



BELFIUS BANK SA/NV

*incorporated with limited liability (naamloze vennootschap/société anonyme) in Belgium
Place Charles Rogier 11, 1210 Brussels, Belgium
Enterprise number 0403.201.185 – RLE Brussels
(the “**Issuer**”)*

CONVOCATION TO THE GENERAL MEETING OF NOTEHOLDERS

The Issuer has the honour to invite the holders of the outstanding €500,000,000 3.125 per cent. Fixed Rate Subordinated Notes due 11 May 2026 issued on 11 May 2016 (ISIN: BE0002251206) (the “**Fixed Rate Subordinated Notes (Tranche 1)**”) and €50,000,000 3.125 per cent. Fixed Rate Subordinated Notes due 11 May 2026 issued on 17 February 2017 (ISIN: BE0002251206) (the “**Fixed Rate Subordinated Notes (Tranche 2)**”) and together with the Fixed Rate Subordinated Notes (Tranche 1), the “**Notes**”) to attend the general meeting of such Noteholders to be held on 1 April 2021 at 10 a.m. Brussels time at the offices of the Issuer at Place Charles Rogier 11, 1210 Brussels, Belgium (the “**Meeting**”) in order to deliberate and decide on the resolution described in paragraph 3 below. If applicable government measures in the fight against the Covid-19 pandemic restrict the Issuer to have the Meeting take place physically, the Meeting will be organised in electronic form. In such case, Noteholders will not be able to physically participate at the Meeting. Noteholders who submitted a Meeting Notification indicating that they wish to be present or represented at the Meeting should request the relevant participation instructions from the Tabulation Agent, the contact details for which appear on the last page of the Consent Solicitation Memorandum (as defined below).

Further information on the Meeting and related matters, including the requirements to participate in the Meeting and the applicable quorum and majority, is included in a memorandum prepared by the Issuer (the “**Consent Solicitation Memorandum**”). Noteholders may obtain, from the date hereof, a copy of the Consent Solicitation Memorandum from the Tabulation Agent (Telephone: +44 20 7704 0880 / Fax: + 44 20 3004 1590 / Email: belfius@lucid-is.com / Attention: Arlind Bytyqi / Voting Website: www.lucid-is.com/belfius). The Consent Solicitation Memorandum is also available on the website of the Issuer (<https://www.belfius.be/about-us/en/investors/debt-issuance/stand-alone/tier2-stand-alone>).

In this notice, unless a contrary indication appears, terms used in the Consent Solicitation Memorandum or the terms and conditions of the Notes have the same meaning and construction.

1. Background

The purpose of the Consent Solicitation is for Noteholders to approve, by Extraordinary Resolution at the Meeting, the inclusion of a new condition in the Conditions of the Notes with respect to the exercise of the bail-in power of the relevant resolution authority in accordance with Article 55 of the EU Bank Recovery and Resolution Directive 2014/59/EU (as amended, “**BRRD**”).

As described by the Single Resolution Board (the “**SRB**”) in its 2020 MREL Policy, Article 55(1) BRRD requires institutions, when issuing instruments under third country law, to include a contractual clause by which the parties to the agreement creating the liability recognise that the liability may be subject to the write-down and conversion powers of an EU resolution authority.

Article 55(2) BRRD excludes liabilities under third country law without a compliant recognition clause in the absence of a cross-border recognition framework. Following the expiration of the transition period for the Brexit on 31 December 2020, English law has effectively become third country law from the point of view of resolution, without such cross-border recognition being in place at the time of the Consent Solicitation.

As a consequence, and in the absence of a suitable binding international agreement with a third country, the SRB will exclude instruments governed by third country law (and issued after the national transposition of BRRD, as is the case for the Notes) from eligibility as minimum requirement for own funds and eligible liabilities (MREL) resources of the Issuer, unless the Issuer has included an effective and enforceable contractual recognition clause in the Conditions.

The Notes are, however, grandfathered as eligible Tier 2 capital under Article 494b of the EU Capital Requirements Regulation 2019/876 (as amended) until June 2025, despite the lack of contractual bail-in language. The Notes mature on 11 May 2026.

2. Agenda

The Issuer requests the Noteholders to consent, by Extraordinary Resolution, to the inclusion of a new condition 16 (*Recognition of Bail-in*) in the Conditions of the Notes, with effect on and from the date on which the Consent Conditions are satisfied (the “**Effective Date**”), and all as further described in the Consent Solicitation Memorandum.

