

# Belfius Green Bond

A vibrant landscape featuring a lush green field in the foreground, a line of trees in the middle ground, and a bright blue sky with scattered white clouds. The sun is visible on the right side of the horizon, creating a strong lens flare effect across the field.

Investor Presentation  
May 2021



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# 1 Financial Performance



# Integrated bank-insurer servicing and supporting all segments of the Belgian economy

- Belfius is a Belgian banking and insurance group wholly owned by the Belgian federal state through the Federal Holding and Investment Company (FHIC) since 2011
- more than 50 years of experience as bank and insurer of proximity, more than 3.7m customers: individuals, liberal professions, self-employed and companies
- 160 years of experience as the preferred partner to the public and social sector in Belgium

## Federal Holding and Investment Company (FHIC)

## Belfius Bank & Insurance

### Retail & Commercial Banking(RC)<sup>1</sup>

- #2<sup>3</sup> bank-insurer in Belgium
- #1 in mobile banking<sup>4</sup> in Belgium
- # 2 best bank app<sup>5</sup> in the world
- #3<sup>6</sup> bank to 300,000 professional customers
- EUR 57bn loans to customers
- EUR 123bn savings and investments

### Public & Corporate Banking (PC)<sup>1</sup>

- #1 bank to 10.4k Public & Social sector customers
- #3<sup>6</sup> bank to 11.5k Corporate customers
- EUR 40bn loans to customers
- EUR 41bn savings and investments

### Group Center (GC)<sup>1</sup>

- ALM Liquidity Bond portfolio (EUR 7.5bn)
- Run-off portfolios
  - ALM Yield Bond portfolio (EUR 3.4bn)
  - derivatives (EUR 12.2bn)
  - credit guarantees (EUR 3.2bn)
- Other non-core activities

### Belfius Insurance<sup>1</sup>

- #5<sup>2</sup> insurer in Belgium offering a broad range of life and non-life insurance products
- 3 distribution channels: Belfius Bank channels, DVV Insurance, Corona Direct Insurance
- #1 in insurance digital features in Belgium
- EUR 737m GWP non-life
- EUR 967m GWP life
- EUR 16bn insurance reserves

# Belfius' financial capacity allows to continue to support the Belgian society and to invest in a sustainable business model, even though management overlays for cost of risk related to Covid-19 crisis materially impact the net result

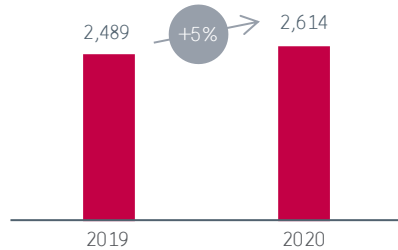
<u>2019</u>		<u>2020</u>
€1,036m	Pre-provision income	€1,149m
€667m	Net income	€532m
58.4%	Cost / income ratio	56.0%
15.9% <sup>1</sup>	CET1 ratio	17.1% <sup>1</sup>
€20.6bn	LT loans production	€20.0bn
€10.0bn <sup>1</sup>	Net Asset Value	€10.2bn <sup>1</sup>
€100m	Dividend	€77m (+ €130m) <sup>2</sup>



# Increasing income dynamics, combined with cost containment but increasing Covid-19 related cost of risk leading to substantially lower net income

## Increasing total revenues

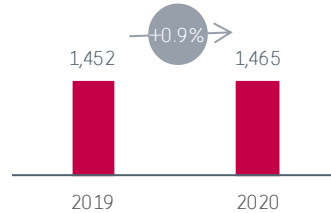
Total income  
EUR m



- Strong commercial dynamics and strict balance sheet management discipline lead to increasing total revenue base, mainly thanks to:
  - continued lending growth at increasing margins
  - volume growth in customer investments, leading to further increasing F&C income
  - improved NCR in non-life insurance activity
- Total income amounted to EUR 2,614m in 2020 (vs EUR 2,489m in 2019)

## Contained costs with strategic investments in IT & digital

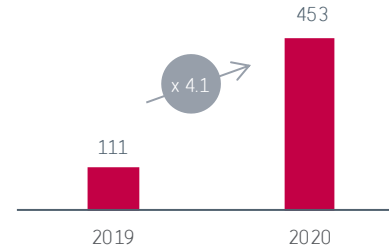
Expenses  
EUR m



- 2020 expenses remained fairly stable (EUR 1,465m) compared to 2019 thanks to general cost control measures, notwithstanding Belfius' continued growth journey driven by digitalization and modernization, hence impacting IT expenses. The excellent service quality that Belfius was able to give to its customers during the Covid-19 lockdown underlines the pertinence of this digital transformation strategy
- C/I ratio decreased to 56.0% in 2020

## Cost of risk

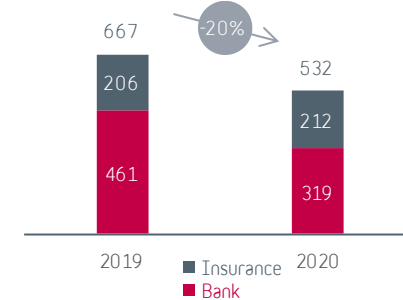
Cost of risk  
EUR m



- As a consequence of the Covid-19 crisis, the cost of risk increased strongly from EUR 111m in 2019 to EUR 453m in 2020 due to
  - Covid-19 related anticipative provisioning, amounting to EUR 331m
  - stage 3 provisioning contributing for EUR 122m, reflecting default inflows as well as some additional specific impairments for a number of corporate loans that were already higher risk profile pre-Covid-19 crisis

