This is section B of Barco’s 2018 annual report. Other sections are available via the download center at ar.barco.com/2018.
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Introduction

Building a platform to drive sustainable impact

Growing our company goes hand in hand with helping our people and the communities around us thrive, while safeguarding our planet. That is why sustainability is becoming an integral part of how we shape our business.

Of course, sustainability is and will always be a continuous journey of learning and improving. Yet, we believe that we have the right foundations in place to deliver on our sustainability objectives in the coming years, as sustainability is

• increasingly integrated into Barco’s risk evaluation process
  Sustainability-related topics like climate change, environment, health and safety, ethics and business conduct are ever more important in the way we do business. As sustainability is increasingly integrated into Barco’s risk management process, a solid sustainability plan is needed.

• firmly supported by top management
  Top level commitment is a key success factor for our sustainability strategy. Over the past few years, our top management has embraced sustainability: they actively participate in sustainability meetings and take up sponsorship roles for different sustainability work stream initiatives. Moreover, our CEO Jan De Witte also highlights that sustainability is one of the driving forces in Barco’s corporate strategy, keeps it on the corporate agenda and chairs the executive steerco meeting.

• strongly linked to our values
  For years, seven values have been guiding Barco in everything it does. In 2017, we changed the ‘we care about our people’ value by ‘we care’ to highlight that we also care about our planet and our communities.

• deeply embedded in our strategy
  The new strategy that we launched in 2017 includes three pillars: ‘lead by innovation’, ‘focus on performance’ and ‘offer outcome-based solutions’. The fourth vector that keeps the strategic pillars together is ‘go for sustainable impact’ – because we are convinced that sustainable business is the only way forward.

Moving from awareness to true engagement among employees will help us make sustainability an integral part of how we shape our business.

Jan De Witte
Barco CEO
Stepping up our efforts

In line with our ‘Say.Do’ mantra, we geared up our sustainability efforts in 2018 and made progress in every domain - from organization and strategy through to performance.

Organization

• We put the organization into place that we need to start delivering on our sustainability ambitions. We clearly mapped out and identified the topics that matter most to us, defined roles and responsibilities and aligned and communicated the accountabilities for the different workflows. The framework that we drafted helps us firmly embed sustainability in every division and process.

• The governance of sustainability-related initiatives has been strengthened further to ensure continued follow-up and progress. In addition to defining roles and committees at both the executive and management levels, we also welcomed An Saveyn as our sustainability manager. An will further build Barco’s sustainable impact strategy and program and integrate sustainability into our business.

Strategy, communication and objectives

• We identified, defined and/or re-affirmed the measures and key performance indicators (KPIs) that will guide and indicate the way forward for every stakeholder involved.

• As the support and participation of every Barco employee is key to successfully living up to our sustainability agenda, we stepped up our initiatives to engage Barco employees in our journey towards sustainability. We informed every employee about our short-term targets (2020) regarding eco-design and our operational footprint. Next to that, our divisions started building awareness around circular design and sustainable business models.

Performance

• In 2018, we started seeing the first results. In addition, we identified areas for further improvement where we need to step up our efforts with an increased level of accountability.

We are confident that every step we take on this journey will bring us closer to being a truly sustainable company – which is critical for every business to be successful in the long run.

Our seven values

• We lead by innovation
• We delight our customer
• We deal openly and ethically
• We encourage team play
• We are accountable
• We trust each other
• We care
In line with our ambition to fully integrate sustainability into our corporate DNA, Barco has decided to constantly accelerate its sustainability efforts on three levels: planet, people and communities.

1. We will lower our own environmental footprint and that of our customers.

2. We will invest in sustainable employability by encouraging our people to learn and develop themselves, by engaging them and by keeping them healthy – both physically and mentally. We will create an inclusive workplace that embraces the diversity of our people.

3. We will play an active role in the communities we operate in, by upholding the highest ethical business standards and expecting the same from our suppliers, and by offering chances to the underprivileged.

Barco is ready to gear up and move forward towards a more sustainable future.

Jan De Witte
CEO
Our sustainability strategy

‘Go for sustainable impact’
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Contribution to the SDGs
Page B/11

Materiality assessment
Page B/12
‘Go for sustainable impact’

Our sustainability strategy is an integral part of our corporate strategy, ‘enabling bright outcomes’. Integrating ‘go for sustainable impact’ into our corporate strategy was a logical choice for us, as we are convinced that sustainable business is good business.

Our corporate strategy consists of three pillars: planet, people and communities. For each pillar, we defined an overall ambition statement as well as several focus areas. Those focus areas, 11 in total, are the sustainability topics we consider important for both our business and our stakeholders. They were defined in the 2017 materiality assessment (page B/12).
Barco’s sustainability pillars, ambitions and focus areas

**Planet**
- We will lower our environmental footprint and that of our customers.
- **Focus areas**
  - Greenhouse gas emissions
  - Energy efficiency of products & operations
  - Circular economy

**People**
- We will invest in sustainable employability by encouraging our people to learn and develop themselves, by engaging them and by keeping them healthy – both physically and mentally. We will create an inclusive workplace that embraces the diversity of our people.
- **Focus areas**
  - Learning & development
  - Employee safety
  - Employee health / care
  - Diversity & inclusion

**Communities**
- We will play an active role in the communities we operate in, by upholding the highest ethical business standards and expecting the same from our suppliers, and by offering chances to the underprivileged.
- **Focus areas**
  - Supplier assurance on sustainability
  - Community engagement
  - Customer satisfaction
  - Business ethics
## Contribution to the Sustainable Development Goals

The UN 2030 Agenda for Sustainable Development is a global plan for improving our world in the domains of people, planet and prosperity. It lays out where we collectively need to go and how to get there. Barco uses the Sustainable Development Goals (SDGs) defined in the UN Agenda as a guideline to shape its approach and scale up its contribution to the areas that matter most to society and where we can achieve the greatest impact. During a mapping exercise, we listed how our 11 focus areas contribute to the SDGs.

<table>
<thead>
<tr>
<th>FOCUS AREAS</th>
<th>CONTRIBUTION TO SDGs</th>
<th>FOCUS AREAS</th>
<th>CONTRIBUTION TO SDGs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Footprint of our operations</td>
<td><img src="image" alt="7 SDG" /></td>
<td>Diversity &amp; inclusion</td>
<td><img src="image" alt="5 SDG" /></td>
</tr>
<tr>
<td>Footprint of our products</td>
<td><img src="image" alt="12 SDG" /></td>
<td>Supplier assurance on sustainability</td>
<td><img src="image" alt="8 SDG" /> <img src="image" alt="12 SDG" /> <img src="image" alt="16 SDG" /></td>
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<tr>
<td>Circular economy</td>
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<td>Community engagement</td>
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</tr>
<tr>
<td>Learning &amp; development</td>
<td><img src="image" alt="4 SDG" /> <img src="image" alt="8 SDG" /></td>
<td>Business ethics</td>
<td><img src="image" alt="8 SDG" /> <img src="image" alt="16 SDG" /></td>
</tr>
<tr>
<td>Employee safety</td>
<td><img src="image" alt="8 SDG" /></td>
<td>Customer satisfaction</td>
<td><img src="image" alt="8 SDG" /></td>
</tr>
<tr>
<td>Employee health/care</td>
<td><img src="image" alt="8 SDG" /></td>
<td></td>
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</tbody>
</table>
**Materiality assessment**

Many different social, environmental and ethical issues impact our business, either directly or through our global value and supply chains. Consequently, we have to manage a continually evolving set of issues.

Every three years, we conduct a materiality assessment to help ensure our strategy focuses on the right areas, and tailor our reporting so that it aligns with the interests and needs of our stakeholders, as well as those of the company.

**Our 2017 materiality assessment**

Our last materiality assessment was conducted in 2017. We analyzed a range of internal and external data, including trend reports and other documents created by peers and competitors, sector associations and sustainability networking organizations (CDP, SASB, GRI, Sustainalytics, United Nations Sustainable Development Goals), as well as internal documents. This research led to a container of over 50 topics.

We then surveyed a select group of Barco employees (sustainability ambassadors) to determine the topics they thought were most important and relevant to Barco and its stakeholders. The Executive sustainability steering committee determined the impact of each of the topics on Barco’s success. The result of the 2017 assessment is a set of 11 topics that stand out as ‘material’ and determine our current sustainability strategy. We call them our focus areas.

**2018: determining priorities**

In 2018, we surveyed Barco’s global leadership team (about 100 people) to assess the importance of each of the 11 focus areas to Barco and define their maturity levels. Topics with both high importance and a low maturity level were flagged as priorities. Those topics will be the main focus for the sustainability office in 2019-2020.

For more information on how Barco engages with its stakeholders to determine risks and points of attention, we refer to the ‘Stakeholder engagement’ segment on pages B/61 and B/62 of this report.
Our sustainability performance
Our sustainability performance

Planet
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People
Page B/33

Communities
Page B/43
Planet

Our ambition

We will lower our environmental footprint and that of our customers.

