



Belfius Sustainability 2024 Investor Summary

Belfius Bank
Treasury and Financial Markets



CONTENT

1. Strategy, vision and ambitions
2. 2024 sustainability highlights, progress and targets
3. ESG Governance and responsibilities
4. Belfius' climate agenda
5. Belfius' commitment to people and society
6. Sustainable finance and Investing

The Belfius Compass



Introduction

Belfius has woven sustainability into our **2025 INSPIRE** strategy and built it upon two guiding principles:

- **Walk the talk** - lead with measurable actions.
- **Customers in the driver's seat** - empower clients to accelerate transition.

Our Goal

To **inspire and enable** customers to achieve their sustainability objectives and, together, deliver the **largest possible impact on climate and society**.





Inspire 2025

Meaningful and inspiring for Belgian Society. Together

FAIRNESS

Balance the interests of all stakeholders: to create **long-term value** for customers and the company, as well as for the **community and the environment**.

AUTHENTICITY

Belfius respects each person's **individuality** and finds differences enriching.

CUSTOMER ORIENTATION

Satisfaction of our customers is and will remain the reference and ambition that governs everything Belfius does.

ENTREPRENEURIAL SPIRIT

Belfius dares to take new paths and **push the limits**. It also has a flair for opportunity that it aims to deliver with **passion, determination and integrity**.



Purpose-driven by design

As a 100% Belgian state-owned bank-insurer Belfius commits to long-term societal value, translating into low-risk lending, sustainable funding structures and inclusive access to finance.

94% of customers express satisfaction with Belfius; 90% believe Belfius makes a positive contribution to Belgian society.



2024 ESG Highlights

6 Commitments for 2025

1

Cut our footprint

Continuously reduce emissions of own operations.

2

Go 100% renewable

Source all electricity from renewables.

3

Support Belgian society

Year after year through local charities.

4

Champion equality

Give women every opportunity and guarantee equal pay.

5

Going for a 100% **meaningful investment offer**

6

Build for the future

Prioritize infrastructure that strengthens the Belgian society.

We are committed to creating a more sustainable society in Belgium by driving solutions that tackle today's challenges and make a lasting difference for tomorrow.

Belfius' 2024 ESG Highlights



Environmental



1,873 tCO2e
12% reduction in 2024

Scope 1 & 2



26.78 MtCO2e
11% increase in 2024

Scope 3
financed
emissions



EUR 2.1 billion
Total investments made in
renewable energy at the
end of 2024

Social



43.5%
Women in senior
management



94%
Customer satisfaction
score



163,000
Social accounts to provide
the most vulnerable with
access to financial
resources

Governance



Board oversight
of ESG strategy with risks
integrated into the enterprise
framework



> EUR 3 billion
Green and social bond
issuances aligned with ICMA
Principles



Business Conduct
Strong emphasis on
upholding the highest
standards of ethics,
compliance, and integrity

Progress against Belfius' key commitments

Topic	Results	2023	2024	Target 2025
CARBON FOOTPRINT (OWN OPERATIONS)	Reducing the footprint of own operations % decrease of carbon footprint (tons of CO2e)	-31%	-48%	-25%
GREEN ELECTRICITY (OWN OPERATIONS)	Opting for 100% renewable electricity % of electricity consumption from renewable sources	95%	96%	100%
GOOD CAUSES	Supporting Belgian society through charities Cumulative support to Belgian good causes since 2015 (in millions of EUR)	37	45	50
(GENDER) DIVERSITY	Giving women every opportunity and guaranteeing equal pay % of women in management positions	40.9%	43.5%	44%
MEANINGFUL INVESTMENTS	Going for a 100% meaningful investment offer % of production in investments in scope (SFDR art 8 & 9)	92%	96%	100%
MEANINGFUL FINANCING INFRASTRUCTURE	Priority to future-proof infrastructure for Belgian society Cumulative loan production in meaningful infrastructure projects since 2020 (EUR billions)	5.2	7.1	5.8

* Belfius is currently defining its strategy for 2030. Between these reviews, the strategy is implemented and, when necessary, refined through specific strategic sessions by the Board of Directors, which include progress assessments and adjustments.

Belfius conducts a comprehensive strategic review approximately every five years

The progress against the 2025 targets are reported for the final time as the 2030 Strategy is currently being formulated.