## All-in-all lower net income

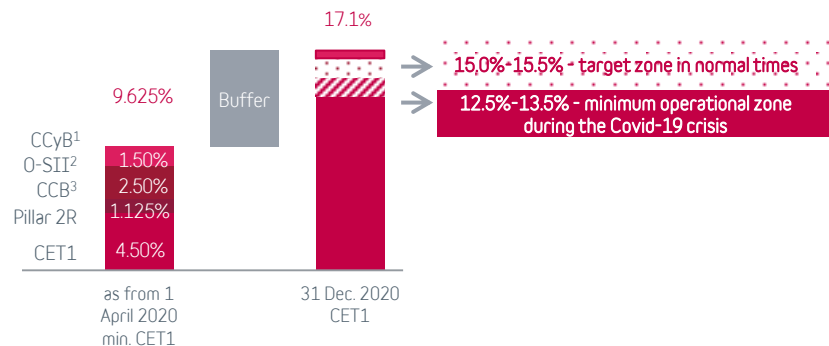
Net income  
EUR m



- All in all leading to a net income of EUR 532m in 2020 compared to EUR 667m in 2019
- Belfius Bank contributed EUR 319m and with the insurer contributing more than one third (EUR 212m) of the total net income, it is again the demonstration of the resilience of a bank insurance model in a challenging environment

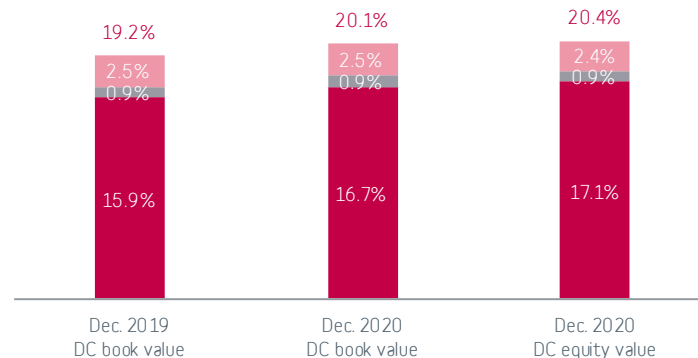
# Slightly adjusted capital framework, in line with strategic priorities, also during Covid-19 crisis

## Belfius' December 2020 CET1 capital target zones & SREP requirement



- As from 1 April 2020, some countercyclical buffers have been relaxed, resulting in a minimum CET1 requirement of 9.625% during the remainder of 2020
- The ECB also notified Belfius of a Pillar 2 Guidance (P2G<sup>4</sup>) of 1% CET1 ratio for 2020 (same as in 2019), a recommended buffer to be held over the minimum requirements set forth above
- As of December 2020, Belfius' CET1 ratio stood at 17.1%, well above both the minimum supervisory requirement and its internally defined minimum operational CET1 ratio zone

## CET1, Tier 1 and total capital ratio<sup>5</sup>

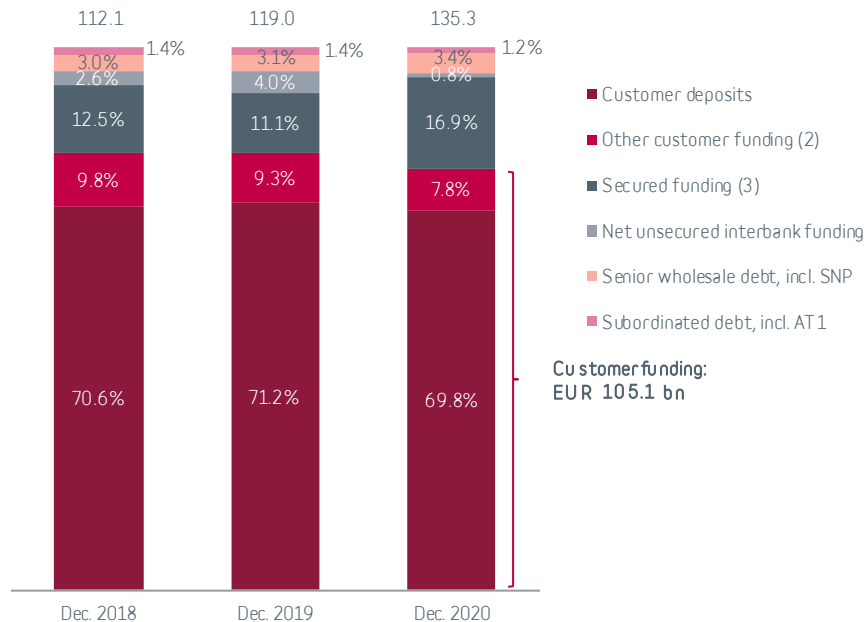


- CET1 ratio stood at 17.1%, 126 bps up compared to Dec. 2019 as a result of a positive impact of higher CET1 capital (+214 bps) and a negative impact of higher total risk exposure (-88 bps)
- Total capital ratio stood at 20.4%
- Since 4Q 2020, Belfius applies the Danish compromise based on Belfius Insurance equity value instead of book value in the consolidated accounts

