Sustainability Report 2023

Belfius

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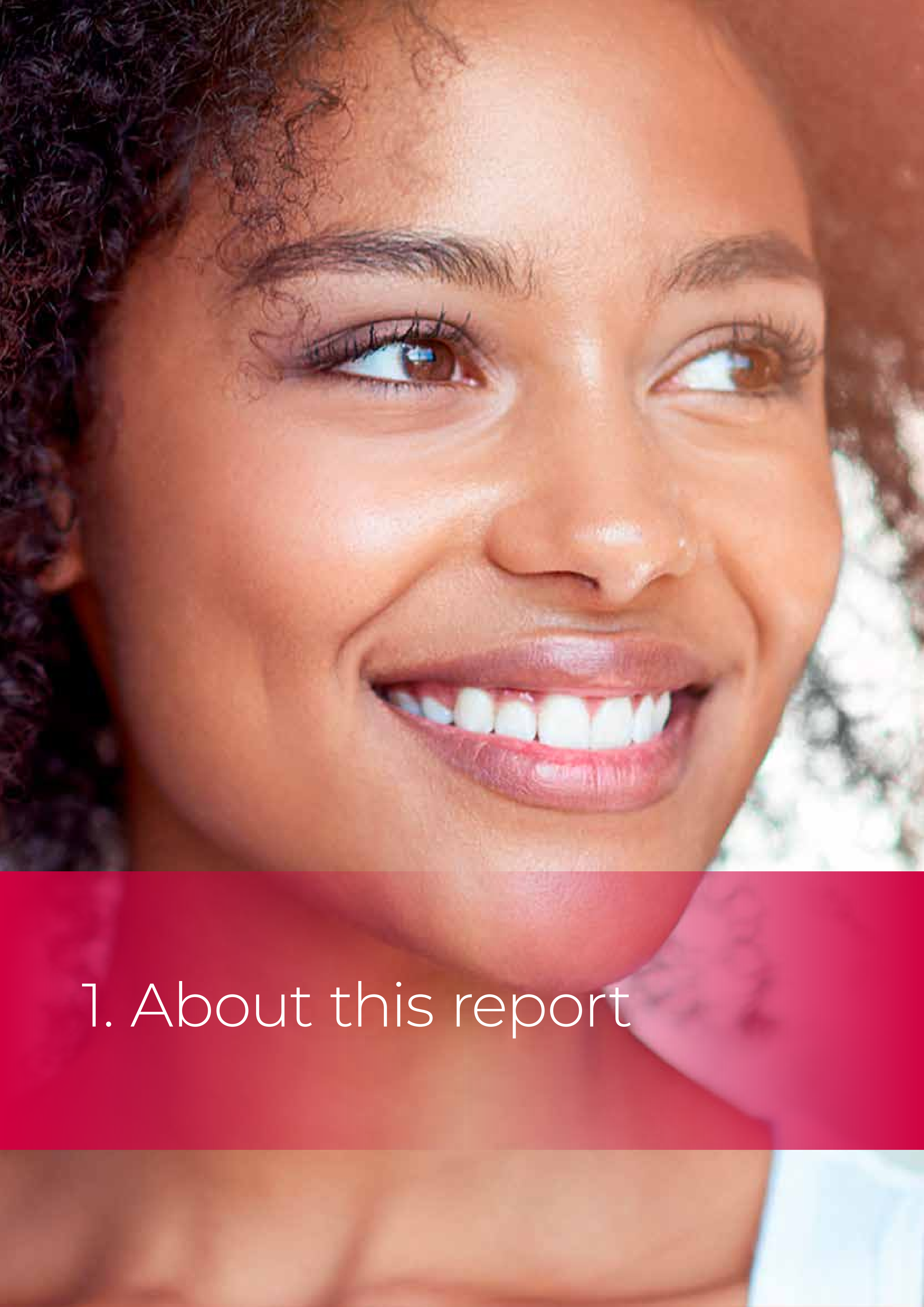


The 2023 Belfius Sustainability Report is designed to present the Belfius Group's ("Belfius") strategy, business model, governance, risks and opportunities, performance and future outlook with regard to sustainable development. This Report is Belfius' opportunity to guide its stakeholders, and any external reader, in their understanding of the group's values, initiatives and overall progress made on sustainability in 2023.

To ensure a thorough and comprehensive understanding of the Group's overall performance, this Report should be read in conjunction with the 2023 Belfius Annual Report.

The Report encompasses Belfius Bank and its consolidated subsidiaries[1], including amongst others Belfius Insurance, Belfius Asset Management, Belfius Auto Lease and Belfius Lease.

This Report has been prepared using input from Belfius Bank business lines, subsidiaries and sustainability experts. It was approved by the Belfius Bank Management Board and Board of Directors in March 2024.

The Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards for the period from 1 January 2023 to 31 December 2023. These standards set out guidelines for sustainability reporting. Additionally, we continue to take the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) into consideration, upon which the environmental prudential qualitative "Pillar III" requirements have been built by the European Banking Authority (EBA) – see chapter 6 focusing on climate and environmental action.

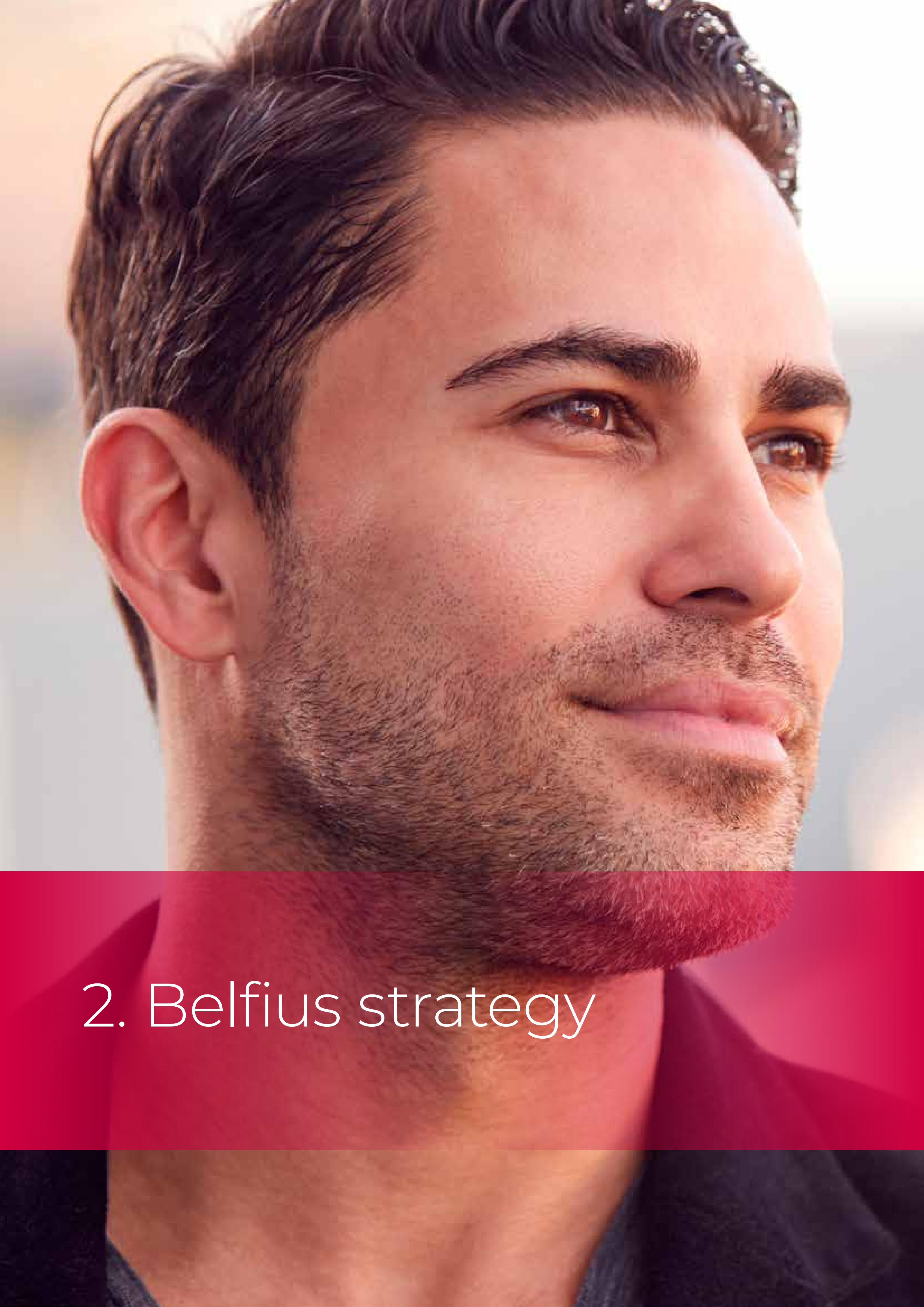
Unless otherwise stated, the use of the terms such as "green" or "sustainable" is not aligned with the EU Taxonomy.

Our materiality assessment (see section 3.2.) considers current market practices, sustainability trends and regulatory evolutions. However, while we endeavour to align with emerging standards, the full application of the "double materiality" approach, as outlined in the Corporate Sustainability Reporting Directive (CSRD) and the European Financial Reporting Advisory Group's (EFRAG) European Sustainability Reporting Standards (ESRS), is not yet fully implemented.

The GRI content index, the United Nations Global Compact (UNGC) progress index, Principles for Sustainable Insurance (PSI) report and the Principles for Responsible Banking (PRB) report, can be found within the Appendices section of this Sustainability Report.

For any feedback and questions regarding the Belfius Sustainability Report, please send an e-mail to esg@belfius.be.

(1) For the full list of consolidated subsidiaries, please see Annual Report 2023.



2. Belfius strategy

2.1. Strategy Inspire 2025

Belfius' underlying strategy has been stable for the past decade: to be a digital-leading, integrated bank-insurer, present in all segments of the Belgian economy and society that is committed to customer satisfaction and the creation of societal value with robust risk and financial management.

This is further reinforced in Belfius' Inspire 2025 strategy. Our mission, "Belfius, meaningful and inspiring for Belgian society. Together." is our guide in all the important choices and decisions that we make.

Belfius continues to put the customer at the heart of everything it does. As a universal, integrated bank-insurer, we bring differentiated value propositions to each customer segment, whilst leveraging synergies across those customer segments and product offerings, while also expanding into Asset Management and Financial Markets.

In the **Individuals** segment, we focus on an innovative mix of digital and human through own channels and strategic partnerships, with continued support for the most vulnerable in society (e.g. via social accounts, accessible services for the elderly/less digitally aware, etc.). For our **Private and Wealth Management** segments, we have chosen a membership approach where customers consciously choose to opt in. Belfius will continue to grow its franchise in these segments, inter alia by its strong position in meaningful investment solutions.

Within the **Entrepreneurs, Enterprises and Public** segment (E&E&P), Belfius also has strong ambitions towards enterprises, from businesses (self-employed, liberal professions and small and medium-sized enterprises with a turnover up to EUR 10 million), through to local corporate entities (SME with a turnover between EUR 10 and EUR 25 million) and corporate banking. We serve these varied customers throughout their life cycle with a full product suite, catering to both professional and personal needs.

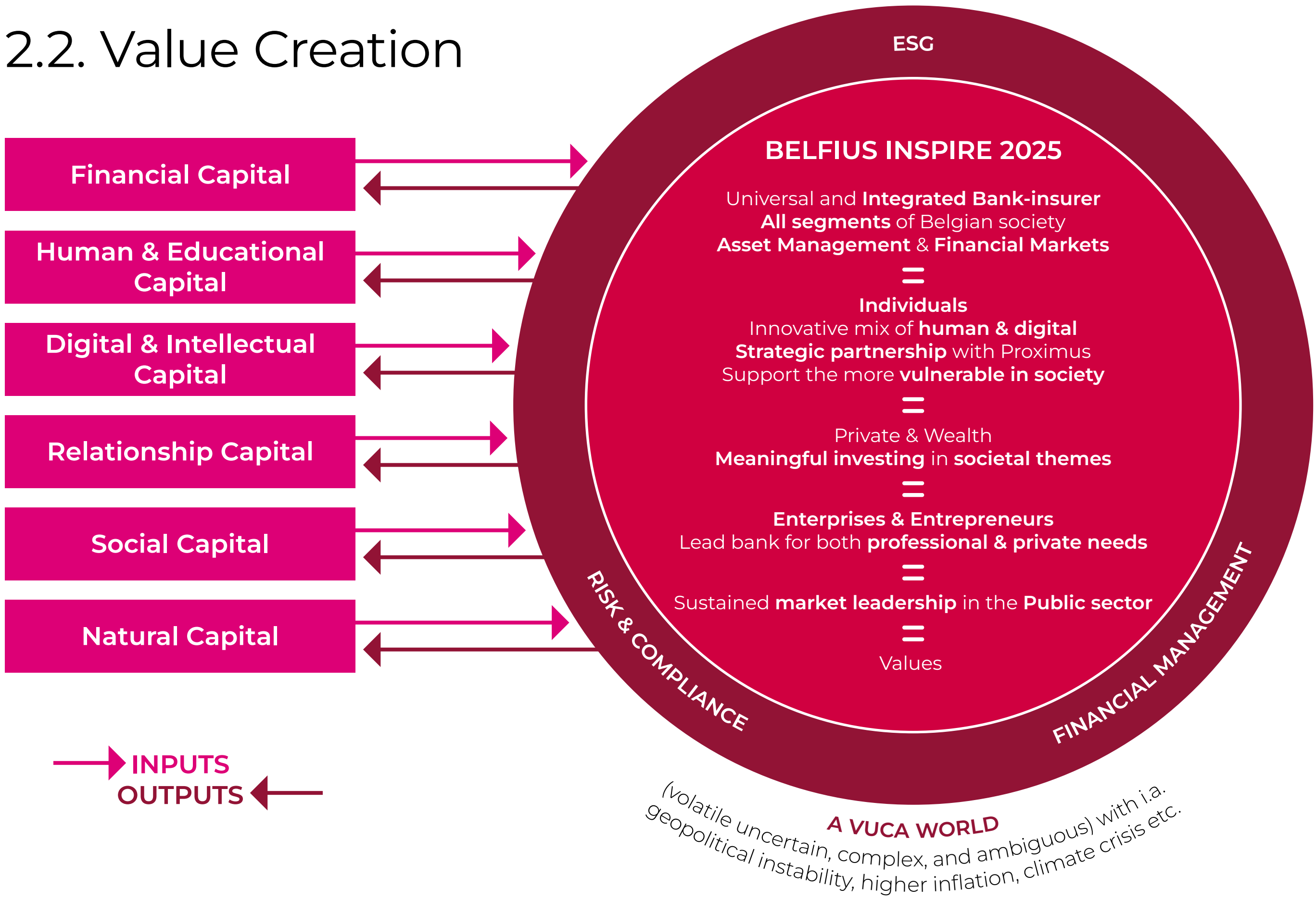
The Business segment is mainly served by our local branches, while our Corporate Banking segment is served by our corporate bankers. Local Corporates are served by both our local branches and corporate bankers. Additionally, the Wealth Management and Corporate Banking sales force have been merged into one single team, with wealth leads provided by Corporate Bankers, and vice versa.

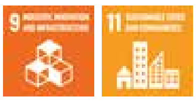
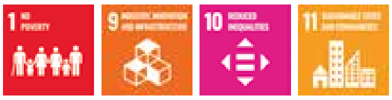
Finally, the Public and Social Banking segment brings together Regions, Communities, Municipalities, Provinces, the "CPAS" (Belgian social services) and the police, as well as the health sector, education and social sector customers. This segment is served by our network of dedicated relationship managers. Some customers may also (or only) be served in branches so as to offer increased flexibility and more appropriate service.

Within the E&E&P segment, Belfius will continue to support the Belgian economy, providing an integrated approach for all Entrepreneurs & Enterprises and remaining a leader in the public sector, where its roots lie. Going forwards, Belfius remains fully committed to its customers and their love, embedding sustainability in all aspects of its strategy.

Learn more about our Inspire 2025 strategy in our 2023 annual report.

2.2. Value Creation



Value created	Sustainable impact
CUSTOMERS Belfius is truly committed to its customers and their love, putting the customer at the heart of all decisions and processes. As a truly integrated banking & insurance group, we provide single point-of-contact financial solutions to 3.8 million customers, via an innovative mix of accessibility, providing distinctive in-branch advice and service across Belgium, combined with a best-in class, safe and digital service experience.	
SHAREHOLDERS EUR 440.3 million foreseeable dividend to be paid in 2024. Equity base increased to EUR 11.7 billion. As a locally anchored, Belgian bank-insurer with local decision centres and Belgian citizens as customers, Belfius operates at the heart of Belgium's economic landscape and fabric.	
BELFIUS AMBASSADORS Belfius keeps monitoring the wellbeing of its talents; developing the leaders of the future in the financial sector; and making sustainable careers possible. We give our independent networks the tools to build a thriving and living local business, leveraging Belfius' or DVV's franchise and reputation.	
SOCIETY Belfius takes great care in being a responsible member of Belgian society. We continue to engage with Belgian society through our philanthropic projects with a focus on children and young or vulnerable people (Viva for Life, JEZ!, Da's Geniaal, Special Olympics).	
PLANET Guided by the Paris Climate Agreement, we announced the exclusion of all companies active in the thermal coal full value chain as from 2030. While continuously expanding our sustainable product and service offering, our Transition Acceleration Policy guides Belfius' transition to a low-carbon economy.	

INPUTS	OUTPUTS
Financial Capital Belfius customers can be assured that their savings will be reinvested almost entirely in Belgian society and economy. EUR 89 billion outstanding on savings & current accounts.	**Financial Capital** • Net result of EUR 1,115 million • CET 1 ratio of 16.0% • Solvency II ratio of 195% • Outstanding Commercial Loans of EUR 113.7 billion
Human & Educational Capital As people are Belfius' most valuable asset, we continuously invest in the training and development of talents in Belgium to ensure they develop the skills of the future. We prioritize the satisfaction and wellbeing of our employees, and embrace a working culture built on diversity and inclusion. We value our dynamic local independent networks for both Belfius and DVV franchises.	**Human & Educational Capital** • 6,939 Belfius Group employees • Employee engagement score of 85.9% • EUR 772 million salaries and benefits of employees • 5 average days of training received per FTE (BB & BI) • 40.9% women in manager or senior/key executive positions • EUR 224 million Network commissions
Digital & Intellectual Capital Belfius offers innovative digital solutions beyond traditional banking and insurance products, leveraging an ecosystem of local, strategic partners (Proximus, Skipr, Cyclis). Belfius' world-class mobile app offers intuitive, easy-to-use sales and service flows and is a cornerstone of our digital offering and customer experience. To guarantee a safe and secure service, we are increasingly investing invest in our information security capabilities.	**Digital & Intellectual Capital** • 1.98 million active mobile users • Best financial brand (Kantar) • Leading Mobile banking & insurance app in the world (by Sia Partners)
Relationship Capital Human-focused services lie at the heart of our business. From individuals through enterprises & entrepreneurs to public & social entities, we provide services and products tailored to the needs of all segments in Belgian society – always attentive to its more vulnerable members.	**Relationship Capital** • Customer satisfaction score = 94% • #1 in financing of municipalities, cities, hospitals & care sector • 21.1% market share in (mid) Corporate • EUR 23.4 billion gross production in long-term loans • EUR 186.8 billion outstanding Savings & Investments • 163,000 social accounts
Social Capital Social commitment has been part of Belfius' DNA since our origin, and is fully embedded in our values-driven strategy and mission to be "Meaningful & Inspiring for Belgian society. Together". We contribute to society both directly through our philanthropic activities and indirectly by giving our customers the opportunity to support the causes of their choice through our product offer. Whenever possible, we favour working with local partners and suppliers, thereby also enabling the development of their talents in Belgium.	**Social Capital** • Total cash taxes & contributions of EUR 873.9 million • Claims paid due to natural catastrophes EUR 29 million • 0.6 million customers building up pensions to face the pension gap • 76% of suppliers with contract that are Belgian-based
Natural Capital As a leading bank-insurer we manage our impact on natural resources resulting from our operations and financing activities. On top of offering sustainable solutions, we also collaborate with external stakeholders to advise our clients on decreasing their impact on the environment.	**Natural Capital** • EUR 2.5 billion green or social bonds issued by EEP clients, with the support of Belfius, ESG Bond Finance House of the year • 35% share of electric or plug-in hybrid vehicles in Belfius Auto Lease fleet • 92% gross production of funds and investment-insurance in art. 8 SFDR

2.3. Belfius ESG strategy

To Belfius, all three components of sustainability (E,S,G) are equally important and at the core of Belfius' mission: "Being Meaningful and Inspiring for Belgian Society. Together."

Using this mission as a compass, we have woven sustainability into our 2025 "Inspire" strategy and have articulated it around two guiding principles: "Walk the talk" and "Customers in the driver's seat":

- **Walk the talk**: first, we want to lead by example and decarbonize our own operations as much as possible;
- **Customers in the driver's seat**: then, we want to inspire our customers to define ambitious sustainability objectives in order to have the greatest possible impact and support them in realizing their ambitions thanks to an adapted range of meaningful solutions, products and services.

Belfius' overarching goal is twofold: we want to manage ESG-related risks in order to ensure our resilience and profitability; but we also want to maximize our positive impact on society while limiting our potentially negative impact to the very minimum.

By addressing the climate crisis and environmental degradation in a socially inclusive way, we strive to inspire Belgian society as a whole to become more sustainable.

In 2021, we decided to focus on six core commitments in line with our mission and strategy and report on them transparently. Since then, we have aligned our six commitments as follows:

1. Continuously reducing the footprint of our own operations and purchasing carbon credits[1] for the remainder;
2. Opting for 100% renewable electricity;
3. Supporting Belgian society year after year through Belgian charities;
4. Giving women every opportunity and guaranteeing equal pay;
5. Going for a 100% meaningful investment offer;
6. Giving absolute priority to future-proof infrastructure for Belgian society.

Strong ESG governance with clear responsibilities, coupled with the integration of sustainability-linked aspects into senior management's variable remuneration, ensure that sustainability is at the heart of every decision Belfius takes.

Besides, on governance matters, Belfius complies with all applicable laws and practices prevalent in the financial sector (cf. section 7.1.).

(1) We will refrain from using the "climate neutral" notion any further, in line with latest scientific insights. However, one of our core commitments remains to strongly decrease our GHG emissions arising from our own operations and purchase carbon credits for the remainder. Hence the rewording of the first commitment.

The continuous monitoring of our progress in sustainability through key performance indicators (KPI) serves to reinforce our commitment. Below you will find an overview of our core KPI dashboard, highlighting our current progress versus our 2025 ambitions.

Belfius ESG dashboard

		2020	2021	2022	2023	Target 2025
CARBON FOOTPRINT (OWN OPERATIONS)	% decrease of carbon footprint (tons of CO_2e) of Belfius' internal operations (initial 2019 baseline)	-	-30%	-30%	-31%	-25% vs 2019
GREEN ELECTRICITY (OWN OPERATIONS)	% of electricity consumption from renewable sources for own operations(2)	100%	100%	94%(1)	95%	100%
GOOD CAUSES	Cumulative Mio EUR support to Belgian good causes since 2015 (pure & commercial charity)	22	25	30	37	50
(GENDER) DIVERSITY	% of women in management positions	34%	36.7%	40.3%	40.9%	44%
MEANINGFUL INVESTMENTS	% of production in investments in scope(3) that is meaningful (SFDR art 8 & 9)	-	83%	87%	92%	100%
MEANINGFUL FINANCING INFRASTRUCTURE	Bn EUR cumulative loan production in meaningful infrastructure projects since 2020	1.7	2.7	3.8	5.2	5.8

(1) Inclusion of co-owned / co-used buildings.
(2) Excluding Scomm operated branches, for which a 100% target in 2025 was set in 2022.
(3) Scope limited to mutual funds, My portfolio, pension funds and Investment - Insurance.

3. Main stakeholders and material topics

3.1. Engaging with our stakeholders

The table below gives a concise overview of our most important stakeholders, the way in which we entered into dialogue with them in 2023 and the most important topics of conversation.

Stakeholder	How do we enter into dialogue?	Main topics of conversation with stakeholders
CUSTOMERS	• Bank and insurance offices (physical channel) • Digital channels (websites, mobile app) • Belfius Connect (contact centre) – remote financial services (telephone, email, chat) • Customer satisfaction surveys • Complaints management process	• Suggestions and complaints from customers • Product transparency • Customer needs, financial & digital skills • Access to financial services, fairness
EMPLOYEES	• A permanent feedback culture between employees and managers • Live information or webinars given by top and senior management with Q&A • An annual engagement barometer – a survey that invites employees to make their voices heard on the internal operation of the company • Representation in social bodies and a network of union representatives	• Fair and competitive remuneration • Coaching and career guidance • Training and education • Pleasant and healthy working conditions (BeTeams) • Physical and mental health of employees • Transparency around strategy, policy and results
SOCIAL AND CIVIL SOCIETY ORGANISATIONS, NGOs	• Dialogue with various organisations and NGOs (Fairfin, 11.11.11, Financité, Ethibel, etc.) and cooperation with their surveys and assessments	• Interactions on sectors and activities financed by Belfius, Belfius' sustainable products offer and Belfius investment policies
SHAREHOLDERS	• Periodic consultation and operational contacts with the Federal Holding and Investment Company (SFPI-FPIM)	• Transparency around company performance and results • Ad hoc information for answering external questions • Risk management
STRATEGIC PARTNERS	• Regular contact with partners around our commercial offer in mobility and energy solutions • Regular contact with commercial and non-commercial partners in the field of philanthropy	• Solution development • Selection of social themes and challenges to support
SECTOR FEDERATIONS, EMPLOYER ORGANISATIONS AND UNIONS	• Membership and representation in financial and economic federations (Febelfin, Assuralia, BVK, BLV, BVB, BEAMA, ICMA), employer organisations, cooperation platforms for innovation and technology • Social bodies and linked subcommittees	• Sharing knowledge with sector federations • Putting social responsibility into practice • New ways of organising work to create a more open and sustainable organisation
GOVERNMENTS AND REGULATORS	• Collaboration in ministerial consultation initiatives at a federal and regional level • A systematic follow-up of regulatory initiatives that have an impact on the financial sector • Periodic consultation with regulators (NBB, FSMA, ECB, EIOPA)	• Compliance with regulations and statutory obligations • Proper financial and non-financial reporting • Transition Acceleration Policy
RATINGS AGENCIES, SUSTAINABILITY EXPERTS, ACADEMICS, ANALYSTS AND INVESTORS, PRESS (FINANCIAL)	• Press conferences regarding the bank's results with associated investor calls • Active engagement with rating agencies • Day-to-day questions and answers via the bank's press spokesperson • Consultation of sustainability experts	• Transparency around how the business is conducted, proper financial and non-financial communication • Transition Acceleration Policy

Stakeholder	How do we enter into dialogue?	Main topics of conversation with stakeholders
(SUPRA)NATIONAL SUSTAINABILITY-LINKED ORGANISATIONS	• Periodic reports to the UN Global Compact (UNGC) on progress • Impact analysis and annual reports on progress to the UNEP FI Principles for Responsible banking (PRB), as required	• 10 UNGC principles relating to human rights, labour, the environment and anti-corruption • 6 UNEP FI PRB principles relating to governance, alignment of business with SDGs and the Paris Agreement, impactful target setting, transparency and accountability and building & sharing ESG expertise
	• Annual reports on progress to the UNEP FI Principles for Sustainable Insurance (PSI), as required	• 4 UNEP FI PSI principles relating to embedding ESG in decision-making, raising awareness, collaboration with stakeholders to promote accountability and transparency
	• Annual reports on progress to the UN Principles for Responsible Investment (PRI), as required	• 6 UN PRI principles relating to incorporating ESG issues into decision-making processes and ownership policies & practices, promoting the principles within the investment industry and reporting on progress towards implementation
	• Dialogue with the Partnership for Carbon Accounting Financials (PCAF) • Membership of The Shift	• Measuring and disclosing investment portfolio GHG emissions in a harmonised manner • Societal and environmental topics to be addressed • Aligning our portfolios with the ambitions of Paris agreement
	• Regular meetings of the peer-learning network of the Belgian Institute for Sustainable IT (ISIT-BE)	• Reducing the environmental and social footprint of our IT services and usages; promoting digital technologies and services that are more sustainable, inclusive and ethical
	• Participation in the Women in Finance initiative – annual reports on progress for the Financial Sector Diversity Charter	• Measuring and rebalancing gender differences at every level of the company
COUNTERPARTIES WITHIN ASSET MANAGEMENT	• Engagement by Belfius Asset Management and Belfius Insurance with third-party asset managers and companies • Annual reporting on engagement and proxy voting by Belfius Asset Management and Belfius Insurance	• Exchange of views on ESG issues, avoidance of controversies, promotion of sustainable investment choices

3.2. Materiality assessment

Belfius uses the feedback from its stakeholders to define its sustainability strategy and approach in accordance with its mission "Meaningful and inspiring for Belgian society. Together."