ESG Governance

From the Boardroom to Action



Board-lead sustainability governance

Belfius Board of Directors holds final responsibility for the sustainability strategy and alignment with long-term business goals. ESG oversight is integrated into risk, audit and remuneration.

Dedicated ESG Leadership

A central Sustainability Office coordinates ESG execution across business lines. Executive members are directly accountable for ESG KPIs.

Cross Departmental Integration

ESG Governance isn't siloed. It involves product development, investment screening, digital innovation, HR and procurement.

ESG Governance at
Belfius

Informed by Recognized Standards and Organizations



REGULATORY REPORTING

- ✓ **ESG Reporting aligned with leading standards:** Belfius is a front-runner in adopting the EU's sustainability disclosure regime, ensuring that investors receive consistent, transparent and comparable ESG data
- ✓ **CSRD Preparedness:** While the full CSRD timeline extends to 2025, Belfius already reports on many required pillars, including double materiality, governance integration and risk transparency
- ✓ **Taxonomy Reporting:** With the transition to the CSRD, Belfius now prepares a sustainability statement, while remaining subject to the EU Taxonomy disclosure obligation. Belfius utilizes the EU Taxonomy to identify climate solutions and financing opportunities, serving as a metric to track its contribution to financing assets that positively impact environmental objectives.
- ✓ **SFDR & SRI Integration:** Belfius Asset Management discloses product-level ESG strategies and adverse impact metrics in line with SFDR
- ✓ **Detailed disclosure of climate-related risks:** Belfius measures its climate-related risks and opportunities and discloses them transparently in line with Task Force on Climate Related Financial Disclosures recommendations
- ✓ Belfius is a signatory to key international standards and organizations including the UN Global Compact Principles, the UNEP FI Principles for Responsible Banking, the UNEP FI Principles for Sustainable Insurance, and the UN Principles for Responsible Investment.



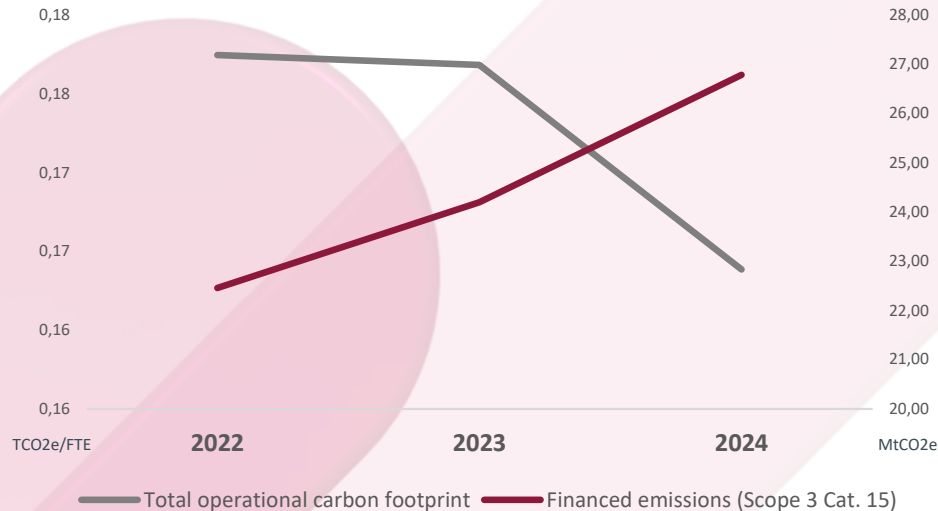
Climate

Strong focus on reducing own climate footprint

GHG Emissions

Belfius measures and discloses its GHG emissions across all operations according to the GHG Protocol and PCAF methodologies annually. Belfius has set targets for its own operations to demonstrate responsibility for its own operational footprint.

Belfius' Historical GHG Emissions



Belfius' Climate Targets On Operational Emissions



Absolute emissions reduction target

To set targets on its operational emissions, Belfius uses the **Science-Based Target initiative (SBTi) methodology** and tools.

- Belfius aims for a **42% reduction in emissions by 2030** from its own buildings, company cars (scope 1), waste, business travel, employee commuting, and franchises (scope 3).



Responsible building management

Focus on energy efficiency, renewable energy transition, climate adaptation, waste reduction, and water preservation across own buildings and buildings leased by Belfius Insurance.