# Belfius Bank has a continuously increasing funding base, driven by significant contribution from RC and PC customers, as well by diversified wholesale funding

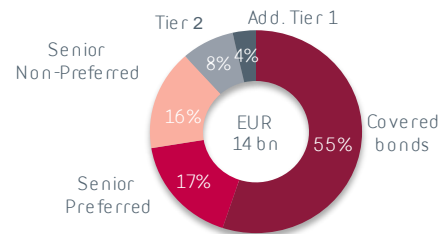
## Funding sources<sup>1</sup>

EURbn



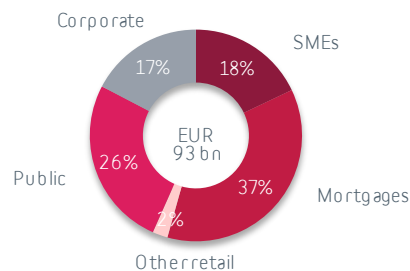
## MLT wholesale funding strategy<sup>1</sup>

As of Dec. 2020

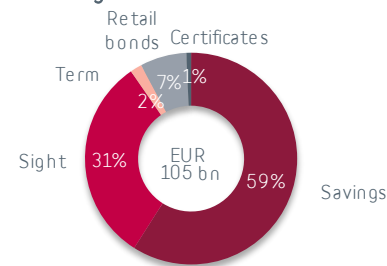


## Loans to customers and customer funding mix 2020<sup>1</sup>

### Loans to customers



### Customer funding



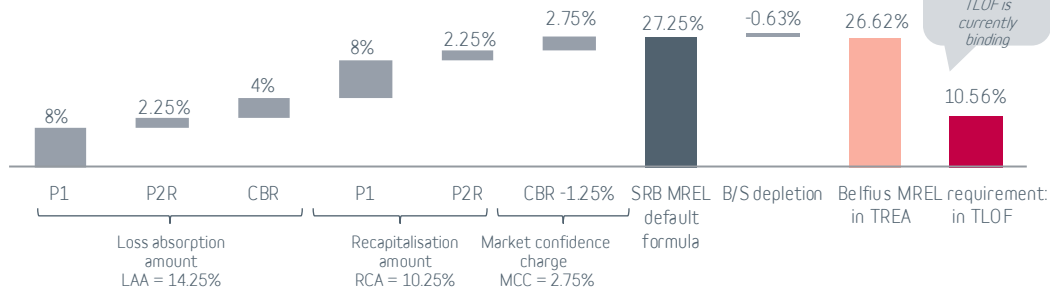


# SRB MREL requirement for Belfius

## SRB methodology and formal requirement

### Used Methodology and SRB requirement<sup>1</sup>

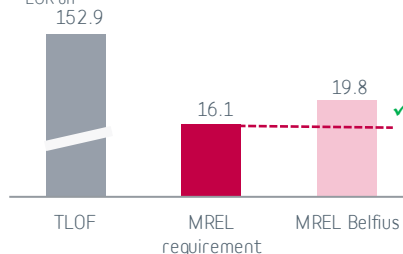
% TREA



## Belfius' compliance

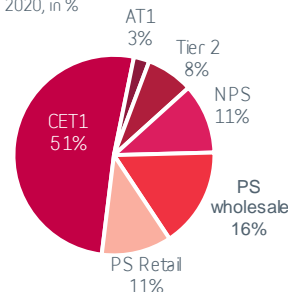
### Compliance as of December 2020

EUR bn



### MREL eligible instruments<sup>3</sup>

Dec. 2020, in %



- On 17 April 2019, the National Bank of Belgium (NBB) notified Belfius Bank of the MREL requirement imposed by the Single Resolution Board (SRB), setting the consolidated MREL requirement for Belfius Group at 10.56% of Total Liabilities and Own Funds (TLOF<sup>2</sup>), to be met at all times. Based upon data as of 31 December 2020 and according to the current Banking Recovery and Resolution Directive (commonly referred to as 'BRRD1'), Belfius' eligible own funds and liabilities for MREL purpose stood at EUR 19.8bn, in excess of the MREL requirements of EUR 16.1bn
- On 28 January 2021, the NBB notified Belfius that going forward it is to execute the SRB MREL instruction regarding the minimum requirement for equity and eligible liabilities at the consolidated level of Belfius Bank under BRRD2. For Belfius Bank, the MREL requirement on a consolidated basis is set at 22.87% of TREA<sup>4</sup> and 6.84% of LRE<sup>5</sup>. Belfius Bank must meet the target no later than 1 January 2024 and must provide for a linear build-up of equity and eligible liabilities towards the requirement. The SRB also determined an interim target of 22.37% of TREA and 6.84% of LRE which must be met by 1 January 2022. The SRB MREL instruction also provides for a subordination requirement: Belfius Bank must meet at least 15.25% of TREA and 6.84% of LRE by means of subordinated MREL. Own funds used to meet the combined buffer requirement (CBR) set out in Directive 2013/36/EU (at 4% of TREA for Belfius currently) are not eligible to meet the requirements expressed in TREA. Belfius Bank must comply with this subordination requirement by 1 January 2024 at the latest, taking into account an intermediate requirement of 15.25% of TREA and 6.84% of LRE that must be met by 1 January 2022
- With the annual review of MREL requirements by SRB, Belfius currently estimates that its MREL subordination requirement could be lowered from 2023 onwards, to 13.5% of TREA (or 17.5% of TREA including current CBR requirement), based on forward looking assessment of the formula applied by SRB
- It is to note that Belfius is to be impacted by a change in MREL eligibility, from 1 January 2021 onwards, whereby "liabilities should be directly issued and should not be owned by an undertaking in which the institution has a participation of more than 20%". As a consequence, the liabilities issued by Belfius Financing Company (Belfius' Luxembourg-based issuance vehicle for CP and Retail Bonds) cease to be MREL-eligible and are to be excluded. Applying this exclusion pro forma as per end 2020, Belfius MREL would be EUR 2.2bn lower (from EUR 19.8bn to EUR 17.6bn)

