



Belfius and Human Rights

HUMAN RIGHTS, A FUNDAMENTAL MATTER FOR BELFIUS

In all that we do, we are committed to ensuring that people feel free, equal, respected and valued. We see this respect for human rights as a duty and basic matter of course for us as a bank-insurer and public interest company. It is also a fundamental condition for being *Meaningful & Inspiring* - for our customers, our employees and for society at large. Our human rights policy is inextricably linked to our ambition to bolster our position as both a sustainable and ethical bank-insurer.

SCOPE OF THE POLICY

Our human rights policy applies to all subsidiaries and activities of the Belfius Group. It also extends to our partners and suppliers: we only wish to work with people and companies that share our level of vigilance with regards to human rights and labour law. We also respect the human rights of our employees and we expect each and every one of them to strictly adhere to this policy.

RESPONSIBILITIES

Each department within the company is responsible for the respect of human rights in its area of activity and takes all necessary actions to ensure the proper application of our policy. Belfius ensures that human rights and labour rights are respected across all of its activities.

The Management Board has reviewed and approved the Belfius Human Rights Policy and ensures that all employees comply with it.

OUR COMMITMENTS

At Belfius we do not just comply with legal requirements concerning human rights - the Belgian law and its regulations on human rights and labour law. Aware of our responsibility as a bank-insurer and public interest company, we want to go further

and constantly improve in this area. To this end, we apply a series of voluntary standards derived from international standards and principles:

- > Belfius adheres to the **International Bill on Human Rights** and the **International Labour Organization's Declaration on Fundamental Principles and Rights at Work** (ILO).
- > Belfius is a signatory to international standards that include human rights clauses that it fully respects: the **UN Global Compact Principles**, the **UNEP FI Principles for Responsible Banking**, the **Principles for Sustainable Insurance & Principles for Responsible Investment**.
- > Belfius adheres to the **UN Guiding Principles on Business and Human Rights** - a framework for companies with a corporate responsibility to respect human rights - as well as the **OECD Guidelines for Multinational Enterprises** and the recommendations for **Responsible Business Conduct in the Financial Sector**, which are specific to the financial sector.

IMPLEMENTATION

Belfius aims to minimise its sustainability risks by reducing its negative impact on people and planet and increasing its positive impact. How does this translate into our relationships with our various stakeholders, all of whom are entitled to be treated with respect and are themselves expected to respect human rights?

1. Within our core business (products and services)

We are active in all segments of the Belgian economy and many of our activities are related to companies and entrepreneurs. Through our investment activities, we make funds available to companies in various sectors. In order to avoid investments and financing of controversial activities, or those that violate human rights, Belfius has established its own sector policy: the **Transition Acceleration Policy (TAP)**. Belfius aims to accelerate transition to a more sustainable society and economy by deliberately choosing not to finance or invest in certain sectors. All sectors or companies

that violate the principles of the United Nations Global Compact are excluded. The violation of a single principle is sufficient as a criterion for exclusion.

Belfius also excludes any direct investment in bonds issued by states that do not meet a series of criteria or present human rights risks. Governments, public bodies and state-owned companies from countries identified by the **Belfius Country Watchlist** (BCWL) are excluded from financing. These are countries subject to international sanctions, countries that violate the principles of the United Nations Global Compact and countries where the risks of money laundering, terrorist financing or violation of embargoes are unacceptably high.

An ever-increasing number of investors are looking to invest their money in accordance with their values and convictions and the world they wish to leave for future generations. They count on Belfius to offer them this guarantee in the management of their savings and investments. As fund managers, Belfius Investment Partners (Belfius IP) and Candriam maintain an active and constructive dialogue with the companies in which their respective funds invest. In this way, they express their views, concerns and ideas to the management of these companies in order to positively influence their sustainability strategies. Belfius IP and Candriam are also signatories of the UN Principles for Responsible Investment (PRI). For more details, see the engagement policies of Belfius IP and Candriam.

Belfius Insurance, as manager of its own investment portfolio, invests its insurance reserves in accordance with the **Belfius Transition Acceleration Policy (TAP)** and the principles of Portfolio21. Portfolio21 is a strategy for the sustainable management of investments based on exclusion criteria that are mainly underpinned by compliance with international norms and standards in force - these include those of the International Labour Organization (ILO). With regards to issuers of securities (companies or countries) that are criticised for human rights violations in the workplace, a constructive dialogue is initiated in order to defend the fundamental rights of employees and to improve the situation in the workplace. The result of this dialogue determines whether a share, bond or investment fund has, or still has, a place in the portfolio. For more details, please refer to the **Belfius Insurance Engagement policy**.

