT	
kWh/GWh	Kilowatt per hour / Gigawatt per hour 1 gWh = 1 mln kWh
Energy intensity ratio	The energy (electricity and thermal) used per ton of end product produced
GHG intensity ratio	Greenhouse gas ratio or carbon dioxide (CO <sub>2</sub> ) exhaust in kg per ton end product produced (intensity corrected with renewable energy share)
Scope 1 emissions	CO <sub>2</sub> emissions from sources owned or controlled by us (in our plants)
Scope 2 emissions	CO <sub>2</sub> emissions from purchased/acquired electricity, heating, cooling and steam for consumption in our plants
Scope 3 emissions	CO <sub>2</sub> emissions that are a consequence of our activities, but from sources not owned or controlled by us
Energy > CO <sub>2</sub> conversion	Based on IEA/EPA rules
GHG/CO <sub>2</sub> baseline	Scope 2 emissions: reference base for savings = 2015, based on constant product mix (steel wire / steel cord activities) and adjusted with 5 additional production plants added since 2015 till now. Measured on the basis of energy purchase invoices.
LED light energy baseline	Reference base for savings = 2015
Annual CO <sub>2</sub> savings attributable to Bekaert ST/UT tire cord	Scope 3 emissions: CO <sub>2</sub> emission of fuel x fuel savings for tires reinforced with Bekaert ST/UT steel cord. Calculated for passenger and truck tires on the basis of effective (and targeted) Bekaert sales; generally accepted conversion tables fuel/CO <sub>2</sub> ; and test results of ST/UT on rolling resistance (results vary in function of tire design and other factors from 2% to 7%. In our calculations we took the lowest assumption (2%) as a parameter so that our data (actuals and targets) represent the absolute minimum impact of our products on CO <sub>2</sub> reduction).



# ANNEXES AND GRI CONTENT INDEX

# Materiality assessment

To determine whether a topic is material, a combination of internal and external factors has been used. In the matrix below, the materiality of topics have been ranked according to the following criteria:

GRI 103-1

## 1. Influence on stakeholder decisions:

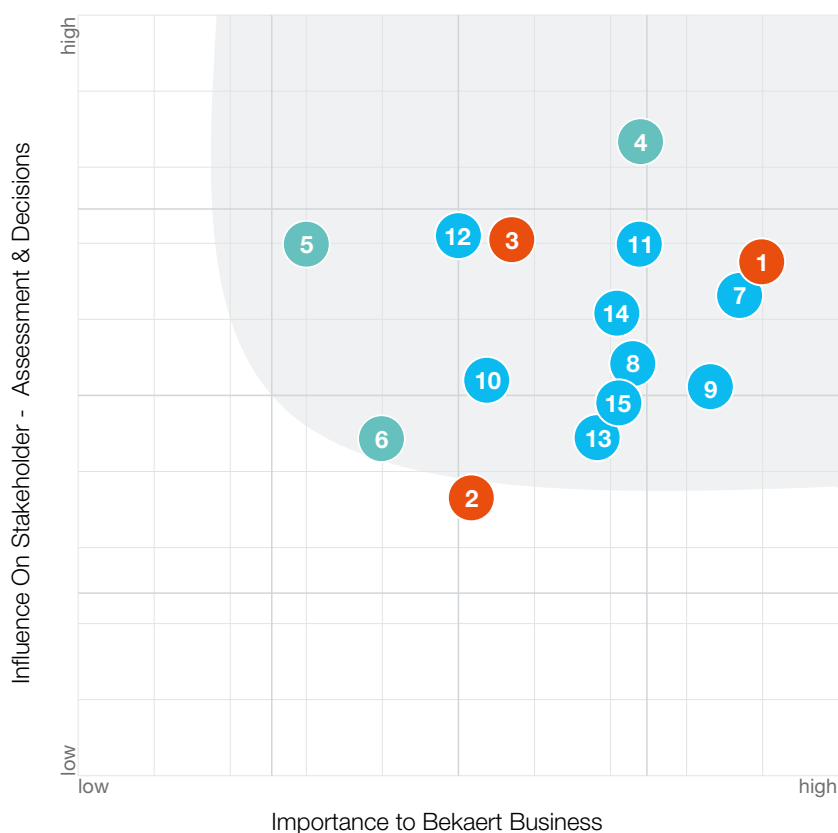
- » Frequency of reporting requests by individual aspect
- » Rigor/stringency of stakeholder criteria by aspect

## 2. Importance to Bekaert business:

- » Efforts to improve performance and/or reporting scope
- » Frequency and weight attached to the aspect in Bekaert reporting and communication
- » Measurable KPI and progress included in this report

In the matrix below, the shaded area visualizes the measurable material topics included in this report.