## 2 Sustainability at Belfius



# Sustainability at the heart of Belfius' purpose and strategy



*Meaningful  
& Inspiring  
for the Belgian  
society.  
Together.*

As unique **bank-insurer** entirely dedicated to the **Belgian economy**, Belfius bears a **high degree of responsibility** as an actor of change for the **Belgian society**.

The responsibility to consider sustainability in everything that we do is **part of our history and cultural DNA**. One illustration of this, is our role of leader in the Public & Social sector, where we inspire and facilitate societal projects since generations, contributing everyday to local prosperity.

We believe Belfius can and should be **meaningful and inspiring** in the challenges ahead on all three components of sustainability : **Environmental, Social and Governance**, which are equally important at Belfius.

Belfius, meaningful & inspiring for the Belgian society. Together.

# Our 10 commitments for 2025-2030 as a guiding compass to speed up the transition towards a sustainable society

1 Be a **LEADING ACTOR** in the transition to a **SUSTAINABLE** Belgian **ECONOMY & SOCIETY**

2 Being and remaining **CO<sub>2</sub> NEUTRAL**

3 Encouraging customers to **INVEST SUSTAINABLY**

4 Actively working towards a **SUSTAINABLE BALANCE SHEET**

5 Reinventing our **MOBILITY** with a forward-looking vision

6 Making future-proof **INFRASTRUCTURE** an absolute priority

7 **PRIVACY** and data protection of our customers is paramount

8 **EQUAL** opportunities and **SOCIAL** commitment are and remain our leitmotiv

9 Setting an example as an **EMPLOYER**

10 **RISK** management and **FINANCIAL STABILITY** are an absolute essential for Belfius

Belfius publicly committed to conducting business in a sustainable and responsible way by signing a number of engagements that shape the landscape of sustainability

### Signed engagements at international level

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### Signed engagement at Belgian level

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- First major Belgian bank to sign up to Belgian Alliance for Climate Action, committing to Science Based targeting
- Member of the Belgian Institute for Sustainable IT, committing to promoting a more sustainable, ethical and responsible digital world



# Sustainability at Belfius, the road so far...

## “ Environment

- Certified **CO<sub>2</sub> neutral** company for Belfius' own operations (early March 2020) by CO<sub>2</sub>logic, validated by Vinçotte \*
- EUR 1.6bn **financing for renewable energy** (loans and project finance)
- Only Belgian bank-insurer involved in the **financing of all 8 offshore wind farms** in Belgium
- Exclusive **partnership with Airscan** (a subsidiary of CO<sub>2</sub>logic), to measure and improve air quality in and around Belgian schools

## “ Social

- **# 1** in financing of cities and municipalities, hospitals and care sector
- 180k **social accounts**
- **Minor exposure** (0.5%) in what is considered as 'sensitive sectors', e.g. tobacco, gambling, weapons, palm oil, soy ...
- **Philanthropic Funds** in succession planning
- **Thematic funds of the future** (see next slide)

## “ Governance

- ESG responsibility at level of **CEO** at Management Board level
- **ESG criteria included in all management contracts** for variable remuneration
- **33.8% women in senior management** positions end 2020 (target 44% in 2025)

## Thematic Funds of the Future

740 k EUR  
transferred to  
good causes

### Cure

Fund investing in companies that contribute to the battle against cancer with the development of new treatments and technologies

Stichting tegen Kanker  
(Foundation Against Cancer),  
an organisation dedicated to accompanying cancer patients, detection and prevention of cancer and new treatments

### Climate

Fund investing in companies that focus on climate solutions to counter climate change or invest in technologies to adapt to new climate conditions

Several CO<sub>2</sub> compensation projects in cooperation with CO<sub>2</sub> Logic

### Wo=Men

Fund investing in companies sustaining diversity on 4 criteria : gender balance, work / life balance, policies promoting gender equality, transparency and accountability

Boost,  
helping young underprivileged women to get a high school certificate (material support, coaching, ...) and hence, to offer them a brighter future

### Be = Long

Fund investing in companies sustaining a better wellbeing, silver economy in 3 themes : easy & comfortable life, health, happy & enjoyable life

Tubbe,  
an initiative of King Baudouin Foundation, aiming to innovate the way Residential Care Centres are operated, helping to make them a better place to live and work and boosting autonomy of its residents