In Q4 2021, running through to the beginning of 2022, Belfius, with the support of an independent third party, conducted a materiality assessment with a two-fold objective:
- confirm that its strategy and sustainability commitments are tackling issues that its stakeholders consider to be relevant;
- identify any additional topics that are a priority for those stakeholders.

Our assessment considered the impact of sustainability-related topics on Belfius as well as Belfius' impact on sustainability-related issues. However, while we endeavour to align with emerging standards, the full application of the "double materiality" approach, as outlined in the Corporate Sustainability Reporting Directive (CSRD) and the European Financial Reporting Advisory Group's (EFRAG) European Sustainability Reporting Standards (ESRS), was not - and is still not - fully implemented.

While we conduct a complete materiality assessment every two to three years, we review our material topics as and when necessary, which was the case in 2022. In 2023, no new topics were added to our sustainability agenda, confirming the continued relevance of our current focus areas. Belfius started, however, a complete materiality assessment (to be continued in 2024) in order to ensure compliance with the CSRD and ESRS.

3.2.1. Materiality assessment process

3.2.1.1. Identification of topics based on actual and potential impacts

To assess an initial set of material topics, Belfius analysed and consolidated information from the Sustainability Accounting Standards Board (SASB) materiality matrix for the banking and insurance sector, the Principles for Responsible Banking (PRB), the Principles for Sustainable Insurance (PSI), peer review, the Sustainable Development Goals (SDGs) and the Sector Study report on Sustainability Materiality of SDG Targets and GRI Indicators prepared by the Governance & Accountability Institute. This broad research resulted in an initial list of 30 topics, which was the basis for further convergence to a final list of 15 topics used in the online survey designed to engage with Belfius' stakeholders.

3.2.1.2. Assessment of relevance and impact of topics

Two questions per topic were included in the survey:
- What is the impact of the topic on Belfius (going from (very) low, through neutral, to (very) high)?
- What is the impact Belfius has on the topic today (going from (very) negative, through neutral, to (very) positive)?

Using this online survey, Belfius engaged with different stakeholders from several groups, who were identified based on mutual impacts.

Belfius' corporate view was represented through a selection of senior executives from all business units. A group of 200 employees pioneering sustainability were also consulted as internal stakeholders. Social and civil organisations, employer federations, consumer organisations, customers, strategic partners, suppliers, trade unions, sustainability experts, academic institutions, sector federations, and credit and sustainability rating agencies were among the consulted external parties.

3.2.1.3. Determination of material topics

The results from the online survey were weighted according to a pre-defined methodology. The views of internal and external stakeholders on the impact of the topics on Belfius were analysed and aggregated on the Y axis (Importance to Society). The views of Belfius' management were put on the X axis (Importance to Belfius' performance). A colour scheme was included to showcase the impact Belfius has on each topic in addition to its relevance.

The results were plotted in the materiality matrix and submitted for information and discussion to the Management Boards of Belfius Bank and Belfius Insurance. The materiality matrix was presented to the Boards of Directors of Belfius Bank and Belfius Insurance.

3.2.1.4. Further evolution in 2022 and 2023

In 2022, considering evolutions in the regulatory landscape and sustainability trends, we internally reviewed our material topics using market and peer analysis. This resulted in the reformulation, merger or split of some of the material topics to better reflect their scope and meaning. It also led to the explicit inclusion of two additional material topics:
- climate and environmental risk;
- respect for human rights.

In 2023, no new topics were added to our sustainability agenda. A complete materiality assessment has been started and will be continued in 2024 to ensure compliance with the ESRS.

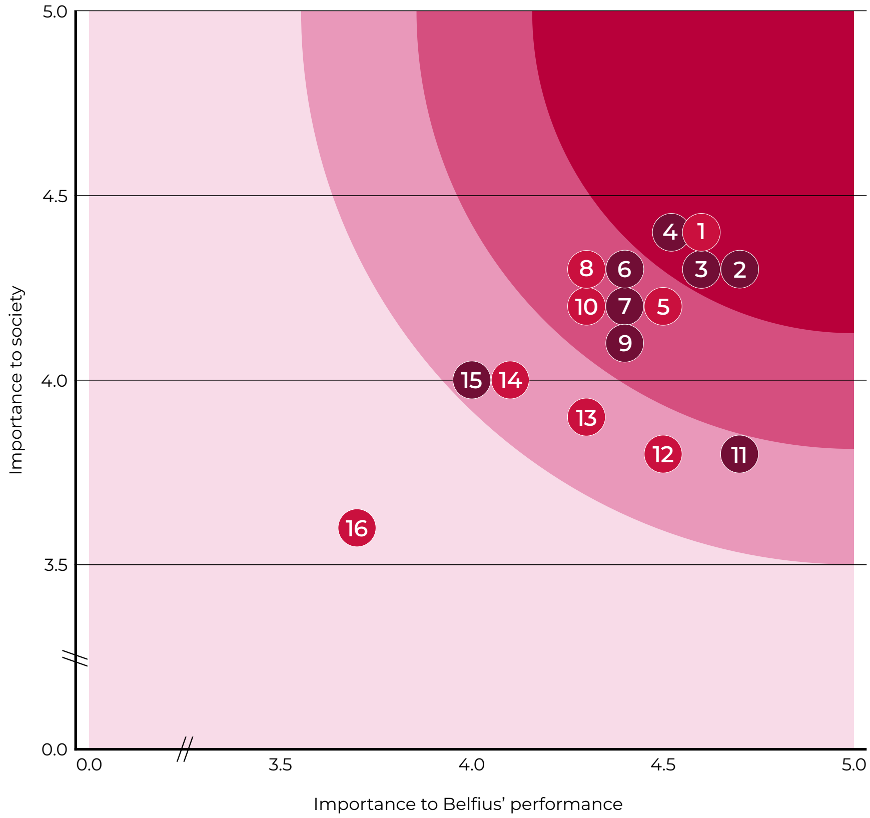
3.2.2. Materiality Matrix

In the materiality matrix, the views of the internal and external stakeholders on the **impact of the topics on Belfius** can be found on the Y axis (Importance to Society) and the views of Belfius' management on the X axis (Importance to Belfius' performance).

The colour scheme showcases the **impact Belfius has on each topic** in addition to its relevance: dark red (merlot) is positive, red (ruby) is neutral.

The topics in the bottom left quadrant of the materiality matrix are regarded as less material to both internal and external stakeholders, as well as to Belfius' own corporate view, while the topics in the top right quadrant are considered most relevant. When aggregated, none of the topics included in Belfius' online survey scored very low, low or neutral (equivalent to a score of 1 to 3). The material topics added in 2022 were positioned on the materiality matrix through expert judgement.

Materiality matrix



Topic	
1	Information security
2	Talent management
3	Customer experience & satisfaction
4	Privacy & data protection
5	Climate & environmental risks
6	Compliance & business ethics
7	Resilience & long-term oriented financial performance
8	Human rights
9	Community involvement
10	Supporting & accelerating the sustainability transition
11	Diversity, equitable opportunities & inclusion
12	Financial inclusion & access to financial services
13	Future-proof, inclusive & relevant infrastructure
14	Transparent communication on products & services
15	Local innovation & digitalization
16	Managing direct & indirect environmental impact of Belfius group

As mentioned above, a more in-depth assessment has been started and will be continued in the course of 2024 to comply with the sustainability reporting requirements set forth in the CSRD and the ESRS. The Belfius materiality matrix will therefore be updated based on the outcome of this exercise. It goes without saying that recent developments (particularly, in regulatory matters) will certainly lead to a different positioning of certain topics on the materiality matrix in the future.

4. ESG governance

ESG is a key topic within Belfius and is therefore discussed at all levels of the organization.

4.1. Boards of Directors and advisory committees

Upon the proposal of the Management Boards or the Joint Management Committee, the **Belfius Bank (BB) and Belfius Insurance (BI) Boards of Directors** define and oversee the implementation of the ESG strategy, objectives (mainly through the financial planning process and business review reporting), general policies, risk appetite and risk approach. On a bi-annual basis, the Boards of Directors provide guidance on ESG-related matters and review progress on ESG-related projects and targets.

Every year, the Belfius Bank and Belfius Insurance Boards of Directors set the Risk Appetite Framework (RAF) upon the proposal of the Risk Committee (BB) or Risk and Underwriting Committee (BI). With the growing importance of ESG and climate risks in particular, the annual RAF review results in the integration of an increasing number of qualitative and quantitative ESG indicators every year.

The **Audit Committees** (BB and BI) assist their respective Boards of Directors in their task of carrying out prudential controls. They are responsible for the internal control and the integrity of the financial and non-financial reporting (including the Sustainability Report).

The **Risk Committee (BB)** and **Risk and Underwriting Committee (BI)** maintain advisory powers and responsibilities towards their respective Boards of Directors for the setting of current and future risk appetite and strategy (including those relating to ESG and, more particularly, climate risks), as well as the monitoring of their implementation. The Risk Committee (BB) and Risk and Underwriting Committee (BI) ensure effective oversight of ESG risks on a quarterly basis through the Quarterly Risk Review and the Quarterly RAF Report. The BB Risk Committee also conducts quarterly monitoring of Belfius' progress, deviations and potential delays in the execution of the ESG action plan (designed to meet the expectations set by the European Central Bank on climate-related and environmental risks) via a dedicated indicator included in the RAF.

The competences of individual Board Members on each ESG aspect are explicitly documented in the Board's "Competences Grid". These are considered by the Nomination Committee when defining succession policies. New directors benefit from a Belfius onboarding programme that includes an ESG awareness programme.

4.2. Joint Management Committee

The **Joint Management Committee**, composed of all members of the Management Boards of Belfius Bank and Belfius Insurance, manages Group strategic matters, including ESG strategy and its implementation. It is responsible for the implementation of mandatory ESG regulations and voluntary ESG commitments. ESG topics are discussed here on a quarterly basis.

4.3. Strategic Sustainability Committee

The Joint Management Committee has established the **Strategic Sustainability Committee (SSC)** as a central support hub with regard to ESG endeavours and responsibilities.

The SSC is composed of the CEOs of Belfius Bank and Belfius Insurance and the ESG Heads of Belfius Bank and Belfius Insurance, as well as representatives of the business lines and risk teams. The SSC meets every two months.

SSC responsibilities include:
- The execution of the ESG strategy and transversal ESG topics;
- The implementation of Belfius ESG policies (e.g. the Transition Acceleration Policy);
- Compliance with ESG-specific regulations and related reportings (e.g. SFDR and Principal Adverse Impacts, EU Taxonomy).

The SSC can rely on expert desks with an advisory role in which all key stakeholders for the respective domains are represented:
- The **Sustainable Banking, Financing and Insurance Desk** is in charge of the implementation of ESG policies in banking, financing and insurance processes. It is composed of the Heads of ESG of Belfius Bank and Belfius Insurance, as well as representatives of control offices, risk, CORM credits, legal and compliance teams. This Desk meets on a monthly basis.
- The **Sustainable Investment Desk** is in charge of the regular review of the investment approach and strategic objectives and the monitoring and development of Belfius' SFDR funds, as well as the implementation of the TAP policy with regard to investments. It is composed of the ESG Heads of Belfius Bank and Belfius Insurance, as well as representatives of product management investments, Belfius Asset Management, Belfius Insurance investments, risk, legal and compliance teams. This Desk also meets on a monthly basis.
- The **Green Bond Issuance Committee** focuses on the issuance of Belfius sustainable bonds. It is composed of the Head of ESG of Belfius Bank, as well as representatives of the financial markets department and the business lines. This Committee meets on a quarterly basis.

4.4. ESG organization

At executive level, both the Belfius Bank CEO and Belfius Insurance CEO sponsor the ESG strategy.

The **Heads of ESG at Belfius Bank and Belfius Insurance** are accountable to their respective CEOs and maintain regular exchanges with them. The Head of ESG at Belfius Bank heads the ESG Central team and is responsible for the overall coordination of the groupwide ESG strategy. This person works in close collaboration with Belfius Insurance's Head of ESG and both parties conduct systematic dialogue on ESG affairs with key internal and external stakeholders.

The **ESG Central team**, headed by the Head of ESG at Belfius Bank, is Belfius' competence centre on ESG. The team leads ESG-related projects, monitors the ESG landscape and develops ESG concepts, with the exception of risk-specific items.

The **ESG Risk Competence Centre**, located within the Strategic Risk Management Department, is in charge of overseeing the implementation of the ESG Programme's risk components and developing a comprehensive ESG risk management framework in collaboration with other group-wide risk departments along the "three lines of defence" model. This group reports to the Chief Risk Officer.

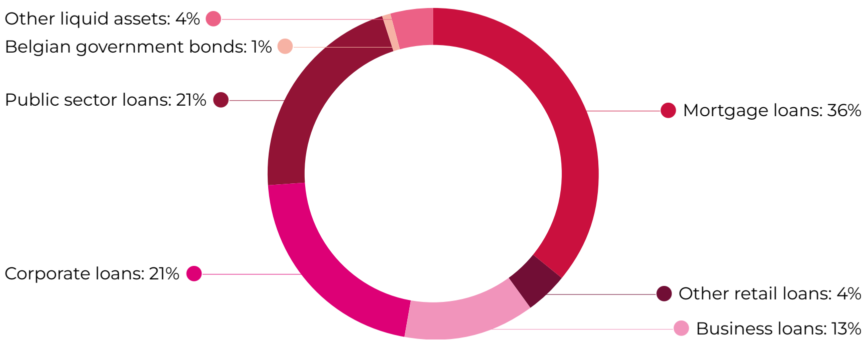
The **ESG Data team** develops and structures non-financial data sources and generates calculation engines and regulatory reportings.

5. Meaningful growth

Belfius intends to shape its mission to be "Meaningful and Inspiring for Belgian society. Together." across its various activities (financing, investing, insurance, own investment portfolios). The Transition Acceleration Policy (TAP, see section 5.1.) is our guiding principle with regard to this.

Firstly, Belfius wants to utilize its balance sheet to facilitate projects and initiatives with a worthy goal. Belfius customers can count on their savings being reinvested almost entirely back into the Belgian economy and its society in the form of loans to households, the self-employed, SMEs and large companies, as well as public or social institutions. The chart below illustrates this:

Allocation savings at bank level



Belfius has a strong tradition and track record in providing concrete solutions for infrastructure challenges in Belgium, be that for hospitals, care homes, schools, utilities (such as renewable energy) or municipal infrastructure. Belfius seeks to leverage its financing capacity towards providing maximum support to all of its customers in the transition towards a low-carbon economy that is more respectful of the use of the world's natural resources (water, biodiversity, etc.).

Belfius also encourages sustainable societal behaviours through its insurance activities.

Finally, by aligning the off-balance sheet investment offer for Belfius' customers with the TAP, as well as favouring products that promote environmental or social characteristics, Belfius makes investing "meaningful". Likewise, the TAP is respected in our own Belfius Insurance Investment portfolio.

5.1. Accelerating the transition

Belfius wants to play a leading role in the transition to a more sustainable society and economy. This requires a clear position on what we will and won't do. This is why Belfius adopted a Transition Acceleration Policy, or TAP for short, in 2021. The TAP is Belfius' ESG sector policy. With this policy, Belfius takes a stand on economic activities that it considers wholly or partially unsustainable.

The TAP applies to all Belfius entities and covers all core activities involving professional counterparties. The TAP criteria have been rendered as uniform as possible for all activities. Only when the specific nature of an activity requires us to do so, will we deviate from the criteria, but the same basic philosophy still applies.

The TAP was translated into precise guidelines for Belfius employees to ensure the screening of all portfolios and counterparties' economic activities against TAP criteria. These criteria were incorporated into the existing processes and procedures of Belfius entities, including the customer acceptance policy, credit risk acceptance guidelines, credit and leasing granting processes, investment fund screening process, instructions to third-party asset managers and guidelines for transactions on the financial markets, as well as the approval process for new products, services and partnerships. All stakeholders are trained through webinars and a central TAP team is available for advice.

From a risk perspective, the TAP is a crucial tool in managing exposure to various ESG risks through our operations and counterparties. Indeed, regulatory requirements are becoming increasingly stringent for companies, and for financial institutions in particular. The TAP is also a crucial tool to avoid or mitigate the potentially negative effects of investment decisions(1) in the management of our investment funds.

5.1.1. UN Global Compact

The first step in the TAP screening process is a normative assessment against the principles of the UN Global Compact (UNGC). The UN Global Compact, signed by Belfius in 2020, is one of the most important international treaties on sustainable business. It states that sustainable business begins by accepting the core responsibilities a company has in the areas of human rights, labour rights, the environment and anti-corruption.

Belfius applies the 10 principles of the UN Global Compact to its own activities and tests all its counterparties and their activities against these 10 principles. Companies that do not respect these basic principles are not supported by Belfius.

5.1.2. Focus on certain economic activities

Following the UNGC screening, criteria apply for eight types of economic activities. Belfius clarifies in its TAP which activities it will not finance, or only under certain conditions, and the reasons for such a choice:

- Certain activities (tobacco, gambling, coal and lignite, non-conventional oil and gas extraction, speculative activities with agricultural commodities) are excluded;
- For other sectors (conventional oil and gas extraction, electricity production, nuclear energy, weapons), specific criteria determine which activities are excluded and which activities Belfius wishes to support towards sustainable economic transition;
- For further sectors (mining of ores and minerals, palm oil, soybean cultivation), conditions are built in that relate to companies' sustainability policies. This normative filter should give the guarantee that a company's policy is mindful and respectful of the basic rights of workers and local residents and of their environment and livelihood.

From the outset, it was considered that the TAP criteria would evolve, driven by the evolution of our own sustainability ambition, the results of dialogue with stakeholders, changing regulations, technological evolution and new societal expectations. Within this context, the TAP was substantially amended on a number of aspects in 2023, culminating in the publication of an updated version of the TAP in January 2024.

In line with Belfius' energy vision, we have tightened our criteria for the energy sector:

- In the **thermal coal sector**, this means that in addition to coal extraction, which has already been excluded, Belfius will no longer support companies operating in the coal value chain from 2030;
- Companies active in **non-conventional oil and gas extraction** remain excluded and the list of non-conventional extraction techniques has been further completed;
- Belfius acknowledges the significance of natural gas in the shift towards a low-carbon economy for **conventional oil and gas extraction**. This recognition comes with very strict conditions, however outlined in the TAP. Producers must comply with international climate objectives by reducing their energy-related emissions. In addition, companies are prohibited from pursuing any further expansion or exploration plans related to fossil fuels;
- With regard to **electricity production**, financing renewable energy is a priority for Belfius. We apply specific criteria to electricity production companies that focus on the company's energy mix and the transition trajectory, in particular its **carbon intensity** (expressed in gCO_2/kWh). This must remain below a certain threshold, with a year-on-year decrease.
  Within the context of Belgium's security of supply, Belfius will continue to finance new gas-fired power plants, but only if they meet the conditions of the **Capacity Remuneration Mechanism (CRM)(2)** in force in Belgium;
- In Belfius' energy vision, **nuclear energy** remains a necessary part of successful energy transition. Due to concerns regarding waste disposal, however, we will only finance projects in countries covered by the EURATOM agreement.

With these reinforcements, the TAP now forms the cornerstone of Belfius' climate policy towards 2030.

(1) The Principal Adverse Impacts (PAI) of the SFDR regulation.
(2) A capacity remuneration mechanism or CRM is a supplement to the existing energy market with the aim of ensuring that sufficient capacity is available at all times to secure the supply of electricity at a market-based price.

5.1.3. Focus on certain governments

In addition to the TAP, Belfius maintains an internal **watchlist of countries (Belfius Country Watchlist, BCWL)** that applies in the event that financing client transactions involves a foreign government agency or public company. This list includes countries under EU embargoes or sanctions by the US, as well as countries for which there is an increased risk of money laundering or financing of terrorism, both with regard to the nature of the transaction and the counterparty itself. If Belfius cannot exclude these risks on the basis of credible information and documents, the transaction or customer relationship will be refused.

In addition, the composition of our investment funds excludes governments that are considered controversial regimes on the basis of a Belfius Asset Management internal blacklist and Candriam's sustainability model for governments.

5.2. Meaningful financing solutions

5.2.1. Helping individuals manage housing energy costs and efficiency in the short and long terms

The renovation of residential real estate is one of the key discussion topics at the moment. Renovation obligations are currently being put in place by Belgian regional authorities while the European authorities are considering further strengthening of those obligations under the Energy Performance of Buildings Directive. Given the average EPC of the Belgian building stock, the challenge in terms of energy renovations is substantial. It is estimated today that a total investment of approx. EUR 400 billion would be required to renovate 95% of the Belgian residential building stock (i.e. 5.5M private homes) and bring it to an average EPC A label by 2050.

In this context, the role of the public authorities is essential as they must put in place the legislative and incentive framework required for this green transition. But banks like Belfius also have an important role to play. Belfius' offering for the financing of buildings has been extended to meet the challenge. Ensuring accessibility to adequate financing solutions for all segments of the population is key, especially given the recent increase in interest rates that led to a decrease of the overall mortgage loan market.

5.2.1.1. Raising awareness

The European Union has established clear objectives in terms of sustainability and Belfius is committed to doing its part to help achieve them. The success of financing this transition depends on the willingness of Belgian households to invest in eco-friendly housing and their access to necessary financial resources. Raising awareness among individuals is therefore essential for this transition to truly gain traction and bring about change.

A study by Test-Aankoop / Testachats in November 2023 revealed a lack of understanding among consumers regarding the concept of energy transition. While 39% of respondents had a good understanding of the term, 28% had heard of it but did not understand what it entailed and 33% were unfamiliar with it altogether. Furthermore, some 86% of surveyed individuals were unaware of their home's energy class. These results underscore the need for heightened awareness to catalyse the transition.

While discussions are ongoing at sector level to address these findings in the most adequate way, we have already equipped our mortgage loan advisors with specialized training to allow them to evolve towards a broader Home expert role to support clients, both current and prospective home owners, in their projects. The purpose of this training is to raise awareness about the key regulatory obligations faced by Belgian households so as to be able to interpret an EPC certificate and link it to the solutions and subsidies available to customers to improve the energy efficiency of their homes. In turn, Belfius can then help (prospective) owners to finance the execution of necessary energy renovations, facilitating access to energy-efficient living.

5.2.1.2. Energy efficient housing in lending

Over the course of 2023, Belfius has been expanding its energy-efficient housing product range to support energy transition through its Belfius brand mortgage offer. In addition to the interest rate discount for the financing of low-energy houses (EPC below or equal to 150 kWh/m²/ per year) available since March 2022, Belfius launched three additional variants in June 2023:

- An interest discount for new constructions (as they are subject to the latest standards in terms of energy efficiency and consumption);
- An immediate interest rate discount for energy-efficient renovations if the energy performance of the dwelling is improved by at least 30% (i.e. 30% improvement in the energy score in kWh/m²/per year);
- A delayed interest rate discount if the energy score of a house drops below or becomes equal to 150 kWh/m²/ per year within the first seven years of the loan.

Belfius also has a mortgage loan offer through its DVV and Elantis brands. DVV and Elantis have adapted pricings and conditions to encourage energy-efficient housing and renovations (e.g. <150 kWh/m²/per year) and improve accessibility to mortgage loans (e.g. for first-time buyers).

Belfius, DVV and Elantis have been offering the Flemish renovation loan since 2021. This allows clients buying a house with poor energy performance to take out a renovation loan to carry out thorough energy renovations within five years of the notarial deed of purchase in order to benefit from an interest subsidy granted by the Flemish government. The interest subsidy may be lower, equal to or even higher than the interest paid on the loan (depending on the energy label after renovation and the interest on the renovation loan).

For smaller credit amounts, a consumer loan is usually more appropriate. In this context, Belfius offers the Energy Renovation Loan, i.e. a credit formula for the financing of energy-saving renovation projects such as home insulation improvements, double or triple glazing installation, boiler replacements with high-efficiency versions, heat pump or solar panel installation, or the completion of an energy audit. In 2023, Energy Renovation Loans represented six out of 10 consumer renovation loans granted by Belfius.

Energy Renovation Loans

	2021	2022	2023
Number of loans	4,004	7,922	5,700
TOTAL AMOUNT (in millions of EUR)	57.9	115.7	81.9

The Belfius financing offer relating to energy efficient housing is supplemented by the offer from Belfius Insurance in terms of Home insurance (see section 5.3.1.1.) and Income insurance (see section 5.3.2.2.).

5.2.1.3. Energy efficient housing beyond our financing activity

In addition to its role as a lender, Belfius has been collaborating with Izen and Energreen, companies specializing in energy renovation and renewable energy, for several years now. These partners give Belfius customers a unique benefit when purchasing solar installations and also offer guidance on energy renovation loans.

Via the Belfius Mobile app, Belfius customers can also quickly find companies active in renewable energy (solar panels), insulation and EPC certifications through its Jaimy service (see section 5.4.).

Throughout 2023, Belfius explored further partnership possibilities and initiated a pilot project aimed at encouraging homeowners to conduct energy audits of their properties. This pilot project is currently ongoing and, if proven successful, will be fully implemented over the course of 2024.

Belfius also creates awareness amongst clients through energy-related events, sometimes organized in collaboration with external partners.

Finally, Belfius is a pilot bank for the EEMI (Energy Efficient Mortgages Initiative) and is a member of the UPC - BVK Commission[1] on Sustainable Loans, whose purpose is to design and launch energy-efficient mortgages in Belgium, thereby stimulating and channelling private capital towards investments in energy efficiency.

5.2.2. Gearing up in energy-efficient infrastructure

5.2.2.1. Developing energy-efficient real estate with a high potential impact

In 2023, Belfius maintained its dedication to fostering energy-efficient real estate development in Belgium.

For our Belfius Immo subsidiary, the year was marked by several initiatives aimed at nurturing affordable living conditions and broadening access to quality housing. These pragmatic initiatives demonstrated Belfius' ongoing commitment to societal welfare:

- Belfius Immo, in collaboration with its partners, the Société Wallonne du Logement (SWL) and the Société Régionale d'Investissement de Wallonie (SRIW), via the Société Mixte de Développement Immobilier (SMDI), constructed affordable housing in Wallonia.
- Belfius Immo, in its capacity as a shareholder in Canius I and Hamsterhuren II, (Specialised Property Investment Fund – "GVBF/FIIS"), supported the acquisition of new houses and apartments operating under the "hamster rent" model. This model allows tenants to purchase their energy-efficient rented accommodation within a specific timeframe (e.g. within four years). The purchase price is predetermined and includes the added benefit of deducting any rent that has already been paid.
- Following the introduction of a new regulatory structure by the Flemish Government aimed at enhancing private investments in social and affordable housing, Belfius Immo is currently examining the feasibility of active participation in this initiative.

Belfius financed senior debt for several citydev.brussels initiatives, leading to the creation of hundreds of affordable residential units distributed across several new districts. These projects are more than just housing, as they incorporate critical facilities such as schools and SME incubators, with the primary focus of fostering social diversity, promoting soft mobility, amplifying energy efficiency and prioritizing long-term sustainability.

