



Value Square: ESG Statement

Message from the CEO

Value Square believes that introducing Environmental, Social and Governance (ESG) considerations in all its business decisions is essential to create value for all its stakeholders. It is our conviction that the integration of ESG is instrumental to develop a more sustainable long-term strategy for our clients' investments. Value Square believes that financial and corporate investors have a moral obligation to impact the future of our planet for the better. By combining the common interest of our clients, Value Square can speak with a stronger voice in matters related to responsible investing. By acting in the interest of all our stakeholders, we create a more appropriate risk-return profile for our investments.

In accordance with those beliefs, in 2017 Value Square subscribed to the United Nations Principles for Responsible Investment (UNPRI).

<https://www.unpri.org/signatories/value-square-nv/2661.article>.

As a signatory of the UNPRI, we strongly support the following principles:

- ❑ To incorporate ESG issues into investment analysis and decision-making processes.
- ❑ To be active owners and incorporate ESG issues into our ownership policies and practices.
- ❑ To seek appropriate disclosure on ESG issues by the entities in which we invest.
- ❑ To promote acceptance and implementation of the Principles within the investment industry.
- ❑ To work together to enhance our effectiveness in implementing the Principles.
- ❑ To report on our activities and progress.
- ❑ To act as a company in line with the UNPRI principles

Value Square has incorporated the principles of sustainability into its ESG policy, both at corporate and at investment level. Furthermore, we have incorporated ESG values in our company culture and we ask for active commitment of our employees and stakeholders. We clearly communicate these values via our website and social media and to clients and suppliers. Moreover, we make constant efforts to increase research and development spending, to invest in education and training of our employees and to develop plans that take environmental and social issues into consideration.

This policy is empowered by the Board of Directors. In addition, Value Square has appointed an ESG Committee which is in charge of reviewing the policy's effectiveness and implementation on a regular basis and who reports relevant findings and recommendations to senior management.

With a vision of creating enduring policies, procedures and practices for its portfolio companies, Value Square works closely with the management of its investments to build businesses with a sustainable future.

Our commitment towards environmental, social and corporate governance issues is strong and hands-on. It is a small but important step towards a more sustainable society.

"Shoot for the moon. Even if you miss, you'll land among the stars."- Norman Vincent Peale



Environmental Policy

Value Square recognises that its activities have an impact on the environment. We therefore actively take steps to limit this impact as far as possible and to reduce our environmental footprint. We are committed to ensuring that our business is environmentally responsible and energy efficient and we put our best efforts to achieve continuous improvements. As a result of these continuous improvements, Value Square was awarded the certificate of a CO² neutral company by Vinçotte, an independent certification agency.



Use of resources

When selecting suppliers for goods and services, Value Square incorporates environmental and sustainable criteria. More specifically:

- ❑ We are committed to efficiently use natural resources (e.g. water, energy, etc.) and manufactured products (e. g. paper);
- ❑ We use products that are made from sustainable sources or recycled materials or that are designed to be reused or recycled, wherever practicable;
- ❑ Where possible, we make investments in new technologies to modernise our company in order to further decrease our environmental footprint.

Mobility

Value Square

- ❑ Encourages the use of public transport (e.g. railway, bus, metro) and bicycles as opposed to private car transportation, when appropriate;
- ❑ Minimizes the use of commercial aviation (e.g. by using our video conference systems whenever possible);
- ❑ Encourages the use of different types of electric transport. There are several charging points available for employees to charge their cars or electric bikes. These points use green electricity;
- ❑ Includes our aim to only purchase company cars with low CO² emissions;
- ❑ Allows employees to work from home, as far as practicable.

CO² neutrality

At Value Square, we are highly dedicated to reducing our carbon footprint. For that reason:

- ❑ In 2018, we started calculating the Group's CO² emissions and do so every year;
- ❑ We set ourselves an ambitious target: to reduce the average carbon footprint per employee as much as possible;
- ❑ We were rewarded with a CO²-Neutral certification from our partner CO²logic, which was certified by Vinçotte, an independent agency. The CO²-Neutral certificate indicates that we are a CO²neutral company and guarantees that we are actively reducing and compensating our climate impact. <https://www.value-square.be/nl/klimaat/>
- ❑ We commit ourselves to obtaining this CO²-neutral certificate every year.



Environmental awareness

Value Square is committed to this policy and views it as integral guidance on how it operates its business. In particular:

- ❑ We have developed internal communication processes aimed at promoting environmental awareness and improving staff education and involvement. We have created a separate intranet page with policies and news related to our initiatives and those of third parties;
- ❑ We consider this policy in all relevant decisions, including procurement of supplies and making investments and we incorporate specific environmental requirements into our contracts with appropriate suppliers, if and when useful;
- ❑ Value Square aims to increase the sensitivity of its portfolio companies towards environmental issues. To achieve that, we are strongly committed to assess environmental risks and opportunities, both in the pre-investment and post-investment stage.

Social Policy

Value Square aims to ensure proper labour and working conditions, to safeguard the health and safety of its employees and to promote the social development of the communities in which it operates.