# Key element in the road ahead : Transition Acceleration Policy (TAP)

## ESG sector limitation criteria applied to Belfius' activities

### Controversial sectors

- UN Global Compact (10 principles) offenders are excluded
- Sensitive sectors to which criteria apply:
  - Tobacco
  - Gambling
  - Weapons
  - Energy : Thermal coal & Unconventional oil & gas extraction, Conventional oil & gas extraction, Electricity production, Nuclear power plants
  - Mining
  - Palm oil
  - Soy
  - Agricultural commodities (only stock market trading)

### Transition Acceleration Policy approach

#### A double baseline

- Encourage and support businesses in their shift towards more sustainable activities
- Reduce negative impact of our activities by discontinuing or limiting support of non-sustainable activities

#### The activities in scope (all)

- Counterparties: all companies with whom Belfius has a direct professional relationship (direct actors)
- Activities: all products & services of all Belfius entities
- Distinction between 2 groups of activities: (1) Loans & related activities (e.g. leasing) and (2)

#### Investments & related services

- Principles of exclusion/restriction are the same, but slightly different criteria are applied (due to the different context of both activity groups)
- Out of scope are: some investment product types, over which Belfius does not have full control + 'execution only' transactions
- A minimum bank service ('Basisbankdienst/Service bancaire de base') is guaranteed (by law) at all times

#### The TAP will be incorporated into existing processes and procedures

The approach will be differentiated depending on whether the company in scope is an existing (gradual phasing out) or new client (immediate application).

# 3 Belfius Green Bond Framework





## Belfius Green Bond Framework

The Belfius Green Bond Framework is structured in compliance with the core components of the Green Bond Principles, 2018 edition, presented through the following pillars:

- 1 Use of proceeds
- 2 Process for green asset evaluation and selection
- 3 Management of proceeds
- 4 Reporting
- 5 External review



### Green Bond Principles

Voluntary Process Guidelines for Issuing Green Bonds  
June 2018



# Belfius Green Bond Framework













Use of proceeds

Process for green asset evaluation and selection

Management of proceeds

Reporting

External review

Eligible Category	Eligibility Criteria	Contribution to SDGs
Renewable Energy	Loans or investments to finance/refinance the equipment, development, construction, operation, distribution, infrastructure and maintenance of renewable energy projects	  
Energy Efficiency	Loans or investments to finance/refinance energy efficiency projects	  
Clean Transportation	Loans or investments to finance/refinance public land transport (e.g. subways, trains, trams, buses, cycleways) and clean transportation	
Green Real Estate	<ul style="list-style-type: none"> <li><b>Commercial:</b> loans or investments to finance/refinance new and existing commercial real estate belonging to the top 15% most efficient buildings or complying with a recognised external certification</li> <li><b>Residential:</b> mortgage loans or residential dwellings in a certain region belonging to the top 15% most efficient buildings in that region based on the local building code, building year or EPC certificate</li> <li>Loans or investments to renovate existing residential and commercial buildings achieving an energy reduction of at least 30%</li> </ul>	 
Waste & Water Management	Loans or investments to finance/refinance the equipment, development, construction, operation and maintenance of water distribution systems to improve water use efficiency and/or water quality, water recycling and wastewater treatment plants, waste recycling and treatment plants	  

# Belfius Green Bond Framework



- Potential Eligible Green Assets are assessed against Belfius' regular credit policies.
- The commercial business lines and/or Structured Finance are in charge of selecting the public, social and corporate assets, in compliance with the Eligibility Criteria.
- The selected green assets are submitted to the Green Bond Committee, for compliance verification with the Eligibility Criteria and final approval on their inclusion in the Green Portfolio.
- The process for evaluation and selection of green retail mortgage loans is fully automated, based on the Eligibility Criteria.

## Green Bond Committee

The Green Bond Committee is composed of the Head of the CSR Department, representatives from the commercial business lines, Head of Long Term Funding and Head of Structured Finance. The Green Bond Committee meets on a quarterly basis.

# Belfius Green Bond Framework

Use of proceeds

Process for green  
asset evaluation and  
selection

Management of  
proceeds

Reporting

External review

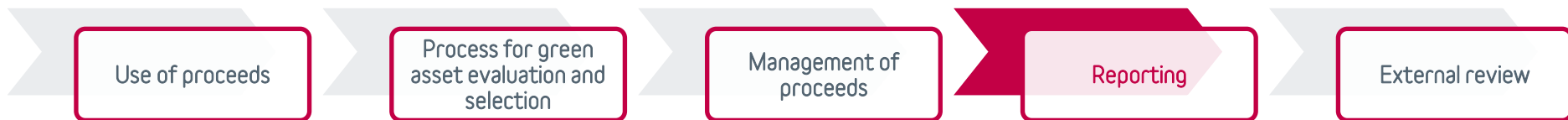
- Constitution of a **"Green Portfolio"** in line with both the Eligibility Criteria and evaluation and selection process, reviewed and actively managed by the Green Bond Committee.
- Loans that have matured, redeemed or no longer meet the Eligibility Criteria will be replaced on a best effort basis.
- Verification of sufficient eligible green assets
- Balance of unallocated net proceeds will be invested within the treasury portfolios in money market products, cash and/or cash equivalent.