Renewable electricity target of 100% by 2025

- Carbon intensity target of - 64.7% per m2 for **Belfius Insurance** and leased buildings



Green Mobility

Committed to reducing emissions from employee commutes and business travel with a target to **decarbonize car fleet by 2029**. Belfius Auto Lease aims to **reduce fleet CO2 emissions by 50% by 2025** compared to 2022 through fleet electrification.

- Intensity target of Belfius Auto Lease is to decrease its emissions per km by 50% by 2030.

Commitment to supporting clients' transition

CORPORATE SOLUTIONS

Belfius supports projects with a positive environmental impact through investment credit and financial leasing: Launch of **Ambition Loans** in 2024 with the aim of helping companies and public entities finance measures to protect them against potential cyberattacks.

ADVISORY AND SUPPORT SERVICES

Recognizing the challenges and the necessity of sustainable business practices, Belfius is dedicated to the long-term success and resilience of its clients' enterprises.

- Understanding clients' ESG profiles and their progression through dedicated ESG questionnaires completed by corporate clients.
- Providing valuable ESG content to clients, including testimonials, legislative updates, and sector-specific impact strategies
- Belfius urges clients to adopt at least one significant environmental target aligned with their industry.

PUBLIC AND SOCIAL SOLUTION

Energy efficiency

Belfius provides comprehensive solutions through its SBRS (Smart Building & Renovation Solution) offering, which supports clients in real estate projects from audits to final delivery. SBRS Energy focuses on:

- Energy renovation, addressing components like HVAC, electricity, lighting, building envelope, and energy sharing.

RETAIL SOLUTIONS

Energy-efficient housing solutions: To facilitate access to energy efficient housing and renovations, Belfius offers a range of products to its clients:

- Energy-Efficient Housing Rebates 30-Year housing credit,
- Flemish Renovation Credit
- Renovation loan Energy

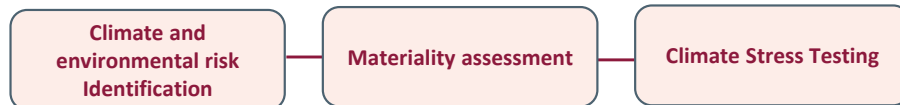
Responsible Mobility Solutions:

- Car Loan energy+: for the purchase of electric or plug-in hybrid cars
- Bike loan: purchasing bicycles or other means of transport that encourage soft mobility.

Retail solutions in 2024	(thousands) EUR	Number of loans
Energy-Efficient Housing Rebates	1,296,152	7,575
30-Year Housing Credit	31,877	131
Flemish Renovation Credit	27,191	716
Renovation loan Energy	43,518	2,429
Car loan Energy +	29,789	1,056
Bike loan	4,245	1,096

Climate and Environmental Risk Management

To ensure Belfius' resilience and profitability climate and environmental risks are regularly assessed, using a flexible and gradual approach and continuously improving data and methods, especially where risks are material.



- With dedicated ESG action plans (reviewed on a yearly basis) aimed at integrating ESG considerations into group strategy, governance, risk management framework and business processes.
- With specialized teams throughout the group ensuring proper implementation.
- With multi-level climate and environmental risk assessments (portfolio level materiality assessments, scenario analyses, stress testing and counterparty-level vulnerability analyses)
- showing that anticipated financial impacts from climate and environmental risk drivers remain within risk appetite limits and are manageable.
- However, data constraints keep complicating ESG risk management.

Climate and Environmental Risk Materiality Assessment

- Assessing the impact of climate-related physical and transition risks on several prudential risk categories (credit, market, liquidity, non-financial and strategic) in the short, medium and long term
 - Mix of qualitative and quantitative methodologies and top down and bottom-up approaches
- ⇒ Credit risk is expected to be the most impacted prudential risk.
- ⇒ Most sensitive sectors in our lending portfolios appear to be real estate/construction, power/energy, manufacturing and transport.