Our targets by 2020

- **-20%**
  - Reduce the **carbon footprint of our own operations** by 20% (baseline 2015)

- **-25%**
  - Reduce the **energy footprint of our products** by 25% (baseline 2015)

- **25%**
  - Ensure that **at least 25% of our products launched has an A eco-score** or higher.
    - + 100% of new product launches will be eco-scored.
    - + no products will have a D score.
## Planet (key) performance indicators

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>FOOTPRINT OF OUR OWN OPERATIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greenhouse gas (GHG) emissions(^{(1)}) of our own operations (^{(2)})</td>
<td>tCO₂e/mio € revenues</td>
<td>100.4</td>
<td>80.5</td>
<td>73.1</td>
<td>70.6</td>
<td>TBD</td>
<td>64.4</td>
</tr>
<tr>
<td>Energy consumption</td>
<td>MWH/FTE</td>
<td>14.2</td>
<td>15.6</td>
<td>14.6</td>
<td>14.8</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td></td>
<td>MWH/mio € revenues</td>
<td>46.0</td>
<td>44.2</td>
<td>39.9</td>
<td>41.7</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>% electricity from renewable sources</td>
<td>%</td>
<td>NA</td>
<td>NA</td>
<td>60%</td>
<td>57%</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>% hazardous waste of total waste</td>
<td>%</td>
<td>NA</td>
<td>NA</td>
<td>0.1%</td>
<td>0.8%</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td>Recycling rate</td>
<td>%</td>
<td>NA</td>
<td>NA</td>
<td>69%</td>
<td>60%</td>
<td>TBD</td>
<td></td>
</tr>
<tr>
<td><strong>FOOTPRINT OF OUR PRODUCTS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eco-performance of new product launches</td>
<td>#/score</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>All eco-scored</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--- No D score</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--- 25% A score</td>
</tr>
<tr>
<td>Energy efficiency index of sold products (^{(3)})</td>
<td>/</td>
<td>NA</td>
<td>1.00</td>
<td>0.96</td>
<td>0.82</td>
<td>TBD</td>
<td>0.75</td>
</tr>
<tr>
<td>GHG emissions(^{(4)}) of sold products (i.e. end-user emissions)</td>
<td>tCO₂e/mio € Revenues</td>
<td>NA</td>
<td>727.1</td>
<td>731.3</td>
<td>666.3</td>
<td>TBD</td>
<td></td>
</tr>
</tbody>
</table>

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\(^{(1)}\) Calculation of greenhouse gas emissions is explained on B/17

\(^{(2)}\) 2014-2016 numbers differ from earlier sustainability reports since upstream emissions are also taken into account now. This doesn’t change emission trends since an increase or decrease in direct emissions of a specific emission category will also lead to the proportionally equivalent increases or decreases in upstream emissions.

\(^{(3)}\) The energy efficiency index of our products is calculated by taking into account the energy consumption/delivered capability of our two most important product groups in terms of energy consumption: projectors (70% of total product energy consumption in 2017) and large video walls (20% of total product energy consumption in 2017). The energy performance of these product groups is calculated and formulated as Watt/delivered capability (For projectors, delivered capability = lumen; for large video walls, delivered capability = cd/m²). In 2015, the W/delivered capability for both product groups was scaled to 1 for comparability and then weighted based on turnover of the respective product groups.

\(^{(4)}\) End-user emissions refers to the emission source indicated in the Greenhouse Gas Protocol as ‘Use of sold products’. In the case of Barco products, this covers the CO₂ emissions from electricity consumption of sold products and excludes emissions related to mining of raw materials, transport, manufacturing or waste treatment of these products.
Other indicators

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>UNIT</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHG emissions scope 1</td>
<td>tCO₂e/mio € revenues</td>
<td>5.8</td>
<td>5.1</td>
<td>4.7</td>
<td>4.6</td>
<td>TBD 2019</td>
</tr>
<tr>
<td>GHG emissions scope 2</td>
<td>tCO₂e/mio € revenues</td>
<td>6.4</td>
<td>5.4</td>
<td>5.0</td>
<td>5.0</td>
<td>TBD 2019</td>
</tr>
<tr>
<td>GHG-emissions scope 3 (incl. end-user emissions)</td>
<td>tCO₂e/mio € revenues</td>
<td>88.2(1)</td>
<td>797.1(2)</td>
<td>794.6(2)</td>
<td>727.3(2)</td>
<td>TBD 2019</td>
</tr>
<tr>
<td>Total GHG emissions</td>
<td>tCO₂e/mio € revenues</td>
<td>100.4</td>
<td>807.6</td>
<td>804.4</td>
<td>736.9</td>
<td>TBD 2019</td>
</tr>
</tbody>
</table>

(1) End-user scope: healthcare   (2) End-user scope: all divisions

MEASURING CARBON FOOTPRINT OF OUR OWN OPERATIONS

Methodology
- Bilan Carbone® methodology
- Compliant with ISO 14064 standard
- Sources of emission factors: emission factors from scientific sources, ADEME, GHG Protocol, IEA, suppliers specific for electricity

Scope
- Technical: all GHG such as carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), refrigerants (HFCs, PFCs, CFCs) are converted into CO₂ equivalents using Intergovernmental Panel on Climate Change (IPCC) 100-year global warming potential (GWP) coefficients
- Boundaries: operational (vs. equity) approach, as it better defines the boundaries of influence
- Geographical scope: main production facilities and offices in Belgium, China, Italy, Germany, India, Norway, Taiwan and US, accounting for 85% of Barco’s total headcount (3,590 FTEs) in 2017

Baseline
- For targets and performance comparison, Barco selects FY 2015 as a baseline

Reporting
- Annual reporting to the Carbon Disclosure Project (CDP)

MEASURING OUR CARBON FOOTPRINT RELATED TO END-USER EMISSIONS

Methodology
- GHG Protocol Methodology
  Formula to be used: ∑([total lifetime expected uses of product × number sold in reporting period × electricity consumed per use (kWh) × emission factor for electricity (kg CO₂e/kWh)])

Scope
- Emissions based solely on the energy consumption of the product (excluding the embodied energy of components, end-of-life emissions, etc.)
- Approx. 90% of the products covered (in terms of sales volume) in 2017

Reporting period
- FY 2017
Our roadmap towards sustainable impact: key initiatives and action plans

1. Footprint of our own operations

1.1 Energy use in our own operations

Barco’s energy consumption (including fuel use for company cars) in 2017 was 42 MWh/mio € revenues. That is a 5% decrease compared to our 2015 baseline. However, despite efforts to reduce energy consumption year by year, it was higher in 2017 than in 2016 – mainly due to the growing use of company cars in Belgium. Our plans to tackle this issue are described later. (page B/23 greenhouse gas emissions from mobility).

Barco’s main energy sources are electricity (51%) and fossil fuels (for company cars) (24%). In addition, we also use natural gas (for heating and hot water) and district heating/cooling.

57% of all electricity that Barco uses comes from renewable sources. We purchase green electricity in Belgium and Italy. In addition, we produce our own renewable electricity at the Kortrijk and Kuurne sites in Belgium, where 2880 m² of photovoltaic panels are installed on the roofs. We plan to further expand our own production of renewable energy in the coming years.

### Specific energy consumption in own operations 2015-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Specific energy consumption per turnover (MWh/mio €)</th>
<th>Specific energy consumption per FTE (MWh/FTE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>44</td>
<td>15.6</td>
</tr>
<tr>
<td>2016</td>
<td>40</td>
<td>14.6</td>
</tr>
<tr>
<td>2017</td>
<td>42</td>
<td>14.8</td>
</tr>
</tbody>
</table>

### Renewable vs. non-renewable energy sources (2017)

- **Non-renewable:** 43%
- **Renewable:** 57%
1.2 Greenhouse gas emissions due to our own operations

There are three main sources of CO$_2$ emissions in our own operations: logistics, mobility and infrastructure. On this page we share the consolidated numbers for own operations. On the next pages we zoom in on the numbers per source, as well as on the actions for each source.

Greenhouse gas emissions from our own operations decreased by 12% between 2015 and 2017. That proves we are well underway to achieving our -20% target for 2020 vs. 2015.

Carbon footprint of own operations 2015 – 2017, incl. 2020 target

All figures in tCO$_2$e / mio € turnover

Reduce the carbon footprint of our own operations by 20% by 2020 (baseline 2015)

Greenhouse gas emissions from our own operations decreased by 12% between 2015 and 2017.
1.2.1. Greenhouse gas emissions from logistics

The major source of greenhouse gas emissions from our own operations is related to logistics, i.e. the transport of incoming goods and outgoing finished products. Logistics was responsible for 61% of Barco’s own CO₂ emissions in 2017. Transport via long-haul air causes the majority (90%) of these emissions.

While transport via long-haul air causes the largest portion (90%) of CO₂ emissions from logistics, 57% of Barco’s total tkms is still shipped by plane. 37% of Barco’s total tkms (ton\(^1\) * distance shipped) is transported via deep sea transport, which is responsible for less than 1% of the CO₂ footprint in logistics. Over the past few years, we have been working hard to shift transport from air to sea freight. (see further)

Logistics-related greenhouse gas emissions dropped by 18% between 2015 and 2017.

### Breakdown of logistics emissions by source (2017)

- **Air (long)** 90%
- **Air (middle)** 6%
- **Air (short)** 4%
- **Sea** 1%
- **Road** <0.5%
- **Rail** 0%

### Carbon footprint of logistics

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>TARGET 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOG</td>
<td>52.2</td>
<td>45.3</td>
<td>43.0</td>
<td>43.3</td>
</tr>
</tbody>
</table>

\(^1\) Metric tons
A solid plan to optimize transport worldwide has helped us cut logistics emissions in recent years. In 2017 (and 2018) we further analyzed our logistic footprint in order to ensure that we’d achieve our targets by 2020. By merging data from our SAP system and data from freight forwarders, we gained clear insights into logistics volumes, lead times, CO₂ emissions, cost, impact on inventory and working capital. Based on these results, our logistics team – together with supply chain, procurement and sales colleagues – drafted an action plan with tangible, executive initiatives.

In 2017, we accelerated the following initiatives:

- **Changing our transportation modes**: We keep swapping long-haul air transport for sea cargo transport. We mainly focused our efforts on:
  - China-Belgium flow (raw materials, subassemblies and outsourced finished goods), which accounts for ca. 12% of our CO₂ footprint
  - Belgium-US flow (mainly medical display systems for the US market), which accounts for ca. 13% of our CO₂ footprint

- **Re-designing packaging for logistics**: When designing new products, we keep in mind the importance of smaller/lighter packaging, in order to reduce the volume/weight of high-running appliances. We for example redesigned the flightcase of our projector engines.