Green Portfolio

Outstanding  
Green Bonds

Belfius will strive for the availability of sufficient eligible green assets in line with issued green bonds

# Belfius Green Bond Framework



- Belfius will publish annually a report detailing information on both the allocation of proceeds of Green Bonds and the environmental impact of the selected eligible green assets included in the Green Portfolio.
- Both the allocation of proceeds report and the impact report will be made publicly available in the Green Bond section of Belfius' website



<https://www.belfius.be/about-us/en/investors/debt-issuance/green-bonds>

## Allocation of proceeds report

This report provides information about:

- The total amount of green bonds issued;
- The Green Portfolio including a breakdown per Eligible Category;
- The balance of unallocated proceeds, if any.

## Impact reporting

- Environmental impact of the Green Portfolio at an aggregated level per Eligible Category
- Report on potential environmental output and impact indicators.



# Belfius Green Bond Framework

Use of proceeds

Process for green asset evaluation and selection

Management of proceeds

Reporting

External review

Eligible Category	Potential Output indicators	Potential Impact indicators
Renewable Energy	<ul style="list-style-type: none"> <li>Installed capacity (MW)</li> <li>Expected energy production (MWh/year)</li> </ul>	<ul style="list-style-type: none"> <li>Avoided CO<sub>2</sub> emissions (tCO<sub>2</sub>/year)</li> </ul>
Energy Efficiency	<ul style="list-style-type: none"> <li>Energy savings (MWh/year)</li> <li>Breakdown of energy efficiency projects by types of technology (%)</li> </ul>	<ul style="list-style-type: none"> <li>Avoided CO<sub>2</sub> emissions (tCO<sub>2</sub>/year)</li> </ul>
Clean Transportation	<ul style="list-style-type: none"> <li>Number of passengers carried annually</li> <li>Tons of freight transported annually</li> <li>Numbers of electric vehicles financed</li> <li>Number of built or renovated kilometers</li> </ul>	<ul style="list-style-type: none"> <li>Avoided CO<sub>2</sub> emissions (tCO<sub>2</sub>/year)</li> </ul>
Green Real Estate	<ul style="list-style-type: none"> <li>Breakdown of commercial green Buildings financed by type of certification (%)</li> <li>Average age/EPC level of dwellings financed</li> </ul>	<ul style="list-style-type: none"> <li>Avoided CO<sub>2</sub> emissions (tCO<sub>2</sub>/year)</li> </ul>
Waste & Water Management	<ul style="list-style-type: none"> <li>Breakdown of waste &amp; water management projects by types of technology (%)</li> </ul>	<ul style="list-style-type: none"> <li>Treated wastewater (m<sup>3</sup>/year)</li> <li>Treated waste (m<sup>3</sup>/year)</li> </ul>

# Belfius Green Bond Framework

Use of proceeds

Process for green  
asset evaluation and  
selection

Management of  
proceeds

Reporting

External review

## Second Opinion

- Belfius has mandated Sustainalytics to provide a second opinion for its Green Bond Framework.
- Sustainalytics has reviewed Belfius Green Bond Framework and issued a second opinion confirming the alignment of it with the Green Bond Principles.
- *Extract of the opinion : ‘Sustainalytics is confident that Belfius is well-positioned to issue green bonds and that the Belfius Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2018.’*



## Verification

Belfius will request on an annual basis, starting one year after the issuance of its inaugural green bond and as long as green bonds are outstanding, a limited assurance report of the allocation of the green bond proceeds to its Green Portfolio, provided by an independent external auditor.

The limited assurance report will be made available in the Green Bond section of Belfius' website



(<https://www.belfius.be/about-us/en/investors/debt-issuance/green-bonds>)

# 4 Belfius Green Portfolio



# Belfius Green Portfolio

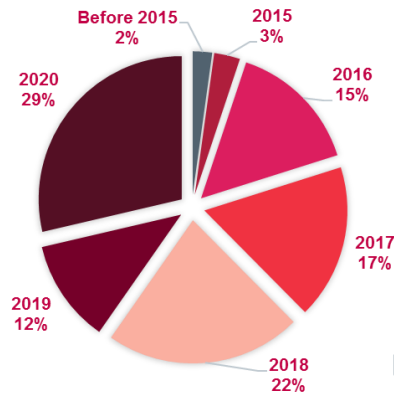
Belfius' Green Bond Framework permits to include 5 categories of assets in the Green Portfolio:

Eligible Category	Eligibility Criteria	To be included for the inaugural issuance
Renewable Energy	Offshore and onshore wind, solar photovoltaic power	
Energy Efficiency		
Clean Transportation		
Green Real Estate	Residential mortgage loans financing the top 15% most efficient buildings in Flanders and Wallonia	
Waste & Water Management		

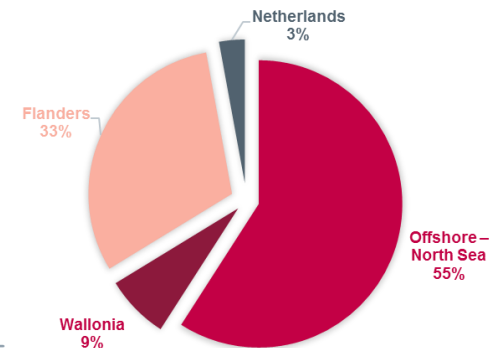
The first issuance will be covered by an equal mix of renewable energy projects and green residential mortgage loans