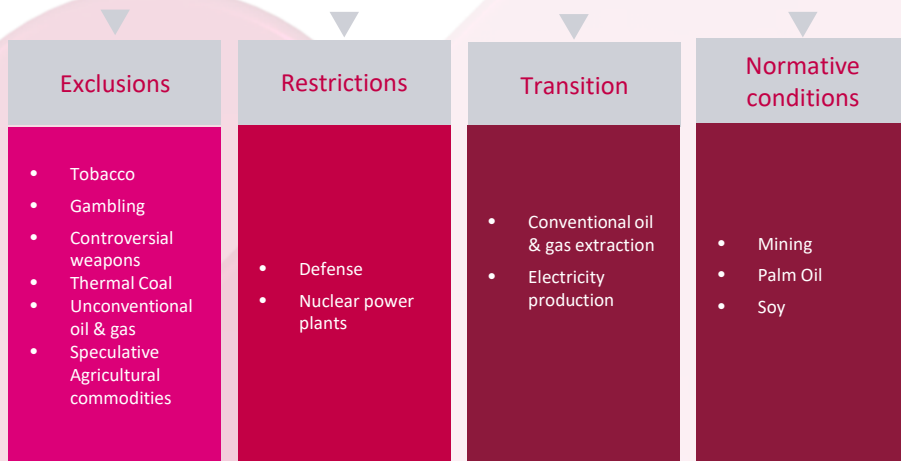
Climate Stress Tests

- Use of several Network for Greening the Financial System (NGFS) - inspired scenarios
 - Focus on impacts by 2030
 - Mortgage Loans Portfolio: Assessing the impact of floods and EPC standards on the debt service capacity and collateral value
 - Corporate Loans Portfolio: Assessing the impact of increases in carbon and/or energy costs and green CAPEX on the financial statements of companies
- ⇒ Anticipated financial impacts (PD increase) remain fully manageable under the given scenarios both for the mortgage loans and corporate loans portfolios.

ESG risk mitigation: responsible policies and standards

TRANSITION ACCELERATION POLICY (TAP)

- requires companies to respect the UNGC principles on human rights, labour rights, anti-corruption and environment
- sets criteria for certain economic activities that are – in whole or in part – considered unsustainable.
- applies to all Belfius entities and core activities
- encourages a transition to sustainable business , reduces potentially negative impacts, enhances Belfius' positive impact on society and the economy.



BELFIUS BANK

- The Risk Appetite Framework (RAF) incorporates ESG-related risk indicators and sets limits on fossil fuel exposures and mortgage loan collateral with poor energy performance.
- Additionally, the New Product Approval Process (NPAP) ensures that ESG risks are considered at the inception.

BELFIUS INSURANCE

- Investment strategy incorporates climate and ESG criteria towards sustainability and reducing GHG emissions.
- ESG criteria used for direct property detained by Belfius by conducting thorough due diligence to assess climate risks and identify mitigation strategies
- Belfius Insurance mitigates physical risks through a reinsurance program and flexible renewable insurance contracts, staying vigilant about evolving climate-related risks.

BELFIUS ASSET MANAGEMENT

- Belfius Asset Management has established a **Responsible Investment Policy** to provide a framework for the setup, governance, and execution of Responsible Investment within the organization.
- Assesses its investments based on Principal Adverse Impacts (PAIs) as outlined in the annual Principal Adverse Sustainability Impacts statement
- To implement active ownership activities, Belfius AM has developed a proxy voting & engagement policies.
- Additional ESG policies (biodiversity, climate, Gender & Diversity, Pollution & Waste, Taxation, and Water Use).

Policies & Charters

ETHICS & GOVERNANCE

- Code of Conduct
- Whistleblowing Policy
- Money Laundering Policy
- Customer Acceptance Policy
- Anti-Fraud Policy
- Anti-Bribery Policy
- Conflicts of Interests Policy
- Tax Policy
- Statement on ESG and remuneration
- ESG Risk Management Framework

PEOPLE & SOCIETY

- Human Rights Policy
- Anti-Discrimination Policy
- Health & Safety Policy

CLIMATE & ENVIRONMENT

- Climate & Environmental Policy
- Transition Acceleration Policy (TAP)

CUSTOMERS

- Customer Acceptance Policy.
- Human Rights Policy
- Transition Acceleration Policy (TAP)

SUPPLIERS

- Sustainability Code of Conduct for Suppliers

Belfius strictly complies with all relevant regulations and has engrained the respect of its values and the management of ESG-related risks in a number of policies



People & Society

Social Responsibility at Belfius



Human Rights

- Strong alignment with UN Global Compact principles & ILO standards.
- Human Rights Policy enhanced in 2023 to meet EU Taxonomy's Minimum Social Safeguards (MSS)
- Integrated into customer acceptance, supplier code of conduct and ESG risk policies.