In addition, through a joint venture with the GIMV, Belfius remains active in Yally, short for "Your Ally". Yally is a residential real estate company whose strategy is to purchase housing units, enhance their energy efficiency and subsequently rent them out.

5.2.2.2. Smart Building and Renovation Solution (SBRS)

For over three decades, Belfius Bank has been assisting public and social sector institutions in their real estate projects. Through our dedicated Public Real Estate department, we provide more than just financial support for infrastructure projects spanning schools, police stations, fire stations, residential care centres, elderly housing projects, youth shelters, facilities for the disabled, cultural centres, sports infrastructure and administrative centres. A specialized team, including architects, engineers and lawyers, allow instructing institutions to remain concentrated on their primary duties, while Belfius manages the complexities of the construction projects. Across every project, the project manager, the construction partners and the customer work together to review contemporary trends in aspects such as energy, sustainable development, circular economy and the Internet Of Things (IOT). This collaborative approach helps strike an ideal equilibrium between cost and output.

In 2023, Belfius moved forward with 38 new projects under its SBRS offering, collaborating with various institutions for a total project value of EUR 318 million. In 2022, Belfius broadened its services by introducing an energy renovation solution known as the Smart Building and Renovation Solution Energy. In 2023, this variant saw the inauguration of two projects worth a cumulative total of EUR 1.7 million.

5.2.2.3. Belfius Energy Efficiency Package (BEEP)

Under the European Private Finance for Energy Efficiency (PF4EE) programme, Belfius has been working closely with the European Investment Bank (EIB) to present a unique financing package known as BEEP. This package is designed to motivate businesses to reduce energy dependence by investing in energy efficiency and renewable energy, whether by shifting to alternative energy sources, or by producing renewable energy independently. With this tailored solution to finance smaller-scale projects, Belfius has been facilitating its professional and public customers' transition toward sustainable energy.

In 2023, Belfius witnessed significant growth in the uptake of new projects, nearly doubling the previous year's engagement with 20 new initiatives, compared to 11 in 2022.

Overall, Belfius financed 100 projects over the course of this programme, from photovoltaic setups and energy co-generation systems to re-lighting schemes. Although our collaboration with the EIB came to an end in December 2023, Belfius will remain active in this type of projects.

(1) Union Professionnelle du Crédit - Beroepsvereniging van het krediet.

5.2.2.4. European Local Energy Assistance (ELENA)

Since 2020, Belfius has been the first and only Belgian commercial bank to be awarded an ELENA grant. ELENA is a joint initiative of the EIB and the European Commission within the framework of the European research and innovation programme Horizon 2020.

With the help of the ELENA grant, Belfius has been actively assisting communities, social profit entities and educational institutions in shaping energy efficiency and renewable energy investment programmes.

Since the start of the ELENA initiative in 2020, Belfius has carried out 36 retrofit projects for a total cost of EUR 113 million, including EUR 8.3 million accounted for in 2023.

> Belfius has actively partnered with the SeGEC (Secrétariat Géneral de l'Enseignement Catholique), the representative body for Catholic education in Brussels and Wallonia, developing an investment programme to install solar panels across approximately 1,000 school locations over the next four years. This massive scale initiative will significantly reduce energy costs thanks to the support of ELENA. With the assistance of expert consultants, high-performance and maintenance requirements have been factored into the professional specifications of the overarching tender framework. To date, efforts have resulted in the installation of solar panels in 79 schools.

5.2.2.5. Renewable energy

Belfius' total investment in renewable energy amounted to around EUR 1.9 billion by the end of 2023. This includes project finance and loans, as well as more than 500 leasing contracts currently underway in the areas of biomass, solar energy, onshore and offshore wind energy, energy cogeneration and greening of production lines. Belfius also assists in handling the financing of renewable assets in neighbouring European power markets.

Belfius stands out as the only Belgian bank that participates in the co-financing of all eight operational offshore wind farms in Belgium, boasting a combined capacity of 2,262 MW. It is our aim to actively contribute to future developments in Belgium's renewable energy sector, including key projects such as the planned capacity expansion of offshore wind energy like the Princess Elizabeth Zone in the Belgian North Sea.

> In 2023, Aster, a cooperative that represents 90% of the Flemish Social Housing market, formulated the ambition to install 395,000 solar panels on 52,500 council homes in Flanders over a span of five years. Belfius is financing the first stage of this energy transition project with a EUR 106 million loan. This project is also directly beneficial for the tenants whose energy bills will be reduced. The project is progressing well with over 5,000 installations either already delivered or under construction, representing about 25 MWp.

5.2.3. Helping enterprises along their sustainability journey

Belfius has developed a sustainable finance value proposition for companies making concerted efforts to integrate sustainability into their operational strategies while matching their funding mechanisms with their ESG responsibilities. These funding sources can range from bank loans and leasing to leveraging financial markets.

5.2.3.1. Corporate ESG ambition

Belfius has initiated a unique offering in the Belgian market known as Corporate ESG Ambition, designed to accompany our corporate clients in defining and advancing their ESG strategies and actions in an ever-evolving economic and geo-political landscape, particularly for those entities with limited ESG capabilities.

At the centre of the Corporate ESG Ambition approach is an innovative digital platform that aims to facilitate sustainability dialogues between our bankers and customers. With this user-friendly tool, customers are supported in defining the sustainability-related objectives that are the most relevant for them, taking into account factors such as industry, ESG aspiration level and sector-specific legal and regulatory ESG requirements. The tool is equipped to serve around 60 sector-specific activities.

Corporate ESG Ambition first wants to understand the client and therefore invites them to share information with Belfius. We want to know whether the customer is already working on sustainability, measuring its impact, planning to reduce its energy consumption and limiting its climate footprint. By asking detailed information about Scope 1, 2, and 3 emissions, evolution over the years and whether the customer has a transition plan to decrease emissions, we make sure that we have the best possible picture of their progress on the climate topic. We also go further with questions relating to energy consumption, pollution and waste, water usage and biodiversity loss, as well as plans put in place to reduce and mitigate impacts. Finally, we explore social dimensions (such as diversity and inclusion) and governance dimensions (such as remuneration policy).

Once the client has supplied the required information, they can move on to determining their objectives. We suggest 22 objectives through 15 inspiring topics. The client is invited to choose at least one objective considered as high impact based on the sector.

After the strategy definition phase, Belfius assists clients in the implementation phase of their ESG strategies with appropriate solutions and attractive financing terms.

Moreover, Belfius acknowledges and rewards customers who fulfil their ESG objectives. Clients can earn a cash reward upon success, or they may elect to contribute their reward to a Belfius philanthropic fund (People, Health, Planet).

In 2023, Belfius held Corporate ESG Ambition meetings with as many as 1,592 corporate clients, of which 58 firms committed to achieve a designated set of ESG Ambitions within a year. Such initiatives will generate a progressive impact over time, enhancing sustainability performance among Belfius clientele. Ultimately, this will result in a more environmentally friendly balance sheet for Belfius with positive societal implications.

5.2.3.2. Ambition loans and leasing

Belfius has introduced Ambition Loans and Leasing (investment credit and financial leasing structures respectively), to assist both corporate and public clients in funding projects with a positive environmental ambition. Projects must be related to specific areas:

- real estate (involving energy-efficient buildings or renovations);
- mobility (including electric cars and energy-efficient industrial vehicles);
- energy (including the production and battery storage of electricity harnessed from natural elements or energy-efficient production equipment);
- water and waste management (encompassing aspects such as recycling and water treatment equipment).

Borrowers who demonstrate that their project fits into one of the predefined use of proceeds defined by Belfius, can enjoy preferential rates in return. There are currently 36 predefined uses of proceeds set for Ambition Loans and 35 for Ambition Leasing. In light of rapid technological progress and emerging applications, Belfius plans to expand the number of possible uses of proceeds, in line with sectors and activities covered by the EU Taxonomy.

5.2.3.3. Sustainability-linked / Green & social loans and bonds

Belfius' sustainable value proposition includes sustainability linked or green loans and bonds, as well as social bonds.

Belfius specializes in providing structuring and advisory services for bonds, guiding customers through each step of the journey from initial concept development, through the establishment of a sustainable framework and interaction with rating agencies, to the placement of bonds with retail or institutional investors. These services are extended to all types of clients inclined towards sustainable bond issuance, including local and regional authorities, inter-municipal entities, utility companies and corporate entities.

When setting up sustainable frameworks, Belfius follows International Capital Market Association (ICMA) principles and engages with dedicated second-party opinion providers to be fully aligned with international market best practices.

In 2023, the Belfius trading room, which earned the award of ESG Bond Finance House of the Year from Euronext, assisted customers with the issuance of numerous green and social bonds with a cumulative value of **EUR 2.5 billion**. In addition, Belfius also issued its own second Green Bond for EUR 750 million that has been invested in eligible assets under a framework aligned with the four core components of the Green Bond Principles 2018 and validated by Sustainalytics.

Issuer	Sector	Format	Size (in millions of EUR)
ELIA	Utilities	Green Bond	500
COLRUYT	Retail	Green Bond	250
COMMUNAUTÉ FRANÇAISE	Regional Authority	Social Bond	700
FLUVIUS	Utilities	Green Bond	240
XIOR	Real Estate	Green Bond	5
PROXIMUS	Telecom	Green Bond	750
AQUAFIN	Utilities	Green Bond	25
AQUAFIN	Utilities	Green Bond	10
AQUAFIN	Utilities	Green Bond	10
TOTAL AMOUNT			2,490

Beyond its leadership in sustainable bond emissions in the Belgian market, Belfius is also structuring green and sustainable financing frameworks.

5.2.3.4. Vendor leasing

Through **vendor leasing**, Belfius Lease encourages the circular economy by keeping things such as production equipment, furniture, batteries, lighting systems or bicycles in circulation for as long as possible. With this model, use prevails over possession. The end user pays for the use of the asset according to a pay-as-a-service or pay-per-use principle, while Belfius assumes the financial risk by purchasing the goods that will be offered for lease by its professional customers.

Belfius Lease (Services) is a member of the sustainable leasing workgroup of BLV/ABL (Belgische Leasing Vereniging / Association Belge de Leasing) and has signed the Febelfin & BLV/ABL circular economy charter.

Production figures for vendor lease in 2023 were EUR 217 million versus EUR 173 million in 2022 and EUR 138 million in 2021.

5.2.4. Enabling low carbon mobility

5.2.4.1. Sustainable mobility in lending

Belfius offers the Energy + Car Loan designed specifically for individuals planning to switch to electric cars or plug-in hybrids with CO_2 emissions of less than 50 g/km, in line with EU taxonomy criteria. This specific loan enables customers to borrow up to 120% of the vehicle's purchase price to cover extra costs such as the setting up of an electric charging station or installing solar panels.

In addition, Belfius has included a bicycle loan in its product portfolio for several years now.

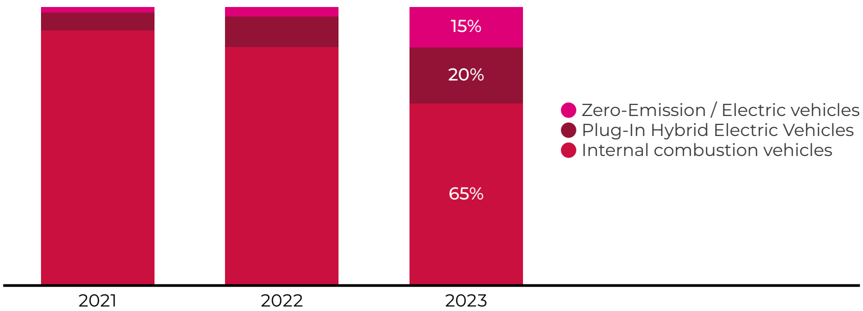
Energy + car loans & Bike loans

	2021	2022	2023
Number of loans	2,558	2,768	1,897
TOTAL AMOUNT (in millions of EUR)	22.7	26.5	19.4

5.2.4.2. Sustainable mobility in our leasing offer

Belfius strives for low-carbon mobility with its full-service leasing offer. Belfius Auto Lease is committed to reducing the average CO_2 emissions of its fleet (in tonnes/car/year), with the goal of reaching a 50% reduction by 2025 versus 2019.

Evolution of Belfius Auto Lease car fleet



This -50% target will be achieved thanks to, amongst others, the electrification of our car fleet. Out of a total fleet of 27,684 vehicles under Belfius Auto Lease, electric or hybrid vehicles accounted for 34.8% in 2023, doubling compared to the year before. This significant climb is a consequence of strategic pricing policies implemented by Belfius Auto Lease in line with government measures, promoting monthly leasing charges for electric cars over vehicles with conventional combustion engines.

Belfius Auto Lease works with CenEnergy to provide an intelligent electric charging infrastructure to customers wishing to make the shift to electric or plug-in hybrid cars.

Belfius Auto Lease is also branching out into the alternative mobility sector. This includes offering Belfius Move by Skipr to its customers, an all-encompassing Mobility as a Service solution provided by Skipr. This programme includes an app designed to streamline varying travel options, a payment card recognized by every European mobility provider and a budget management platform with the possibility of generating CO_2 reports. In addition, Belfius Bike Lease provides an all-in offer for all types of bicycles with services such as maintenance, insurance and assistance in collaboration with Cyclis, a Belgian trailblazer in the sector.

Belfius Lease is also accelerating on the path of the ecological transition. Today, 50% of its vehicle fleet (out of a total of 21,558 vehicles) are electric or hybrid, and they currently manage almost 46,000 leasing contracts for electric bicycles (+33% versus 2022).

5.3. Sustainability in insurance

Belfius Insurance[1] offers several products ranging from non-life insurance (mobility and asset protection) to life insurance (savings and risk products) that are mainly designed to address the needs of retail customers, entrepreneurs and small businesses.

Over the years, we have focused on developing solutions that take into account the evolving dynamics of our society. Our products aim to tackle social challenges like health issues, demographic shifts and an ageing population, as well as environmental challenges such as those relating to housing and mobility.

5.3.1. Non-life Insurance

5.3.1.1. Home insurance

Home insurance is an essential part of everyday life and helps individuals and households recover from various damages, helping society to become more resilient and overcome eventual hazards.

Home insurance plays an essential role in the context of climate change in particular as a critical component allowing for enhanced resilience. The importance of Home insurance is continuously highlighted by climatic events, such as the recent storm Ciaran and the flooding that occurred in Belgium in November 2023. Both events once again demonstrated the necessity for robust coverage and efficient service in aiding the swift recovery of our clients.

Comprehensive coverage minimizing potential insurance gaps remained our focus in 2023. In this regard, the DVV network advises its clients on potential coverage gaps every year. We also developed a "needs card" for the same purpose where, together with our clients, we execute a survey to identify protection gaps and propose additional covers if needed.

In terms of services, we have developed different initiatives combining preventive advice, efficient claims processing and effective repair solutions:

- Enhanced client information for claims processing: we provide information to our clients to facilitate claims handling and their understanding of the process. We developed this information for floods and storms, which are the most material natural catastrophes that our clients are facing;
- Proactive damage prevention: leveraging forecasts from the Royal Meteorological Institute, we issued eight sets of prevention advice to our customers over the course of 2023. This advice covered a range of weather events such as storms, thunderstorms and heatwaves and aimed to mitigate potential damages arising from these natural events;
- Streamlined claims filing with MyBo: in order to increase the efficiency of the claims filing process for customers, Belfius has developed a dedicated tool called MyBo. MyBo is the privileged claims communication channel, especially when a natural catastrophe occurs. For instance, during storm Ciaran, 56% of claims were introduced through this tool;
- Comprehensive repair process with Jaimy: along with Jaimy, our privileged partner in repair-in-kind-services, we offer an end-to-end solution to our customers to ensure the refurbishment of their property. Jaimy's broad network of contractors allows us to avoid bottlenecks and accelerate claims handling;
- Clarity in communication: we continue to improve our communication with customers to enhance their understanding of their coverage.

We have also supported our customers in reducing the energy consumption of their buildings by implementing several initiatives in 2023 that aim to promote and reward sustainable behaviours:

- Incentives for energy-efficient buildings: specific discounts are available for owners of new buildings (less than 10 years old). An additional eco-discount exists if the building is also energy-efficient. In September 2023, this discount was extended from buildings with an Energy Performance Certificate (EPC) under 45 kwh/m^2 to buildings with an EPC under 150 kwh/m^2;
- Compensation for up-to-date building standards: in the event of a claim, the additional costs of complying with current building standards are taken into account in any compensation. In this way, we help to reduce the carbon footprint of buildings;
- Coverage for energy-efficiency improvements: customer initiatives to improve the energy efficiency of buildings are covered at no extra cost, including the installation of solar panels, heat pumps, batteries, charging stations, etc.

We aim to be a proactive participant in emerging economic models such as the shared economy, which are essential in limiting CO_2 emissions. Within this context, the coverage of our (Belfius & DVV) Family Insurance has been extended to include customer liability for damage caused to an object entrusted or lent to him (by a neighbour for example), as the return of the object in good condition is a contractual obligation.

(1) Belfius Insurance SA and Corona SA form the Belfius Insurance consolidated scope. As from 1 July 2023, Corona Direct was merged by absorption within Belfius Insurance and continued its activities under the trade name Belfius Direct Insurance. This merger was approved by the National Bank of Belgium and took effect retroactively as of 1 January 2023.

Finally, regarding the assessment of home claims files, we aim to carry out as many assessments as possible remotely so as to reduce travel time and costs and lower the ecological footprint associated with the on-the-road activities of our experts. Within this context, we began a collaboration with CED – an expert services and tech enabled solutions provider to manage claims or large calamities. By leveraging technology, this collaboration has allowed us to minimize the necessity for experts to physically travel to locations. In 2023, we launched 347 remote assessments, out of which approximately 70% were successfully completed remotely.

5.3.1.2. Insuring new forms of mobility

Mobility in Belgium, as well as related infrastructure in urban areas, is increasingly changing, making way for more sustainable solutions. New mobility offers are already infiltrating our daily lives, such as electric vehicles and bicycles.

At Belfius, we are adapting to this shift with a threefold ambition:

- Facilitating decarbonized mobility: our first objective is to ease the transition towards greener forms of mobility. This includes supporting the adoption of electric vehicles and electric bikes, as well as other environmentally friendly mobility options.
- Supporting diverse and eco-friendly mobility choices: we are committed to assisting our customers in embracing a variety of sustainable mobility options.
- Acting as Responsible Leaders in Value Chain Sustainability: our third ambition extends beyond products and services to encompass our entire value chain, actively working to reduce our environmental footprint.

At the heart of our current insurance portfolio is a strong focus on supporting the shift towards bicycle usage. To this end, we have developed a comprehensive suite of services and partnerships aimed at catering to the needs of cyclists. These are designed to provide our customers with protection under all circumstances and easy access to cycling equipment, thereby promoting the use of bicycles for both personal and professional commuting thanks to:

- A strategic partnership with Cyclis: we have established a partnership with Cyclis, one of the largest bicycle B2B rental companies in Belgium. By the end of 2023, the total number of Belfius Insurance policies linked to a Cyclis bike had increased to 91%, up to 38,667 policies.
- An All Risks Bicycle Insurance: our All Risks Bicycle Insurance covers all vehicles not subject to motor vehicle liability (i.e. travelling at less than 25km/h independently) in case of theft, material damage and breakdown. Our offer is one of the strongest on the Belgian market, covering elements such as flat batteries for example and was once again rewarded in 2023 with a Decavi Award.
- Complimentary Bicycle Assistance: we offer bicycle assistance as part of the bicycle offer for our best customers (DVV brand), or within our personal assistance product (Belfius & DVV brands).

Our car offering is also evolving through incentives and comprehensive services for eco-friendly driving, thus encouraging our customers to make more environmentally conscious choices:

- Premium discounts for reduced environmental impact: Belfius Car grants premium discounts of up to 20% to customers limiting their ecological footprint (a combination of low CO_2 emission vehicle and limited number of kilometres per year).
- Enhanced support for electric vehicle owners: our breakdown assistance coverage helps our customers with electric vehicles in case of flat batteries, enabling them to continue their trip with a boost charge. We also cover the charging cable in case of theft or damage, as well as any other accessory in our (Mini-) Omnium.
- Mobility budget option in assistance services: in terms of assistance following an accident or breakdown, we offer our clients the possibility to opt for a mobility budget in combination with, or instead of, a replacement vehicle, to limit their ecological footprint when possible.
- “Pay as You Drive” approach: Belfius Direct Insurance’s flagship product, Per-Kilometre Insurance, has been rewarding low mileage since 2006. The personalized premium depends on the number of kilometres that the customer expects to drive in a year. If they drive less, they are reimbursed the difference. This “Pay as you Drive” approach results in a fair premium for responsible mobility behaviour. 111,000 customers have already subscribed to this product.

In line with Belfius’ desire to Act as a Responsible Leader in Value Chain Sustainability, Belfius Insurance also ensures that, when a vehicle is damaged or defective, the repairs are carried out in the most sustainable way possible. Within this context, Belfius, together with other industry players, contributes to the development of sustainability standards for the future certification of actors in the repair chain. More information on sustainable repair can be found here.

Since 2023, Belfius Insurance has been gradually setting up new collaborations with 500 to 700 car repairers to encourage the integration of ESG criteria in car repairs carried out in the event of a claim. These repairers commit to opt as far as possible for:

- sustainable repair techniques;
- the use of parts with equivalent quality or re-used parts;
- an offer of replacement vehicles with more environmentally friendly vehicles; or
- an offer of alternative means of transport if requested by the customer.

5.3.2. Life Insurance

5.3.2.1. Pension

By supporting individuals in maintaining a reasonable standard of living post-retirement, Belfius Insurance aims to contribute to the wellbeing of society.

In recent times, the legal pension has proven to be inadequate for a substantial portion of the Belgian population[1]. As individuals reach retirement age, there is a risk of them descending below the poverty threshold[2]. This risk may be further exacerbated by current challenges such as the recent energy crisis and subsequent inflation that had a significant impact on the cost of living. Although occupational pensions offer some respite, they are marked by notable disparities, with benefits varying greatly among different sectors and income groups.

As a life insurer, Belfius Insurance plays an active role in bridging this gap and in helping customers maintain a reasonable standard of living and purchasing power after retirement, as shown by the figures below:

- We manage the occupational pensions of approximately 277,000 customers (second pillar).
- 303,000 Belgians rely on us to invest their supplementary pension capital (third pillar) to the best of our ability.
- 13,863 customers received their supplementary pension capital in 2023, which has allowed them to maintain a similar standard of living before and after retirement (replacement rate).

Over the course of 2022 and 2023, we have been adopting a proactive approach to customer research in order to understand the needs of our customers within the context of their pension capital. In a collaborative effort to address societal challenges, alongside Assuralia and the Belgian Government, Belfius Insurance actively participated in brainstorming sessions on Belgium's ageing population and the affordability of the pension system, as well as sustainable investments.

5.3.2.2. Income protection

Income protection is a crucial component in the realm of insurance as it is integral to a variety of insurance products, such as outstanding balance insurance. Not only does Belfius aim to enhance customer understanding and security, but it also aims to solidify the role of income protection insurance as a pivotal element in safeguarding financial stability in various life scenarios through fair and equitable insurance practices.

(1) Average gross pension per month (assuralia.be)
(2) In 2022, 20.2% of people aged over 65 belonged to the at-risk-of-poverty-or-social-exclusion group, based on data from the EU statistics on income and living conditions (EU-SILC).

In this way, we were able to help 439 families repay a mortgage at a difficult time in 2023 for a total amount of EUR 23.3 million. We insure 402,593 families for their home loans, which is a cross-sell rate of more than 85% on our mortgages.

Customers continue to underestimate the financial risks associated with a loss of income following the death of a household member or an inability to work (burn-out, accident). Belfius Insurance is therefore actively engaged in raising awareness about these risks to ensure that customers are adequately protected. Despite these efforts, couples borrowing for a home rarely insure both borrowers for 100%. In 2022, we provided agents with a tool to help them visualize the risks and opportunities in doing so. In 2023, we helped agents to detect needs to subscribe riders (i.e. additional covers) on Belfius Home and Credit Protect. We also organized nation-wide seminars on income protection.

We continue to develop and refine our range of risk cover so that all customers can be adequately protected against loss of income at any time and at an affordable price. In this context, Belfius covers both physical and mental health conditions, though under certain conditions for the latter.

As the latest statistics show, Belfius plays a substantial role for people affected by chronic illness. Since 2014, these customers have been able to take out outstanding balance insurance. The insurer demanding an additional premium of more than 75%, or refusing insurance, must provide an objective and reasonable justification to do so. If the customer does not agree with the reasoning, an appeal can be lodged with the Monitoring Office. Although figures for 2023 are not yet available, our strong results in 2021 and 2022 combined with the percentage of cases examined by the Monitoring Office being lower than our market share and 79% of Belfius decisions being subsequently validated by the Monitoring Office, give us confidence in the fact that our medical underwriting policy is fair and properly motivated.

5.3.2.3. Hospital and outpatient insurance

Hospitalization insurance is vital as it provides financial protection against high medical costs, ensuring access to quality healthcare without the burden of unexpected expenses.

In 2023, more than 152,000 Belgian citizens benefited from our hospitalization cover.

Beyond hospitalization, our outpatient coverage encourages preventive behaviour and we know how important it is to consult in time to avoid deterioration of health. In this way, we contribute to a healthier and better protected society.

5.4. Innovative banking and insurance solutions

Belfius has always used its digital expertise to offer innovative digital solutions that go far beyond traditional banking and insurance products by helping citizens in their environmental and social endeavours.

Belfius continues to lend its support to a number of promising innovations:
- **Fairville** is the combination of five initiatives (Onze Stad App, Cirklo, MyWaste, Buck-e and City Lovers) in one single online urban platform to support digital acceleration in cities and municipalities. Supported by Belfius, Cipal Schaubroeck and Nuhma, these five solutions continue to prove their worth. Students from participating schools cycled and walked “around the world” 59 times using the Buck-e bicycle reward system in 2023 for example, and municipalities have already invested more than EUR 36 million into the local economy since 2020 through the Cirklo digital gift voucher.
- **Hoplr** is an award-winning digital neighbourhood connection platform. Hoplr already cooperates with more than 150 local governments and social organizations in Belgium, the Netherlands and Luxembourg. The platform is used for neighbourhood-oriented help, communication and civic participation, with approximately 800,000 citizens signing up so far.
- **Jaimy** is a platform that allows customers to quickly find a trustworthy building professional in electricity, heating, plumbing or renovation. Jaimy developed two partnerships in 2023. Together with Dutch insurance company A.S.R., Jaimy created Fixxer, a new tech platform with international ambitions to increase sustainable damage repairs and efficient customer services in the field of sustainable insurance. Jaimy also signed a cooperation agreement with Robinetto, a company specializing in water fountains and taps, to install its domestic and easy-to-use water filters. In this way, Belfius Insurance, through Jaimy, became Robinetto’s partner in its efforts to convince as many Belgians as possible to change their habits and reduce their waste and energy consumption, as well as the CO_2 emissions from the transportation of bottled water.

Belfius also supports several start-ups and scale-ups discovered through the **W.IN.G fund** (Wallonia Innovation and Growth) and **Do!Gent**.

5.5. Meaningful investing

5.5.1. Our approach and ambition

Meaningful investing is the cornerstone of Belfius’ investment strategy. Our meaningful (or responsible) investment approach is founded on our belief that we should deliver both financial and societal returns, which is an essential part of our fiduciary duty to our clients. In addition, we are convinced that the integration of sustainability or ESG factors into the investment process allows investors to better understand both the risks and opportunities in financial markets.

Our approach takes into account relevant laws and regulations such as, but not limited to, the Loi Mahoux (in relation to certain types of controversial weapons), the Shareholder Rights Directive II (SRD II) and the Sustainable Finance Disclosure Regulation (SFDR).