- **Designing products for the supply chain**: As more and more new Barco products are built on an existing platform, only the last customization has to be done in a local warehouse. In this way, we are able to ship bigger volumes more upfront to overseas destinations by sea.

- **Every transport and warehousing tender now includes a sustainability clause**: Logistic suppliers are expected to inform us about their sustainability plans and initiatives. This information is taken into account in the overall decision matrix and, as such, in our supplier selection procedure. In addition, we add sustainability clauses in the contracts, driving our suppliers to advance their efforts to cut carbon emissions.

In addition, every Barco division launched sustainability initiatives in 2017, which started delivering results in 2018 and will continue to do so in 2019.

- **Healthcare division**: By manufacturing medical displays for the Chinese market in the new China manufacturing plant (instead of in Italy), CO₂ emissions will drop.

- **Entertainment division**: Projector engines of US customers are repaired locally in the Atlanta facility, instead of in Belgium, thus reducing the volume of long-haul air transport.

- **Enterprise division**: By opening a new bonded warehouse hub in Taiwan, we can store our latest LCD displays until there’s enough demand to fill a sea container. At the same time, the displays are closer to our APAC customers.
Our journey towards greener logistics

Until the end of 2017, Kathy Verledens was head of our Virtual Factory. Her role: to oversee the operational flow for Barco solutions manufactured in Asia and continually look for improvements, also in supply chain processes. In 2014, her unit set itself a very ambitious target: to ship 70% of the products leaving subcontractors’ plants in Asia via ocean container ships instead of by air. While the initial drive was to reduce logistics costs, it helped slash carbon emissions, too.

**Optimizing packaging**

To further raise transport efficiency, the team also optimized its approach to packaging. ClickShare, for example, is now shipped in much smaller packages, which again saves money while reducing the carbon footprint. “That last argument, the sustainability aspect, is gaining increasing importance at Barco.”

**Shifting from air to ocean freight**

“The decision was not that easy to make, as ocean shipment transit times are much longer: eight weeks instead of one week by air,” Kathy admits. “That greatly impacts our planning, forecasting and inventory management. So, we have to explore the feasibility of shipment by sea on a case-by-case basis, depending on customer needs, product value, supplier agreements, etc.”

**Interest in sustainability grows**

Kathy and her team have been pioneering the transport mode shift. While the team has continually stepped up its performance in the field, Kathy has accepted the role of Director Strategic Partnerships, Business Health and Supply Chain in the entertainment division. She has already launched a pilot project to study the feasibility of transporting cinema components by ship/train from Belgium to the joint venture in China. And there are more transport mode shifts happening, she says: “My colleague Michael Paeyeneers from the healthcare division decided to shift cargo from planes to ships, although the cost of both options is the same. He really insisted on using the eco-friendliest transport option.”
1.2.2. Greenhouse gas emissions from mobility

Breakdown of mobility by source (2017)

- Business travel: 66%
- Home-work commuting: 19%
- Company cars: 15%

The second largest source of greenhouse gas emissions from our own operations is related to mobility. It includes business travel, the use of company cars and home-work commuting. The share of mobility in Barco’s own CO₂ emissions in 2017 was 27% - mainly caused by business travel.

While our target is to reduce mobility-related emissions by 12% by 2020 (vs 2015), mobility caused an increase in greenhouse gas emissions in 2017 (+1% compared to 2015).

To accelerate our efforts in this field, we have plans to:

- **Update our car fleet policy**: by gradually changing the composition of our car fleet, decreasing the share of diesel and petrol fueled cars and sensitizing employees to eco-driving, we aim to reduce fuel use from company cars by 12% by 2020 (vs 2015). We will also keep promoting carpooling and commuting by bike.

- **Change business travel**: our plans are to switch all short-haul (<3,000km) flights in business/first class to economy class, and replace short-haul (<600 km) economy class flights to train rides where possible. We will also continue to promote the use of virtual meeting rooms to cut back on business trips.

Carbon footprint of mobility 2015 - 2017, incl. 2020 target

All figures in tCO₂e / mio € turnover

<table>
<thead>
<tr>
<th>Year</th>
<th>MOB</th>
<th>TARGET 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>19.1</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>18.9</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>19.3</td>
<td></td>
</tr>
<tr>
<td>TARGET 2020</td>
<td>16.8</td>
<td></td>
</tr>
</tbody>
</table>
1.2.3. Greenhouse gas emissions from infrastructure

The third source of greenhouse gas emissions from our own operations is infrastructure. It includes emissions from the use of electricity, gas for heating, fossil fuels (excl. company cars) and from the leakage of refrigerant gases from cooling equipment. The share of infrastructure in Barco’s own CO₂ emissions was 12% in 2017, which was mainly attributable to the use of electricity.

In 2017 (and 2018) we focused on the following measures:

- **Centralizing manufacturing activities**: In Belgium, we moved part of our production activities from the old Kuurne site to the state-of-the-art, more energy-efficient manufacturing plant in Kortrijk.

- **Investing in energy-efficiency measures**: We replaced old lighting systems with LED solutions (in Norway and Beijing).

- **Creating awareness** campaigns to engage employees in energy efficiency and drive energy-saving behavior in the workplace.

Plans to further reduce emissions from infrastructure include:

- Monitoring energy consumption and changing our behavior across the globe.

- Extending our green electricity procurement program to other regions, notably the US and India.

- Investing in renewables and energy-efficiency measures across the globe.
For over five years now, our iGemba program has encouraged Barco operators around the globe to continuously improve processes by placing them at the heart of improvement ideas. Employees are challenged to come up with improvement ideas that enhance our environmental footprint, like reducing material use and waste, transportation, and packaging.

A couple of examples:

- “In the past, we used filling foam in the packaging of cooling liquid bottles. By shifting to an air column bag, we no longer need foam and have substantially reduced the size of our packaging.”
  **Yingyong Li, Christine Zhang and Xiaowei Tian, Beijing**

- “After receiving the goods we now gather the pallets and reuse them for commissioning or delivery.”
  **Xu Zhou, Beijing**

- “To ensure the safe shipment of our boxes, we used to put a plastic foil around them. By using a cardboard honeycomb cover that seals off the box immediately, we no longer need plastic foil.”
  **Nikita Decancq, Kortrijk**

- “Our safety manual for the Harbin xenon lamp projector was available in seven languages and counted 70 pages. We replaced it by a 10-page Chinese version.”
  **Yu Haitao, Beijing**
2. Footprint of our products

2.1. Energy performance of our products

Generally, we see that market trends and customer preferences are shifting towards solutions with ever-higher performance (brightness, resolution, etc.) – which require higher energy consumption levels. That is why we measure and manage the energy performance of our products, i.e. the energy consumption relative to brightness, resolution, luminance, etc. (watt/delivered capability).

From 2015 (baseline) to 2017, the average energy efficiency index decreased by 18%*, so we are well underway to achieving our target of -25% by 2020. One driver for the improvement is the increased sales of laser projectors, which consume far less power (-50 to -150%) than traditional lamp-based systems (see B/29).

The average energy footprint of sold products fell by 18% between 2015 and 2017.

* The energy efficiency index of our products is calculated by taking into account the energy consumption/delivered capability of our two most important product groups in terms of energy consumption: projectors (70% of total product energy consumption in 2017) and large video walls (20% of total product energy consumption in 2017). The energy performance of these product groups is calculated and formulated as Watt/delivered capability (for projectors, delivered capability = lumen; for large video walls, delivered capability = cd/m²). In 2015, the W/delivered capability for both product groups was scaled to 1 for comparability and then weighted based on turnover of the respective product groups.
2.2. Greenhouse gas emissions of our products (end-user emissions)

End-user emissions are CO₂ emissions due to the energy used by sold Barco products. In 2017, total end-user emissions amounted to 666.3 tCO₂e / mio € revenues. This is 90% of our total carbon footprint. The major part of end-user emissions is generated by our projectors (entertainment division). End-user emissions decreased by 8% between 2015 and 2017, as a direct result of our efforts to improve the energy performance of our products.

Total carbon footprint
2015-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Own Operations (OWN)</th>
<th>End User (END-user)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>807.6</td>
<td>807.6</td>
<td>1615.2</td>
</tr>
<tr>
<td>2016</td>
<td>804.4</td>
<td>804.4</td>
<td>1608.8</td>
</tr>
<tr>
<td>2017</td>
<td>736.9</td>
<td>736.9</td>
<td>1473.8</td>
</tr>
</tbody>
</table>

End-user emissions 90%
Own operations emissions 10%

Breakdown of end-user emissions by division (2017)

- Entertainment 73%
- Enterprise 24%
- Healthcare 3%
2.3 Eco-design

Next to improving their energy performance, we want our products to
• be composed of low-impact materials (material use)
• be packed in an eco-friendly way (packaging)
• be easy to maintain, refurbish, upgrade and eventually recycle (end-of-life optimization).

That is why an increasing number of innovation initiatives are focused on sustainable product innovation, taking the full product lifecycle into account. To determine the sustainability performance of our products, we have set up an eco-design program on product family level.

Our eco-design journey

2013 - 2015
• Phase out high-impact hazardous toxic materials
• Adoption of the Barco Substances List
• REACH, RoHS 6 compliance

2016 - 2017
• Focus on energy efficiency (Laser, LED,...).
• Design for supply chain (weight, volume, material reduction)

2018 - 2020
• Implement power management solutions in all product types
• Low-impact materials
• Reduce the use of halogens and PVC
• Design for refurbishment and repair/maintenance
• Pro-actively enforce RoHS 10 compliance down our supply chain
• Eco-design training for R&D stakeholders
• Start exploring the use of recycled content in plastics parts.

Ensure that at least 25% of our new products launched has an A eco-score or higher by 2020.