Diversity & Inclusion

- Signatory to the Women in Finance Charter.
- Equal pay guaranteed and 'giving women every opportunity' embedded in commitments.
- Internal networks & initiatives promoting inclusion, authenticity and belonging.



Community Support

- Continuous engagement with Belgian charities and initiatives.
- Issuance of Social Bonds financing education, healthcare and affordable housing.
- Dedicated social accounts for vulnerable groups.



Sustainable Finance

Sustainable Finance

Green and Social

KEY FEATURES OF BELFIUS GREEN BOND AND SOCIAL BOND FRAMEWORK

Use of Proceeds

Loans and investments realised by Belfius to projects and/or assets in the following categories:

Green categories: Renewable energy, Energy Efficiency, Clean Transportation, Green Real Estate, Waste & Water Management

Social categories: Education, Healthcare, Affordable Housing, Socioeconomic advancement & Empowerment

Management of Proceeds

Belfius will strive, over time, to maintain an aggregate amount of Eligible Assets in a portfolio that matches or exceeds the balance of net proceeds of all outstanding Bonds issued under the Green Bond Framework or the Social Bond Framework

1

Project Evaluation and Selection

The Green & Social Bond Committee will review whether the existing and new assets qualify as Eligible Green/Social Assets.

The Green & Social Bond Committee will review and approve allocations of Social/Green Bond proceeds to Eligible Social/Green Assets.

2

3

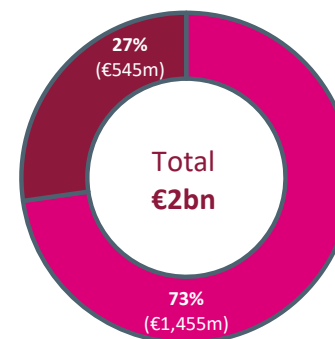
Reporting & External Review

Allocation report: allocation report will be available yearly at the latest one year after the issuance of the first green/social bond.

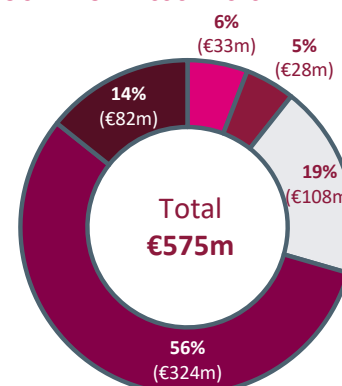
Impact report: Belfius intends to report annually on the environmental impact of the Green Portfolio at an aggregated level

4

GREEN BOND ISSUANCES *



SOCIAL BOND ISSUANCES *



Impact (in Ton CO2 emission avoided/year)

	10,448.32
	196,826.61

Impact

	43,284 loans outstanding
	98,888 students enrolled
	4,571 beds in care centres
	22,434 hospital beds
	1,972,447 inhabitants

* Situation at the end of December 2024.

Disclaimer

This presentation is provided for information purposes only. It does not constitute an offer to buy or sell one or more financial instruments, nor does it represent an investment advice or investment recommendation, nor does it confirm any kind of transaction. No rights may be derived from this document. Although Belfius Bank carefully selects the data and sources mentioned within this document, errors or omissions cannot be excluded a priori. Belfius Bank in no way guarantees the completeness of the information contained in this document and does not accept any liability resulting from an incorrect or incomplete representation of this information. Belfius Bank cannot be held liable for any direct or indirect losses resulting from the use of this document. The intellectual property rights of Belfius Bank must be respected at all times. The contents of this document may not be reproduced without the prior written approval of Belfius Bank. The present document does not constitute investment research as defined by Article 36 (1) of the Commission Delegated Regulation (EU) 2017/565. Belfius Bank stresses that this information has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research. The listed companies are for illustrative purposes only and do not constitute a purchase recommendation. Past performance, simulated past performance, or forecasts of future performance of a financial instrument, financial index or an investment service are no reliable indicators of future performance. Gross performance may be impacted by commissions, fees and other charges. Performance expressed in a currency other than that of the investor's country of residence is subject to exchange rate fluctuations, with a negative or positive impact. When this document refers to a specific tax treatment, such information depends on the individual situation of each investor and may be subject to changes.