## Zoom on eligible renewable energy projects

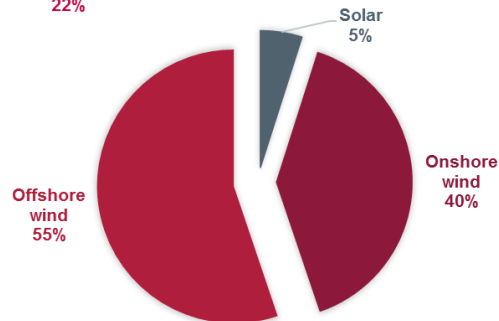
LOAN START YEAR



PROJECT LOCATION



ENERGY TYPE



- Number of identified projects: **22**
- Total identified outstanding loan amount: **EUR 547m**
- Average loan size: **EUR 25m**
- Number of wind turbines financed: **476**
- Total energy capacity installed: **2,292 MW**

## Zoom on two eligible renewable energy projects



### Focus on the VLEEMO 3 NV project

**Financial Close Date:** 2016 (part 1 and 2) - 2017 (part 3) - 2020 (part 4)

**Project:** 27 wind turbines on the right bank of the Antwerp Harbour

**Technology:** Onshore wind turbines

**Location:** Antwerp - Belgium

**Share of Belfius financing:** 100%

**Loan maturity:** depending on parts, from 2030 until 2035

**Capacity:** 83.65 MW



### Focus on the AG Heylen Energy project

**Financial Close Date:** 2020

**Project:** Comprises the world's most powerful solar panel roof situated in Venlo

**Technology:** Solar panels

**Location:** Netherlands

**Share of Belfius financing:** 100%



**Loan maturity:** 2035

**Capacity:** 18 MWp, over 48,040 panels

# Zoom on eligible green residential mortgage loans

Only residential mortgage loans that finance new houses or apartments fulfilling the building permit and energy efficiency regulation as from 2012 or later in Flanders and Wallonia with a time lag of 3 years to take into account the construction period.

These properties belong for sure to the top 15% of the most energy efficient residential dwellings:

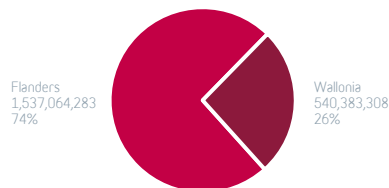
Region	Regulation for new residential properties	Energy certificate distribution																																																																		
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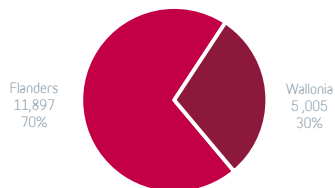
# Zoom on eligible green residential mortgage loans

Based on the green residential mortgage loan criteria, we have identified EUR 2,077 million of green residential mortgage loans

Regional Distribution  
Outstanding Balance (in EUR)



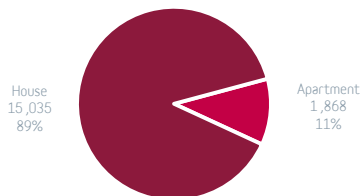
Regional Distribution  
CO<sub>2</sub> reduction (ton/year)



Property Type Distribution  
Outstanding Balance (in EUR)



Property Type Distribution  
CO<sub>2</sub> reduction (ton/year)



Vintage	Outstanding balance (in EUR)		CO <sub>2</sub> reduction (ton/year)	
2015	106,173,996	5.11%	938	5.55%
2016	303,088,811	14.59%	2,649	15.67%
2017	395,845,535	19.05%	3,406	20.15%
2018	442,299,727	21.29%	3,720	22.01%
2019	583,137,130	28.07%	4,397	26.01%
2020	229,441,861	11.04%	1,649	9.75%
2021	17,460,532	0.84%	146	0.86%
Total	2,077,447,591	100.00%	16,903	100.00%