In 2023, Belfius continued to incorporate its responsible investment practices both deeper and broader across the whole of its product offering. Belfius aligns its actively advised offering of investment products with its Transition Acceleration Policy. For products over which Belfius has full control, this is a pre-condition to active advice and commercialization of a product since the start of 2023[1].

Belfius advocates investments that are meaningful to society. In terms of products subject to the SFDR, this translates into an actively advised offer that predominantly consists of products that promote environmental or social characteristics. For 2023, 92% of mutual fund production (including My portfolio, pension funds and insurance-investments) were classified under SFDR article 8. By 31 December 2023, 91% of our assets under management (AUM), excluding mandates, were classified under SFDR article 8.

The **SFDR (Sustainable Finance Disclosure Regulation)**, which came into force in March 2021, aims to create harmonised rules for the disclosure of the sustainability characteristics of such investment products, as well as for the entities that manage or advise on these products. This makes investment products more comparable for investors.

In practice, every product subject to SFDR belongs to one of the three following categories, depending on its sustainability ambitions:
- Article 9 funds have sustainable investment as their objective.
- Article 8 funds are funds that, among other characteristics, promote environmental and/or social features.
- Article 6 funds are the funds that have no sustainability ambition – they do not meet the requirements of the two categories above in this respect.

Thematic investments continued to grow significantly thanks to the expansion of our offering and strong commercial activity. In 2023, Belfius launched four new investment funds, including its 10th "Fund of the Future". Two existing bond funds were also added to our advisory offer of house funds.

(1) During the summer of 2023, Belfius clarified the applicability of the TAP with regard to products over which Belfius has only limited control. ETFs and index-linked products are out of the scope of the TAP. With regard to third-party funds, Belfius' fund selection team has developed a rigorous process to identify the list of most suitable funds based on a combination of financial, liquidity and ESG criteria. Within that list, preference is given to funds that also comply with our TAP policy, but some exceptions can be allowed subject to formal review and approval.

5.5.2. Organisation of investment management within Belfius

Fund management within Belfius' offer is undertaken by:
- The subsidiary company **Belfius Asset Management (Belfius AM)**, which is the management company of all Belfius branded funds and also manages private client portfolios. Belfius AM is the point of contact for our preferred partners Candriam and BlackRock.
  Belfius Asset Management uses **four models** of investing:
  - **Belfius AM funds of funds**: These are investment funds for which our internal fund selection and portfolio management teams analyze and select underlying Exchange Traded Funds (ETFs) and Undertakings for Collective Investments (UCI) of third-party asset managers. We select these collective investment vehicles based on various aspects, such as investment strategy, financial performance, costs and responsible investment approach and capabilities.
  - **Direct investment in individual securities**: Belfius AM funds invest directly in individual securities.
  - **Delegated funds**: These are investment funds for which Belfius AM is the management company and for which the portfolio management is delegated to an external manager. These external asset managers are currently Candriam and BlackRock Investment Management.
  - **Private Portfolio Management**: This concerns discretionary portfolio management (discretionary portfolios) and investment advice (advisory portfolios) for Belfius Bank's private clients with Belfius AM appointed as delegated asset manager. For these mandates, the private portfolio management team can invest in ETFs, funds, individual securities, alternative investments and/or derivatives.

  Within the Belfius Group, Belfius AM is also the centre of competence for responsible investments and, as such, monitors Belfius' entire fund range to ensure that it is in line with strategic options and sustainability commitments. In 2019, Belfius AM signed the United Nations Principles for Responsible Investment (UN PRI), thereby making a formal and external commitment to embed sustainability principles into its policies and to strengthen them over time. Belfius AM reports on its commitment to the principles for responsible investment – this report is available on the UN PRI website.
- **Candriam** is responsible for the day-to-day management of most Belfius funds. Candriam integrates ESG considerations into every investment strategy across all asset classes within the investment process and related goals as an integral element of its procedures. Candriam was one of the first European asset managers to sign the UN PRI in 2005.
- **BlackRock Investment Management** was selected to complement our asset management offering towards our Private and Wealth customers. BlackRock supports the use of ESG-related insights to improve investment decisions and outcomes.

The most important partner is Candriam as it manages the bulk of Belfius AM's assets.

For its KITE branch 23 / branch 44 offer, Belfius Insurance also relies on Belfius AM as a competence centre to manage relations with external asset managers whose funds are included in KITE.

5.5.3. Integration of ESG considerations in our investment strategy

5.5.3.1. Responsible investments methods

We fully recognize the role we have as an investor and our ability to use the capital we invest on behalf of our clients to not only generate financial returns, but also to create beneficial change. There is not just one way to consider ESG factors in investment decision-making, however there are various methods that we believe need to be applied in order to effectively manage an investment portfolio. In the table below we have listed the most important Responsible Investment methods that are applied in the management of our financial products.

Responsible Investment Method	Description
ACTIVE OWNERSHIP	Active ownership refers to creating beneficial change by engaging with the management of investee companies and by voting at shareholder meetings of listed equities. Engagement with investee companies can have different objectives, for example encouraging improved ESG disclosure, obtaining relevant information to support investment decision-making, or encouraging companies to enhance their sustainability practices. Given our investment set-up, engagement is undertaken following two distinct approaches: • Engagement with our external managers in order to ensure they operate in line with our requirements and expectations related to responsible investment and active ownership; • Engagement with companies that we invest in directly where we encourage improved ESG disclosure, engage in conjunction with our proxy voting policy and/or encourage companies to enhance their sustainability practices. Belfius AM annually reports on its active ownership achievements through its annual Active Ownership report. For more information regarding Belfius AM's Active Ownership approach, please refer to the Belfius AM Engagement and Proxy Voting Policies, which can be found on the following webpage on Responsible Investing.
EXCLUSIONS	Exclusions refer to classifying sectors, companies or governments as ineligible for investment based on legal, norms-based, or sustainability-related considerations. Belfius excludes certain economic activities on sustainability grounds through its Transition Acceleration Policy. As explained in more detail in section 5.1., this policy includes: • A norm-referenced (normative) screening process that excludes companies that violate the principles of the United Nations Global Compact (UNGC) or are involved in serious controversies; • A list of activities that Belfius either feels should be entirely excluded from its investment universe, or that only merit limited exposure in its investment portfolios. Belfius' advised offering of investment products is compliant with TAP criteria, except for those investment products over which Belfius does not have full control. For the products that Belfius only offers on an "execution only" basis via our Re=Bel platform, a systematic check is carried out against TAP criteria in order to make investors aware of the ESG risks involved.
ESG INTEGRATION	ESG integration refers to the integration of ESG factors into financial analysis/valuation and financial decision-making in a systematic and documented manner. This is only relevant for actively managed portfolios.
PROMOTION OF ESG CHARACTERISTICS	Promotion of ESG characteristics refers to the practice of clearly favouring portfolio investments that exhibit certain ESG characteristics, or a combination thereof. For investments under the SFDR, this strategy would typically be applied for art. 8 funds.
SUSTAINABLE INVESTMENT	Sustainable Investment refers to investment strategies that make substantial allocations to sustainable investments as defined by SFDR (i.e. investments in an economic activity that contributes to an environmental objective, or investments in an economic activity that contributes to a social objective, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance). For investments under the SFDR, this strategy would typically be applied for art. 9 funds, but also for the most ambitious art. 8 funds.
THEMATIC INVESTING	Thematic investing refers to investing in themes related to new and/or long-term trends. In many cases, these themes are expected to contribute to sustainable development in relation to environmental issues, social issues, or both. Belfius has developed a range of thematic funds that incorporate binding "E" or "S" criteria in their investment policy and are linked to one or more Sustainable Development Goals (SDGs). This steadily expanding range of thematic funds is called "Funds of the Future". Each of these funds invests in companies that are active in a particular environmentally or socially relevant (long-term) theme.

5.5.3.2. Integration of sustainability risks in investments decisions

We integrate sustainability risks in our investment decisions, as detailed on our website.

- For more specific information on how Belfius deals with climate and environmental risk in investments, please refer to section 6.1. of this Report.
- For more details on Belfius AM's responsible investment approach, please refer to the Responsible Investment Policy.
- Find more details on our active ownership in the Belfius AM Engagement Policy and the Belfius AM Proxy Voting Policy.
- Find information about our external partners' active engagement and proxy voting strategies in the Candriam Proxy Voting Policy, the Candriam 2023 mid-year proxy voting report, the BlackRock Investment Stewardship approach, as well as in section 6.1. of this Report.

5.5.3.3. Integration of principal adverse impacts in investments decisions

We also consider principal adverse impacts (PAIs) of our investment decisions on sustainability factors.

When individual securities such as stocks and bonds are selected, PAIs are considered at investee company level. Where ETFs/funds are selected, or the fund management is delegated to an external asset manager, our external managers are required to respect various aspects of responsible investment, including identifying, measuring, managing and disclosing the investments' PAIs. We then take into account the PAIs considered by the selected asset managers.

Where mitigating PAIs is a formal and binding element of the investment strategy, we expect our external managers to explicitly and structurally consider PAIs in their investment decision process. This includes, where possible and feasible, embedding PAIs in their exclusion, engagement and proxy voting decisions, which is a fundamental part of our responsible investment approach.

For more details, please refer to Belfius AM's PASI Statement.

5.5.4. Investor sustainability preferences

In accordance with the Markets in Financial Instruments Directive, also known as MiFID II, Belfius must take into account the individual sustainable needs and preferences of its customers when offering investment advice or administering a customer's portfolio.

In addition, banks are required to know and understand the sustainability characteristics of their product offering in order to correctly match these products with customers' sustainability preferences.

Belfius determines the sustainability preferences of its client-investors by asking targeted questions with regard to:

- The minimal amount of sustainable investments to be integrated into investments, i.e. investments that make a positive contribution to an environmental or social objective, do not significantly harm any other sustainability objective and respect good governance practices;
- The minimal amount of environmentally sustainable investments, aligned with European taxonomy (a list of environmentally sustainable activities defined at European level);
- The unfavourable sustainability impacts that investments should consider – the so-called PAIs (e.g. greenhouse gas emissions, respect for human rights, etc.).

Based on the answers received, Belfius records the customer's sustainability preferences and formulates a matching offer of financial instruments.

5.6. Proprietary portfolios and sustainability

In addition to its role as provider of investment solutions to private and institutional investors, Belfius manages its own portfolios of investment instruments and assets for specific activities. Proprietary asset management is vital for Belfius as an insurer to ensure both financial stability and the ability to meet policyholders' long-term liabilities and claims. Proprietary asset management is also an opportunity to demonstrate our commitment to sustainable practices, aligned with the evolving expectations of both policyholders and stakeholders.

5.6.1. Sustainable management of Belfius Insurance's reserves

Like any insurer, Belfius Insurance keeps sufficient reserves to be able to meet its contractual obligations to pay capital, interest and claims to clients.

The major part of the reserves is reinvested and reinjected in the real economy through:

- Mortgage loans (25.2%);
- Investments in government bonds as well as in corporate equities and bonds (69.6%, see section 5.6.2.);
- Real estate (5.2%, see section 5.6.3.).

At the end, as of 31 December 2023, Belfius Insurance's own investment portfolio reached a total of approximately EUR 14.74 billion.

5.6.2. Belfius Insurance investments

As of 31 December 2023, from those EUR 14.74 billion, Belfius Insurance had invested EUR 5.87 billion in government bonds and EUR 3.7 billion in corporate equities and bonds.

For this last part, we developed a threefold investment process aiming at contributing to the United Nations Sustainable Development Goals:

- We comply with Belfius' Transition Acceleration Policy in our own portfolio;
- We integrate ESG criteria in our own portfolio;
- We actively engage and interact with investee companies.

The first pillar of our investment approach is based on our **Transition Acceleration Policy** (TAP, see section 5.1.). This policy plays a pivotal role in guiding the management and strategic direction of our investments.

The second key element of our investment strategy involves the proactive integration of **ESG criteria**, placing a strong emphasis on supporting investees who are actively engaged in their transition towards increased sustainability. We focus on integrating businesses that are willing to mitigate the effects of climate change by reducing their GHG emissions in line with the Paris Agreement. In 2023, we incorporated this criterion into our Investment Risk Framework for all new investments. By doing so, we aim to create a portfolio that contributes to the global effort to combat climate change by aligning our investments with the urgent need for environmental responsibility.

The third and final pillar of our investment approach emphasizes our commitment to being an **engaged investor**. Our strategy extends beyond financial contributions and includes active participation and influence through proxy voting. In accordance with our Engagement Policy, our interactions with investee companies are purpose-driven conversations aimed at evaluating and influencing companies' practices, especially in relation to ESG matters. Based on the insights gained from these dialogues, we are willing to take necessary actions regarding our positions in these companies, particularly if adjustments are required to align with our sustainability goals and ethical standards.

Find out more on this topic in the Belfius Insurance's Engagement Policy and the 2023 Engagement Report.

At the end of 2023, we identified EUR 1.24 billion (of EUR 3.7 billion) invested in various activities that we consider to have a positive impact on the environment and society[1]. These projects and activities relate, amongst others, to:
- Energy transition infrastructure (EUR 425 million);
- Social housing and infrastructure (EUR 423 million);
- Environmental protection and conservation (EUR 205 million);
- Healthcare services supporting the elderly (EUR 144 million).

(1) This identification methodology is specific to Belfius Insurance and is based on an analysis of the sustainability reports of the various companies targeted and their projects aimed at anticipating the future needs of our societies and economies. This selection was proposed by the Investment team and challenged by the Belfius Insurance ESG team before validation by the various governance bodies.

5.6.3 Belfius Insurance real estate portfolio

At the end of 2023, 5.2% of Belfius Insurance's investment portfolio (EUR 771 million of a total amount of EUR 14.74 billion) was invested in real estate. This segment of our portfolio is diversified across two primary avenues: direct investments in property, and stakes in unlisted real estate funds. Such a mix allows us to leverage the strengths of both direct ownership and fund participation.

5.6.3.1. Direct real estate portfolio

At the end of 2023, 69% of our direct real estate portfolio was invested in office buildings and 19% in nursing homes. Our real estate investments are geographically concentrated, with over 90% of these properties located in Belgium. By investing in the Belgian market, we align our real estate portfolio with our overarching strategy of contributing to local economic growth and stability.

Our direct real estate investments are mainly focused on new or recent properties within walking distance of major railway stations or mobility centres. These acquisitions score extremely well in terms of energy consumption therefore, as well as in public transport accessibility. A prime example of this approach is our acquisition in January 2024 of a 10,000 m^2 office building developed by Cordeel in Mons, located within walking distance of Mons railway station and that aims to be certified with the BREEAM rating equivalent of "Very Good".

Decarbonized mobility is of prime importance to Belfius Insurance and we recognize the growing importance of electric vehicles in reducing carbon emissions. We are therefore investing in a comprehensive electric vehicle charging infrastructure at our Alverberg Business Park in Hasselt. This project, decided upon in 2023, will see the installation of 32 double charging stations, contributing to the transition towards environmentally friendly transportation methods. In addition, we intend to make these amenities accessible to the public during evening hours. This decision will increase the availability of convenient sustainable charging options, thereby encouraging the adoption of electric vehicles by the wider community. We are also actively investigating further investments in electric vehicle charging infrastructure. Our aim is to play a pivotal role in promoting sustainable transportation solutions.

In 2023, Belfius Insurance continued to collect consumption data for its buildings in order to estimate their carbon footprint and impact on the climate. Throughout 2023, we successfully tracked over 95% of consumption data across our properties and tenants for our direct real estate properties. We are currently working on the digitalization of this data collection and the use of an online data monitoring platform that will facilitate the identification of areas for further improvement.

Capitalizing on this data collection and monitoring exercise, we initiated a comprehensive ESG study in partnership with Sureal, a consultancy renowned for its expertise in sustainable real estate practices. The Sureal study has two main objectives: firstly, to develop a robust decarbonization strategy for our real estate assets that involves an extensive analysis of each property to identify necessary measures and investments that will significantly diminish their carbon footprint; secondly, to conduct an EU Taxonomy alignment analysis.

Belfius Insurance also wants its real estate investments to benefit biodiversity. Within this context, our efforts were recognized in 2023 when green spaces surrounding our MC^2 building in Louvain-la-Neuve were awarded the Natagora "Réseau Nature" label, symbolizing our commitment to environmental conservation at this site. This recognition underscores our adherence to five critical criteria:

- refraining from the use of chemical pesticides;
- preserving natural habitats and avoiding engaging in human activities that lead to their destruction;
- favouring indigenous plants that exist in the wild in their region;
- encouraging the spontaneity and diversity of wildlife;
- combating invasive species.

Natagora granted the label after an 18-month evaluation period, which was essential to ensure that our practices met the high standards set for environmental stewardship and biodiversity preservation. Natagora will continue monitoring the site.

5.6.3.2. Stakes in real estate funds

On the unlisted real estate fund side, Belfius Insurance is still the largest investor in the Vicinity Affordable Housing Fund. Vicinity aims to provide quality, low- or no-energy rental housing adapted to today's urban lifestyles with a positive social and environmental impact.

In 2023, Belfius Insurance also continued to invest in the capital of Cohabs, a Brussels-based company specialising in co-living. Cohabs is a fully integrated co-living platform that both owns and operates its own real estate assets. They mainly acquire assets to renovate and redevelop into energy efficient properties, preferentially using natural or circular building materials. From a social point of view, Cohabs is committed to maintaining 5% of the Belgian portfolio as solidarity bedrooms with 50% reduced rent to ensure co-living is accessible to all.

Finally, Belfius Insurance has strengthened its presence in the capital of Inclusio as a long-term shareholder. Inclusio is a social real estate investor that offers quality housing at affordable rents to vulnerable groups.

6. Focus on climate and environmental action

6.1. Environmental and climate-related risks and opportunities

Climate-related and environmental (C&E) issues are one the greatest challenges the world is facing and rank amongst the most pressing risks, both in the immediate and distant future. There is no doubt those issues will have a significant and lasting impact on economic growth and prosperity, as evidenced by the World Economic Forum's (WEF)[1] Reports that have consistently identified climate change impacts amongst the top short-term global risks over the past three years.

In the long term, climate change is even assessed as the most significant global risk, while the continuous inclusion of other emerging environmental risks shows growing concern over the preservation of our ecological systems and the use of natural resources.

Climate change has already resulted in more frequent extreme weather events experienced in the everyday lives of people. Summer 2023 for instance will be remembered for its extreme heat, with Southern Europe experiencing temperatures over 45 degrees Celsius and devastating forest fires. This period also saw the warmest week and hottest day on record. Even Belgium, known for its moderate climate, was affected by unusual floods and heavy rainfall in Flanders in November 2023, highlighting the immediate consequences of climate change.

The economy as a whole and the entire financial system face significant challenges from environmental and climate pressures, including both physical and transition risks:

- **Physical risks** arise from the physical effects of climate change and environmental degradation and include both acute risks (such as storms, floods, fires, droughts or heatwaves) and chronic risks resulting from incremental pattern changes (such as rising sea levels, water stress and biodiversity loss).
- **Transition risks** arise from the transition to a low-carbon, climate-resilient and environmentally sustainable economy, as well as from policy risks (such as the introduction of a carbon tax, new energy efficiency requirements for buildings), technology risks (rendering old technologies obsolete in favour of new ones that are less damaging for the climate), market risks (such as a shift in consumer preferences towards more sustainable products and services), legal risks (including the risk of litigation for failing to address climate-related issues) and reputational risks.

In response, regulators are taking action towards a transition to a low-carbon economy. Nevertheless, at global level, COP 28 demonstrated that progress has been too slow across all areas of climate action – from reducing greenhouse gas emissions and strengthening climate change resilience, to equipping more vulnerable nations with financial and technological support.

Through its Green Deal, the European Union (EU) has pledged to become the first climate-neutral continent by 2050 and decrease GHG emissions by 55% by 2030, which can only be achieved through strong collaboration between the public and private sectors. The financial sector in particular has been designated as a key lever in reaching the aforementioned targets.

C&E risks have accordingly become an increasingly central focus of the European Central Bank's (ECB) supervisory agenda and the European Banking Authority's (EBA) Sustainable Finance Roadmap. The ECB has repeatedly emphasized the need for financial institutions to enhance their ability to not only identify, but also adequately address those emerging risks and has called upon banks to take decisive action to build a resilient and sustainable future[2]. Over the past two years, supervisory dialogue and publications from the ECB have increasingly brought valuable insights[3] regarding potential approaches, methodologies and best practices.

(1) World Economic Forum. (2022) The Global Risks Report 2022; World Economic Forum. (2023)The Global Risks Report 2023; World Economic Forum. (2024) The Global Risks Report 2024.
(2) E.g. "Running up that hill" – how climate-related and environmental risks turned mainstream in banking supervision and next steps for banks' risk management practices (europa.eu); Climate-related and environmental risks – a vital part of the ECB's supervisory agenda to keep banks safe and sound (europa.eu); Making finance fit for Paris: achieving "negative splits" (europa.eu); Powers, ability and willingness to act – the mainstay of effective banking supervision (europa.eu)
(3) E.g. Results of the 2022 climate risk stress test of the Eurosystem balance sheet (europa.eu); The Road to Paris: stress testing the transition towards a net-zero economy (europa.eu); Risks from misalignment of banks' financing with the EU climate objectives - Assessment of the alignment of the European banking sector (europa.eu)

Belfius acknowledges the current global environmental trends and the need to move beyond reacting to extreme weather events towards the putting in place of proactive measures to mitigate climate change and the reduction of our ecological footprint. For a few years now, ESG risks have been considered one of the top five risks facing the group. Belfius has committed to not only reducing its level of exposure to sustainability risks, but also to playing a leading role in the transition to a low-carbon, climate resilient and environmentally sustainable economy, while offering the required support to its customers, suppliers, investees and partners.

Although conscious of the risks and opportunities stemming from other C&E issues like biodiversity loss and water scarcity (see section 6.3.), Belfius decided to prioritize climate-related issues considering the urgency for action to avoid climate tipping points. The social dimension also remains at the heart of our concerns, which is why Belfius feels compelled to tackle the financial impacts stemming from climate factors in a holistic way, with sufficient weight also attributed to social consequences.

Furthermore, Belfius is aware that climate-related risks and opportunities can impact not only its operations, but also its entire value chain, since the financial impacts stemming from these risks can affect its counterparties, as well as the assets of these counterparties. Belfius has already taken numerous steps to gradually integrate these considerations into its overall risk management framework.

The impact of climate risks on Belfius Group's main activities varies however, requiring a tailored management approach for each one.

Impact of Climate on Belfius Group's Activities

Risk type		Business activity			
		Financing activities (e.g. loans, leasing etc.)	Non-life insurance activities	Life insurance activities	Asset management
PHYSICAL	ACUTE	●	●●	●	●
	CHRONIC	●●	●●	●	●
TRANSITION		●●●	●	●	●●

The number of ● indicates the expected impact in the long term based on the estimated magnitude of the associated economic/financial consequences for Belfius in case of materialization of the risk

In this dynamic and evolving economic landscape, Belfius has been persistent in refining its approach to incorporate environmental risk considerations as accurately as possible. In the course of its own due diligence, Belfius has considered the findings of the climate stress tests conducted by the ECB (both at EU economy wide level and financial sector level), as well as the various reports published by it (including a compendium of good practices, recommendations for the inclusion of C&E risks in the prudential framework, and studies regarding the alignment of banks with decarbonization pathways)[1].

In addition to being actively engaged in efforts to diminish the potential impact of climate-related risks, Belfius has been reporting on these risks since 2021, in reference to the guidelines set forth by the Task Force on Climate-related Financial Disclosures (TCFD). In the years to come, Belfius will continue to be a part of these shared efforts to anticipate and confront global environmental challenges.

(1) European Banking Authority (2023), Report on the Role of Environmental and Social Risks in the Prudential Framework

6.1.1. Governance of environmental and climate-related questions

In close connection with other ESG related themes, C&E risks are integrated into the governance layers of Belfius Group. As Belfius believes that solid governance and the involvement of all levels of the company are key to the robustness of Belfius' climate risk management approach, the terms of reference of the Boards of Directors, the Belfius Bank Risk Committee and the Belfius Insurance Risk and Underwriting Committee, Management Boards and Joint Management Committee explicitly integrate the recent evolutions in ESG responsibilities, including C&E risks. Climate-related Key Risk Indicators and Key Performance Indicators are also gradually finding their way into existing supports (Risk Appetite Framework, Quarterly Risk Report, Quarterly Business Reports) for the Management Board and/or the Board of Directors.

For a general overview of the composition and remit of the above-mentioned governance bodies, please refer to the chapter on Corporate Governance in the Belfius Annual Report. The responsibilities of these governing bodies with respect to climate and ESG are explained in chapter 4. and summarized in the tables below.

Board-level	Climate and environmental considerations	Interactions	Frequency of reporting/discussions	Entities covered
BOARD OF DIRECTORS – BELFIUS BANK	1. Strategy 2. Objectives 3. General policy 4. Risk appetite and risk approach 5. Projects 6. Targets	Management Board Belfius Bank	Yearly (points 1-4) Bi-annually (points 5-6)	Belfius Group
BOARD OF DIRECTORS – BELFIUS INSURANCE	1. Strategy 2. Objectives 3. General policy 4. Risk appetite and Risk approach 5. Projects 6. Targets	Management Board Belfius Insurance	Yearly (points 1-4) Bi-annually (points 5-6)	Belfius Insurance
RISK COMMITTEE – BELFIUS BANK	1. Risk Appetite Framework (RAF) 2. Risks oversight	Board of Directors Belfius Bank CRO Belfius Bank	Yearly (point 1) Quarterly (point 2)	Belfius Group
RISK AND UNDERWRITING COMMITTEE – BELFIUS INSURANCE	1. Risk Appetite Framework (RAF) 2. Risks oversight	Board of Directors Belfius Insurance CRO Belfius Insurance	Yearly (point 1) Quarterly (point 2)	Belfius Insurance

At executive management level, the Belfius Bank CEO and Belfius Insurance CEO sponsor the ESG strategy. In 2022, the Joint Management Committee of Belfius Bank and Belfius Insurance established the Strategic Sustainability Committee (SSC) as a central hub for (operational) ESG governance to support its C&E responsibilities, in line with its and the Board of Directors' expectations.

Executive Management-level	Climate and environmental considerations	Interactions	Frequency of reporting/discussions	Entities covered
JOINT MANAGEMENT COMMITTEE – MANAGEMENT BOARD OF BELFIUS BANK AND BELFIUS INSURANCE	1. Strategy 2. Objectives 3. General policy 4. Mandatory regulations and voluntary commitments implementation 5. Risk appetite and risk approach	Board of Directors Belfius Bank and Belfius Insurance	Quarterly	Belfius Group
STRATEGIC SUSTAINABILITY COMMITTEE (SSC)	1. Strategy execution and monitoring 2. ESG framework execution (including TAP) 3. Mandatory regulations and voluntary commitments implementation	CEO – Belfius Bank CEO – Belfius Insurance	Every two months	Belfius Group

Below executive management level, Belfius has chosen to work with a limited number of dedicated teams (the ESG central team, the ESG data team and the ESG Risk Competence Centre detailed in chapter 4 and below), as well as a network of ESG champions across the organization to strike the right balance between expertise on the one hand and company-wide ESG integration on the other. In addition to topic-specific project management teams with a clear focus on delineated deliverables (e.g. ESG MiFID, SFDR), more permanent and structured exchange platforms have also been set up as shown in the table below.