+ 100% of new products will be eco-scored.
+ no new products will have a D score.
Product in the spotlight: our laser projector

In 2018, Barco achieved the milestone of 600 all-laser cinema multiplexes installed worldwide. By going all-laser – i.e. combining flagship laser and smart laser series projectors – exhibitors are sure to realize substantial sustainability benefits:

Energy efficiency
Laser projectors are 50-150% more energy-efficient per delivered lumen than lamp-based projectors.

Our laser-illuminated projectors could reduce energy consumption of cinema projectors in Europe by 150 GWh per year – which equals the electricity production of a small nuclear power plant in one month.

Material use
- Laser technology eliminates any concerns about potential pollution from xenon lamp disposal.
- Extremely long life time.

Supply chain
- The use of laser projectors could avoid over 1 million lamp swaps annually in Europe. This is the equivalent of 670 trucks filled with lamps navigating Europe.

End-of-life optimization
- Modular design enables retrofit (reuse of casing / standard parts).
- Platforming for easy maintenance and refurbishment.
Our eco-scoring methodology

Our eco-design program is supported by a robust eco-scoring methodology that helps us determine the sustainability performance of our products in the fields of energy-efficiency, material use, packaging and end-of-life optimization. The sustainability performance is evaluated against objective criteria inspired by future regulations, industry standards and voluntary ecolabels.

The eco-scoring tool helps us improve the sustainability of our products in a systematic way. In addition, it motivates designers and product managers to choose a more sustainable alternative.

Barco’s central eco-office performs the eco-scoring assessments across all divisions to ensure an objective scoring.

2018: kicking off the eco-scoring program

In 2018, we made significant progress in the field of eco-scoring:

• We implemented the eco-scoring methodology in our NPI (new product introduction) process. At the start of each new project, multidisciplinary teams now define eco-score product specifications, which are then assessed at predefined stage gates. If needed, adjustments are made.
• We further fine-tuned the eco-scoring tool to make it suitable for scoring the sustainability performance of important outsourced product modules or parts.
• The eco-office started scoring 10 product families.

### Energy
- Efficiency
- Eco mode
- Standby mode
- Power management

### Material use
- Toxic substances
- Product weight
- Recycled material

### Packaging
- Design
- Recyclability
- Accessories in the packaging
- Manuals

### End-of-life optimization
- Durability
- Design for disassembly
- Modularity
- Accessibility of critical components

A: Outstanding
B: Upright
C: Minimum
D: Low
3. Circular solutions

The circular economy is a focus area in Barco’s sustainability strategy. We joined Agoria’s learning network on the circular economy and the CEN-CENELEC Joint Technical Committee 10 on energy-related products. As an active member, we help write future standards to improve the circularity performance of products in Europe.

Our circular economy efforts have, until now, mainly focused on improving the design of our products (see B/29). Design for serviceability (maintenance, repair, upgrading) is key in all new design tracks, as it is a prerequisite for offering circular solutions. In addition, connectivity and data analyses are increasingly being used to prolong the lifetimes of products deployed in the field. We are now exploring opportunities to step up our circular economy efforts, through, for example, circular service offerings.

Trade-in program for image processing products

In 2018, we launched a dedicated trade-in program for image processing products that are technically close to obsolete. The old products are collected locally through our channel partners, after which we/they verify if/what spare parts can be reused. The components considered valuable are then reused for maintenance or for product repairs (in the field). Parts that cannot be used are recycled in a proper way.

In the meantime, the customers replace their end-of-life image processing products with new, state-of-the-art Barco processing solutions that have been designed with sustainability in mind. Thanks to their modular architecture, our image processing solutions are future-proof. Components can be reused and the new solutions are much more energy-efficient when processing high-resolution video signals.

We increasingly use connectivity and data analyses to prolong the lifetimes of products deployed in the field.
Solution in the spotlight: Upgrade of rear-projection cubes

A proven global leader in control room visualization, Barco has an installed base of over 10,000 rear-projection video walls. Recently, we started offering our customers the unique opportunity to upgrade their video walls to the next-generation, state-of-the-art light source technologies (LED or RGB laser), without replacing the mechanical structures and optical screens. We simply replace the projection engine.

The sustainability wins of this upgrade offering are impressive:
- **Less waste:**
  - Mechanical structures and screen are reused
- **LED or RGB laser technologies greatly extend the lighting source lifetime (up to 100k hrs. in eco mode)**
- **There is no rotating color and/or phosphor wheel that is susceptible to wear**
- **As the solution is modular, users need to upgrade only the electronic connectivity part when new graphics cards and cabling are available**
- **Less energy consumption** (at least -50%), as the new light source technologies help to drastically slash power consumption and heat dissipation
People

Our ambition

We will invest in sustainable employability by encouraging our people to learn and develop themselves, by engaging them and by keeping them healthy – both physically and mentally. We will create an inclusive workplace that embraces the diversity of our people.

Number of employees: **3,664***

Gender

- Male **72%**
- Female **28%**

Geographical

- Greater China **8.2%**
- The Americas **14.1%**
- Asia-Pacific **25.9%**
- EMEA** **51.7%**

* Reporting in heads (not FTE), excluding temporary workforce (Database Corporate Associates per 31/12/2018)
** EMEA: Europe & Middle East & Africa
## People (key) performance indicators

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>UNIT</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employee net promotor score (NPS)</strong></td>
<td>#</td>
<td>NA</td>
<td>*</td>
<td>17</td>
<td>*</td>
<td>**</td>
</tr>
<tr>
<td><strong># of iGemba improvement suggestions</strong></td>
<td>#</td>
<td>4,685</td>
<td>5,332</td>
<td>6,610</td>
<td>6,751</td>
<td>6,031</td>
</tr>
<tr>
<td><strong># of improvement suggestions per operator</strong></td>
<td>#</td>
<td>6.5</td>
<td>6.7</td>
<td>8.4</td>
<td>8.6</td>
<td>7.3</td>
</tr>
<tr>
<td><strong>% implementation</strong></td>
<td>%</td>
<td>87%</td>
<td>86%</td>
<td>84%</td>
<td>85%</td>
<td>84%</td>
</tr>
<tr>
<td><strong>% of employees in internal mobility</strong></td>
<td>%</td>
<td>2.2%</td>
<td>2.9%</td>
<td>3.3%</td>
<td>2.7%</td>
<td>3.6%</td>
</tr>
<tr>
<td><strong>Avg hours L&amp;D/employee</strong></td>
<td>#</td>
<td>19.5</td>
<td>20.7</td>
<td>17.2</td>
<td>14.7</td>
<td>16.9</td>
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<tr>
<td><strong>Turnover/outflow - voluntary</strong></td>
<td>%</td>
<td>5.8%</td>
<td>5.6%</td>
<td>6.0%</td>
<td>7.7%</td>
<td>9.1%</td>
</tr>
<tr>
<td><strong>Lost time injury frequency rate (LTIFR)</strong></td>
<td>#</td>
<td>NA</td>
<td>1.0</td>
<td>3.3</td>
<td>1.9</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>% of employees in LT illness (&gt; 1 yr)</strong></td>
<td>%</td>
<td>1.1%</td>
<td>0.9%</td>
<td>0.7%</td>
<td>0.7%</td>
<td>0.6%</td>
</tr>
<tr>
<td><strong>% woman Barco overall</strong></td>
<td>%</td>
<td>28.8%</td>
<td>28%</td>
<td>28.2%</td>
<td>28.4%</td>
<td>28.1%</td>
</tr>
<tr>
<td><strong>% women mgmt. – Hay grade +18</strong></td>
<td>%</td>
<td>11.6%</td>
<td>14%</td>
<td>14.5%</td>
<td>15.2%</td>
<td>16.6%</td>
</tr>
<tr>
<td><strong>Avg age of active Barco payroll employees</strong></td>
<td>#</td>
<td>44</td>
<td>43</td>
<td>42</td>
<td>41</td>
<td>42</td>
</tr>
</tbody>
</table>

* Employee engagement surveys conducted every two years
** Employee engagement survey postponed to 2019, see B/35 for the explanation why
(1) Number of lost time injuries per million hours worked. Lost time injuries are accidents that result in at least one lost day of work. When recording lost time injuries, we use applicable national definitions for incidents as work-related.
(2) Reporting in heads (not FTE)
Our roadmap towards sustainable impact: key initiatives and action plans

1. Employee engagement

Employee engagement is the key to the success of every company. We want all our people to join our journey towards ‘enabling bright outcomes’. To spread our message, we provide structured communication platforms. We encourage our people to ask questions, provide feedback, share ideas and become truly involved.

Communicating openly at all times

In 2018, Barco initiated a lot of changes. More than hard work, this also implied that we had to make some tough choices. We are fully aware of the impact that restructuring plans have and took this to heart when preparing the relocation of our Frederikstad activities and the ‘Fit to lead’ program.

- To help people understand, support and drive the change, the HR & internal communications team prepared a transparent communication on the why, what and how of the changes, which was shared via meetings, our intranet, webinars and other dedicated channels. An employee mailbox was installed to respond quickly to any questions our people had.
- We engaged with employee representatives around the world to start constructive dialogues on the plans and find appropriate solutions, like redeployment or outplacement, for employees that are affected by our decisions.

- When difficult decisions have to be communicated, Barco insists on informing internal stakeholders first. Only after explaining the background, the content and the scope of the program to social partners did we make announcements public.
- The management also communicated openly with the rest of the team and provided – and continues to provide – regular insights on how our business is being prepared for future challenges by simplifying its organizational structure and sharpening its efficiency.

Measuring employee engagement

People engagement is high on Barco’s agenda and fits into our commitment to drive sustainable employability. We did not, however, manage to introduce the new measuring method (including new KPIs) that we had promised to deliver in 2018 due to the restructuring programs. Engagement and culture, including the implementation of a measuring method, will be a key focus going forward in 2019.
AN INTERVIEW WITH JAYATI ROY

Engagement Champions in India: a bottom-up approach

We believe that in an ever-changing environment, employees have to be in the driver’s seat when it comes to their workplace. In addition, it is key to ensure high levels of employee engagement. To enable this, Barco India’s HR team brought together a group of 20 volunteers to become ‘Engagement Champions’, i.e. motivated employees who drive all employee engagement initiatives across Barco Noida.

