

Belfius Bank and the arms industry

The arms industry has the ability to make a contribution to the security, safety and defence of the people. Which is why Belfius Bank believes it should not be excluded as a sector, although – given the context – it is the subject of increased vigilance and specific procedures within Belfius Bank.

1. SCOPE

The bank makes a distinction between “Antipersonnel mines, cluster munitions and inert ordnance, etc.”, which are in a separate category due to specific legislation, and “Other Weapons” for which rules have been established in terms of the financing projects and businesses.

There is also a ban on shareholdings and sustainable investment funds.

2. CATEGORY FOR “OTHER WEAPONS”

Depending on the context, legislation and methods used for producing goods and services in each country, Belfius seeks to select suppliers who themselves ensure that the following principles regarding sustainable enterprise and corporate social responsibility are adhered to by their own suppliers and subcontractors. This is in addition to all applicable legislation and regulations and has no detrimental effect on its undertakings pursuant to the Agreement:

2.1. Financing projects

The financing of projects is forbidden if these projects relate to:

- > assets intended for offensive or defensive interventions;
- > assets intended for research, the development and production of offensive and defensive assets.

On the other hand, it is still possible to finance projects that relate to products intended for the following activities:

- > detection and communication;
- > logistical support and human interventions;
- > prevention and training.

2.2. Financing businesses

The financing of loans and lines of credit is forbidden:

- > for companies in which more than 50% of their turnover is derived from the production of weapons or related assets or activities:
 - that are designed for offensive or defensive action;
 - are intended for the research, development and production of offensive or defensive assets;
- > for companies, and by extension their parent company, that have their registered office in a State that is not a member of the EU or FATF. This applies to all categories.

3. ANTIPERSONNEL MINES, CLUSTER MUNITIONS, INERT ORDNANCE AND DEPLETED URANIUM SHIELDING OR ANY OTHER INDUSTRIAL URANIUM

3.1. Antipersonnel mines and/or cluster munitions

Belfius Bank complies strictly with the provisions of the Act of 20th March 2007, which forbids the financing of Belgian or foreign businesses that operate in the manufacture and use of antipersonnel mines and/or cluster munitions, their main shareholders and collective investment undertakings that hold financial instruments in these companies or their main shareholders.

3.2. Inert ordnance, depleted uranium or industrial uranium

The Act of 16th July 2009 extends the aforementioned ban in its entirety to inert ordnance and depleted uranium shielding or any other form of industrial uranium. Belfius Bank also complies with this prohibition.

4. SHAREHOLDINGS AND SUSTAINABLE INVESTMENT FUNDS

Belfius Bank has no shareholdings in the arms sector and defence industry. Any indirect investment through sustainable investment funds is also forbidden. This prohibition does not apply to investment undertakings whose investment policy, in line with their articles of association or management regulations is aimed at tracking the composition of a specific index for shares or bonds.