Below Executive Management-level	Climate and environmental considerations	Line of Defence (LOD)	Frequency of reporting/discussions	Entities covered
SUSTAINABLE INVESTMENT DESK	1. TAP implementation and monitoring 2. Mandatory regulations implementation	Mixed LOD 1 and 2 (with Compliance and Legal)	Monthly	Belfius Group
SUSTAINABLE BANKING FINANCING AND INSURANCE DESK	1. TAP implementation and monitoring 2. Mandatory regulations implementation	Mixed LOD 1 and 2 (with Compliance and Legal)	Monthly	Belfius Bank Belfius Insurance
BELFIUS GREEN BOND ISSUANCE COMMITTEE OR DESK	1. Green Bond issuances	LOD 1	Quarterly	Belfius Bank
ESG CORE DATA TEAM	1. Data challenges in ESG projects	Mixed LOD 1 and 2 (with ESG risk competence centre)	Weekly	Belfius Group
ESG MODELS STEERING COMMITTEE	1. ESG Scorecards 2. Climate risk assessment and simulation tooling 3. Climate scenario analysis and stress testing	LOD 2	Monthly	Belfius Bank
RESPONSIBLE INVESTMENT (RI) COMMITTEE (NEW IN 2023)	1. RI strategy development, validation, and implementation 2. Monitoring of existing RI processes	LOD 1 and 2 (with Risk and Compliance)	Monthly	Belfius Asset Management

In 2023, a dedicated Responsible Investment (RI) Committee was established, presided over by the Belfius Asset Management Head of Responsible Investing. The committee comprises a multidisciplinary team of representatives from all departments within Belfius AM, including those directly involved in monitoring C&E risks, who are integral to both implementing and supervising the Responsible Investment strategy. The purpose of the Committee is to equip investment personnel with the necessary tools, enabling them to effectively carry out the Responsible Investment approach.

The management of environmental and climate-related risks and opportunities is progressively being embedded across all layers of the organization via the clear allocation of roles and responsibilities regarding the identification, assessment, measurement, monitoring, management and reporting of these risks along the three lines of defence model, as described in the ESG risk management framework. Each line of defence takes on its traditional role while extending it to new environmental and climate-related risk drivers.

As a rule, the business lines are the first line of defence from risks, including climate-related risks. Sustainability has been an integral part of the Belfius Inspire 2025 strategy and Belfius has conducted awareness-raising exercises for that first line of defence through the Self-Assessment of Risks and Internal Controls (SARIC) annual process, the Risk Identification and Cartography Assessment Process (RICAP), the New Product Approval Process (NPAP) adjustment and a variety of webinars.

The ESG Risk Competence Centre sits at the heart of the second line of defence and is in charge of setting up a comprehensive ESG risk management framework in collaboration with other groupwide risk departments. Its role encompasses, amongst others:

- Providing general advice on climate-related strategy and recommendations on key risk indicators (KRIs), limits and mitigation actions;
- Setting up a comprehensive ESG risk management framework in collaboration with ESG Risk Ambassadors that each specialized risk team in charge of a specific area of prudential risk appoints, supported by new committees dedicated to ESG;
- Developing Belfius' climate risk assessment methodologies (e.g. materiality assessments, due diligence) and ESG Risk Dashboard;
- Keeping oversight of the integration of ESG dimensions in risk policies, processes and internal reporting;
- Designing the overall ECB ESG action plan and subsequent coordination and monitoring of the roll-out of the component actions. Each specialized risk team is responsible for the timely execution of the actions assigned to it, meeting the ECB's requirements on climate, as well as fully embedding ESG risks into day-to-day activities.

The legal and compliance departments also closely monitor legislative and regulatory requirements and ensure Belfius is compliant with all of them. The legal department upholds the ESG regulatory watch with regular mailings and quarterly meetings. Belfius and Belfius Insurance's legal & compliance teams are also in charge of the prevention and mitigation of risks associated with legal, liability, litigation and greenwashing risks related to climate.

Moreover, as an independent control function of Belfius Insurance, the Actuarial Function embeds climate aspects in its second line activities related to the calculation and assumption of technical provisions, the underwriting policy and the reinsurance programme.

As for the third line of defence, Belfius conducts internal audit missions on ESG covering a variety of topics such as strategy, governance, risk management processes and policies. The goal of these reviews is to assess Belfius' overall level of readiness, compliance and performance, as well as the comprehensiveness and effectiveness of its practices. In addition to these thematic audits, sustainability aspects are also considered in other audits, for example those targeting financing solutions.

6.1.2. Material environmental and climate-related risks and opportunities

For sound implementation of its business strategy, Belfius looks into risks and opportunities, including C&E related risks that are already material, or will become material in the future. Using the necessary and available standards and frameworks, Belfius wishes to identify risks and opportunities that are material from both a financial materiality perspective and an impact materiality perspective to ensure its long-term profitability and value creation for all stakeholders.

Climate financial materiality		Climate impact materiality	
Direct risk/opportunity	**Indirect risk/opportunity**	**Direct negative/positive impact**	**Indirect negative/positive impact**
The impact of climate change on Belfius' business continuity, reputation, capital and liquidity.	The impact of climate change on Belfius through Belfius' loans, investment and insurance portfolios	The impact of Belfius on climate through Belfius' own assets and operations.	The impact of Belfius on climate through Belfius' financing, investing and insuring activities
TCFD recommendations		United Nations Principles for Responsible Banking (UN PRB)	
Non-Financial Reporting Directive (NFRD) and Corporate Sustainability Directive (CSRD)(1)			

(1) Belfius is currently working on the integration and implementation of the European Sustainability Reporting Standards (ESRS) in its sustainability reporting.

The materiality assessments performed by Belfius Bank and Belfius Insurance play a crucial role in guiding, steering and enhancing our C&E strategy, looking at it through the lens of both risks and opportunities. From a risk viewpoint, these processes enable Belfius to pinpoint hotspots and critical areas of concern. By recognizing these risk pockets, Belfius can implement more rigorous monitoring and adopt mitigation strategies, ensuring long-term resilience and stability. From an opportunity perspective, these evaluations contribute to the refinement of our commercial strategy, such as in offering support to clients engaged in the sustainability transition.

As a secondary benefit, as multiple in-house departments were involved in these exercises it improves ESG awareness throughout the organization. It also aids in the identification of precise indicators that can be used in the monitoring and evaluation of these risks.

6.1.2.1. Material environmental and climate-related risks and opportunities at Belfius Bank

The potential impact of climate and environmental risks on the bank's risk profile was further assessed in 2023.

This exercise, named CERMA or the Climate and Environmental Risks Materiality Assessment, aimed to evaluate the impact of a wide range of climate and environmental risk drivers on the bank's main risk categories (credit risk, market risk, non-financial risk, liquidity risk and strategic risk) through various transmission channels (loss of revenues, increase of costs and investments etc.) and over different time horizons (short, medium and long term).

The assessment also included a number of nature-related risks, as Belfius acknowledges that along with climate-related risks, other environmental risks such as those linked to the alarming rate of biodiversity loss, ever-growing pollution and the increasing pressure on water, also pose threats to the economy. These risks can indeed translate into business disruptions, reduced revenues, increased operational costs, write-offs linked to stranded assets, capital expenditures, penalties, etc. and can therefore affect a company's profitability. In addition to their inclusion in Belfius' CERMA, tailored methodologies have also been developed to better understand, identify and assess these nature-related risks (see section 6.3.).

The exercise resulted in a simulated potential magnitude of the impact of these climate and environmental risks on Belfius' solvency and liquidity profiles and allowed Belfius to confirm that C&E risks are indeed material: they can and will impact banking activities. Strategy adjustments to account for these risks are key to maintaining a sound low-profile balance sheet while supporting future earning capacity.

Methodology used for the materiality assessment

The assessment applies to Belfius Bank's consolidated scope (excluding Belfius Insurance) and was carried out at portfolio level. It was performed with the support of external climate experts and internal banking experts and included both quantitative and qualitative approaches.

Two scenarios have been considered:
- Hot house scenario for physical risks
- Orderly transition, aligned with the Belgian federal transition plan for transition risks

Three horizons were contemplated: short term (2026), medium term (2030) and long term (2050).

Different methodologies were used based on their suitability for the analyzed banking risks (see table below). Each risk category is impacted by multiple transition and physical risk drivers through various transmission channels. Generic economic impacts were translated into Belfius-specific financial impacts, taking into account Belfius specificities such as the balance sheet composition, the portfolios' sectorial distribution and their credit quality, or the geographical location of physical assets for instance.

The exercise will be repeated every two years and will gradually be refined as data availability improves and methodological best practices emerge.

	Assessment type	Analyzed areas
CREDIT RISK (ENTERPRISES & ENTREPRENEURS)	Exposure analysis	Loans and investment portfolios
CREDIT RISK (INDIVIDUALS)	Scenario driven sensitivity analysis	Mortgage loan portfolio
MARKET RISK	Scenario driven sensitivity analysis	Trading book portfolio
LIQUIDITY RISK	Scenario driven sensitivity analysis	Liquidity buffer, funding access & cost
NON-FINANCIAL RISK	Expert-based risk cartography	Own assets, own operations & third parties
STRATEGIC & BUSINESS RISK	Expert-based risk cartography	Competitive positioning, strategy, partnership and governance

Conclusions in terms of importance of risks drivers

With the help of climate experts, Belfius selected the most prominent climate and environmental risks for our portfolio and geographies from a long list of 45 risk drivers. Both likelihood and impact severity have been accounted for in the selection process. This led to a selection of 13 main transition risks and 17 main physical risks drivers, for which in-depth analyses on transmission channels and impacts have been conducted.

Overall, transition risks, which require large-scale transformations and investments in the whole economy, appear more impactful for Belfius than physical risks.

- The most impactful transition risks for the real economy are risks arising from new mandates and regulations such as new carbon pricing mechanisms and restrictions, bans on certain products or assets, processes that contribute to climate change and/or have negative impacts on the environment and technology shifts (transitioning to lower emissions technologies or substituting existing products by low-carbon alternatives).
- The most prevalent physical risks in Belfius' core market, Belgium, include several acute natural hazards such as floods, heavy precipitation, storms and heatwaves, but also chronic weather patterns changes leading to soil subsidence and water stress.

Outcome in terms of magnitude of impact per risk dimension

The conclusion from this materiality assessment is that climate and environmental factors are expected to impact Belfius across various dimensions: credit risk is expected to be the most impacted risk category, followed by strategic and business risk and non-financial risk. Market and liquidity risks are expected to be less materially affected.

This must be seen as a relative ranking however: in absolute terms, even the credit risk impacts remain fully manageable. It should also be noted that this ranking does not account for existing or future risk mitigating measures.

From a timing perspective, Belfius identified a risk of increasing climate and environmental risks over longer horizons, especially for physical risks. The events' probabilities and their impacts are largely dependent on the speed and scale of the implementation of transition policies and adaptation measures. The importance of drivers and transmission channels will therefore be regularly revised to account for policy, technological and societal evolutions.

Risk Type	Materiality Level Ranking(1)	Assessment
CREDIT RISK	●●●	New policies and regulations, carbon pricing mechanisms and technology shifts may lead to a decrease of revenues and an increase of operational expenses and capital expenditures for companies active in the most climate sensitive sectors. This is susceptible to deteriorate their credit risk profiles if not anticipated and managed correctly. Belfius is conducting individual assessments on top of portfolio analyses in order to mitigate the impacts this can have on the bank's risk profile.
STRATEGIC & BUSINESS RISK	●●	Belfius has to account for the changes in its business environment and keep pace with competitors with respect to sustainable products development and ESG strategies. It is key to have a fully transparent and informed strategy in order to maintain customers' and investors' confidence.
NON-FINANCIAL RISK	●●	Some physical risks could cause disruptions in our own operations or in operations conducted by suppliers/third parties. These risks are, and will be further, mitigated. Belfius is also confronted with the need to substitute existing products and services by lower emission alternatives. Finally, Belfius is screening its own, customers' and suppliers' ESG practices in order to avoid direct or indirect reputation risks that could affect investor confidence or talent retention.
LIQUIDITY RISK	●	The liquidity impacts potentially caused by C&E risk drivers are expected to be spread over time and not leading to abrupt changes in our strong liquidity profile.
MARKET RISK	●	The limited market activities at Belfius, the very short maturity of market risk positions and the possibilities to hedge most risks, reduce the risk that C&E risks drivers could lead to large devaluations of assets and negative P&L impacts.

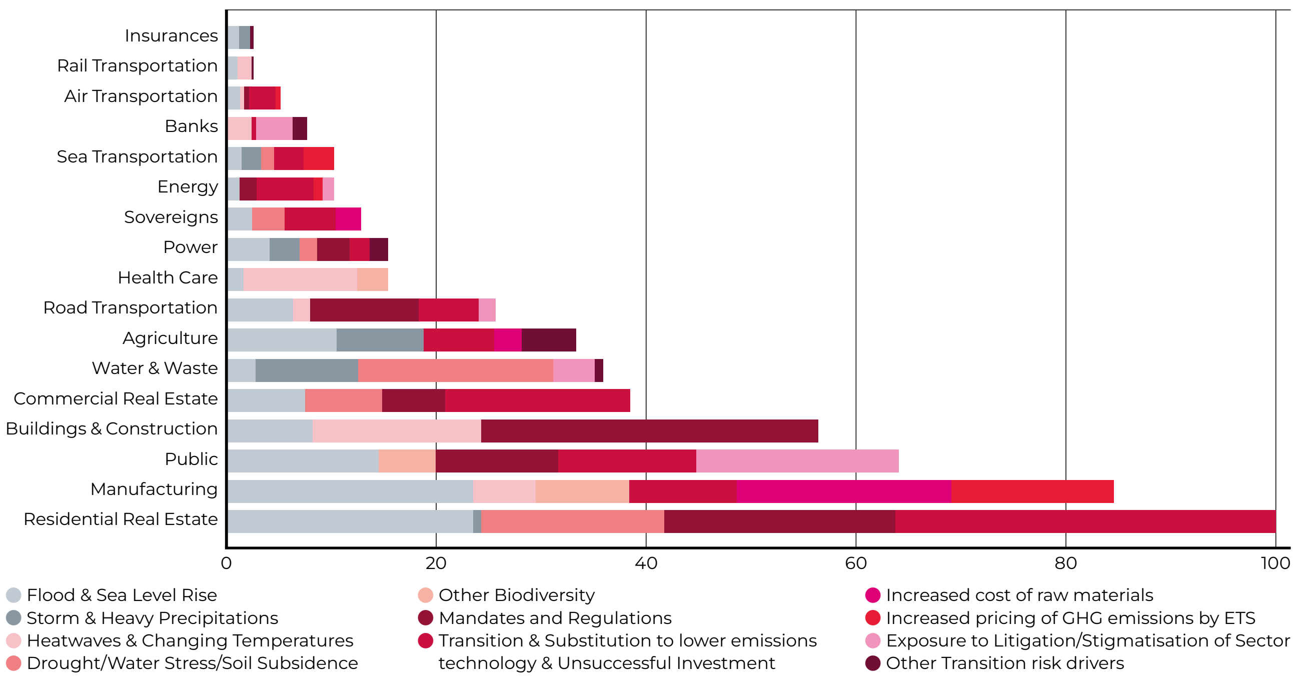
(1) Relative assessment based on expert judgement, average across all time horizons an before mitigation. The number of dots indicates the relative importance of the impact

Zoom on credit risk

As credit risk is identified as the most impacted risk dimension, we deal with this risk category in greater depth in this section. Belfius is actively involved in the financing of companies belonging to a wide range of sectors. Some of these companies, or their value chains, are exposed to climate and environmental risks that can affect their activities or financial profiles. To better understand the impact from our financing activities, we have looked at each sector individually.

The following graph summarizes the risk drivers impacting each sector and their relative importance.

Risk drivers



The impact of **transition risks** is considered to be the most important.

- The mandatory alignments with transition policies requirements applies to a wide range of sectors and is expected to affect the business model and profitability of companies through impact on revenues or additional operating expenses and/or capital expenditures.
- Technological shifts (substitution of carbon intensive products by low-carbon alternatives) could also have a deep and long-lasting impact on some sectors (mainly manufacturing, power and transport) and may in some cases render some activities/companies obsolete. Turning to new 'clean' technologies often requires large investments whose return is not always guaranteed as uncertainty can sometimes remain regarding their efficiency. The cost gap cost gap with carbon intensive products sometimes still needs to be closed.
- Carbon pricing mechanisms and increase of raw material prices are additional significant risks. The adoption of carbon taxes or other fiscal measures aimed at penalizing households and companies who do not reduce their carbon footprint fast enough, is on the agenda of many policymakers. Specific attention should be given to the European trade and cap scheme that is already becoming more stringent for some sectors (phase-out of free allowances and extension to new sectors e.g. maritime sector) and could lead to a sharp increase in carbon price. Carbon intensive sectors/companies such as real estate, manufacturing and transport, sectors that are difficult to decarbonize (e.g. agriculture) and those who cannot easily pass the additional costs to end-users (such as regulated sectors like the water utility sector), will be the most impacted.

- The implementation of more stringent Energy Performance Certificate (EPC) regulation, that will force households and companies to renovate their buildings, will impact their wealth and net cash flows.

The impact of **physical risks** could also be important, especially in the longer term and even more so in the absence of effective policies to mitigate global warming. The main risks in Belfius' geographical markets are water-related risks such as floods and heavy precipitation, temperature-related risks such as heatwaves, changing temperature, drought and water-stress, as well as storms. Increases in the intensity and frequency of natural hazards and structural changes in weather patterns could for instance trigger damages to real estate assets and production sites, lead to supply chain disruptions, affect production capacity and workforce productivity, lead to a repricing of certain assets prone to physical risks and could increase insurance premia and insurance protection gap.

These are general findings, however, and it is worth noting that in most cases, the specificities of Belfius' portfolio are natural mitigants that smooth part of the potential impacts.

The next table provides the expected credit risk impacts per sector and per time horizon, taking into account the specificities of Belfius' portfolio (companies' activities within their sector, companies' credit quality and size of exposures per sector), based on current credit portfolio composition.

Credit risk impacts per sector and time

	Short Term	Medium Term	Long Term
RESIDENTIAL REAL ESTATE	●	●	●●●●
MANUFACTURING	●	●	●●●●
PUBLIC	●	●●	●●●●
BUILDINGS & CONSTRUCTION	●	●	●●●●
COMMERCIAL REAL ESTATE	●	●●●	●●●
WATER & WASTE	●	●	●●●
AGRICULTURE	●	●	●●●
ROAD TRANSPORT	●	●	●●
HEALTH	●	●	●●
POWER	●	●●	●●
SOVEREIGNS	●	●	●●
ENERGY	●	●	●
SEA TRANSPORT	●	●	●
BANKS	●	●	●
AIR TRANSPORT	●	●	●
RAIL TRANSPORT	●	●	●
INSURANCE	●	●	●

The number of ● indicates the relative magnitude of impact per sector

In the longer term the sectors that require most attention for Belfius are therefore, in descending order:

- **Residential Real Estate, Building & Construction and Commercial Real Estate**: these sectors are facing the implementation of minimum energy performance standards that will require deep renovations of existing buildings. Properties that do not meet requirements will become less attractive. Given Belfius' important exposures on real estate, indirect impacts may be material. While the renovation wave presents opportunities for the construction sector, physical risks (e.g. heatwaves) and resource scarcity could disrupt building activities and negatively impact the profitability of these companies;

- **Manufacturing**: this sector must become more energy efficient, switch to renewable energy, rely less on carbon intensive processes and use less water. In particular, the cement/concrete, metals and petrochemicals industries must invest heavily in clean technologies, carbon capture and storage mechanisms. As long as these technologies are not mature, these companies remain exposed to rising energy and carbon prices. Associated with resource scarcity, this could have an important impact for some companies with lower credit quality;
- **Public sector**: public authorities can be impacted both directly through their own assets and operations and indirectly through lower tax revenues in case of lower GDP and additional expenses due to greater investments for key infrastructure/services. The public sector can also be affected through natural disasters relief schemes or transition support mechanisms;
- **Water & Waste**: While transition risks are limited, physical risks, especially droughts and water stress, could threaten the profitability of water utility companies. These regulated activities also have a limited ability to pass higher costs on to customers. Risks for Belfius are somewhat mitigated by the fact that 75% of our total exposures are UK exposures included in the legacy portfolio. This legacy portfolio is insured.

Given the specificities of Belfius' portfolios, credit risk impacts on our exposure to the Power Generation sector, Health Services (hospitals), Road Transport and Sovereigns is expected to remain moderate. Anticipated credit risk impacts on Belfius' exposures to Energy, Air and Sea Transport should also remain rather limited.

6.1.2.2. Material environmental and climate-related risks and opportunities at Belfius Insurance

Belfius Insurance developed a climate risk materiality assessment for insurance activities in 2023, which is a major milestone in the Belfius Insurance ESG Risk Roadmap that began in 2021.

This assessment encompasses all of Belfius Insurance's operations. Its purpose is to pinpoint which activities carry significant climate risks and whether more accurate indicators to assess and monitor these risks are needed.

Methodology used for climate risk assessment

The climate materiality analysis systematically evaluates the climate risk level across all categories of assets and all categories of liabilities (non-life and life & health), as well as operations on a high-level basis, employing qualitative or quantitative data. In areas where a high level of risk is identified, further analyses were recommended, or additional mitigation measures proposed, to address risks that could potentially affect the resilience of Belfius Insurance.

ASSETS	LIABILITY
FINANCIAL ASSETS Government bonds / Corporate bonds Equities / Infra, loans Private Eq.	NON LIFE Impact of flood, storm, subsidence, wildfire
OTHER ASSETS Real estate / Mortgage loans	LIFE & HEALTH Impact on mortality & disease, etc.
OPERATIONAL: Business continuity	

The assessment distinguishes between physical and transition risks related to climate change, in addition to separating short-term and long-term risks (short-term: up to five years; long-term: over 10 years). The guidelines utilized to conduct the risk materiality assessment are drawn from various documents issued by the European Insurance and Occupational Pensions Authority (EIOPA[1]).

The Risk score for each domain is assessed on the basis of three criteria.

- **Exposure**: relates to the amount at risk in case of adverse events
- **Event**: relates to the probability of potential adverse events
- **Vulnerability**: relates to whether or not adverse events can materially impact the exposure

Outcome of the materiality risk assessment

For **physical risks**, a large selection of climate events have been considered, with priority given to the most material physical risks, such as windstorms, river, pluvial and coastal flooding.

The maximum current risk level for all Belfius Insurance domains of activity is medium at most, mainly due to the fact that these events have a medium impact on the geographical zone where our exposures are present (i.e. Belgium). Physical risks for insurance are mitigated by a strong reinsurance programme and by the fact that client insurance coverages can be adapted on a yearly basis.

Belfius Insurance remains vigilant regarding the evolution of physical risks due to climate change so as to take all appropriate measures (reinsurance, pricing, risk assessment etc.) to keep the risks under control.

Transition risks are mainly relevant for our assets. Transition risks can typically be substantial for Equity & Corporate Bonds and direct property. For the specific exposures of Belfius Insurance, risks have been deemed in line with our risk appetite after the following analyses:

- For Equity & Corporate Bonds, the top positions were analyzed individually on the basis of their specific profile of activities, their transition strategy and their sensitivity to potential new regulations, carbon tax, raw materials price increases and technology shifts. The result of the analysis shows that the transition risk of this asset class is in line with our risk appetite. The risk will continue to be monitored on a regular basis;
- For direct property, a risk assessment of assets has been done based on characteristics such as contract duration, energy efficiency and quality of the tenant. The valuation of several buildings already includes major refurbishments planned for the end of existing rental contracts. This risk assessment shows a risk in line with our risk appetite. Belfius Insurance is actively managing the improvement of the energy-efficiency of its portfolio to meet the ambitions of the Paris Agreement;

(1) "Application guidance on running climate change materiality assessment and using climate change scenarios in the ORSA"
"Sensitivity analysis of climate-change related transition risks"
"European insurers' exposure to physical climate change risk"

- For Government bonds, the good credit quality of the positions detained and the relatively low physical risks in the concerned countries reduce the transition risk. Transition risk remains in line with our risk appetite based on severe but plausible stress tests;
- For mortgages, transition risk has been assessed based both on energy efficiency and loan-to-value ratios. Based on these characteristics, a stress test was carried out. The result of the test shows that the solvency of the insurer is not materially impacted.

6.1.3. Belfius' strategy on environmental and climate-related risks and opportunities

Belfius defined its Inspire 2025 business strategy in 2020, in line with its mission: "Belfius, meaningful and inspiring for Belgian society. Together." Under this strategy, Belfius' objective is to generate a positive contribution to all segments of both the Belgian economy and society, thanks to its robust risk and financial management. This approach already integrates Belfius' sustainability ambitions of creating positive value and reducing negative impacts, as well as sound management of risks arising from ESG, including climate.

Considering the salient impacts of environmental and climate-related risks and opportunities, Belfius chooses to be a leading actor in the transition to a low carbon and resilient Belgian economy and society. For that purpose, Belfius is increasing the finance flow towards the sustainable economy with dedicated solutions (see section 5.2.). Secondly, Belfius is putting in place policies and procedures that aim to reduce negative impacts and risks on/from environmental and climate-related factors. Finally, Belfius regularly tests the resilience of its strategy against these risks.

Belfius' strategic choices on environmental and climate-related considerations are gradually also reflected in its financial planning process. Within the financing and related insurance production figures, the alternatives that support the transition are steadily gaining weight. This is also the case for investments, as Belfius encourages its clients to invest in a meaningful way. For more details, please refer to section 5. Belfius' research department's predictions regarding macro-economic variables (which form the basis of financial plan hypotheses), include relevant evolutions in Belgium's sectoral composition and real estate market (EPC values).

Zoom on shift in energy outlook

Taking into account the rapid changes in the energy outlook, impacted by the risks and opportunities brought on by the climate transition, Belfius will, as a financial actor, support the decarbonization of the Belgian energy mix. The massive shift towards renewable energy is Belfius' number one priority, as witnessed by its stakes in Belgium's wind farms and major solar energy infrastructure initiatives such as Aster or SeGEC. For more details, please refer to section 5.2.2.4. As the electrification of buildings and mobility, as well as the development and rollout of new technologies, are key in accelerating energy transition, Belfius will actively support these activities and sectors. Belfius also understands that structural changes related to energy transition could lead to major social risks and energy poverty. As Belfius holds a deep-rooted belief that the transition must be a social one, Belfius commits to providing socially inclusive, problem-solving solutions to Belgium's energy and climate challenge. For that purpose, in addition to climate being an impact area for Belfius' UN PRB targets, affordable energy-efficient housing was also selected as Belfius seeks to balance the social aspect of transition with the need for an urgent energy shift.

6.1.3.1. Increasing the finance flow towards a more sustainable economy

As environmental and climate-related factors and risks mostly impact financing activities, Belfius aims to use its balance sheet to facilitate projects and initiatives with a positive impact towards all its customer segments (individuals, enterprises, public entities etc.). More specifically, Belfius is committed to financing meaningful Belgian infrastructure programmes undertaken or approved by the federal, regional or local authorities including, but not limited to, so-called green or social infrastructure projects, as well as utility infrastructure built by inter-communal or para-regional entities.

Belfius also seeks to support enterprises in their entire ESG journey with a tailor-made tool that guides users towards action, including climate-mitigation actions on the one hand and dedicated product offers to finance those actions on the other. The idea is to gradually align the Ambition Loans and Lease products with the EU Taxonomy to improve Belfius' Green Asset Ratio (GAR) and to facilitate Belfius' clients' alignment with EU Taxonomy. For now, this market is very small.

During these client interactions, Belfius also collects relevant client datapoints (availability of policies, noteworthy practices, quantitative performance, future plans) to capture their respective ESG risk profiles and translate them into an ESG score that will become a key element in Belfius' risk management approach.

Furthermore, Belfius incentivizes its banking and insurance customers to adopt sustainable habits through pricing mechanisms and a broad selection of products and services. These mechanisms are also designed to protect Belfius clients from life hazards due to physical (e.g. natural catastrophes) and transition (e.g. energy efficiency measures) climate impacts.

Concerning investments, Belfius Asset Management (Belfius AM) uses several approaches to factor in responsible investment considerations into its product and investment strategies, including climate-related risks and opportunities identified as material and the Transition Acceleration Policy. For more information on Belfius AM's four investment models, see section 5.5.2.

For more details on Belfius' product range that contributes to sustainability and increases the finance flow towards the sustainable economy, please refer to Chapter 5 of the Sustainability Report.