“We truly believe in this bottom-up approach,” explains Jayati Roy, director of HR at Barco India. “We strive to involve people ‘on the ground’ as much as possible, as this helps boost ownership and drives the One Barco spirit.”

“In Noida, the Engagement Champions are representatives from different functions across the organization who work together to organize events, plan activities around sustainability, sports and well-being, and do just about anything to bring fun into the workplace. Whenever an employee event needs to be arranged, the Engagement Champions are at the scene.”

In 2018, the India team organized various fun activities, from Employee Appreciation Week and sports challenges like badminton and table tennis tournaments, yoga sessions, health checkups and fun events with games, great food and celebrations, to ‘Barco’s Got Talent’. “Everyone participates in these activities across functions and seniority levels. It is a great way to get to know and appreciate each other – and see firsthand that we are One Barco, all working towards the same goal.”

iGEMBA: driving engagement in operations

For over five years now, our iGemba program has encouraged Barco operators to drive innovation and continuous improvement, and move the organization forward each and every day. The program continues to gain momentum year after year. In 2018, operators came up with 6,031 improvement suggestions (7.3 per operator), of which 84% were implemented.
End-to-end talent management
“Talent management has to play a key role in a company’s business strategy, as it concerns one of the most important assets: its people,” Isabelle explains. “That’s why Barco decided to bundle together all the initiatives – and the people – involved at every step of the talent management process, from recruitment to development. We made some important strides forward in 2018.”

Encouraging internal mobility
One of the initiatives that HR initiated in 2018 was to reinforce the focus on internal mobility. “Whenever there is a job opening, we first try to find a candidate internally,” says Isabelle, “because we really believe that internal mobility is a great way for employees to expand their horizons. By taking on a new challenge, new experiences and learning opportunities will cross their paths. In addition, they can build experience in other working domains within the context of their familiar employer. For Barco too, it’s beneficial to work with people who already know the company.” 25% of our job openings were filled internally in 2018.

From traffic administrator to training coordinator
Deborah Goemaere is one of the Barco employees who swapped jobs within Barco, in 2018. For six years, Deborah worked as a traffic administrator. In 2018, she became training coordinator for Barco University: “I am the contact person for all internal and external product training. That is something completely different than what I did before, so I was quite excited about the changes. Today, I’m really happy that I took the step. Working with new tools and new people is really refreshing and energizing.”

Frequent feedback sessions
Isabelle continues: “To really understand which Barco employees are suitable for a particular job, it’s really important that we know our people. That’s why we launched the idea of frequent feedback sessions to replace the once-a-year performance review: from 2019 onwards, managers and employees will be encouraged to have at least four informal, undocumented conversations about their performance..."
By coaching people in real time, managers can resolve issues in a timely manner, while employees will feel more engaged.

Isabelle De Wulf
Talent and Organizational Development Director

over the course of the year. By coaching people in real time, managers can identify and resolve performance issues in a timely manner and better understand the potential of their team. The employees, for their part, will feel more involved and engaged.” Isabelle and her team raised awareness of the new approach and organized workshops on the topic for HR business partners in 2018.

Broadening the learning and development offering
To help people stay on top of their responsibilities and grasp new opportunities along their career paths, our HR team also decided to broaden its learning and development offering. During meetings with the governance boards and business leaders, a new offering was prepared that will include training courses centered around Barco’s four strategic pillars. “Topics like compliance, commercial excellence, product excellence, sustainability, etc. are all really relevant and will help our employees to constantly develop the know-how they need in their roles.”

Leadership and organizational development
Barco leaders also get opportunities to expand their skillsets and foster their leadership potential. “Leaders have to be good coaches and, at the same time, experts in their fields. In 2018, we launched the Barco Leadership Compass, which describes three domains of leadership – thought leadership, result leadership and people leadership – as well as the skills and behaviors needed to achieve that. We now have a good framework in place with clear goals, which makes it easier to provide targeted training or to recruit the right people,” says Isabelle. The HR team provided 100 executive leaders with a series of practical tools (a book, 360° online tools, a survey) to sharpen their skills and capabilities in 2018 and beyond.

Empowering the next generation of leaders
Last but not least, Barco decided to invest in its future leaders, too. 30 high-potential employees had the chance to participate in the new ‘emerging leadership program’ developed with Vlerick Business School. Isabelle: “The eight-month program is centered around an online course where the young potentials learn and practice the fundamental skills they need to move up to leadership positions. The program is an excellent way to motivate these talented people and keep them on board – so that they can guide Barco in the future.”
3. Employee health and safety

In 2018, Barco also kept investing in a healthy and safe work environment around the world. Besides taking initiatives to keep our employees healthy and fit, we also promote their psychosocial well-being and offer additional support when required. Our EHS (Environment, Health and Safety) team worked hard to further reduce the risk of accidents and exposure to hazardous materials and strengthen the safety culture at Barco.

2018 initiatives

- Around the world, we keep organizing fun initiatives that bring our employees together, while also enhancing their physical health. In Belgium, Barco colleagues gathered for a tennis event, a Kubb tournament and a buddy run around One Campus in 2018. Barco Italy launched an ambitious, award-winning 'physical well-being' program that embraced a wide range of initiatives – from sports challenges and awareness campaigns to serving more balanced food in the company restaurant.

- Through dedicated training courses, we help supervisors and HR business partners develop their coaching and leadership skills so they can motivate their teams, communicate openly and spot the warning signs of stress.

- We have a strong network of confidant(e)s that are the primary go-to people in case of problems with supervisors, psychosocial issues, sexual discrimination and harassment, other forms of discrimination, etc.

- To uncover psychosocial risks and devise action plans to mitigate these, we launched the RAPSY – Risk Analyses of Psycho-Social aspects at work – methodology, an approach to assessing departments or groups on their potential for psychosocial risks and to link action plans to possible issues.

- Belgian employees who are wrestling with psychosocial issues can get professional advice and counselling through the employee assistance program. In times of crisis, they can call a dedicated hotline, 24/7, and reach a competent professional. In addition, we also offer

Barco Italy’s physical well-being program won a prestigious award from the regional network for Workplace Health Promotion, member of the European Network for Workplace Health Promotion (ENWHP)
The key to success is a company-wide safety culture: every employee has to be aware of the importance of safety.

Christ Vandenbussche  
EHS and Security Manager

Over the past few years, we have significantly accelerated our efforts in the field of good health and safety practices. In 2018, we welcomed an extra member on the team, which definitely helps us shift into higher gear.” The team’s responsibilities in the field of safety vary greatly – from ensuring safety in Barco’s parking lot to protection against chemical hazards.

Optimal protection against chemicals and laser
One of the major achievements in 2018 was the opening of a chemical lab. “We have very strict procedures in place for handling hazardous chemicals – from purchasing through to disposal,” Christ explains. “In 2018, we equipped a dedicated space to ensure the optimal chemical protection of our R&D engineers. Everyone who works in the lab has to follow a training course on chemical safety.” Chemical safety at Barco is overseen by a chemical committee.

As Barco increasingly works with laser technology, the EHS team also works closely together with a laser safety committee. Laser safety procedures are very strict and laser technology is always handled in dedicated rooms at One Campus.

The importance of a safety culture
“Safety committees, instructions and controls are a must, yet these are not enough to completely avoid accidents at work,” says Christ. “The key to success is a company-wide safety culture: every employee has to be aware of the importance of safety. That’s why we offer a range of safety-related training and we increasingly perform informal ‘safety walks’. These are perfect occasions to talk to the people, learn how they work, gauge their needs in the field of safety and see how we can constantly improve safety practices.

On a constant quest to enhance employee safety
In line with the ‘we care’ value, Barco continues to strengthen the safety culture among its employees. In Belgium, a three-strong EHS team controls a broad range of safety risks across our business through clear safety practices, instructions and controls. They assure that all employees are properly trained for the tasks they are performing and work hard to instill a safety culture at Barco. Christ Vandenbussche is in charge of the team.

the ‘FitforLife’ training program, which provides tips and tricks (via Skype or phone) to deal with stress in a proactive manner.

- Our Prevention and Protection Working Group drafted an integrated policy to foster the re-integration of employees after a long-term illness.

- We strengthened the EHS team in 2018, allowing them to accelerate their efforts in the field of health and safety in the workplace.
4. Diversity and inclusion

Barco commits itself to equal opportunities and encourages diversity and inclusion at every level of the company. This commitment is also articulated in our Code of Ethics, where we state that diversity in the work environment is valued as an enrichment for the company.

Diversity in today’s leaders
More than priding ourselves on the diversity level of our workforce, we also steer actively towards diversity within the highest governance bodies. We monitor, assess and evaluate gaps and areas for improvement in the composition of our Board of Directors and of the Core Leadership Team in terms of gender, age, capabilities, expertise, educational and professional experience as well as nationality.

→ For more information on diversity in the Board of Directors and Core Leadership Team, including changes in 2018, we refer to the Governance section of the Company Report.

And in the leaders of tomorrow
To ensure diversity in our leadership team in the coming years – or even even decades – diversity is key in the ‘Emerging Leaders Program’ that Barco launched in 2018. An international group of 30 high-performing specialists with an average of about seven years of working experience participated in the 2018 program. “We select the participants on a series of criteria,” says Isabelle De Wulf, Talent and Organizational Development Director. “Our aim is to compose groups which are multidisciplinary and diverse, in order to have rich exchange and best practices sharing between participants.”