3. Proposed resolution

The Noteholders are requested to approve the inclusion of the following condition 16 (*Recognition of Bail-in*) in the Conditions of the Notes with effect on and from the Effective Date:

“16 *Recognition of Bail-in*

16.1 *Agreement and Acknowledgment with Respect to the Exercise of the Bail-in Power*

Notwithstanding and to the exclusion of any other term of the Subordinated Notes or any other agreements, arrangements or understandings between the Issuer and any Noteholder, as a result of it acquiring, holding and/or being beneficially entitled to a Subordinated Note, each Noteholder acknowledges and accepts that the Amounts Due arising under these Subordinated Notes may be subject to the exercise of bail-in powers by the relevant resolution authority, and acknowledges, accepts, consents to and agrees to be bound by:

- (a) *the effect of the exercise of the bail-in power by the relevant resolution authority, that may include and result in any of the following, or some combination thereof:*
 - (i) *the reduction of all, or a portion, of the Amounts Due;*
 - (ii) *the conversion of all, or a portion, of the Amounts Due on the Subordinated Notes into shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the Noteholder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Subordinated Notes;*
 - (iii) *the cancellation of the Subordinated Notes;*
 - (iv) *the amendment or alteration of the maturity of the Subordinated Notes or amendment of the amount of interest payable on the Subordinated Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period;*
- (b) *the variation of the terms of the Subordinated Notes, if necessary, to give effect to the exercise of the bail-in power by the relevant resolution authority.*

16.2 *Definitions*

For the purposes of this Condition 16:

- (a) *the “**Amounts Due**” are the principal amount of or outstanding amount, together with any accrued but unpaid interest, due on the Subordinated Notes. References to such amounts will include amounts that have become due and payable, but which have not been paid, prior to the exercise of the bail-in power by the relevant resolution authority;*
- (b) *the “**bail-in power**” is any write-down, conversion, transfer, modification, or suspension power existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Belgium, relating to the transposition of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms (the “**BRRD**”) as amended from time to time, including but not limited to the Law of 25 April 2014 as amended from time to time, or pursuant to, and in accordance with, Regulation 806/2014 establishing uniform rules and uniform procedures for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and Single Resolution Fund (the “**SRM Regulation**”), and the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled,*

modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period);

- (c) *a reference to a “**regulated entity**” is to any entity referred to in Article 267/15 or Article 453 of the Law of 25 April 2014 or Article 2 of the SRM Regulation, as the case may be, in each case as amended from time to time, which includes certain credit institutions, investment firms, and certain of their parent or holding companies; and*
- (d) *a reference to the “**relevant resolution authority**” is to the Collège de résolution / Afwikkelingscollege of the NBB, the Single Resolution Board established pursuant to the SRM Regulation and defined therein, and/or any other authority entitled to exercise or to participate in the exercise of any bail-in power from time to time.*

16.3 *Payment of Interest and Other Outstanding Amounts Due*

No repayment or payment of Amounts Due on the Subordinated Notes will become due and payable or be paid after the exercise of any bail-in power by the relevant resolution authority if and to the extent such amounts have been reduced, converted, cancelled, amended or altered as a result of such exercise.

16.4 *Event of default*

Neither a reduction or cancellation, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer or another person, as a result of the exercise of the bail-in power by the relevant resolution authority with respect to the Issuer, nor the exercise of the bail-in power by the relevant resolution authority with respect to the Subordinated Notes will be an event of default or otherwise constitute non-performance of a contractual obligation.

16.5 *Notice to Noteholders*

Upon the exercise of the bail-in power by the relevant resolution authority with respect to the Subordinated Notes, the Issuer will provide a notice to the Noteholders in accordance with Condition 9 (Notices) as soon as practicable regarding such exercise of the bail-in power. The Issuer will also deliver a copy of such notice to the Agent for information purposes.”

4. **Further information**

Further details on the requirements to satisfy to participate in the Meeting and the applicable quorum and majority are included in the Consent Solicitation Memorandum.

To be eligible to participate in the Meeting, a Noteholder should deliver at the latest by 5 p.m. (Brussels time) on 31 March 2021 (the “**Expiration Deadline**”):

- (i) a valid Block Voting Instruction or, if the Noteholder is not a Securities Settlement System Participant, request the relevant Securities Settlement System Participant to deliver such Block Voting Instruction by the same time and date; or
- (ii) a Meeting Notification, together with a Voting Certificate issued by a Recognised Accountholder or the Securities Settlement System certifying that the Notes in respect of which a Meeting Notification is given will be blocked until the later of the conclusion of the Meeting and any adjourned Meeting.

Pursuant to the Consent Solicitation in respect of the Notes, each Noteholder from whom a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is received by the Tabulation Agent by the Expiration Deadline and who has, in the case of a Meeting Notification, effectively voted at the Meeting on the Extraordinary Resolution in person or through its representative will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of an amount equal to 0.15 per cent. of the nominal amount of the Notes in respect of which such Noteholder has so validly voted at the Meeting (the “**Consent Fee**”), all as more fully described in the Consent Solicitation Memorandum.

Payment of the Consent Fee is subject to the Extraordinary Resolution being passed at the Meeting or the adjourned Meeting, and subject to the Block Voting Instruction or the Meeting Notification (together with the relevant Voting Certificate) not having been revoked.