6.1.3.2. Aiming at reducing negative impacts and risks

Belfius' Transition Acceleration Policy (TAP) is the cornerstone of Belfius' sustainable strategy. It covers all business activities (lending, insuring, investing etc.) and acts as a risk mitigation tool integrating environmental factors and risks, as well as other prominent ESG risks such as human rights. The principles set out in the TAP provide guidance on the direction and pace of transformation with the objective of encouraging counterparties' transition and limiting the adverse impacts caused by certain economic activities. The TAP is regularly reviewed to integrate evolving stakeholder expectations, regulatory developments and technological breakthroughs. The latest review in 2023 resulted in the publication of an updated version of the TAP in January 2024 with tightened criteria. For more information on this, see section 5.1.

In addition to the TAP, Belfius also developed its Climate and Environmental Policy in 2022 that takes environmental and climate-related risks caused by its operational activities into consideration.

Furthermore, certain TAP criteria are aligned with Principal Adverse Impacts (PAIs) 1-6.

When Belfius AM launches financial products designed to promote certain environmental characteristics, or products with explicit sustainable investment objectives, it addresses identified PAIs. This is implemented wherever possible and feasible and in line with the nature of the investment, such as asset class or type of investment instrument, investment style, investment strategy or investment objectives of the financial product. When Belfius AM selects individual securities, such as stocks and bonds, PAIs are considered at investee company level. Where ETFs/funds are selected or the fund management is delegated to an external asset manager, Belfius AM has requirements in place that require external managers to meet various aspects of responsible investment, including identifying, measuring, managing and disclosing the investment's PAIs. Belfius AM then takes the PAIs considered by the selected asset managers into account, as described in more detail in its PASI statement.

6.1.3.3. Resilience of Belfius' strategy

Within the context of expected significant macro and micro economic changes stemming from the transition to a low carbon, climate resilient and environmentally sustainable economy, Belfius Group's climate-aware business strategy and risk management framework, combined with its robust balance sheet structure and reinsurance programme, points to Belfius' resilience and growth opportunities.

The results of the supervisory and internal climate stress tests conducted on the banking side in 2022 confirm that environmental and climate-related risks do not pose a significant threat to Belfius' profitability, capital position and liquidity buffers in the given scenarios for the time being.

Similarly, the outcome of the CERMA conducted in 2023 underpins the conclusion that although material, the financial impacts of climate and environmental risks should remain manageable. As impacts should only materialize gradually, management actions will be taken in the meantime in order to maintain a sound low risk profile balance sheet, further increase the group's resilience against those risks and support future earning capacity.

On the insurance side, although the stress test scenario can lead to material solvency impacts for Belfius Insurance, the risk mitigation systems in place confirm that Belfius Insurance respects its risk appetite indicators, even in the stressed scenario.

For more details on Belfius Bank and Belfius Insurance's climate stress tests, please refer to section 6.1.6.

6.1.4. Integration of environmental and climate related risks into the risk management framework

For some years now ESG risks, including but not limited to C&E risks, have been identified as a top risk that can affect Belfius both directly and indirectly through its financing, insurance and asset management activities.

As a result, ESG considerations have become an increasingly integral part of Belfius Group's risk management framework since 2020, as Belfius is embedding ESG, and particularly climate risks, into its existing risk management processes: risk mapping, risk taxonomy, materiality assessment, Risk and Control Self-Assessment (RCSA), Risk Identification and Control Assessment Process (RICAP), Self-Assessment of Risks and Internal Controls (SARIC), Own Risk and Solvency Assessment (ORSA), approval processes, stress tests and risk appetite. ESG is positioned as a risk driver of credit, market, operational, strategic, business, reputational and legal risks in Belfius' risk map since 2021 and ESG risks are explicitly mentioned in the Belfius Risk Culture Policy and Risk Charter. Dedicated surveys have also been carried out to ensure the proper identification and assessment of ESG related risks across the three lines of defence over the entire organization.

As sustainability dimensions have gradually been included into business practices for all Group activities these past years, Belfius decided to go further in 2023 and to draft a dedicated ESG Risk Management Framework in order to better frame the management of ESG risks within the organization.

ESG Risk Management Framework

This framework outlines how ESG risks are identified, assessed, quantified, mitigated, monitored and reported. This internal document expresses Belfius' commitment to sustainability, which is inextricably linked to its mission to be meaningful and inspiring for Belgian society. It complements other existing frameworks and policies, including the Belfius ESG Framework, the Climate and Environmental Policy, the Human Rights Policy and the Transition Acceleration Policy. These guidelines reflect best practices and industry standards, but are tailored to the specific needs and characteristics of Belfius.

The framework recalls Belfius' objective to be a responsible banker, investor and insurer and play a leading role towards the transition to a low-carbon, inclusive and environmentally sustainable economy through, amongst others, a sustainable balance sheet. It also stresses the importance of addressing ESG risks in a holistic way in order to guarantee the group's long-term resilience and preserve employee satisfaction, investor confidence and customer loyalty.

The framework summarizes the tools, methodologies and processes used by Belfius to:

- Identify and assess ESG risks that have already or are likely to become material in the future;
- Quantify the potential financial impact of ESG risks (through, amongst others, scenario analyses, simulation tools and stress testing)
- Reduce the risk of occurrence and/or the potential impact of these risks through mitigation measures taken at portfolio or individual client/asset level;
- Ensure that identified ESG risks are continuously monitored, reported and remain within the approved risk appetite limits;

The document also aims to ensure that roles and responsibilities are clearly defined, assigned and understood across all lines of defence. The framework applies to all Belfius subsidiaries and activities, but a proportionality principle, considering the size of each subsidiary and the importance of ESG-related topics for each business line, is applied.

The framework will be periodically reviewed in order to reflect the latest requirements regarding the management of ESG risks, including supervisory expectations and new EBA guidelines.

In 2021, Belfius designed an ambitious ESG action plan aimed at aligning its plans and practices with expectations set by the ECB in its "Guide on climate-related and environmental risks" published in November 2020 – the so-called "ECB ESG action plan". The ECB ESG action plan includes a roadmap related to ESG strategy, governance and organization, data and reporting, risk management and disclosures. It was reviewed in March 2023 to further the process towards full integration of ESG into day-to-day risk management activities and practices.

Climate and environmental risks and the ECB

One of the ECB's missions is to ensure the soundness and safety of the financial system.

Against a background of increasingly frequent extreme weather events, the growing importance of climate change for the economy and evidence of its financial impact on banks, the ECB, in its role as a supervisor of European banks, expects banks to properly detect, manage and disclose risks stemming from climate change.

- In November 2020, the ECB published a guide on climate-related and environmental risks.
- Banks were required to perform a self-assessment in early 2021 and submit an action plan to close existing gaps between practice and the supervisory expectations outlined in the guide.
- In 2021, the ECB provided feedback to each significant institution and published a first report on the state of climate and environmental risk management in the banking sector.
- In 2022, the ECB conducted a supervisory stress test exercise focusing on climate-related risks and thoroughly reviewed the practices of 186 banks via a thematic review on environmental and climate related risks.
- Following those exercises, the ECB published several reports and indicated that *"despite improvements, banks still need to better identify and manage climate and environmental risks"*.

To encourage banks to speed up their efforts, the ECB set staggered, institution-specific deadlines for banks to progressively meet and integrate all supervisory expectations by the end of 2024.

In 2023, the ECB made multiple public announcements regarding its commitment to ensure banks' compliance with supervisory expectations by the end of 2024. It reiterated that delays or incomplete remediation of shortcomings might lead to additional supervisory measures and announced that further enforcement action, in the form of periodic penalty payments, would be taken against the banks still failing to adequately address climate and environmental risks. The stakes are rising therefore for all financial institutions lagging in the implementation of their action plan.

The ECB noted in 2022 and 2023 that Belfius made significant progress in the advancement of its ESG action plan.

6.1.5. Risk identification and assessment

Risk identification and assessment are a prerequisite for strategic decisions and detailed risk management actions, which in turn will help ensure the Group's long-term resilience. ESG risks have been included in Belfius' risk inventory for several years, however as climate risk impacts several asset and liabilities risk categories through different drivers, the assessment of these risks remains a challenging exercise, especially coupled with the lack of data available in the market. Belfius applies a flexible and gradual approach to tackle these challenges therefore and is expecting further clarity on rapidly evolving regulatory expectations.

The outcome of these identification exercises, of which the 2023 Climate and Environmental Risk Materiality Assessment is the latest to date, helps Belfius prioritize actions while feeding its business and sustainability strategy. This includes decisions regarding how to ensure sustainable growth, the identification of the most valuable products and service offerings and possible influence on pricing as well as, amongst others, the adaptation and mitigation activities that should be pursued.

For details on Belfius' material risks and opportunities related to its banking and insurance activities identified so far, please refer to section 6.1.2.

Operational risks

For several years, attention has been dedicated to the impact of climate-related risks on Belfius' operational resilience. The bi-yearly threat analysis exercise measures the impact of physical risks, including natural disasters, on assets such as Belfius data centres with a view on business continuity. If necessary, adequate mitigating actions are then taken to ensure ability to continue or quickly resume critical activities in case of extreme events. It should be noted that most critical activities are executed simultaneously in different places and that the use of adequate technologies are also limiting the potential impact of climate-related risks on activities.

Belfius has also significantly strengthened its approach regarding its suppliers with the integration of ESG criteria in its Procurement Policy, Procedures and General Terms and Conditions (e.g. respect of GDPR). This includes the Sustainability Code of Conduct for Suppliers which was updated in 2023, the conducting of a vendor assessment with a third party and ESG scorecard monitoring. For more information, please refer to section 7.3.

6.1.5.1. Risk identification and assessment of banking activities

The CERMA performed by Belfius Bank in 2023 confirmed that credit risk is the risk category that will be most subject to climate risks through both corporate and business loans on the one hand and mortgage loans on the other.

As Belfius' loans and advances exposures are primarily concentrated on Belgian counterparties (>95%), analyses focus on transition and physical risks that are material for Belgium.

At portfolio level

In 2021 and 2022, Belfius carried out several in-depth analyses within its 'loans and advances to non-financial corporates' portfolio to identify the most vulnerable counterparties and assets and quantify its exposure to these risk pockets.

Leveraging these screenings, Belfius decided to monitor the evolution of its exposure to climate and sensitive sectors in general, including fossil fuel activities in particular (see section 6.1.9).

In order to be able to better assess and simulate the evolution of the risk profile of its mortgage loan portfolio, Belfius developed a mortgage simulation tool to project possible evolutions of mortgage loan portfolios in the long term (up to 2050), triggered by physical and transition climate risks.

The prospective module simulates both the possible long-term impact of transition policies and the potential impacts of flooding on asset values and debtor's credit risk profiles.

The tool shows how loan-to-value and debt service-to-income ratios evolve over time in each scenario considering the expected improvement in the energy performance of the property and therefore changes in the value of the building, the loan amount and the income and expenses of the debtor.

Scenario	Risks evaluated	Time horizons and intervals	Modelling assumptions	Sector exposure and business segment scope	Granularity of the assessment	Approach and methodology	Portfolio scope, coverage and exclusions	Output metric
NGFS[1] 2021-Net Zero 2050 NGFS 2021-Delayed Transition NGFS 2021-Current policies	Transition risks (EPC driven) and physical risks (flood risk)	2025-2030-2040-2050	Dynamic balance sheet EPC improvement trajectories	Mortgage loans	Asset and debtor	Sensitivity analysis based on location and energy performance of immovable property used as collateral	100% of the portfolio for flooding risk and 85% of the portfolio for transition risk	Intermediary metrics: LTV[2] and EDSTI[3]

(1) NGFS: Network for Greening the Financial System.
(2) Loan to Value.
(3) EDSTI: Energy bill & Debt servicing to income.

Zoom on mortgage loan analysis

Mortgage loans constitute a significant share of Belfius' financing activities. In addition, Belfius want to ensure that affordable and energy-efficient housing is available to all members of Belgian society. Consequently, further scenario analyses have been performed with the goal of assessing the possible impact of climate-related transition policies on assets and debtors under various NGFS inspired scenarios, using the in-house mortgage simulation tool developed in 2022.

The considered transition policies focus on minimum EPC requirements and mandatory energy renovations set by Belgian regional authorities within the framework of the decarbonization trajectory described in the Belgian regional climate plans.

The magnitude of impact on key credit parameters, mainly the deterioration of loan-to-value ratio and debt servicing-to-income, depends on various factors for which assumptions have to be made, including for instance:

- The degree of awareness and willingness of individuals to upgrade the energy performance of their asset;
- The households' financial means to do so;
- The severity level, enforceability and speed of implementation of new EPC policies;
- The timing of the renovation waves;
- The evolution of energy prices, raw material and construction labour costs;
- The evolution of future market value haircuts for the least efficient homes;
- The removal of technical constraints (via technology breakthroughs) and current workforce limitations within the construction sector.

The main conclusion of the simulations remains that the delayed transition scenario appears riskier than the net zero or current policies ones, with risks peaking in 2030.

This conclusion is aligned with the outcome of the second economy-wide climate stress test performed by the ECB. Comparing three potential pathways for the transition with differing timing and level of ambition for reducing emissions, the study shows that delayed and late-push transitions where the current path towards a net-zero economy is not sped up until 2026 entail higher financial risks for firms, households and the banks that lend to them. An accelerated green transition on the other hand would provide significant benefits for the euro area's economy and financial system.

This assessment was complemented through a socio-economic analysis aimed at identifying the proportion of our customers who might struggle to finance required energy renovations. The results of this high-level study (that should be interpreted with caution given the use of assumptions and certain data availability limitations) indicate that those households could represent around 20% of our customers. While Belfius is committed to re-inforcing its actions to tackle this challenge and developing innovative solutions to help its customers in their renovation journey, further support measures from public authorities will be instrumental in addressing this issue to allow a fair, socially inclusive transition to take place.

At counterparty/asset level

Since there is more data available at sector-level than company-level, a top-down approach to materiality assessment is a logical first step to gaining quick insights on risks. However, the added value of these approaches remains limited as sector-level data do not take into account the large differences between firms within a sector, such as companies' production processes and technologies, company specific strategies and dynamics over time. The same is true for the mortgage portfolio analysis, from which Belfius can gather interesting insights at portfolio level – these are based on numerous assumptions and proxies however.

Consequently, Belfius uses a bottom-up approach that is complementary to the top-down approach in order to assess the risks.

ESG scores of companies

Belfius began evaluating the individual ESG profile of companies and groups through an in-house tool. The tool factors in a range of qualitative and quantitative ESG indicators relating, amongst others, to GHG emissions, energy consumption, workforce and supply chain management, diversity and equality, governance bodies and business ethics. The final score reflects the company or group's positioning amongst a benchmark population.

This tool enables Belfius to rank counterparties based on their exposure to ESG factors, their willingness to take ESG issues into consideration, their ability to assess and measure ESG risks and opportunities, their capacity to monitor ESG risks, their current ESG risks management practices, the results of their mitigation actions, their level of transparency and their overall performance with regard to ESG.

This risk scoring approach is fully integrated into a customer dialogue. Indeed, the questionnaire used to capture the relevant data serves as a basis for engaging more deeply with clients to better understand where they stand, what their key issues are, how they plan to transition to a low carbon economy and how Belfius can support them to this end. As such, the ESG score is gradually being embedded not only in Belfius' operational processes, but also in Belfius' commercial strategy. Relationship managers discussed sustainability topics in depth with more than 1,500 customers in 2023, leading to more than 200 counterparties being rated. The scope of customers whose ESG risk profile will be assessed will be further broadened in 2024.

The evolution of ESG scores over time will indicate to what extent customers are improving their performance and practices and adhering to the transition to a low-carbon economy. In turn, this will allow us to measure how resilient to climate and environmental risks our corporate loan portfolio is expected to be in the longer term.

Finally, ESG scores will inform credit granting decisions and are expected to contribute to quantification of credit risks if and when a robust statistical link can be made between these scores and risk parameters, such as probability of default and loss given default.

Belfius has developed a similar ESG risk scoring tool for its exposures to Sovereign counterparties that will be rolled out in 2024.

EPC of buildings held as collateral

Another focus of our practices lies in the measurement of the potential magnitude of transition risks on real estate assets held as collateral. Since 2021, Belfius has been actively collecting the energy performance certificates (EPC) of residential and commercial real estate assets held as collateral from its customers due to the fact that Belgian banks, unlike some of their European peers, have not been granted access to regional EPC registers.

For residential real estate assets where Belfius lacks EPC data, a workaround was set via a proxy tool provided by a third party that estimates energy efficiency based on the property's address and other known characteristics such as the year of construction or the surface measurement.

Even poorer EPC data is available for commercial real estate as it is often not subject to the legal obligation of performing an energy audit. We believe that methodologies estimating the energy performance level of commercial real estate are not yet mature and/or reliable enough, preventing us from using proxies for these types of assets at the current time.

The energy performance level of a building can affect various credit risk parameters:

- The probability of default on the part of the borrower can be impacted by mandatory energy renovation obligations and/or rising energy prices as those factors can erode the wealth and revenues of the owners and occupiers of properties presenting poor energy efficiency.
- The loss, given default of the loan, can also be impacted following downward adjustments to the collateral value due to an expected decrease in the market value of properties with poor energy efficiency.

The evolution of both the availability of true up-to-date information and the distribution of EPC scores is monitored via dedicated key risk indicators (see section 6.1.8). Our approach for the coming years remains to increase the share of energy efficient properties in our mortgage production and to keep improving the average energy intensity of this portfolio.

The potential impact of transition risk on our mortgage portfolio is accounted for in our cost of risk calculations through an ESG-related layer covering additional potential losses for the least energy-efficient houses and apartments collateralizing those exposures.

6.1.5.2. Risk identification and assessment of insurance activities

As a first step, a climate risk map was established in 2021 following EIOPA's opinion and guidance published on the use of climate scenarios in ORSA. The goal was to better assess risks and led to a first top-down risk assessment. Next, Belfius Insurance also performed a global climate risk materiality assessment that was finalized in 2023. Results are shown in section 6.1.2.

Based on this assessment and Belfius Insurance's risk insurance taxonomy, three ESG risks categories were crystallized:

- **Regulatory risk**: risk of not respecting regulations related to sustainability in due time
- **Strategy risk**: risk of ESG ambitions being considered insufficient or late by stake-holders
- **Resilience risk**: risk of ESG event or evolutions materially affecting profitability and solvency

For the first two categories, the risk level is assessed on a quarterly basis. Assessment is done by the risk management function in collaboration with Belfius Insurance's sustainability manager.

For the third risk category on climate risk resilience, there are two indicators: one indicator relates to the risk mitigation of natural catastrophe events from the re-insurance programme, while the other indicator relates to the resilience of business activities to physical and transition climate risks, assessed on the basis of the climate risk materiality assessment.

6.1.5.3. Risk identification and assessment in asset management activities

In order to better identify and assess the risks of its investment activities, Belfius AM looks at sectoral breakdowns, existence of PAIs, as well as evolution of social trends and interacts with its asset managers on a range of responsible investment topics, including management of climate-related risks.

To improve identification and assessment of climate related risks:

- Candriam actively engages with investee companies to improve access to climate-related information so as to better assess companies' exposure in relation to their specific sector or geography, support alignment with TCFD recommendations and encourage efforts to improve the disclosure of Scope 3 emissions;
- BlackRock engages with investee companies regarding their climate risk disclosures and practices by requesting net-zero aligned business plans consistent with their business model and sector, considerations on reliable energy supply and assessment of impact of the transition on their business. Through these activities, BlackRock assesses climate risk exposure at portfolio level and integrates climate considerations into its Strategic Asset Allocation (SAA) methodology, amongst others.

6.1.6. Scenario analysis and stress testing

One of the most efficient ways to ascertain Belfius' level of climate resilience is to perform dedicated stress tests considering various climate-related scenarios with different temperature increases and transition pathways, including different time horizons. Such exercises allow Belfius to quantify the potential impacts of certain events relating to climate change and pave the way for risk mitigation solutions. Belfius believes that climate stress tests will undoubtedly become a common feature of financial institutions' stress test frameworks.

6.1.6.1. Belfius Bank external climate stress test

Although the ECB did not organize any supervisory climate stress test in 2023, Belfius was one of the 104 significant banks who participated in the ECB's 2022 first supervisory stress test relating to climate. The objective was to gauge participants' climate stress-test capabilities and reliance in carbon-emitting sectors, as well as their performance under different scenarios over different time horizons through a projection of potential losses based on shocks proposed by the ECB.

Belfius' individual results showed good resilience and globally satisfactory performance. Vulnerabilities to climate scenarios are highly dependent on the sectorial breakdown of the corporate portfolio and the geographical location of the real estate assets used as collateral for mortgage loans and corporate exposures. Belfius Bank's relatively low concentration of corporate exposures to carbon-intensive sectors[1] explains Belfius' manageable sensitivity and vulnerability to transition scenarios. The modest impact of the physical risk scenarios in terms of credit risk parameters is mostly linked to

- Belfius Bank's very limited exposure to the agricultural sector that is one of the most heavily hit sectors in case of drought, and
- the fact that almost all immovable property used as collateral is located in Belgium, for which no high flood risk zone was defined according to the ECB's methodology.

The European Banking Authority, in collaboration with the other European Supervisory Authorities, the European Central Bank and the European Systemic Risk Board, is conducting a new climate stress test exercise aimed at assessing the resilience of systemically important banks against climate and transition risks in light of the EU Green Deal.

Belfius is among the 110 banks who have been invited to take part in the exercise that will continue in 2024. The primary focus of this EU-wide exercise is to assess the resilience of the financial sector as a whole in line with the Fit-for-55 package[2], while gaining insights into the capacity of the financial system to support the transition even under conditions of stress. The ECB will also take the opportunity to evaluate the advancements made by banks in managing climate-related data and in aligning with the ECB Banking Supervision's good practices.

(1) As mentioned elsewhere in this report, the agriculture and mining sectors only represent very limited exposures on Belfius Bank's balance sheet. The quality of Belfius Bank's exposures in the energy sector should also be underlined as Belfius does not have any coal extraction exposure based on available NACE data, has put strict lending limits in place for companies active in fossil fuel related industries and finances many renewable energy projects.
(2) The Fit for 55 package is a set of proposals to revise and update EU legislation and to put in place new initiatives with the aim of ensuring that EU policies are in line with the climate goals agreed by the Council and the European Parliament (i.e. EU's target of reducing net greenhouse gas emissions by at least 55% by 2030). The proposed package covers a set of measures relating to the reform of the EU emissions trading systems, the reduction of emissions in transport, buildings, agriculture and waste, the revision of energy taxation, a boost in renewable energy, the shift from fossil gas to renewable and low-carbon gases, reaching climate goals in relation to land use and forestry sectors, etc.

The scope of this analysis is both cross-sectoral and system-wide, necessitating collaboration and coordination among several key European entities to ensure results by the beginning of 2025. Banks are expected to provide data through templates addressing credit, market and real estate risks, along with interest, fees and commission income. Projections under both a baseline and one or more adverse macroeconomic scenarios will be run by the EBA.

These projections will help determine to what extent early climate risk related shocks could generate significant stress for the financial system as a whole in the period up to 2030, taking into account contagion and second-round effects. The outcome of the analysis should therefore go beyond estimating capital losses and shortfalls in individual financial institutions. Where appropriate, supervisory authorities may also provide individual feedback to financial institutions on issues identified in this one-off reporting exercise.

Belfius will use the findings and good practices derived from these exercises as a compass to guide it towards an even better incorporation of climate risks into Belfius' stress-testing framework, internal models and long-term strategy.

6.1.6.2. Belfius Bank internal climate stress test

Leveraging on the supervisory climate stress test, Belfius included a flood scenario in its 2022 internal stress test. The rationale behind this scenario is that better informed buyers, combined with more severe flood occurrence in the coming years, will lead to a permanent flood risk discount of asset values in regions prone to flooding. This scenario was applied to the mortgage loans portfolio and aimed to forecast the impact on the cost of risk of market values shocks on residential properties following a flood event.

The internal flood scenario differed from the supervisory scenario, as Belfius used official regional flood maps that are more precise than the map at NUTS3 level proposed by the ECB. A coastal flood/sea level rise risk was also considered in the scenario and several shocks in the form of haircut levels on the value of the properties were applied.

Scenario	Risks evaluated	Time horizons and intervals	Modelling assumptions	Sector exposure and business segment scope	Granularity of the assessment	Approach and methodology	Portfolio scope, coverage and exclusions	Output metric
Own flooding risk scenario based on ECB's supervisory climate stress test scenario	Physical risks (flood risk)	Frontloaded impact in 2022	Static balance sheet Damages insured	Mortgage Loans	Asset	Applying several haircuts to the market value of the collateral in function of the flood risk level associated with their location	100% of the portfolio	Intermediary metrics: Collateral market value, LGD and LTV(1) Final metric: Cost of Risk

(1) LGD - Loss Given Default; LTV - Loan to Value.

Results from this sensitivity analysis showed that the absolute impact on the cost of risks remained limited, even in the most severe scenario.
Following this first internal stress test exercise, Belfius plans to include additional and fine-tuned scenarios in the future.

6.1.6.3. Belfius Insurance climate stress test

Belfius Insurance conducted internal stress tests as part of its ORSA, leveraging on the outcome of the climate risk materiality assessment and tailoring the scenarios provided by European regulators. For more details on climate risk materiality assessment, please refer to section 6.1.2.

Scenarios	Risks evaluated	Time horizons and intervals	Modelling assumptions	Sector exposure and business segment scope	Granularity of the assessment	Approach and methodology	Portfolio scope, coverage and exclusions	Output metric
Disorderly Transition Scenario. DNB "policy shock". EIOPA IORP Stress Test. Internal calibration where no other sources available.	Physical risks (storms, floods). Transition risks (regulation).	Shocks over the next 5 to 10 years but applied on instantaneous basis	Solvency II assumptions framework	All insurance activities included	Equity & corporates. Bonds: per sector. Mortgage: differentiation based on energy efficiency and Loan to Value. Real Estate: portfolio level. Non-life and Life insurance: portfolio level.	Effect of an Instantaneous shock on mark-to-market of all assets and liabilities	100% of Belfius Insurance's portfolio	Own Funds, Capital Requirements, Solvency II ratio

The climate stress test scenario aligns with the disorderly transition scenario described by the Network for Greening the Financial System (NGFS).

The stress test narrative includes a catastrophic climate event of exceptional magnitude: unprecedented storms leading to deadly floods in Belgium, the Netherlands and Northern Germany. This event triggers an abrupt implementation of climate transition regulations at European level penalizing GHG emitters.

These regulatory measures, aimed at reducing GHG emissions, have a material negative impact on the profitability of GHG-intensive companies, subsequently affecting the profitability of other companies. This leads to poor performances of stock exchanges, an increase of corporate spreads and a drop in the value of real estate assets presenting low energy efficiency. The economic landscape therefore undergoes a prolonged period of structural degradation, influencing the public deficit and debt of European countries and leading to an increase of government bonds spreads. Additionally, there is also an increase in reinsurance cost.

(1) i.a. Dutch National Bank's (DNB) "policy shock"; EIOPA's institutions for occupational retirement provision (IORP) Stress Test.

The magnitude of shocks is based on stress tests from supervisor[(1)] or internally developed stress.

In this scenario, the Solvency II (SII) ratio experiences a decline, yet it remains above the risk appetite threshold. This display of resilience can largely be attributed to the strategic business approach adopted by Belfius Insurance. Key factors contributing to this robustness include an effective reinsurance programme that acts as a safeguard against potential large-scale losses. In addition, Belfius Insurance employs prudent insurance underwriting and pricing practices, ensuring that risks are accurately assessed and priced accordingly. Moreover, the investment risk framework of Belfius Insurance includes well-defined limits, playing a pivotal role in maintaining financial stability.

This stress test scenario provides insights into the potential ramifications of a disorderly transition on the insurance sector, underscoring the importance of preparedness and adaptive strategies in the face of climate change induced financial risks.