GRI 102-47



Material aspects (per category):

### Economic:

1. Economic performance of the company
2. Promotion of social and economic development in the community
3. Upstream sustainable supply chain

### Environmental:

4. Energy and emissions
5. Water
6. Effluent and waste

### Social:

7. Health and Safety
8. Learning and development
9. Child, forced and compulsory labor
10. Freedom of association
11. Anti-corruption (ethics)
12. Diversity and equal opportunity
13. Customer privacy
14. Human rights
15. Performance assessments

# GENERAL DISCLOSURE ON GOVERNANCE AND ERM

## Board of Directors

The main tasks of the Board of Directors are to determine the Group's strategy and general policy, and to monitor Bekaert's operations. The Board of Directors is the company's prime decision-making body with the exception of matters reserved by law or by the articles of association to the General Meeting of Shareholders. The Board of Directors currently has 13 members. Their professional profiles cover different areas of expertise, such as law, business, industrial operations, finance & investment banking, HR and consultancy. 38% of the Board members are female, exceeding the requirements of current regulations on diversity.

GRI 102-18  
GRI 103-2  
GRI 103-3

The Chairman and the Chief Executive Officer are never the same individual. The Chief Executive Officer is the only Board member with an executive function. All other members are non-executive Directors.

GRI 102-23

The composition of the Board of Directors of NV Bekaert SA has changed in 2020. For more information on the changes, and on activities and remuneration of the Board of Directors in 2020, please consult Bekaert's Annual Report 2020.

GRI 102-10

## Bekaert Group Executive

GRI 102-10  
GRI 102-18

The Bekaert Group Executive assumes the operational responsibility for the company's activities and acts under the supervision of the Board of Directors. The executive management team is chaired by the Chief Executive Officer.

The composition of the Bekaert Group Executive changed in 2020. For more information on the changes in composition in 2020 and in 2021 and the performance and remuneration of the Bekaert Group Executive in 2020, please consult Bekaert's Annual Report 2020.

## Internal control and Enterprise Risk Management

### Internal control

GRI 102-11

Bekaert's internal control framework consists of a set of group policies for the main business processes, and applies Group-wide. Bekaert has different tools in place to constantly monitor the effectiveness and efficiency of the design and the operation of the internal control framework.

The Internal Audit Department monitors the internal control performance based on the global framework and reports to the Audit, Risk and Finance Committee at each of its meetings. The Governance, Risk and Compliance Department reports to the Audit, Risk and Finance Committee at each of its meetings on risk and compliance matters.

The BGE regularly evaluates the Group's exposure to risk, the potential financial impact thereof and the actions to monitor, mitigate and control the exposure.

### Enterprise Risk Management

GRI 102-11

At the request of the Board of Directors and the Audit, Risk and Finance Committee, management has developed a permanent global enterprise risk management (ERM) framework to assist the Group in managing uncertainty in Bekaert's value creation process.

The framework consists of the identification, assessment and prioritization of the major risks confronting Bekaert, and of the continuous reporting and monitoring of those major risks (including the development and implementation of risk mitigation plans).

The risks are identified in six risk categories: strategic, people/organization, operational, legal/compliance, financial, and geopolitical/country risks. The identified risks are classified on two axes: probability and impact or consequence.

Decisions are made and action plans defined to mitigate the identified risks. Also the risk sensitivity evolution (decrease, increase, stable) is evaluated.

For more information on Enterprise Risk Management in 2020, please consult Bekaert's Annual Report 2020.

# GENERAL INFORMATION ON SUSTAINABILITY REPORTING PRINCIPLES

This report has been prepared in accordance with the GRI Standards: Core option. Global Reporting Initiative (GRI) is a non-profit organization that promotes economic, environmental and social sustainability.