2. With regards to our customers

Our **Customer Acceptance Policy** ensures that we only enter into a business relationship with clients with whom we can develop a strong and personal business relationship in an open and honest manner. Gender, race, language, sexual orientation and religion are never taken into consideration when deciding whether or not to enter into a relationship with our customers (please refer to our **Anti-Discrimination Policy**).

Throughout the commercial relationship, Belfius ensures that it remains faithful to its social commitment and that it remains a sustainable bank. It must therefore ensure that both itself and its customers comply with all applicable regulations and taxation laws.

We respect the **privacy of our customers**. We guarantee the protection of our customers' personal data and the respect of their privacy. The use of personal data is based on the customer's consent and preferences in accordance with applicable legislation (see our **Privacy Charter**).

3. With regards to our employees

Belfius respects the rights of its employees and in turn expects them to respect Belfius' human rights values.

- > A **Code of Conduct** for Belfius employees requires an honest and ethical attitude at work.
- > In accordance with Belgian law and its regulations on human rights and labour law, we formally prohibit child and forced labour across all of our activities.
- > The health, safety, well-being and continuous personal and professional development of our employees are of utmost importance to us.
- > We respect the **privacy of our employees**. We guarantee the protection of their personal data and their privacy.
- > Belfius has a zero-tolerance policy on fraud, corruption and money laundering. Policies related to these subjects are available on our **website**.
- > **Anti-Discrimination Policy**: discrimination of individuals on the basis of personal characteristics such as gender, skin colour, age, disability or sexual orientation has no place in Belfius corporate culture. Hence, Belfius applies a zero-tolerance policy towards violence in the workplace, linked to personal characteristics, including verbal, physical and sexual harassment. Belfius is a signatory of the Gender Diversity Charter of **Women in Finance**. By signing this charter, Belfius commits to offering fairness and equal opportunities to men and women in the Belgian financial sector by taking initiatives to ensure gender equality at all levels and by promoting an inclusive culture. Belfius is committed to setting goals, taking concrete actions, setting positive numerical targets and reporting publicly on its progress every year.
- > **Remuneration**
 - Our salaries are in line with the market. In this way, we ensure that we attract and retain the best talent and that we pay our employees a fair and decent wage. We practice equal pay for men and women.
 - Managers' remuneration consists of fixed and variable parts. The variable part of managers' remuneration is partially linked to the bank's progress in terms of sustainability and to

respect for human and labour rights measured via the ESG ratings that Belfius receives from independent external bodies. Find out more about our statement on ESG and remuneration [here](#).

- > Belfius complies with all applicable laws, rules and regulations in Belgium. This includes legislation on collective agreements, negotiations and freedom of association. All bank employees (except for senior executives who are subject to a specific policy) have their working conditions governed by collective labour agreements. Workers are represented by employee representatives who regularly consult with management on all subjects related to the working conditions of employees - whether this be related to the well-being, safety and rights of employees, the limitation of working hours, the policy with regard to teleworking, the participation of employees in the financial results of the company or the mobility policy, amongst others. Belfius management maintains a constructive dialogue with all staff representatives (unions) with whom it interacts in partnership and in a spirit of trust.
- > Any employee who notices a human rights violation at Belfius is invited to report it via a [whistleblowing](#) procedure that is communicated within the company.

4. With regards to our suppliers

It is important that the products and services we use in our business are respectful of human rights and labour laws. We therefore expect our suppliers to behave in a way that is consistent with our own values. To this end, our suppliers sign a [Sustainability Code of Conduct for Suppliers](#). Through this code, suppliers commit themselves, their subsidiaries and suppliers to defend, support and respect the protection of internationally proclaimed human rights. Regular assessments determine their level of involvement in these areas. Performance monitoring and remedial actions are requested if needed.

A LIVING DOCUMENT

We encourage stakeholders to contact Belfius in the event that they have any doubts or questions regarding the practical scope of this policy and to alert us to elements that may be missing. Remarks can be sent via all Belfius channels, or via the following specific address: esg@belfius.be.

We will treat comments as quickly as possible and take measures to further improve our operations where needed.

REPORTING OF AND AMENDMENTS TO OUR HUMAN RIGHTS POLICY

Every year, Belfius reports on the evolution of its approach to respect for human rights and associated results in its Annual Sustainability Report.

This policy is freely accessible in its latest version on the Belfius website. It is constantly evolving to incorporate new commitments, changes in our practices and changes in regulations.