% women in higher management* positions

<table>
<thead>
<tr>
<th>Year</th>
<th>% Women</th>
</tr>
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<tbody>
<tr>
<td>2014</td>
<td>5</td>
</tr>
<tr>
<td>2015</td>
<td>10</td>
</tr>
<tr>
<td>2016</td>
<td>15</td>
</tr>
<tr>
<td>2017</td>
<td>20</td>
</tr>
<tr>
<td>2018</td>
<td>25</td>
</tr>
</tbody>
</table>

* Higher management defined as Hay grade +18
Our sustainability performance
Communities

Our ambition

We will play an active role in the communities we operate in, by upholding the highest ethical business standards and expecting the same from our suppliers, and by offering chances to the underprivileged.

Our targets

100% of our employees\(^1\) are trained in Barco’s Code of Ethics

100% of our key and core suppliers\(^2\) have signed the declaration of compliance with the RBA Code of Conduct\(^3\)
## Communities (key) performance indicators

<table>
<thead>
<tr>
<th>INDICATOR</th>
<th>UNIT</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>TARGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CUSTOMER SATISFACTION</strong></td>
<td>Customer loyalty index</td>
<td>#</td>
<td>87</td>
<td>NA</td>
<td>83</td>
<td>NA</td>
<td>83</td>
</tr>
<tr>
<td><strong>ETHICS &amp; COMPLIANCE</strong></td>
<td>% employees(^1) trained in Barco’s Code of Ethics</td>
<td>%</td>
<td>NA</td>
<td>NA</td>
<td>92%</td>
<td>92%</td>
<td>94%</td>
</tr>
<tr>
<td></td>
<td>% employees covered by collective agreements</td>
<td>%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>SUPPLIER ASSURANCE ON SUSTAINABILITY</strong></td>
<td>% key and core suppliers(^2) that signed declaration of compliance with RBA Code of Conduct(^3)</td>
<td>%</td>
<td>100% core</td>
<td>100% core</td>
<td>100% core</td>
<td>100% core</td>
<td>95% key &amp; core</td>
</tr>
<tr>
<td></td>
<td>Community investment</td>
<td>€</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>125,000</td>
<td>102,000</td>
</tr>
<tr>
<td><strong>COMMUNITY ENGAGEMENT</strong></td>
<td>Community involvement</td>
<td># heads</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>+600</td>
<td>+100</td>
</tr>
</tbody>
</table>

---

1. White-collar workers
2. Core supplier: supplier that is of strategic importance to Barco in terms of quality criticality, technology and annual spend. Key supplier: supplier that has a major annual spend, is important for its technology or requires special attention due to quality criticality.
3. The Responsible Business Alliance (RBA) Code of Conduct establishes standards to ensure that working conditions in the electronics industry supply chain are safe, that workers are treated with respect and dignity, and that business operations are environmentally responsible. We use the RBA Code of Conduct to serve as the sustainability standard for our suppliers.
Our roadmap towards sustainable impact: key initiatives and action plans

1. Customer satisfaction

As Barco is committed to enabling bright outcomes for its customers, we set great store by offering outstanding customer services. Our growing focus on services helps us to further customize the customer journey, enabling us to give our customers what they want and when and how they want it. Our design and development processes too, are becoming more customer-centric: we listen to our customers’ needs and take these into account when developing new Barco solutions.

Customer loyalty study

Every two years, we measure customer satisfaction with a loyalty study. The 2018 score (83) largely exceeds the industry benchmark (70) and proves that Barco has a very loyal and stable customer base.

New in 2018 is that we incorporated the net promotor score (NPS) framework, which indicates the likeliness that customers would recommend Barco to others, into our customer loyalty study. In giving Barco a customer net promotor score of 35, our customers agree that Barco is a great supplier. In addition to confirming the satisfaction of our customers, the survey yielded a ton of great insights on how to improve our products and services to score even higher in the future.

More details on how we co-operate with our customers are available in the section ‘Stakeholder engagement’ towards the end of this report. (pages B/61-62)
2. Ethics & compliance

We know that compliance and integrity are crucial to our business success, as they instill trust in our customers and business partners. That is why ethical conduct is deeply embedded across our operations. We expect our employees to work in alignment with our values: ‘we are accountable’, ‘we deal openly and ethically’ and ‘we trust each other’. Moreover, we expect our business partners to adhere to the highest possible ethical standards as well.

Ensuring compliance by our employees and our business environment

To foster a corporate culture in which compliance is taken seriously, we need to establish a common understanding of what we mean by ethics and compliance. Among other actions, we do this by promoting our Code of Ethics which outlines the basic principles of compliant and ethical behavior when dealing with each other, business partners, company assets, information, infrastructure, etc. The Code contains guidelines that all Barco employees worldwide are expected to adhere to in their daily work – an ethics compass.

In 2017, the Code of Ethics was thoroughly revised to include new trends in compliance domains, such as privacy, IT security, data protection, open-source software and social media.

Today, the Code reflects on ethics topics relating to work environment, relationships (incl. anti-bribery and anti-corruption), compliance, company resources and records and governance.

94% of our employees* are trained in Barco’s Code of Ethics

* White-collar workers
Ethics and compliance is a constant journey

Can Barco employees accept gifts from suppliers? Can they use their Barco e-mail addresses for personal communications? Since 2017, it has been easier to find clear answers to these questions, thanks to our updated Code of Ethics and open communications about the topic. General Counsel Kurt Verheggen explains how we ensure that every Barco employee knows, understands and applies the Code in their daily work.

A multidisciplinary, structured approach

"Over the past few years, awareness has grown rapidly about the need to conduct our business in accordance with the highest standards of ethical behavior. When Jan De Witte came on board as our new CEO, he insisted on advancing our efforts and engaging all Barco colleagues in ethics and compliance," says Kurt. "While we had, of course, worked on the topic in the past, a truly structured approach was missing. Together with the Internal Communications team and Barco University, we succeeded in putting a more structured compliance program together. One of the highlights is the concept of the Compliance Awareness Month: in the month of June, we now put compliance on stage in a variety of ways."

Putting compliance in the spots

The reviewed Code of Ethics combines theory with practice, including a lot of real-life examples (in Q&A style). To raise awareness in every Barco facility around the world, the communications team used a mix of channels: from a dedicated ethics and compliance portal and an ethics blog to print and digital posters, information sessions and an e-learning course.

"Ethics and compliance can be a fairly boring topic. By communicating about it in a fun way, we can get the message across."

Kurt Verheggen
General Counsel
2018: stepping up our efforts
More than white-collar workers, Barco’s blue-collar workers were also invited to join the compliance challenge in 2018. Almost 1,000 employees from our factories in Beijing, Tainan, Saronno, Noida, Kortrijk and Kuurne joined. “We devised a series of questions related to their daily work,” Kurt explains, “and felt that the initiative was really appreciated. The learnings we took from that exercise will help us improve the challenge in 2019.”

Kurt highlights how the road to compliance is a constant journey of learning and improving. In 2018, he shared the highlights and lessons learned in a brief report, that is available in six different languages: “Openness and transparency are key to ensure commitment. That’s why the report also includes an overview of the things that need improvement in the coming years.”

Ethical compass
“It is key to enlist all the questions that we get and how we respond to them, to ensure increasingly consistent responses,” Kurt continues. “Ethical decision-making is not always an easy path, as it goes beyond simply being compliant with a set of rules. The core goal is to make the grey zones in ethical dilemmas open for discussion. Yet, there’s 50 shades of grey. The Code of Ethics serves as an ethical compass yet every new question is a new opportunity to learn and hone our approach.”

New employees must follow the e-learning course on the Code of Ethics as part of their onboarding process. To help people make the right choices when facing particular situations in their roles or jobs, Kurt and his colleagues have recently elaborated a series of new training courses, which will be available in 2019. In this way, Barco keeps building further towards a positive, ethical company culture.
GDPR in 2018
2018 was the year of General Data Protection Regulation (‘GDPR’). The legal team worked hard to amend clauses and notices in forms, contracts and on the website, and the topic was handled in training sessions and newsletters for Barco employees. Moreover, a Data Protection Officer was appointed to oversee Barco’s data protection strategy and ensure its compliance with GDPR requirements.

Supervising compliance, clarifying ethics for all employees and raising concerns

We have built a network of professionals that ensure that every employee adheres to our Code of Ethics and that general inquiries on ethics can be quickly clarified.

Employees who have questions or want to raise concerns or issues can do so via several channels:

• Their direct supervisor or HR business partner is the first line of contact.
• Questions and/or concerns can also be communicated via the ethics inbox. In 2018, the ethics email address has been increasingly used by employees seeking ethical guidance on the acceptance of business gifts or invitations for supplier events, conflicts of interest, or wishing to report a possible compliance violation.
• An Ethics Committee, consisting of the General Counsel, the Chief HR Officer and the internal auditor, formally deals with the concerns raised on a case-by-case basis.

Moreover, Barco takes a proactive approach to raising the ethics bar at Barco. At regular intervals, we organize internal audits and internal control projects to assure ethical employee behavior.