Note: All data as of 26 April 2021










## Annexes

# Overview of the target transaction

<b>Issuer</b>	Belfius Bank SA/NV
<b>Securities</b>	Fixed Rate Green Senior Non-Preferred Notes, RegS Dematerialised
<b>Issuer Ratings</b>	A1 (Stable) / A- (Stable) / A- (Stable) by Moody's / S&P / Fitch
<b>Expected Issue Rating</b>	Baa2 (Moody's) / BBB+ (S&P)
<b>Currency</b>	Euro ("EUR")
<b>Size</b>	EUR 500m (WNG)
<b>Maturity</b>	[ ] 2027
<b>Interest</b>	Fixed rate
<b>Waiver of Set-Off</b>	No Noteholder may exercise or claim any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer arising under or in connection with the Senior Non-Preferred Notes.
<b>Early Redemption</b>	The Senior Non-Preferred Notes may be redeemed prior to their maturity date, in whole but not in part, at the Redemption Amount together with accrued and unpaid interest, at the option of the Issuer upon the occurrence of (a) a Tax Event or (b) a MREL/TLAC Disqualification Event, subject to (i) in the case of a Tax Event Condition 3(h) (Conditions to redemption) and (ii) in the case of a MREL/TLAC Disqualification Event, subject to such redemption being permitted by the Applicable MREL/ TLAC Regulations and to Condition 3 (h) ((Conditions to redemption)
<b>Substitution / Variation</b>	The Issuer may, at its sole discretion and without the consent of the Noteholders, substitute or vary the terms of all, but not some only, of the Senior Non-Preferred Notes so that they become or remain Qualifying Securities upon a MREL/TLAC Disqualification Event, subject to compliance with any conditions prescribed under the Applicable Banking Regulation, including the prior approval of the Lead Regulator (if required)
<b>Events of Default</b>	If default is made in the payment of any principal or interest due in respect of the Senior Non-Preferred Notes and such default continues for a period of 30 days or more after the due date, any holder of Senior Non-Preferred Notes may institute proceedings for the dissolution or liquidation of the Issuer in Belgium. Each holder of Senior Non-Preferred Notes may give written notice to the Agent at its specified office that its Senior Non-Preferred Notes are immediately repayable in the event of a dissolution or liquidation of the Issuer. No other remedy against the Issuer other than as referred above and further in Condition 11 of Belfius EMTN Base Prospectus shall be available to holders of Senior Non-Preferred Notes
<b>Acknowledgement of Bail-in Power</b>	Each Noteholder (which includes any current or future holder of the Notes) acknowledges and accepts that the Notes may be subject to the Bail-in Power by the Resolution Authority as further described under Condition 14(c) of the EMTN Base Prospectus dated 5 May 2021 as supplemented on 26 May 2021.
<b>Use of Proceeds</b>	An amount equivalent to the net proceeds of the Notes is intended to be applied to finance and/or refinance, in whole or in part, loans and investments realised by the Issuer to finance projects and/or assets (the "Eligible Green Assets"), as described in the applicable Final Terms and in the Issuer's green bond framework (as amended and/or supplemented from time to time, the "Green Bond Framework"), such Notes being referred to as "Green Bonds".
<b>Listing</b>	Luxembourg Stock Exchange
<b>Denominations</b>	100k + 100k
<b>Governing Law</b>	Belgian law
<b>Documentation</b>	Belfius EMTN Base Prospectus dated 5 May 2021 as supplemented on 26 May 2021
<b>Target Market</b>	Eligible Counterparties and Professional Clients only (all distribution channels). No PRIIPs. No KID.

## Annex: Detailed description Eligible Categories (1)

Eligible Category	Eligibility Criteria	Contribution to UN SDGs
Renewable Energy	<p>Loans or investments to finance/refinance the equipment, development, construction, operation, distribution, infrastructure and maintenance of renewable energy projects such as:</p> <ul style="list-style-type: none"> <li>▪ Offshore and onshore wind</li> <li>▪ Solar photovoltaic power</li> <li>▪ Hydropower (with lifecycle GHG emissions &lt; 100gCO<sub>2</sub>/kWh or power density &gt; 5W/m<sup>2</sup>)</li> <li>▪ Geothermal projects (with lifecycle GHG emissions &lt; 100gCO<sub>2</sub>/kWh)</li> <li>▪ Energy from biomass (such as forest residues, or municipal waste but excluding biomass from sources competing with food production, depleting carbon pools or grown on land with high biodiversity), (with lifecycle GHG emissions &lt; 100gCO<sub>2</sub>/kWh)</li> </ul>	  
Energy Efficiency	<p>Loans or investments to finance/refinance energy efficiency projects, such as:</p> <ul style="list-style-type: none"> <li>▪ Energy storage efficiency projects</li> <li>▪ Smart grid solutions</li> <li>▪ Energy efficient lighting such as LED</li> </ul>	  
Clean Transportation	<p>Loans or investments to finance/refinance public land transport (e.g. subways, trains, trams, buses, cycleways) and clean transportation such as:</p> <ul style="list-style-type: none"> <li>▪ Rail infrastructure, including station upgrade</li> <li>▪ Rolling stock for passenger and freight transportation (zero direct emissions), excluding fossil fuel transportation</li> <li>▪ Electric and hybrid (with CO<sub>2</sub> emission &lt;50g CO<sub>2</sub>/km) vehicles, including charging infrastructure</li> <li>▪ Construction or improvement of bicycle lanes, bicycle parking and bicycle sharing systems</li> </ul>	

## Annex: Detailed description Eligible Categories (2)

Eligible Category	Eligibility Criteria	Contribution to UN SDGs
Green Real Estate	<p><b>Commercial:</b></p> <ul style="list-style-type: none"> <li>Loans or investments to finance/refinance new and existing commercial real estate belonging to the top 15% most efficient buildings or complying with a recognised external certification with a minimum level of BREEAM : Very Good or equivalent</li> <li>Loans or investments to renovate existing commercial buildings achieving an energy reduction of at least 30%.</li> </ul> <p><b>Residential:</b></p> <ul style="list-style-type: none"> <li>Mortgage loans for residential dwellings in a certain region (Flanders, Wallonia and Brussels) belonging to the top 15% most efficient buildings in that region based on the local building code, building year or EPC certificate</li> <li>Loans or investments to renovate existing residential buildings achieving an energy reduction of at least 30%.</li> </ul>	 
Waste & Water Management	<p>Loans or investments to finance/refinance the equipment, development, construction, operation and maintenance of:</p> <ul style="list-style-type: none"> <li>Water distribution systems to improve water use efficiency and/or water quality</li> <li>Water recycling and wastewater treatment plants</li> <li>Waste recycling and treatment plants</li> </ul>	  



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