Resilience of insurers in the face of adverse climate events is one of the key elements in the resilience of society against climate change. Maintaining insurability at a high level will ensure effective protection of society and will maximize its capacity to rebound quickly following adverse physical events.

6.1.6.4. Belfius Asset Management climate scenario analysis

In the first half of 2023, Belfius AM's ESG team conducted a GHG emissions scenario analysis for all its directly managed funds.

The scenario analysis included 30%, 40%, 50%, and 60% GHG emissions reduction targets in line with a 2030 time horizon and global warming equivalent to 1.5°C. The analysis considered the Weighted Average Carbon Intensity (WACI) calculation method proposed by the Partnership for Carbon Accounting Financials (PCAF), taking into account both Scope 1 and 2 GHG emissions, as well as the Scope 1, 2 and 3 GHG emissions intensity.

This first analysis allowed Belfius AM to identify risks and opportunities in relation to the total GHG emission intensity contributions across portfolios under its direct management. As the majority of these portfolios are 'fund of funds', the analysis included an evaluation of underlying contributions. To ensure the robustness of the findings, Belfius AM performed an additional assessment of the carbon intensity of all holdings in the investment universe. This thorough approach served to reinforce and validate the initial results, keeping in mind the data limitations that still abound. The scenario analysis revealed that only a small proportion of investee companies have a significant impact on the overall WACI.

While this scenario analysis is an invaluable tool for understanding emissions trajectories and impacts, it differs from a stress test. Our scenario analysis provides insights based on projected emissions reductions and their potential implications, rather than testing the portfolios against extreme market events or conditions. The insights gained from the scenario analysis will be applied more broadly, keeping in mind our wider investment philosophies and the expectations of our clients.

6.1.7. Environmental and climate risk mitigation

Belfius has put in place a series of key measures to mitigate identified environmental and climate risks, most of which apply to the whole group/business areas, while some are specific to insurance and asset management activities.

6.1.7.1. Limits to financing with the Transition Acceleration Policy (TAP)

As mentioned in previous chapters, the TAP serves as a risk management tool for the entire group by excluding or restricting the financing of activities deemed non-sustainable, enabling Belfius to lower its exposure to those activities that present increased financial and reputational risks. This policy is applicable to all types of activities and was reviewed in 2023, resulting in a tighter version for 2024 (see section 5.1.). In addition, the tighter TAP criteria trigger modifications to other policies and guidelines, such as the credit acceptance policy and investment risk framework.

All investment products for which Belfius has full control must be TAP-compliant. This also applies to the funds managed for Belfius by its preferred asset management partners (Candriam and BlackRock Investment Management) as they fall into the above-mentioned scope.

6.1.7.2. Limits to financing with the Risk Appetite Framework

The Belfius Risk Appetite Framework (RAF), which already included social and governance key risk indicators, is gradually enhanced year upon year with a revision of ESG related qualitative statements and the inclusion of additional ESG quantitative risk indicators. The governance around these climate-related key risk indicators follows what has been defined for the RAF in general.

New limits were implemented as of 2023, including further restrictions on fossil fuel exposures and the share of mortgage loan collateral with poor energy performance.

Targets set on a one-year horizon are revised on a yearly basis and are expected to become stricter over time so as to meet long-term objectives. A first threshold is set that triggers internal escalation to relevant management bodies; a second threshold requires corrective actions.

Belfius aims to gradually extend the number of key risk indicators to include a monitoring and control of indirect impacts through financed activities and implement additional and more granular targets and limits.

6.1.7.3. Integration of ESG at inception, with New Product Approval Process

The NPAP (New Product Approval Process) procedure is initiated for every new or adapted product, service, activity, process or IT system, regardless of the business line, support activity, branch or subsidiary. Through this process, relevant stakeholders within the Belfius organization, whether that be bank, insurance or asset management, are consulted to identify and assess the risks in their respective areas. Their advices may be either positive, or they may set binding (Must Have) or non-binding (Nice to Have) conditions.

The central ESG team is a relevant stakeholder in this process. It identifies potential ESG risks associated with a new product or service and formulates conditions to avoid or reduce them. In this way, climate and environmental considerations are tackled at the inception of new developments. The advice of all relevant stakeholders is consolidated in the NPAP advice of the NPAP Committee, which consists of compliance, legal and non-financial risk representatives. If binding conditions have been set by a stakeholder, the project cannot be rolled out until these conditions are met.

6.1.7.4. Other mitigating measures

Climate and sustainability dimensions are gradually included into business practices for all Group activities, leading to certain climate risk mitigations by design.

Specific measures taken by Belfius Bank

For banking, climate risks are progressively being integrated in the full end-to-end credit process. Similarly, ESG considerations will gradually make their way into pricing guidelines and collateral valuation tools.

An internal rating system is currently being used by credit analysts to assign credit ratings to our Business, Local Corporate and Corporate clients. This tool also takes into account qualitative elements such as activity type and the probability that the entity could be impacted by stricter environmental standards or technological evolution, the existence of controversies, social risks or reputation issues, the existence of (potential) liability issues or legal risks and the robustness of governance (e.g. shareholders, Group structure and management quality).

These qualitative elements must be updated when a creditworthiness review is executed and/or a new loan origination file is introduced. Moreover, when a new loan file is submitted to the Credit Committee, a compliance checklist and Credit Note, which includes an ESG appreciation, must also be completed. Finally, for existing professional customers, non-alignment with the Transition Acceleration Policy when requesting a loan is a knock-out rule, which can only be overruled by the Management Board. Potential customers that are non-TAP-compliant are not onboarded.

As explained in section 6.1.5.1., Belfius has developed an ESG scoring tool for enterprises with a turnover of over EUR 10 million that computes companies' ESG profiles and identifies their relative strengths and weaknesses in either environmental, social or governance topics.

Specific measures taken by Belfius Insurance

On the asset side, multiple ESG-related considerations have been integrated into our investment risk framework to manage potential ESG risks that may impact Belfius Insurance's solvency and profitability. These considerations relate to investment, real estate and fund selection, as well as the definition of acceptance and pricing criteria for mortgages based on EPC scores.

Concerning non-life insurance underwriting, potential risk from climate events is reduced by our reinsurance programme. Moreover, climate-related risk is integrated into the conditions and pricing for underwriting acceptances, specifically for home and motor insurance. The main risks taken into account include floods, windstorms, hail and subsidence. A property's flood risk level is used as a basis for determining the premium of Natural Catastrophe home insurance via flood risk maps. The other perils factored into the pricing are not location dependent. Given the increasing relevance of subsidence, a model has been developed to estimate the provisions needed for associated claims.

Specific measures taken by Belfius Asset Management (Belfius AM)

Belfius AM has established a responsible investment approach tailored to secure robust financial returns while mitigating the adverse impacts from investment decisions, therefore aligning with the evolving expectations of clients and stakeholders regarding sustainable transformation. Belfius AM's approach offers a comprehensive view of potential risks and opportunities within financial markets, with a strong focus on C&E factors.

In this regard, Belfius AM mitigates risks stemming from sustainability, including climate, for its own investments by:

- Considering sustainability risks (e.g. PAIs) in the financial analysis of individual investment instruments (e.g. shares, bonds);
- Applying sector/industry limits at portfolio level related to sectors that are considered to have high sustainability risk (e.g. carbon intensive sectors, in line with the TAP);
- Using voting rights (in the case of shares) to vote at shareholder meetings in favour of agenda items and shareholder resolutions related to sustainability risk related topics such as improving governance structures, increasing corporate disclosures related to sustainability aspects, implementing targets related to material sustainability topics and supporting environment-oriented proposals (see our Proxy Voting Policy);
- Engaging with investee companies to first better understand the sustainability risks they are exposed to and the actions they have taken to identify, measure, mitigate and monitor them; then to stimulate company management to take suitable action in the event that a high unmanaged sustainability risk has been identified.

In addition, Belfius AM requests its external partners to either have or design a formal engagement policy on ESG related topics. Belfius AM expects partners' approaches to be based on structural and systematic engagement with investee companies in relation to sustainability aspects that may be material to the financial value of the investment. Currently, Candriam and BlackRock use risk mitigation actions such as investee engagement and proxy voting with regard to climate.

Whenever Belfius AM believes an external asset manager is not operating entirely in line with Belfius AM's responsible investment requirements, Belfius AM actively engages with them to resolve the issue. When needed, Belfius AM approves an agreed-upon period to meet requirements. Belfius AM's engagement approach is described in our Engagement Policy.

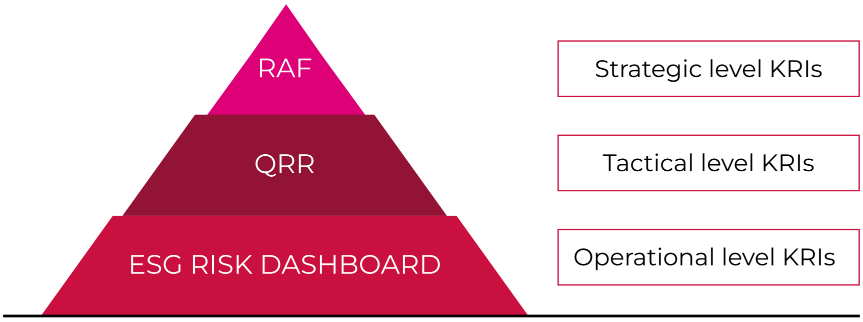
6.1.8. Climate risk monitoring and reporting

In order to properly monitor environmental and climate risks, Belfius is in the process of setting up an ESG Risk Dashboard to support strategic objectives and ensure the institution's global resilience (e.g. decisions on limits at individual or portfolio-level, TAP adjustments etc.).

Some climate indicators are integrated into the Quarterly Risk Report (QRR) submitted to the Management Board and the Board of Directors, e.g. climate sensitive exposures, statistics regarding the collection of EPC data and the distribution of EPC scores within the mortgage loans portfolio and a breakdown of ESG scores assigned to suppliers, as well as metrics related to operational events in the field of ESG (e.g. litigations, fines, penalties).

Finally, key risk indicators have been translated into limits incorporated in the Risk Appetite Framework. For more details on the RAF, please refer to section 6.1.7.2. In addition to these financing limits, the RAF includes dedicated KRIs relating to the follow-up of the timely implementation of the ECB ESG action plan and the achievement of Belfius' decarbonization targets for its own operations.

KRI mapping



Other sustainability-related commitments and targets are also monitored on a regular basis throughout the year. A summary KPI dashboard is reported to the Board of Directors that includes Key Performance indicators on four topics: internal KPIs to implement the 'Walk the Talk' strategy, as well as commercial KPIs for meaningful investing, insurance and financing offerings.

Furthermore, relevant teams (e.g. Legal, Risk, Central Sustainability Team) monitor environmental and climate-related regulatory risks on a quarterly basis to ensure full compliance with related regulations.

Gathering crucial granular data (at counterparty/asset level) remains challenging, especially for non-listed or smaller companies where most data points are not yet publicly available and sometimes even non-existent.

A mix of internal and external data sources such as opensource data, data from external service providers or data submitted directly by customers are being used to this end. Proxies and estimations are also being developed to fill the gaps.

Belfius set up a dedicated ESG Data Programme in 2020 which mainly focused on:
- The setup of a data (governance) framework
- The identification of all data needs
- Capturing the required data and ensuring consistency between data sources (one single version of the truth)
- Designing new calculation engines where appropriate, for instance for carbon accounting purposes
- Storing and making the data and outputs of calculation engines available to all business units

In 2023, Belfius finetuned its approach by drafting an overarching ESG Data Collection Strategy and ESG Data Management Framework. The overall purpose of this framework is to describe how data will be ingested, processed, stored, governed and distributed within Belfius, as well as how data needs are identified, data is collected and data gaps are closed.

Combining existing data management policies at Belfius, best practices observed in the market and regulatory requirements described in BCBS 239 Principles for effective risk data aggregation and risk reporting, the design of the aforementioned processes whose implementation is currently ongoing, is structured around key data management capabilities, including:

- Data capture (identification of critical data, hierarchy of sources, vendor selection criteria, etc.)
- Data governance (data ownership, allocation of roles and responsibilities, etc.)
- Data storage (data architecture, design of data flows, etc.)
- Data management (data catalogue, business glossary, data quality monitoring and issues resolution, etc.)

6.1.9. Metrics and targets

Belfius as a group identified key metrics to measure and manage climate-related risks and opportunities. Due to their nature, these metrics are followed up by different functions within Belfius for different purposes.

Belfius discloses its carbon footprint: Scope 1, Scope 2 and Scope 3 emissions including financed emissions. Please refer to section 6.2. for the latest report. Furthermore, all major Belfius entities (Belfius Bank, Belfius Insurance and Belfius Asset Management) published their first PAI statement, including PAI values, under SFDR regulations for the 2022 financial year. For further details, please check the relevant statements of Belfius Bank, Belfius Insurance and Belfius AM.

Our ability to report and monitor on the PAIs depends on data availability. In instances where we encounter a scarcity of dependable data for certain PAIs, our approach is to transparently outline the methods and efforts we are employing to gather this essential information in our PAI statement. Furthermore, we are committed to maintaining transparency in our reporting practices. This includes disclosing the coverage ratio, which is a critical measure indicating the extent of our portfolio that has been successfully assessed with the necessary data. The coverage ratio serves as an indicator of the breadth and depth of our data-driven analysis, providing a clear view of how much of our portfolio is underpinned by robust data.

6.1.9.1. Metrics used for banking activities

Belfius uses the percentage breakdown of climate sensitive sectors within its loans and advances portfolio as one of its key metrics.

Belfius' exposure to climate-sensitive sectors amounted to EUR 25.8 billion as of 31 December 2023.

The in-house definition used by Belfius to identify climate sensitive sectors takes into account definitions provided by CPRS[1] (list of industries particularly vulnerable to policy changes), but also the climate stress methodology provided by the ECB (list of carbon intensive industries), and Pillar III ESG standards (list of sectors that highly contribute to climate change). It includes exposures on NACE codes A to H and L.

The proportion of climate-sensitive exposures in loans and advances to non-financial corporations and total loans and advances has been rather stable since 2021 and amounts to 59% and 23% respectively.

Breakdown of climate sensitive sectors in Belfius' loans and advances portfolio	Carrying amount (%) 31/12/22	Carrying amount (%) 31/12/23
Manufacturing	8.7%	8.2%
Electricity, gas, steam and air conditioning supply	4%	3.8%
Construction	12.1%	12.6%
Wholesale and retail trade	14%	13.3%
Transport and storage	3.6%	3.6%
Financial and insurance activities	6.2%	7.7%
Real estate activities	13.8%	14.4%
Professional, scientific and technical activities	11.4%	11.0%
Administrative and support service activities	3.7%	3.6%
Human health services and social work activities	12%	11.4%
Other climate-sensitive sectors	2.7%	2.9%
Other non climate-sensitive sectors	7.6%	7.6%
LOANS AND ADVANCES NON-FINANCIAL CORPORATION (in millions of EUR)	40,990	44,024
LOANS AND ADVANCES TOTAL (in millions of EUR)	107,824	113,200
TOTAL CLIMATE-SENSITIVE SECTORS (in millions of EUR)	24,215	25,841
CLIMATE-SENSITIVE SECTORS AS % OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS	59%	59%
CLIMATE-SENSITIVE SECTORS AS % OF LOANS AND ADVANCES	22%	23%

Red: climate-sensitive sector.

Belfius' exposure to fossil fuel projects and companies amounted to EUR 983 million as of 31 December 2023. In this screening, a customised fossil fuel definition aimed at identifying companies deriving any revenues from fossil fuel value chain activities was used, based on data provider information and on NACE-codes referenced in either CPRS or Pillar III. The methodology used for this fossil fuel value chain screening is constrained by data limitations. Most of the exposure (EUR 772 million) is part of the legacy run-off portfolio. De-risking opportunities of the run-off portfolios are assessed on a regular basis and counterparties' ESG profiles, including climate transition risks, are factored into the analyses. In the meantime, mitigating actions (e.g. swaps) have been taken for these most climate sensitive exposures.

(1) The Climate Policy Relevant Sectors (CPRS) is a classification of economic activities to assess climate transition risk, first developed in an article by S. Battiston et al. (2017) published on Nature Climate Change. The CPRS classification, which has been refined over the years, has been widely used by practitioners and policy makers to assess investors' exposure to climate transition risk.

More than 95% of Belfius Bank's exposures collateralized by real estate are located in Belgium, where floods are considered the main physical risk.

Using the Climate Risk Assessment and Simulation Tool for Mortgages (see section 6.1.5.1.), an analysis to assess the physical flood risks of Belfius' mortgage portfolios was conducted. The real estate assets used as collateral have been geo-localized and mapped to the latest available regional maps on flood risk existence and severity.

The results showed that 1.9% of Belfius Bank' mortgage exposures are located in medium or high-risk zones. The increase compared to the previous year is due to an update of the regional map in Flanders that now considers an increased number of flood types compared to the previous version of the map (e.g. including coastal floods).

6.1.9.2. Metrics used for investment activities

Candriam also discloses metrics at the fund level related to the carbon emissions of investment products that are actively advised by Belfius: Weighted Average Carbon Intensity (WACI), carbon footprint, carbon intensity and exposure to carbon-related assets in the power generation sector.

This can be summarized as follows :

Absolute carbon footprint

(in Mio tonnes CO_2)	2021	2022	2023
Belfius and Candriam labelled funds (incl PSP & My Portfolio), actively advised by Belfius, managed by Candriam	1,060,705	811,971	752,480

Weighted average carbon intensity (WACI)

	2021	2022	2023	
(Tonnes CO_2e/EUR millions revenues)	Portfolio	Portfolio	Portfolio	Benchmark
Belfius and Candriam labelled funds, actively advised by Belfius, managed by Candriam	115	106	90	180

Note : the data covers scope 1 and 2 emissions.

6.10. Overview of main achievements

Year 2021

- Belfius publishes its Transition Acceleration Policy
- Belfius designs its ECB ESG Action Plan aimed at aligning its practices with the expectations set by the ECB in its 'Guide on climate-related and environmental risks'
- Belfius sets up its ESG Risk Competence Centre and ESG Data Team
- Belfius defines an ESG Data Programme. Standardized data collection such as EPC data for mortgages begins
- Belfius puts an ESG regulatory watch in place
- Belfius Insurance includes ESG in its Investment Risk Framework and Real Estate Risk Framework
- Belfius launches dedicated ESG surveys in the framework of its yearly SARIC and RICAP exercises and includes ESG in its Risk Taxonomy
- Belfius Bank performs its first high-level portfolio screenings for climate sensitive and fossil fuel exposures
- Belfius Bank integrates its first environmental and climate related key risk indicators (mainly relating to Belfius' own operations) in the Risk Appetite Framework (RAF)
- Belfius Insurance executes a first climate risk stress test following ORSA's solicitation, that is now reviewed annually
- Belfius Insurance establishes a climate risk map

Year 2022

- Belfius Bank and Belfius Insurance report on EU Taxonomy eligibility for the first time
- Belfius further integrates ESG in its governance bodies and creates the Strategic Sustainability Committee
- Belfius Bank develops an in-house ESG scoring methodology for corporates
- Belfius develops a climate risk assessment and simulation tool for its mortgage loans
- Belfius Insurance includes ESG elements in mortgage loans acceptance guidelines and pricing
- Belfius Bank participates in various supervisory exercises including the ECB climate stress test and the ECB thematic review
- Belfius Bank carries out its first internal climate stress test
- Belfius insurance includes climate elements in insurance underwriting and reservation
- Belfius Bank integrates additional environmental and climate related key indicators relating to its financing activities in the Quarterly Risk Report (QRR)
- Belfius Bank sets new limits regarding its exposure to fossil fuel activities and the share of collateral showing a low energy performance in its Risk Appetite Framework (RAF)
- Belfius Insurance introduces Key Risk Indicators on the ESG regulatory risk, the ESG strategic risk and the ESG resilience risk in its Risk Appetite Framework
- Belfius Insurance assesses real estate investments from an ESG perspective

Year 2023

- Belfius Asset Management reports on its EU Taxonomy disclosures for the first time
- Belfius updates its ECB ESG Action Plan
- Belfius Bank and Belfius Insurance thoroughly assess the materiality of climate and environmental risks to its activities and products
- Belfius Insurance performs a climate and sustainability risk vulnerability analysis of its top exposures in equity and corporate bonds
- Belfius drafts a comprehensive ESG Risk Management Framework
- Belfius Bank rolls out its ESG score for corporates and develops a similar tool for sovereign counterparties
- Belfius reports its carbon footprint and analyzes decarbonization pathways
- Belfius Bank, Belfius Insurance and Belfius Asset Management publish their Principal Adverse Impacts for the first time
- Belfius adopts more stringent limits related to fossil fuel exposures and collateral exhibiting poor energy performance
- Belfius tightens its criteria on fossil fuels and energy production in the Transition Acceleration Policy

6.2. Climate challenge – Decarbonisation journey

In the face of climate change, our world is meeting previously unseen difficulties marked by more frequent and severe weather events and challenges to transition towards a low-carbon society. The latest IPCC report (Intergovernmental Panel on Climate Change) suggests that immediate action will be necessary to prevent irreversible damage. This will require a collective effort, supported by the financial sector. Financial institutions can positively or negatively influence climate change depending on their portfolios and the services that they offer. The financial sector is therefore a crucial element in guiding capital towards activities necessary to the transition.

For several years now, Belfius has assumed its responsibilities by multiplying its initiatives and improving its measurements. In 2020, we set a reduction target of -25% for emissions from our own operations by 2025 compared to our 2019 baseline. This target included scope 1, scope 2 and part of our scope 3 emissions (i.e. water consumption, paper consumption, upstream transportation, commuting and business travel) and was reached ahead of time. Since 2020, we have been continuously working to increase our scope, as well as the accuracy of our carbon footprint calculations.

As part of its commitment to take concrete actions towards reducing its carbon footprint, Belfius committed in 2022 to set near-term science-based targets with SBTi. In 2024, Belfius Bank has decided to pursue an alternative carbon reduction framework which is not endorsed by the SBTi for now and that aligns with our long-term sustainability goals. This framework is being designed to enable us to identify key areas where we can make meaningful contributions towards a decarbonized economy while taking due consideration of the communities we serve. In line with Belfius' mission to be "Meaningful & Inspiring for Belgian Society. Together", we endorse a fair transition with specific attention towards social impact. We remain committed to transparency and will continue to report on our progress towards achieving our ambition in reducing our carbon footprint.

6.2.1. Belfius' carbon footprint

6.2.1.1. Scope and methodology of our carbon accounting system

Our carbon footprint is calculated for the entire Belfius Group according to the operational control consolidation approach, i.e. entities over which we have the full authority to introduce and implement our operating policies. In order to ensure alignment with regulatory reporting, the scope of our operational control is also in line with all fully consolidated subsidiaries[1].

Our carbon footprint calculations span all three scopes of greenhouse gas emissions in accordance with the Greenhouse gas (GHG) Protocol and the Partnership for Carbon Accounting for Financials (PCAF)[2]. Our calculations cover the seven gases included in the United Nations Framework Convention on Climate Change (UNFCCC)[3]. We convert these different gases into a single unit, a "CO_2 equivalent" (CO_2e), as consistently as possible using the conversion factors of reputable sources[4].

Belfius' carbon accounting system is based on the distinction between different emission scopes, as defined by the GHG Protocol:

- **Scope 1** emissions include emissions directly produced on our site, stemming from our heating needs (gas consumption and heating oil) and losses of refrigerant gases from cooling systems, as well as the use of company cars.
- **Scope 2** emissions include emissions related to the production of electricity needed for our own operations. These emissions are considered indirect emissions since they are emitted at sources owned or controlled by another organization.
- **Scope 3** emissions are indirect emissions occurring in our value chain and are responsible for the majority of our carbon footprint. Scope 3 emissions are further subdivided into upstream and downstream emissions. Upstream emissions relate to the production of our products and services, while downstream emissions come from the use of our services by our clients and our franchises. Since scope 3 emissions originate from many sources, they are categorized by the GHG Protocol into 15 different categories.

The definition that Belfius applies for each scope and each category within scope 3 is indicated in the table below. Most financial institution emissions are typically linked to scope 3 category 15, i.e. all emissions related to the institution's investment and lending activities. In order to accurately quantify those emissions, an asset class specific approach was developed by PCAF. Our carbon accounting system is therefore subdivided into "own emissions" (scope 1, scope 2 and scope 3 categories 1-14), calculated according to the principles defined by the GHG Protocol, and "financed emissions" (scope 3 category 15), calculated using the PCAF methodology.

(1) Other entities in which Belfius has a stake and operational control, but that are not consolidated, are categorised as investment in our scope 3 category 15.
(2) According to PCAF (2022). The Global GHG Accounting and Reporting Standard. Part A: Financed Emissions. Second edition.
(3) The UNFCCC greenhouse gases cover: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).
(4) Emissions factors come from sources including: the French Agency for Ecological Transition (ADEME), the Department for Environment Food and Rural Affairs (DEFRA), Ecoinvent, and the International Energy Agency (IEA), who use the most recent GWP-100 values from the IPCC.

Overview of the scope and boundaries for each scope and each category within scope 3

Source of CO_2e emissions	Scope and boundaries
SCOPE 1 - DIRECT - OWN OPERATIONS	
GAS & HEATING OIL CONSUMED	Emissions resulting from the combustion of fuels in stationary sources. Belfius measures the use of gas for heating and oil for all of its buildings and salaried agencies that it owns.
COMPANY CARS	Emissions resulting from the combustion of fuels in company owned/controlled cars. Belfius includes its company cars that are made available to commercial employees necessary to carry out their function.
REFRIGERANTS	Fugitive emissions resulting from the releases of refrigerant gases, e.g. equipment leaks from joints, seals, packaging and gaskets and hydrofluorocarbon (HFC) emissions during the use of refrigeration and air conditioning equipment.
SCOPE 2 - INDIRECT - OWN OPERATIONS	
ELECTRICITY CONSUMED	Emissions resulting from the generation of purchased electricity consumed by Belfius in its own operations and equipment.
SCOPE 3 – INDIRECT - OWN OPERATIONS - UPSTREAM	
CATEGORY 1 Purchased goods & services	Emissions from IT services, data centre devices, IT applications, bank cards, card readers, ATM services, paper and water consumed for our operations.
CATEGORY 2 Capital goods	Emissions from Belfius Auto Lease vehicle manufacturing both for company and customer cars, the manufacturing of IT materials and own buildings embodied emissions.
CATEGORY 3 Fuel and energy related to scope 1 & 2	Emissions associated with the extraction, production and transportation of fuels and energy purchased or acquired by Belfius, not already accounted for in scope 1 and 2.
CATEGORY 4 Upstream transportation & distribution	Emissions resulting from transportation of post or valuables.
CATEGORY 5 Waste	Emissions resulting from waste disposal and treatment of waste generated in Belfius' operations (residual waste, waste water and paper waste).
CATEGORY 6 Business travel	Emissions from transportation of employees for business-related activities (in vehicles not owned or operated by Belfius, already included in scope 1).
CATEGORY 7 Employee commuting	Emissions from the transportation of employees between their homes and their worksites (in vehicles not owned or operated by Belfius, already included in scope 1) and emissions related to teleworking.
CATEGORY 8 Upstream leased assets	Emissions from assets leased by Belfius (buildings).
SCOPE 3 - INDIRECT - OWN OPERATIONS - DOWNSTREAM	
CATEGORY 9 Downstream transportation and distribution	Not applicable, not material for Belfius.
CATEGORY 10 Processing of sold products	Not applicable, not material for Belfius.
CATEGORY 11 Use of sold products	Emissions associated with the use of Belfius Direct Net, Belfius Mobile and Belfius.be by our customers.
CATEGORY 12 End-of-life treatment of sold products	Emissions in the reporting year from end-of-life waste disposal and treatment of products sold by Belfius (bank cards, card readers waste, paper waste).
CATEGORY 13 Downstream leased assets	Emissions from the operation of assets owned by Belfius (lessor) and leased to other entities: Belfius Insurance owned buildings, Belfius Auto Lease leased cars.
CATEGORY 14 Franchises	Emissions resulting from the consumption of heating fuels and electricity by Belfius franchises (Belfius Bank + DVV), as well as fugitive emissions from the release of refrigerant gases.
SCOPE 3 - INDIRECT - FINANCED EMISSIONS	
CATEGORY 15 Investment (financed emissions)	Emissions from our mortgage portfolio (scope 1 & 2)
	Emissions from commercial real estate (scope 1 & 2)
	Emissions from business & corporate loans (scope 1, 2 & 3)
	Emissions from equities & bonds (scope 1, 2 & 3)
	Emissions from project finance (scope 1 & 2)
	Emissions from motor vehicle loans (scope 1 & 2)
	Emissions from financial lease (scope 1 & 2)
	Emissions from sovereign bonds (scope 1 & 2)

6.2.1.2. Our total carbon footprint

By taking into account not just our direct emissions, but all of our indirect emissions as well, including emissions generated from our leasing, investment and financing portfolio, we can reach a comprehensive understanding of our climate impact. Belfius Group's entire carbon footprint was measured in metric tonnes of CO_2 equivalent.