GRI 102-54

Bekaert's responsible performance in 2020 has been recognized by its inclusion in the Solactive ISS ESG Screened Europe Small Cap Index and the Solactive ISS ESG Screened Developed Markets Small Cap Index—a reference benchmark for top performers in terms of corporate social responsibility based on Vigeo Eiris' research—as well as in Kempen SRI.

In 2020-2021 respectively, rating agencies MSCI and ISS-ESG have analyzed the Environment, Social and Governance performance of our company, based on our publicly available information. Their reports are used by institutional investors and financial service companies. Bekaert received a rating of BBB in the MSCI ESG Ratings assessment (above average) and C- rating in the ISS-ESG rating (on a scale from D- to A+), which is on average within the sector.

For the fourth year in a row, Bekaert was awarded a gold recognition level from EcoVadis, an independent sustainability rating agency whose methodology is built on international CSR standards. The agency states that Bekaert forms part of the top 5% of all companies assessed in the same industry category.

In response to growing interest throughout the supply chain to report on the carbon footprint of operations and logistics, Bekaert also participates in the Climate Change and Supply Chain questionnaires of CDP (formerly known as the Carbon Disclosure Project).

Bekaert has received a 'B-' score in CDP's Supplier Engagement Rating (SER), an improvement of 2 steps compared with previous ratings. Bekaert's rating for disclosing and engaging with customers has significantly improved, bringing us in a leading 'A' rating position.



# MEMBERSHIPS & ASSOCIATIONS

Bekaert has numerous corporate memberships, including various relevant bilateral chambers of commerce and general industry associations, such as Agoria, VOKA – Flanders and Wire Association International and cross-industry associations such as the Conference Board. Bekaert is also a member of national employer associations in all countries where Bekaert is active.

GRI 102-13

## BEKAERT'S CONFLICT FREE MINERALS POLICY AND COMPLIANCE PLAN

The Bekaert Policy on Conflict Minerals and Compliance Plan is available in the online version of the sustainability report ([sustainability.bekaert.com](https://sustainability.bekaert.com)).

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

This service was performed on the English version of the report.

GRI 102-55

GENERAL DISCLOSURES		
GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 101 Foundation 2016		
	ORGANIZATIONAL PROFILE	
GRI 102 General disclosures 2016	Disclosure 102-1 Name of the organization	78
	Disclosure 102-2 Activities, brands, products & services	7
	Disclosure 102-3 Location of headquarters	7
	Disclosure 102-4 Location of operations	<a href="http://www.bekaert.com/en/functional/search/contact-search">www.bekaert.com/en/functional/search/contact-search</a>
	Disclosure 102-5 Ownership and legal form	78
	Disclosure 102-6 Markets served	7
	Disclosure 102-7 Scale of the organization	7
	Disclosure 102-8 Information on employees and other workers	29
	Disclosure 102-9 Supply chain	42, 43
	Disclosure 102-10 Significant changes to the organization and its supply chain	43, 45, 68
	Disclosure 102-11 Precautionary principle or approach	50, 69
	Disclosure 102-12 External initiatives	30
	Disclosure 102-13 Membership of associations	71
	STRATEGY	
	Disclosure 102-14 Statement from the most senior-decision makers	6
	ETHICS AND INTEGRITY	
	Disclosure 102-16 Values, principles, standards and norms of behavior	8, 11, 30
	GOVERNANCE	
	Disclosure 102-18 Governance structure	68
	Disclosure 102-23 Chair of the highest governance body	68
	STAKEHOLDER ENGAGEMENT	
	Disclosure 102-40 List of stakeholder groups	5
	Disclosure 102-41 Collective bargaining agreements	15
	Disclosure 102-42 Identifying and selecting stakeholders	5
	Disclosure 102-43 Approach to stakeholder engagement	12, 14, 40
	Disclosure 102-44 Key topics and concerns raised	12, 14, 40

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
	REPORTING PRACTICE	
GRI 102 General disclosures 2016	Disclosure 102-45 Entities included in the consolidated financial statements	78
	Disclosure 102-46 Defining report content and topic Boundaries	9
	Disclosure 102-47 List of material topics	67
	Disclosure 102-48 Restatements of information	9
	Disclosure 102-49 Changes in reporting	9
	Disclosure 102-50 Reporting period	9
	Disclosure 102-51 Date of most recent report	Bekaert Sustainability Report 2020 (01/01/2020 - 31/12/2020)
	Disclosure 102-52 Reporting cycle	9
	Disclosure 102-53 Contact point for questions regarding the report	78
	Disclosure 102-54 Claims of reporting in accordance with the GRI Standards	70 - This report has been prepared in accordance with the GRI Standards: Core option
	Disclosure 102-55 GRI Content Index	72-77 Content Index
	Disclosure 102-56 External assurance	No external assurance