Covering a wide spectrum of business ethics topics

Our ethics approach includes several aspects that support our business activities. Specific risks and risk management procedures are included in the risk report (see Company Report).
<table>
<thead>
<tr>
<th>TOPIC</th>
<th>POLICY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-discrimination</td>
<td><strong>What?</strong> Ensuring non-discrimination in various domains (e.g. recruiting, ...) and countries.</td>
</tr>
<tr>
<td></td>
<td><strong>How?</strong> Anti-discrimination policy.</td>
</tr>
<tr>
<td></td>
<td>• Available on our Intranet (BarcoZone).</td>
</tr>
<tr>
<td></td>
<td>• Governed by HR department.</td>
</tr>
</tbody>
</table>
| Freedom of association and collective bargaining | **What?** Ensuring compliance with local and international social security and minimum wage legislations; industrial relation policies and with international standards on freedom of association.
|                                            | **How?**                                                                                                                              |
|                                            | • Barco includes all employees in collective bargaining agreements by complying with all necessary local workforce regulations in the countries where Barco operates.  
  → E.g. in Belgium, Barco adheres to sector agreements for automatic wage indexation, leave, etc.  
  • Barco handles specific workforce-related topics by closing off company-specific collective bargaining agreements.  
  → Where applicable, Barco organizes workers’ councils (both national and international).  
  → Collective labor agreements on company level with specific stipulations for wage and working conditions, parental leave, etc.  
  • Applying the ILO-framework (International Labor Organization)) to ensure freedom of association. |
| Anti-bribery and anti-corruption            | **What?** Avoiding and reporting situations in which a Barco employee is offered or offers money or a favor to influence the judgment or conduct of a person in a position of trust. |
|                                            | **How?** The Code of Ethics includes a section on how to deal with anti-bribery and anti-corruption in professional business relationships. |
| Human rights                               | **What?** Barco safeguards human rights as entitled to all people, regardless of nationality, place of residence, sex, national or ethnic origin, skin color, religion, language, or any other status or characteristic. |
|                                            | **How?** Barco applies a human rights policy in line with the standards and policies set by the ILO (International Labor Organization).  
  • The Code of Ethics includes sections on “Respect for the individual” and “Positive workplace”.  
  • The Statement on Child Labor, Forced Labor and Human Trafficking articulates our position regarding child labor, forced labor and human trafficking. |
3. Supplier assurance

In order to meet our customers’ expectations for high-quality, innovative products, we work with service and manufacturing partners from around the world. Together with them, we continue to drive responsible and ethical behavior and high standards across our supply chain.

Supplier sustainability management

We want our suppliers to understand and to demonstrate responsibility and transparency. Our supplier sustainability management program is based on four pillars:

- **Supplier classification**: we categorize suppliers into core, key and commercial suppliers, based on the magnitude of spend and the criticality of technology provided. Key and core suppliers cover roughly 80% of our spend.

- **Supplier declaration**: we require our key and core suppliers to sign a declaration of compliance with the RBA Code of Conduct. We have also incorporated a declaration of compliance into the contracts which our new suppliers are required to sign.

- **Supplier assessment**: Barco audits every (new) supplier on site or via a questionnaire. In the case of shortfalls, an action plan is developed.

- **Continuous improvement**: During business reviews with key and core suppliers and during new product development projects, suppliers are encouraged to take part in improvement actions related to sustainable products and supply chain, from manufacturing processes and use of raw materials to transport. Through webinars and other communication channels, we train suppliers and inform them about developments in environmental compliance guidelines, eco-design and corporate social responsibility.

We want our suppliers to understand and to demonstrate responsibility and transparency.
Sustainability standards for our suppliers

**RBA Code of Conduct**
We expect our suppliers to comply with standards as set out in the **RBA Code of Conduct** (Responsible Business Alliance). Formerly known as the EICC Code of Conduct, the RBA Code of Conduct is a set of standards covering social, environmental and ethical topics relevant to the electronics industry supply chain. The standards reference international norms and standards, including the Universal Declaration of Human Rights, International Labor Standards (ILO), OECD Guidelines for Multinational Enterprises, ISO and SA standards, etc. Topics covered include:

- **Labor:** Freely chosen employment, humane treatment, non-discrimination, freedom of association, ...
- **Health and safety:** Occupational safety, machine safeguarding, health and safety communication, ...
- **Environment:** Greenhouse gas emissions, hazardous substances, environmental permits and reporting, ...
- **Ethics:** Business integrity, fair business, advertising and competition, responsible sourcing of materials, privacy,

**Product Compliance Requirements Code**
We expect that every component that our suppliers deliver to Barco complies with the **Product Compliance Requirements Code**, which includes worldwide regulations, industry standards and additional criteria that we have defined.

Suppliers are increasingly requested to provide Full Material Declarations of their supplied parts to ensure that we can guarantee future compliance of our products with environmental regulations worldwide. These requirements are reflected in strict contracts we have in place with our suppliers. Key and core suppliers are scored in function of product compliance transparency, competence and track record.

**Dodd Frank Act on conflict minerals**
We are also strongly committed to not sourcing products and components that contain conflict minerals. That is why our suppliers are required to comply with the **Dodd Frank Act on conflict minerals**. Every year, we collect the required smelter lists along the full supply chain. Smelters at risk are phased out.
4. Community engagement

In 2017, Barco made a commitment to ‘Promote an innovation society by supporting worldwide initiatives that strengthen education and entrepreneurship, close the gap between rich and poor, help underprivileged yet talented youth and improve health and well-being.’ In line with that engagement, we support employee-driven initiatives in local communities around our sites. By ensuring personal commitment to these initiatives, we want to make them sustainable so that they become long-term investments, creating real opportunities instead of standing alone as one-off actions.

Stimulating quality education in India

Since its opening in October 2017, the Barco Sakshi Education Center in Noida, India has provided 183 underprivileged children with informal education and good meals. Furthermore, a computer lab was set up and Jan De Witte donated over 200 books to the library in the name of Barco. Barco employees are really involved in the school: in 2018 they spent over 300 hours at the Center to give, among others, computer and yoga lessons.

Through the innovative ‘iGemba Scholarship Scheme’, Barco India helps its employees pay for the education of their children. The concept is simple: for each improvement suggestion that operators make through our iGemba program, Barco contributes 3 euro, which is collected in a scholarship fund. Since the start of the program, 69 children of Barco employees received scholarships. The program not only supports our sustainability and CSR efforts, but also reinforces the Barco value ‘we care’.

The iGemba Scholarship Scheme has helped me provide better education to my son. After receiving the scholarship, he felt special and was more motivated to study harder. His academic performance has also improved.

Sarita Bisht
Operator at Barco Noida
For over 85 years, technological innovation combined with the entrepreneurial spirit of Kortrijk have been the cornerstones of growth at Barco. In Hangar K, we want to support local entrepreneurs in exploring digital initiatives and exchange know-how and expertise.

Stimulating entrepreneurship

Barco is a proud partner of Hangar K, a co-creation hub that was inaugurated in October 2017 in Kortrijk, Belgium. More than just a workspace, Hangar K is a competence center as well as an incubator: a place where start-ups, scale-ups, established companies and the academic world come together to inspire each other and embrace the opportunities of the digital age to build new, successful businesses.

Guy Van Wijmeersch
Director Innovation and Design Thinking
Supporting good health and well-being

During the breast cancer awareness month, Barco promoted the ‘There’s a hero behind every hero fighting cancer’ video through several social media channels to raise awareness on the importance and the evolution of screening.

Barco India donated 40,000 euro to CanSupport, India’s largest free home-based palliative care program. The money is used to fund three mobile teams, each comprising a doctor, a nurse and a counselor.

In India, we also support children from poor families who suffer from or have recovered from cancer. Our employees organize music therapy sessions and sing, paint or dance with the children to make them forget their worries.

Barco Belgium helped a disabled student follow courses. In close collaboration with his school, Barco built a virtual classroom, enabling the student to follow and actively participate in the courses, i.e. by asking questions, discussing topics, sharing the results of his work, etc. All parties involved – and not in the least this courageous young man, now feel more connected.

Barco Play Days

Over 50 enthusiastic volunteers organized the 2018 Barco Play Day in Kortrijk, offering over 150 underprivileged children an exciting day at our One Campus. The day was a perfect opportunity to familiarize the youngsters with our technology, hoping that they will be enthused to study technology in school and gain the skills they need for good jobs and better lives.

Barco has been organizing Barco Play Day in Kortrijk for six years now, together with ‘Love in action’, which has been bringing underprivileged children together for fun activities for 25 years. To show how much we really admire their efforts, we decided to set up an event to celebrate their 25th anniversary: in March 2019, artwork by the children will be showcased in an exhibition at One Campus.

Play Day has become a format that has been picked up by colleagues in India and Germany, giving over 200 extra underprivileged children the same exciting experience. All volunteers feel they have made the difference for at least one day, giving them the energy and motivation to start planning the next edition of the event.
What started with providing IT equipment to charity projects, has now become an ignitor for entrepreneurship.

Frank Verstraete
ICT Service Engineer

Closing the digital divide and supporting local communities

Since the start of our partnership with Close the Gap in 2015, Barco has donated over 1,150 pieces of IT equipment. Close the Gap collects our laptops, desktops, displays, servers, etc. and refurbishes them for reuse. The refurbished equipment is used in educational, medical and social projects in developing and emerging countries. When end users can’t use the devices anymore, Close the Gap collects them so they can be recycled correctly.
Our sustainability management

Governance structure specifically related to sustainability
Page B/59
Governance structure specifically related to sustainability

Governance keeps our corporate sustainability strategy on track. It makes sure the strategy remains effective, and that accountability for our results sits right at the top of our company.

Executive sustainability steering committee

- The executive sustainability steering committee consists of seven Core Leadership Team members, including our CEO. They meet at least every quarter to review Barco’s sustainability strategy and the progress made and help make sure that sustainability is integrated into our business – supporting Barco’s overall goals.
- The sustainability office reports directly to the executive sustainability steering committee.
- Once a year, the sustainability office holds a presentation to Barco’s Audit Committee. This presentation serves as a platform to present and discuss the status of strategy, progress and approach. In case the Audit Committee considers it appropriate, they further report issues and topics to the Board of Directors.

Sustainability ambassadors group

- The ambassadors group is a cross-functional group of highly motivated people, including the sustainability work stream leaders (i.e. functional leaders in logistics, procurement, facilities, technology office, HR, R&D and services who are responsible for managing the sustainability action plans in their domains and departments).
- The group discusses ongoing initiatives and partnerships, suggests new ideas, etc. Led by the sustainability manager, the group meets at least every quarter. They also communicate and amplify the accomplishment of key initiatives to all relevant stakeholders.