Respect for human rights

At Value Square, we comply with the highest ethical standards. In particular:

- ❑ We support and respect the protection of internationally proclaimed human rights (UN Universal Declaration of Human Rights);
- ❑ We do not invest in or purchase from companies that use directly or indirectly forced labour or child labour and we promote the elimination of discrimination in respect of employment and occupation;
- ❑ We are committed to equal opportunities and diversity. We value our people for their skills, experience and potential, regardless of gender, sexual orientation, age, nationality, race, skin colour, ethnic origin, religion or disability.



Human resource management

Value Square wishes to maintain the highest standards of integrity with everyone with whom it deals and aims to create for its people a harmonious working environment. To achieve this:

- ❑ We recruit, develop and retain the best talent from the widest pool, in order to promote a stimulating, rewarding and inclusive environment where everyone's contribution is recognised, valued and respected;
- ❑ We promote inclusion, diversity and equality at all levels of the company;
- ❑ We treat each other with respect. We do not tolerate any intimidation or retaliation against others;
- ❑ We care for the physical and mental health of our employees. We pay them a fair wage and are open to consider requests for non-standard working arrangements within reason;
- ❑ We are dedicated to providing continuing education and training to our employees.

Open and transparent communication

At Value Square, we believe open and transparent communication is key. Therefore:

- ❑ We recognise the right and responsibility of each employee to speak up. If we see or suspect that something is illegal or unethical, we voice our concerns and report our observations;
- ❑ We strive for a culture that values meritocracy, openness, fairness and transparency;
- ❑ We encourage employees to ask questions, challenge established truths and to engage in open conversations with managers on business and conduct concerns.

Social impact

Contributing to the local community is also an essential part of Value Square's social identity.

- ❑ We encourage our employees to contribute to charities. Moreover, we allow employees to spend a minimum of 20 working hours every year contributing to charities;
- ❑ We allocate part of Value Square's own company investment portfolio to social investments such as micro credit funds.

Implementation

All the partners and employees of Value Square are responsible for the promotion and advancement of this policy and any behaviour that transgresses this policy is not tolerated. These values apply to all of Value Square processes relating to employment, training, development, performance management and rewards.

Governance Policy

Client relation policy

- ❑ We communicate with clients in a transparent way and with integrity;
- ❑ Products and services marketed and sold are designed to meet the needs of identified customer groups and are targeted accordingly (Product Policy);
- ❑ We take complaints seriously and handle them in a timely, fair and consistent manner;
- ❑ We keep our promises and commitments.



Code of conduct

We have a code of conduct for all our employees and management in which we ask them to be loyal and respectful for our clients and aim for the highest integrity and confidentiality.

All our employees and management are required to comply with this code of conduct.

- ❑ We promote transparency and accountability grounded in sound business ethics;
- ❑ Responsibilities, procedures and controls are clearly defined;
- ❑ It is prohibited to make or receive gifts of substance in the course of business (Gift Policy);
- ❑ It is prohibited to make contributions to any third party, where these contributions could constitute conflicts of interest;
- ❑ We adhere to a policy of long-term responsible investing. We conduct our business responsibly and honestly.

Risk management

We developed several principles and procedures to cope with risks relating to our business.

- ❑ We manage risks prudently;
- ❑ We know our clients and other parties, which makes us alert to illegal activities. It enables us to manage the financial crime risk in our personal and digital relationships (KYC and AML Policy);
- ❑ We do not commit or induce anyone to commit illegal activities (e.g. financial misreporting and misconduct or economic and financial crime), insider dealing or market manipulation, including on our personal accounts;
- ❑ We are aware of all types of information that could be considered inside information and we recognise when an assessment is required;
- ❑ We identify conflicts of interest and avoid or report them in line with agreements with stakeholders and industry best practices (Conflict of Interest Policy);
- ❑ We implement a management system which enables effective identification, management and monitoring of any risks and provides a framework for action;
- ❑ We detect and report on suspicious orders and transactions as required. We will not communicate inside information to others unless such communication is part of the normal work task, position or function and purely on a need-to-know basis.

Conduct of the company

Value Square is fully committed to:

- ❑ Comply with all applicable laws (not only the letter but also the spirit) and promote international best practice, including those laws and international best practice standards intended to prevent financial crime and financing of terrorism;
- ❑ Keep its stakeholders' right to privacy in focus. Our commitment to privacy remains also after relationships with stakeholders have been discontinued (GDPR Policy);
- ❑ Make every effort to meet stakeholders' expectations, facilitate their access to information and provide them with clear and transparent information based on regular and value-added reporting;
- ❑ Exhibit honesty, integrity, fairness and respect in all its business dealings.



Board of Directors

Value Square aims for a balanced and diverse board, meaning that there is no group dominating the board and that there are independent non-executive director(s) on the board. We further recognise the importance and benefits of diversity and cherish the synergy and complementarity they bring and we therefore seek to promote it within the board and our company.

Our board members are strongly engaged and use their talents in the service of the board. They understand the importance of ESG issues and take the responsibility for the company's handling of these issues.

Legal disclaimer

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