## MATERIAL TOPICS

### ECONOMIC

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 201 Economic performance 2016	Disclosure 201-1 Direct economic value generated and distributed	45
	Disclosure 201-3 Defined benefit plan obligations and other retirement plans	32
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 204 Procurement practices 2016	Disclosure 204-1 Proportion of spending on local suppliers	45

## ECONOMIC

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 205 Anti-corruption 2016	Disclosure 205-2 Communication and training about anti-corruption policies and procedures	30

## ENVIRONMENTAL

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 301 Materials 2016	Disclosure 301-2 Recycled input materials used	43
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 302 Energy 2016	Disclosure 302-1 Energy consumption within the organization	51, 52, 55
	Disclosure 302-3 Energy intensity	55
	Disclosure 302-4 Reduction of energy consumption	54
<b>Water and effluents</b>		
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 303 Water and effluents 2018	Disclosure 303-1 Interactions with water as a shared resource	56
	Disclosure 303-2 Management of water discharge-related impacts	56
	Disclosure 303-3 Water withdrawal	56
	Disclosure 303-4 Water discharge	56
	Disclosure 303-5 Water consumption	57

## ENVIRONMENTAL

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 305 Emissions 2016	Disclosure 305-1 Energy direct (Scope 1) GHG emissions	55
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	55, 56
	Disclosure 305-4 GHG emissions intensity	55, 56
	Disclosure 305-5 Reduction of GHG emissions	49
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 308 Supplier Environmental assessment 2016	Disclosure 308-1 New suppliers that were screened using environmental criteria	44

## SOCIAL

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 401 Employment 2016	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	33
<b>Occupational health and safety</b>		
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68



## SOCIAL

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 403 Occupational health and safety 2018	Disclosure 403-1 Occupational health and safety management system	23
	Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	19, 20, 21, 22
	Disclosure 403-3 Occupational health services	21, 26
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	15, 21, 26
	Disclosure 403-5 Worker training on occupational health and safety	23
	Disclosure 403-6 Promotion of worker health	21, 33
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	20, 21
	Disclosure 403-9 Work-related injuries	23, 24, 25
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 404 Training and education 2016	Disclosure 404-1 Average hours of training per year per employee	17
	Disclosure 404-2 Programs for upgrading employee skills and transition assistance programs	16, 33
	Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	32
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 405 Diversity and equal opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	27, 28, 29
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 406 Non-discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	31

## SOCIAL

GRI STANDARD	DISCLOSURE	Page numbers and/or URL and/or direct answers
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 407 Freedom of association and collective bargaining 2016	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	15, 44
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 408 Child Labor 2016	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labor	30, 44
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 409 Forced or Compulsory Labor 2016	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	30, 44
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 414 Supplier Social Assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	44
	Disclosure 414-2 Negative social impacts in the supply chain and actions taken	44
GRI 103 Management approach 2016	Disclosure 103-1 Explanation of the material topic and its Boundary	67
	Disclosure 103-2 The management approach and its components	68
	Disclosure 103-3 Evaluation of the management approach	68
GRI 418 Customer privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	40

# What would you like to know about Bekaert?

---

[www.bekaert.com](http://www.bekaert.com)

[sustainability.bekaert.com](http://sustainability.bekaert.com)

[annualreport.bekaert.com](http://annualreport.bekaert.com)

## Correspondence

Katelijne Bohez, VP Investor Relations & External Communications

E-mail: [corporate@bekaert.com](mailto:corporate@bekaert.com)

Information on Bekaert and on its 2020 financial performance is available in the 2020 Annual Report.

GRI 102-53 GRI 102-1 GRI 102-5 GRI 102-45





better together

#### Registered office

NV Bekaert SA  
Bekaertstraat 2  
BE-8550 Zwevegem  
Belgium  
T +32 56 76 61 00  
[www.bekaert.com](http://www.bekaert.com)  
© Bekaert 2021