→ Note: All Barco’s corporate governance structures can be found in the ‘Governance’ section of the Company Report.
Sustainability office

- The sustainability office focuses on the coordination of our company-wide corporate sustainability program. It collaborates with work stream leaders and their sponsors (senior managers that serve as sounding boards, facilitate decision-making and remove obstacles for the work stream leader) to ensure the timely implementation of sustainability actions. It also drives internal engagement on sustainability and advocates Barco’s sustainability program towards external stakeholders.
- In August 2018, An Saveyn joined Barco as sustainability manager.

I am excited to further build and drive Barco’s sustainable impact strategy and program in collaboration with Barco’s sustainability ambassadors, the steering committee and our stakeholders.

An Saveyn
Sustainability manager

Stakeholder engagement

Barco aims to engage all relevant stakeholders to integrate stakeholder (economic, social and environmental) concerns or issues into all its strategies, actions and policies. By continuing to standardize the process of interacting with our stakeholders, we can mitigate risks, identify new business opportunities and improve financial results.

- Barco actively engages in **stakeholder dialogues** on a broad range of topics, via various channels, to promote participative and integrated decision-making. We understand that stakeholder involvement supports our long-term success and innovation capability.

- Barco’s main stakeholder groups are: customers, employees, suppliers, sector federations, policymakers, NGOs, consumer organizations, investors, academic institutions.

- At Barco, every **department** is responsible for identifying and engaging with its own stakeholders (i.e. those they affect or are affected by) and for engaging with them. Barco’s corporate functions provide the departments with a framework on how to tackle stakeholder engagement (i.e. stakeholder identification and classification, guidelines for stakeholder communication, etc.).
<table>
<thead>
<tr>
<th>STAKEHOLDER GROUP</th>
<th>SPOC</th>
</tr>
</thead>
</table>
| **Customers**    | - Sales  
|                  | - Corporate and strategic marketing  
|                  | - Customer service  
|                  | - External communication  
|                  | - Product management  
|                  |  |
|                  | ThinkSales is an initiative to strengthen Barco’s commercial capabilities and inject customer-centricity into our business (e.g. customer journey pilot projects)  
|                  |  |
| **Employees**    | - CHRO  
|                  | - Internal communication  
|                  |  |
| **Suppliers**    | - VP procurement  
|                  | - Eco-office  
|                  |  |
| **Public organizations (sector federations, NGOs, policymakers)** | - Global leadership team  
|                  |  |
| **Investors**    | - VP Investor relations  
<p>| | |
|                  |  |</p>
<table>
<thead>
<tr>
<th>ENGAGEMENT METHOD</th>
<th>SPECIFIC ORGANIZATIONS/TOOLS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• General customer satisfaction survey every two years</td>
<td>• Customer loyalty score</td>
</tr>
<tr>
<td>• Daily contacts in the field (sales, strat. mkt, customer service, NPI, ...)</td>
<td>• Press releases</td>
</tr>
<tr>
<td>• Engagement with consumer organizations - bilateral</td>
<td>• Digital interaction via social media, website, ...</td>
</tr>
<tr>
<td>• 2-yearly employee engagement/enablement surveys</td>
<td>• Entertainment: UNIC, GL Events, VERPRG,</td>
</tr>
<tr>
<td>• Involve key teams in action plan development</td>
<td>• Healthcare/Enterprise: key account mgmt.</td>
</tr>
<tr>
<td>• YOU+ program: B-inspired, B-engaged, B-involved</td>
<td>• Intranet, CEO blog, town hall meetings (straight-ups)</td>
</tr>
<tr>
<td>• Performance evaluation review</td>
<td>• Strategy roadshow</td>
</tr>
<tr>
<td>• Frequent feedback sessions</td>
<td>• Communicate expectations on social, environmental and ethical topics through RBA Code of Conduct, Product Compliance Requirements Code, Dodd Frank act on conflict minerals</td>
</tr>
<tr>
<td>• Involve employees in continuous improvement (iGemba)</td>
<td>• Audit system to evaluate supplier performance</td>
</tr>
<tr>
<td>• Involve employees in ideation (Barco STREAM)</td>
<td>• Business reviews with and trainings for core and key suppliers</td>
</tr>
<tr>
<td>• Strategy roadshow</td>
<td>• European Commission – CENELEC</td>
</tr>
<tr>
<td>• Participate in (governmental) working groups of policymakers</td>
<td>• Laser-illuminated projector association (LIPA)</td>
</tr>
<tr>
<td>• Meetings and roundtables</td>
<td>• Close the Gap</td>
</tr>
<tr>
<td>• Participation in global networks</td>
<td>• Sustainability networks: The Shift, We Mean Business, ...</td>
</tr>
<tr>
<td>• Scientific groups and educational institutions</td>
<td>• Universities: Kulak, Howest, VIVES, UGent, KU Leuven, TU Delft, ...</td>
</tr>
<tr>
<td>• Symmetric way of information dispersion through different deliverables</td>
<td>• Hangar K: co-creation space with educational institutions</td>
</tr>
<tr>
<td>• Bilateral contact via investor roadshows, conferences, communities</td>
<td>• Sector federations: VBO, VOKA, Agoria, Etion by senior leadership team</td>
</tr>
<tr>
<td>• Support on equity research by brokers</td>
<td>• Annual report, press releases, investor portal</td>
</tr>
<tr>
<td></td>
<td>• Capital Market Days (investor days)</td>
</tr>
<tr>
<td></td>
<td>• Conference calls</td>
</tr>
<tr>
<td></td>
<td>• Equity research documents</td>
</tr>
</tbody>
</table>
External initiatives (platforms and commitments)

We Mean Business

A coalition of organizations working with thousands of the world’s most influential businesses and investors to accelerate the transition to a low-carbon economy. As a member, Barco is committed to the initiatives and commitments put forward by the We Mean Business Coalition.

The Shift

Barco is a member of The Shift, Belgium’s largest corporate sustainability network. The aim of the organization is to realize the transition to a more sustainable society and economy.

Green Deal Biodiversity

A Green Deal is a voluntary partnership between (private) companies and the Government of Flanders (Belgium) to set up a green project together. This particular Green Deal aims to increase biodiversity in business parks and to rally public support for the initiative. More than 60 companies and organizations have already signed up to participate in this Green Deal, including Barco.

Sign for my future

Our CEO Jan De Witte supports Sign for my future, a Belgian initiative launched by the not-for-profit organization ‘Klimaatmandaat’ to resolutely put climate on the political agenda in the run-up to the elections in May 2019. By collecting signatures, ‘Klimaatmandaat’ wants citizens and CEOs to put pressure on Belgian politicians to pursue a more ambitious climate policy and include this policy in the new coalition agreement. The policy is:

• to guarantee Belgium’s climate neutrality by 2050
• to draw up a clear investment plan to empower citizens and companies
• to conduct a yearly, independent evaluation of policies and progress

Our CEO has signed and supports the campaign. He will share his commitment and invite other Barco employees to sign as well.
Certifications

In order to assure our stakeholders that our management systems meet international industry-specific standards, we have obtained the following ISO certifications:

- ISO 9001 quality management system (for Barco sites in US, Germany, India, Italy, Taiwan, China, Norway and Belgium)
- ISO 13485 quality management system specifically for the medical devices industry (for Barco sites in US, China, Belgium, Italy and South Korea)
- ISO 14001 environment management system (for Barco sites in China, India and Italy)
- ISO 27001 information security management system (for Barco sites in Belgium, India and Taiwan)

External evaluations

Barco is rated by several independent organizations on its sustainability performance. We actively participate in the following initiatives:

CDP

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>B</td>
<td>C</td>
<td>B</td>
<td>TBD in 2019</td>
</tr>
</tbody>
</table>

CDP, the former Carbon Disclosure Project, runs the global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts. They have built a comprehensive global collection of self-reported environmental data. By scoring businesses from A to D, they take organizations on a journey from disclosure to awareness, management, and finally leadership, on several environmental topics such as climate change.

Every year, Barco measures and reports its carbon footprint to CDP, benchmarking its sustainability performance to peer groups suggested by CDP. We commit to the feedback program as organized by CDP, and set up action plans to mitigate the risks and capitalize on the opportunities that CDP points out.
EcoVadis

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rating</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
<td>Silver</td>
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In recognition of its commitment to Corporate Social Responsibility (CSR), Barco has been awarded the Silver CSR Rating by EcoVadis, placing us among the top 30% companies evaluated. EcoVadis’ independent sustainability rating platform monitors and improves the environmental, ethical and social performance of companies worldwide. EcoVadis provides sustainability performance audits for 20,000 companies across 150 sectors and in more than 100 countries.

MSCI

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MSCI ESG Ratings help investors identify ESG risks and opportunities within their portfolio. They research and rate companies on an ‘AAA’ to ‘CCC’ scale according to their exposure to industry-specific ESG risks and their ability to manage those risks compared to peers.
About this sustainability report

Reporting period, cycle and scope

We published our first corporate Sustainability Report on 18 February 2016 (‘Sustainability Report 2015’) and will continue to report on an annual basis. This report provides a clear overview of our most relevant intentions, achievements and objectives in the field of corporate sustainability in 2018, unless stated otherwise.

GRI standards

Barco has used the Global Reporting Initiative (GRI) framework to guide the reporting in this sustainability overview. Barco will continue to work throughout 2019 to be able to report sustainability efforts in accordance with GRI.
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Group management
Beneluxpark 21
BE-8500 Kortrijk
Tel.: +32 (0)56 23 32 11

Registered office
President Kennedypark 35
BE-8500 Kortrijk
Tel.: +32 (0)56 23 32 11

Stock exchange
Euronext Brussels

Financial information
More information is available from the Group’s Investor Relations Department:

Carl Vanden Bussche
Vice President Investor Relations
Tel.: +32 (0)56 26 23 22
E-mail: carl.vandenbussche@barco.com

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Realization
Barco Corporate Marketing & Investor Relations Office
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Barco
Beneluxpark 21
8500 Kortrijk – Belgium

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