High-level summary of Belfius total GHG emissions

Belfius carbon footprint by source (in metric tonnes of CO_2 equivalent)[1]	**2022 Restated[2]**	**2023**
TOTAL SCOPE 1 - DIRECT OWN OPERATIONS	5,609	5,343
TOTAL SCOPE 2 (market based) - INDIRECT - OWN OPERATIONS	104	79
TOTAL SCOPE 3 - INDIRECT OWN OPERATIONS	173,130	174,644
Total upstream scope 3 emissions	80,619	99,921
Total downstream scope 3 emissions (excluding financed emissions)	92,511	74,723
TOTAL OWN EMISSIONS (market based)	178,843	180,066
TOTAL OWN EMISSIONS (location based)	181,344	184,103
Total category 15 – financed emissions[3]	20,253,657	19,540,288
GRAND TOTAL EMISSIONS (market based)	**20,432,500**	**19,720,354**

(1) The calculations presented in this table do not include any carbon removals, purchase/sell/transfer of carbon-credits or avoided emissions. The inventory takes the obligatory mixing of biofuels and follows the same method as used in appendix V C of the European directive on renewable energies for direct emissions. The indirect emissions are estimated using the LCA of biofuels (BIOIS) made available by the ADEME. The net-balance of biogenic sequestration and combustion is calculated in a separate biogenic inventory.
(2) For both our own and financed emissions, improvements were applied on the 2022 baseline leading to a restatement on that year for better comparability with 2023.
(3) Total category 15 emissions includes financed scope 1, 2 and 3 emissions. Sovereign emissions are not included in the total sum of category 15 emissions to avoid double counting.

On a comparable basis, our total own carbon footprint was 1% higher than last year. The increase of our own emissions is in large part caused by an increase in capital goods emissions associated with vehicles purchased by Belfius Auto Lease. More information regarding Belfius' own carbon footprint is provided in section 6.2.2.

There is no doubt that Belfius' actual climate impact is not predominantly caused by its own operations, but rather by its investment and lending activities. In 2023, financed emissions accounted for 99% of our total impact. We did observe a slight reduction in our portfolio emissions in 2023 however. Emissions associated to our loans and investments reduced from 20,253,657 tonnes of CO_2 equivalent in 2022 to 19,540,288 tonnes of CO_2 equivalent in 2023. A detailed account of Belfius' financed emissions is provided in section 6.2.3.

6.2.1.3. Data quality

Belfius, similarly to many other entities, encounters difficulties in obtaining complete, accurate and consistent data when assessing its carbon footprint. Observed fluctuations in results can at times be an outcome of refined methodologies and enhanced data quality, rather than actual changes in emissions. We do our best to maintain comparability by restating previous years when needed and aim to be as transparent as possible regarding such changes.

Our **own emissions (all scopes and categories except category 15)**, data and underlying evidence to calculate our carbon footprint are collected by a large group of suppliers and internal stakeholders dealing directly with the activities in question in their daily role and responsibilities. Our 2023 carbon footprint calculations were based on 60% of primary activity data, meaning that 60% of the reported emissions were calculated using monitored activity data rather than estimations.

In order to calculate our **financed emissions**, we receive emissions data through client engagement, or reported or estimated GHG data for some of our counterparties through our ESG data provider. Emission factors used to convert activity data into CO_2 equivalent for all other companies came from the PCAF database[1].

The PCAF data quality scores given in the "Financed emissions classified by asset class" table in section 6.2.3. give an indication on data availability, triggering the prioritisation of an estimation method enabling us to monitor the quality of our calculations and improve them over time. The underlying drivers of this score are slightly different per asset class, but the principle stays identical: the highest score, score 1, represents the highest data quality corresponding to actual company or asset emissions, while the lowest score, score 5, represents the broadest estimations based on the sectoral average of the financed activity.

(1) 2022 PCAF European building emissions factor database for mortgages and Commercial Real estate & PCAF 2021 database for all other asset classes.

In all of Belfius' computations, priority is given to the most recent and highest quality data. Staying in line with GHG Protocol and PCAF guidelines, emission calculations are conducted in accordance with the UN's precautionary principles that advocate erring on the side of the environment when uncertainties arise. Each step of the process, including assumptions and estimates, is scrupulously recorded, thus facilitating easy incorporation of updates with increasingly reliable data sources over time.

Belfius is working towards achieving transparency by focusing on improvements and modifications. Currently, Belfius is dedicated to implementing a data improvement plan with the goal of improving the precision of calculations and rendering the data collection process more efficient. This plan aims to gradually increase the amount of data reported and reduce the use of generalized estimates, which in turn will result in more accurate emissions calculations. The introduction of the European Union's Corporate Sustainability Reporting Directive (CSRD) is expected to improve data accessibility, therefore aiding the overall improvement process.

6.2.2. Belfius' own carbon footprint

Belfius' own operational emissions consist of all direct (scope 1) and indirect emissions (scope 2 & 3), with the exception of financed emissions (see section 6.2.3.). In 2022, we calculated our own carbon footprint to the fullest extent possible for the first time, taking into account the whole Group and all scope 3 categories defined by the GHG Protocol. Belfius' total carbon footprint for 2022 amounted to 178,843 tonnes of CO_2 equivalent[1]. 2022 will now be used as the baseline to track our progress towards future targets over time, with the caveat that improvements in data quality, methodological changes towards more accuracy and/or an expansion in scope can still lead to a restatement of the base year in order to enable accurate comparison.

In terms of total **scope 1** emissions, we accomplished a reduction of 5% compared to 2022, with a 26% reduction in gas consumed. This is the result of a new heating system at our head office and the carrying out of a detailed energy management study to identify action points to reduce our fuel consumption. Emissions associated with the use of company cars decreased by 8% thanks to a significant reduction in the use of diesel-powered vehicles.

95% of our electricity consumption in scope 2 is covered by European guarantees of origin, certifying that the energy is renewable or from high quality cogeneration. Thanks to these contracts, Belfius has lower **scope 2** emissions in the market-based approach than in 2022. Some buildings, such as those that are co-owned, are not currently covered by renewable electricity however. As our target is to reach 100% renewable electricity by 2025, we are analyzing the situation of those buildings on a case-by-case basis to find low-carbon energy solutions. In parallel, Belfius is also increasing its own renewable electricity production.

Our total **scope 3** emissions increased slightly. This increase compared to the 2022 baseline was mainly due to the increase in capital goods emissions related to vehicles purchased by Belfius Auto Lease. Supply chain disruptions in the automotive industry resulted in a significant gap between the order date and the actual delivery date of vehicles. A considerable amount of cars ordered in 2022, and even 2021, were delivered in 2023. Consequently, the upstream emissions related to the manufacturing of vehicles were about 30 tonnes of CO_2 equivalent higher in 2023 compared to the 2022 baseline. The gap between order and delivery date is expected to normalize.

(1) Improvements were applied following 2022 figures leading to a restatement on that year for better comparability with 2023.

IT-related emissions were also higher in 2023 compared to 2022. IT emissions are accounted for in scope 3 category 1 (data centres, data storage and data transformation), scope 3 category 2 (IT materials) and scope 3 category 11 (use of Belfius digital applications). This increase in emissions was expected due to the fact that Belfius upgraded its IT infrastructure (laptops and other IT materials) in 2023.

For most other scope 3 categories, emissions were lower compared to the 2022 baseline. For instance, our franchises switched to green electricity contracts from April 2023 onwards, resulting in an emission reduction of 36%. The energy performance of our leased buildings was significantly better in 2023. Thanks to a significant increase in the use of electric vehicles and a strong reduction in the use of diesel cars, a 16% reduction in emissions related to our downstream leased assets was achieved. In addition, emissions linked to employee commuting decreased by 2% despite a considerable increase in the number of employees. Finally, a strong reduction in the use of air transportation resulted in a 13% emissions reduction for business travel.

Key insights

- We obtained a significant reduction in the impact associated with our **buildings**. We reduced emissions from our natural gas consumption by 26%, achieved a 24% reduction in emissions related to our electricity usage, and emissions from our franchises were 36% lower than in 2022.
- We also improved the climate impact associated with **mobility**. Emissions associated with the use of company cars decreased by 8%. Emissions decreased for employee commuting and business travel by 2% and 13% respectively, despite an observed increase in the number of employees.
- Our **capital goods emissions** increased by 22% relative to the 2022 baseline. The increase in emissions is driven by a considerable increase in the number of vehicles acquired by Belfius Auto Lease compared to previous years. **IT-related emissions** were also higher in 2023 compared to 2022 due to an upgrade of our IT infrastructure in 2023.
- Overall, emissions linked to our own operations amounted to 180,066 tonnes of CO_2 equivalent - **this is 1% higher than our 2022 operational carbon footprint**. The increase in capital goods emissions associated with vehicles purchased by Belfius Auto Lease cancelled out the emissions reductions we achieved for our own and leased buildings, franchises, employee commuting and business travel.

Belfius' own operations carbon footprint

By source (in metric tonnes of CO_2 equivalent)[1]	2023	2022 baseline Restated[2]	2021[6]	Evolution 2022-2023	2023 data quality[3]
TOTAL SCOPE 1	5,343	5,609	5,920	-5%	91%
Gas consumed	1,402	1,907	2,858	-26%	70%
Heating oil	62	125	192	-50%	
Company cars	3,252	3,519	2,685	-8%	100%
Refrigerants	627	57	184	NA[4]	93%
TOTAL SCOPE 2 (market-based)	79	104	151	-24%	57%
Electricity consumed (market-based)	79	104	151	-24%	57%
Electricity consumed (location-based)	*1,685*	*1,896*	*2,427*	*-11%*	*91%*
TOTAL SCOPE 3 (market-based)	174,644	173,130	18,492	1%	58%
UPSTREAM SCOPE 3 EMISSIONS (market-based)	**99,921**	**80,619**	**8,825**	**24%**	
Category 1 - Purchased goods and services	3,343	3,914	673	-15%	58%
Category 2 - Capital goods	88,696	68,889	679	22%	100%
Category 3 - Fuel and energy related to scope 1 & 2 (market-based)	1,311	1,543	1,398	-15%	92%
Category 3 *- Fuel and energy related to scope 1 & 2 (location-based)*	*1,366*	*1,634*	*1,636*	*-16%*	
Category 4 - Upstream transportation and distribution	2,452	1,851	1,840	32%	95%
Category 5 - Waste	91	143	94	-36%	98%
Category 6 - Business travel	600	691	234	-13%	100%
Category 7 - Employee commuting	3,407	3,460	3,786	-2%	87%
Category 8 - Upstream leased assets	21	128	121	-84%	87%
DOWNSTREAM SCOPE 3 EMISSIONS (excluding financed emissions)	**74,723**	**92,511**	**9,667**	**-19%**	
Category 9 - Downstream transportation & distribution	Non-existent[5]				
Category 10 - Processing of sold products	Non-existent[5]				
Category 11 - Use of sold products	659	609		8%	100%
Category 12 - End-of-life treatment of sold products	74	76		-3%	100%
Category 13 - Downstream leased assets	64,753	77,452		-16%	5%
Category 14 - Franchises	9,237	14,374	9,667	-36%	5%
TOTAL OWN CARBON FOOTPRINT (market-based)	180,066	178,843	24,563	1%	60%
TOTAL OWN CARBON FOOTPRINT (location-based)	*184,103*	*181,344*	*26,839*	*2%*	*60%*

(1) The calculations presented in this table do not include any carbon removals, purchase/sell/transfer of carbon-credits or avoided emissions. The inventory takes the obligatory mixing of biofuels and follows the same method as used in appendix V C of the European directive on renewable energies for direct emissions. The indirect emissions are estimated using the LCA of biofuels (BIOIS) made available by the ADEME. The net-balance of biogenic sequestration and combustion is calculated in a separate biogenic inventory.
(2) Improvements were applied on 2022 leading to a restatement on that year for better comparability with 2023.
(3) The data quality percentage indicates the amount of emissions calculated using actual reported data relative to the total emissions.
(4) In 2023, our monitoring of the leakage of refrigerants in our head offices, regional offices and salaried agencies increased significantly. Due to a lack of equivalent 2022 data, an accurate comparison between the two years is not possible on this point.
(5) Upon analysis, we concluded that the categories "Downstream transportation & distribution" and "Processing of sold products" are non-existent for Belfius as a provider of financial services.
(6) In 2022, Belfius significantly widened the measurement and reporting of its scope 3 footprint by adding extra categories, both in upstream and downstream emissions.

6.2.3. Belfius' financed emissions

Belfius is aware of the large-scale climate impact linked to financial activities. In 2021, this led Belfius to become a member of the Partnership for Carbon Accounting Financials (PCAF), a collaborative global effort to standardize the way financial organizations calculate and share information related to greenhouse gas emissions emanating from their loans and investments.

After a first estimation of its financed emissions in 2022, Belfius expanded its climate impact assessment efforts in 2023 by conducting a second evaluation of its financed emissions. This focused on the seven asset classes identified by the PCAF Global GHG Accounting and Reporting Standard for the Financial Industry. These classes include mortgages, business and corporate loans, commercial real estate loans, equity and bonds, motor vehicle loans, project finance and sovereign debt. In addition, despite the fact that financial lease is not one of the asset classes considered by PCAF, we also added financed emissions linked this activity. PCAF methodologies in real estate, energy-related and transport assets were applied to the financial leasing assets to align to financial accounting practices. Together, the eight asset classes cover 57% of the total Belfius Group balance sheet.

We will initially provide a view on our financed emissions classified by asset class in accordance with PCAF methodology and will subsequently elaborate on financed emissions per sector and across all asset classes. For further information on the methodology applied and assumptions used for each asset class, please refer to the Financed Emissions Methodology Appendix of this 2023 Sustainability Report.

6.2.3.1. Belfius' financed emissions per asset class

Asset classes[(1)]		**Outstanding amount (in M€)**	**Financed emissions - scope 1 & 2 (kt CO_2e)**	**Financed emissions - scope 3 (kt CO_2e)**	**Economic scope 1 & 2 emission intensity (tCO_2e/M€)**	**PCAF Data Quality score**[(8)] **(high quality = 1; low quality = 5)**
Mortgages[(2)]	2022	39,647	1,175	-	30	5.00
	2023	40,783	1,208	-	30	5.00
Business & corporate loans	2022	26,412	1,985	13,083	75	4.51
	2023	27,768	2,231	12,661	80	4.90
Commercial real estate loans[(2)]	2022	5,763	605	-	105	5.00
	2023	6,513	647	-	99	5.00
Equity and bonds	2022	3,609	1,404	1,569	389	4.06
	2023	3,607	1,157	1,196	321	4.11
Financial lease[(3)]	2022	2,054	157	-	76	5.00
	2023	2,358	171	-	73	5.00
Motor vehicle loans[(4)]	2022	1,420	276	-	194	5.00
	2023	1,492	269	-	180	4.99
Project finance[(5)]	2022	639	0	-	0	3.52
	2023	586	0	-	0	2.95
GRAND TOTAL IN SCOPE[(6)(7)]	2022	79,543	5,601	14,652	70	4.79
	2023	83,106	5,683	13,857	68	4.91

(1) Improvements were applied to our 2022 equity and bonds, and mortgage asset classes, to allow a better comparison with 2023
(2) Both construction and renovation loans are omitted from the emissions calculations for mortgages and commercial real estate due to the absence of a dedicated methodology in the PCAF 2022 standard. We are planning to include embodied emissions (i.e. financed scope 3 emissions of the mortgage asset class associated with materials and construction processes throughout the whole lifecyle of a building) in the near future to expand our understanding about the climate impact of our mortgage portfolio.
(3) Not part of the PCAF methodology. Nevertheless, PCAF methodologies in real estate, energy-related and transport assets were applied to the financial leasing assets, to align to financial accounting practices.
(4) This asset class includes vehicle loans to both retail customers and corporate clients.
(5) The methodology for project finance covers power generation projects exclusively, all of them being renewable energy projects at Belfius.
(6) The total amount of emissions related to the asset classes for which a financed emissions methodology exists.
(7) In 2023, we determined for the first time our sovereign emissions, i.e. emissions associated with sovereign debt. However, since it would lead to the double counting of emissions, it is not accounted for in the grand total sum of our emissions.
(8) The highest score, score 1, represents the highest data quality corresponding to actual company or asset emissions, while the lowest score, score 5, represents the broadest estimations based on the sectoral average of the financed activity.

In 2023, we continued to work on the collection of Energy Performance Certificates (EPCs) indicating the energy performance of buildings so as to increase the accuracy of calculations, as well as our understanding of the actual climate impact of our mortgage portfolio. A refinement in methodology to translate collected EPCs into emissions equivalents has led to a restatement of the 2022 baseline for the mortgage asset class. The emissions linked to our mortgage portfolio remained relatively stable between 2022 and 2023, despite an increase in the outstanding amount. Additional efforts will be needed to reduce emissions linked to our mortgage portfolio. Our commercial real estate emissions also remained quite stable.

In 2023, we were able to collect more reliable emissions data by using an ESG questionnaire for some of our corporate clients. For the business and corporate loans asset class, the outstanding amount and absolute financed scope 1 and 2 emissions increased. Nevertheless, if we add scope 3 emissions linked to this asset class, we in total financed 14,892 kt CO_2e through our business loans, which is slightly lower than the 15,068 kt CO_2e estimated in 2022.

Accounting changes were applied to the equities and bonds portfolio, leading to a restatement of the base year in order to allow for an accurate comparison with 2023. The climate performance of our equity and bonds was significantly better compared to last year, while the outstanding amount increased. In total, we financed 2,353 kt CO_2e through equity and bonds (all scopes included), which is 20% lower than last year.

Although not considered as one of the PCAF asset classes, we also evaluated the carbon footprint of our financial leasing assets[1] so as to remain in line with financial accounting practices. For this asset class, as well as for motor vehicle loans, our climate performance was slightly better in 2023. We observed a decrease in economic emissions intensity for the financial lease and motor vehicle loans asset classes of 4% and 7% respectively.

Similarly to 2022, zero emissions were attributed to the project finance asset class. This asset class currently only considers power generation projects, all of them being renewable energy projects. In 2023, two new offshore wind energy projects were financed. Other types of projects such as infrastructure are currently not included and will be considered in subsequent evaluations.

Overall, we observed a slight decrease in financed emissions (all scopes included) notwithstanding a 4.6% increase in outstanding amount. These seven asset classes cover 51% of the total Belfius Group Balance sheet.

Sovereign emissions

	Year	Outstanding amount (in M€)	Including LULUCF (kt CO_2e)	Excluding LULUCF (kt CO_2e)
Production emissions	2022	9,280	2,120	2,202
	2023	9,252	2,098	2,187

For the first time, this report also includes the calculation of our sovereign emissions, i.e. emissions associated with the sovereign debt held on our balance sheet. Given that a sovereign is primarily regarded as a national territory, and its emissions are attributed to those generated within (scope 1) or outside (scope 2 & 3) its boundaries, the risk of double counting is too significant to be combined with other asset classes. We have therefore opted to present the results separately.

(1) PCAF methodologies in real estate, energy-related and transport assets were applied to financial leasing assets in order to align with financial accounting practices.

The sovereign debt asset class incorporates emissions derived from sovereign bonds and sovereign loans. The methodology developed by PCAF offers four distinct approaches to calculate these emissions: production-based and consumption-based[1], with or without considerations of Land Use, Land-Use Change, and Forestry (LULUCF[2]). From a methodological perspective, production-based calculations offer a robust and accurate representation of a sovereign's emissions in line with UNFCCC recommendations, which is why we opted to show this production-based calculation approach.

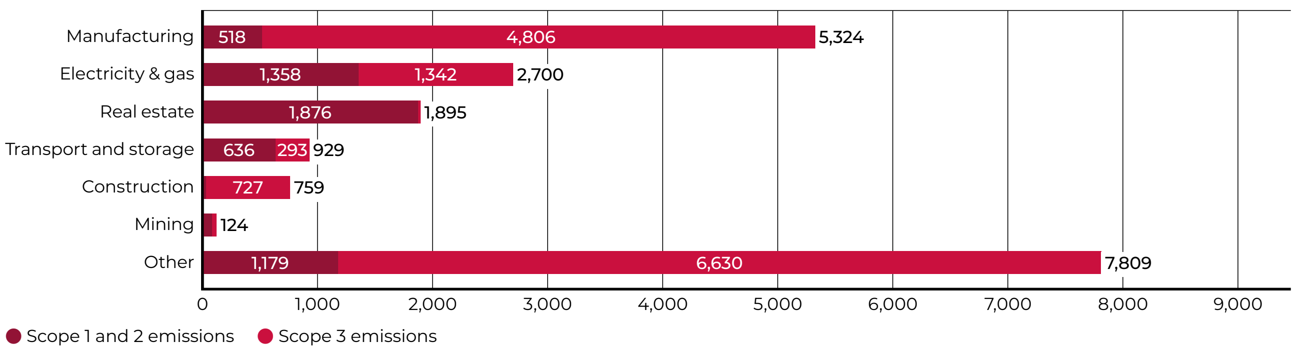
Total sovereign emissions were estimated at 2,098 kt CO_2e including LULUCF and 2,187 kt CO_2e excluding LULUCF.

Key insights

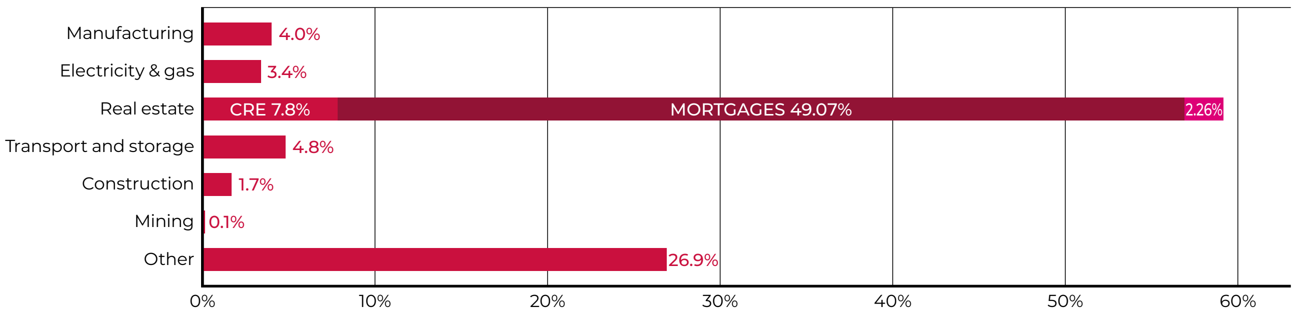
- Total financed emissions (excluding sovereign emissions) for 2023 were estimated at 19,540 kt CO_2e, a reduction of 3.4% compared to 2022 on a comparable basis. These emissions represent 51% of our balance sheet.
- For the first time, we calculated and reported our emissions associated with sovereign debt. Adding this asset class to our carbon accounting system increased the balance sheet covered by emissions calculations by 6% up to 57%. The remainder of the Belfius Group balance sheet is not covered by the current PCAF methodology - we were therefore unable to estimate and report on it.

6.2.3.2. Belfius' financed emissions per sector

Financed emissions breakdown per most carbon-intensive sectors (in kt CO_2e)



% of total outstanding amount



The graph "Financed emissions classified by sector" provides further information regarding our financed emissions for the most carbon-intensive sectors, together with our financial exposure to those sectors. This overview spans all asset classes presented and includes clients' scope 1, 2 and 3 emissions. The graph indicates the relative contribution of financed scope 1 and 2 emissions on the one hand and financed scope 3 emissions on the other for each sector.

Overall, we have a large mortgage portfolio and therefore substantial financial exposure to real estate activities. 59% of the total outstanding amount that is in scope of our carbon accounting system is attributable to real estate.

(1) Consumption based emissions offer a broader perspective by including exchanges of goods and services between countries and where they are ultimately consumed.
(2) LULUCF refers to how land management practices affect the exchange of greenhouse gases between the atmosphere and the land, influencing climate change.

Emissions are relatively low however compared to the outstanding amount, although it should be noted that we currently do not incorporate the embodied emissions of these activities (i.e. scope 3 emissions) into our carbon accounting. We are planning to include these scope 3 emissions for real estate in subsequent evaluations.

A large part of our financed emissions is related to the manufacturing sector. However the outstanding amount relative to this sector only amounts to 4% of the total outstanding amount that is in scope of our carbon accounting system. This sector is associated with important value chain emissions in scope 3. In addition, we finance a significant amount of emissions in the energy sectors. In 2023, the total financed emissions related to this sector amounted to 2,700 kt CO_2e. Belfius plays a crucial role as a financer of entities that provide energy to Belgian society. By supporting Belgium's transition towards low-carbon energy solutions, we can reduce our financed emissions associated to the electricity sector over time while continuing to ensure Belgium's electricity supply.

The "other' category includes all other sectors that are not considered carbon intensive. Emissions associated to this category amounted to 7,809 kt CO_2e in 2023. The most important contribution to the total emissions of this category comes from the wholesale and retail trade sector. This sector is not considered a carbon-intensive sector as such, however Belfius' exposure to this sector is significant. Total financed emissions related to this sector were 3,292 kt CO_2e, which corresponds to 42% of total emissions for this category. In terms of financed emissions, the wholesale and retail trade sector is the second largest sector in our portfolio following the manufacturing sector.

Key insights

- The sectoral breakdown shows that Belfius' footprint is mainly linked to the manufacturing sector (27.6% of total financed emissions). The outstanding amount to this sector only amounts to 4% of the total outstanding amount in scope of our carbon accounting system however. This sector is associated with important value chain emissions in scope 3.
- The second most important sector in terms of absolute financed emissions in 2023 is the wholesale and retail trade sector, with total financed emissions of 3,292 kt CO2e. This sector is not considered carbon intensive, however Belfius' exposure to it is significant.
- Belfius has a substantial real estate portfolio (mostly mortgage loans), determining 59% of the total financial exposure in scope of the carbon accounting system. Emissions associated with real estate activities are relatively low compared to the financial exposure, however an important reason for this is the fact that real estate scope 3 emissions (i.e. embodied emissions) are currently out of scope.

6.2.4. Action plan

As explained in section 2.3. of this Report, we have centered our sustainability strategy around two guiding principles: “Walk the talk” and “Customers in the driver’s seat”.

Walk the talk: We want to walk the talk by putting a strong focus on reducing our own environmental footprint. Belfius’ Climate and Environmental Policy is our guideline to this end. Please see section 6.5. of this Report for more information in this respect.

Beyond these avoidance and reduction actions, and in order to further contribute to climate transition, Belfius chose to purchase carbon credits equivalent to 30,500 tonnes CO_2e, representing emissions on which Belfius has the highest direct impact. These credits have no impact on our total footprint calculations and disclosure and are not considered as a reduction, but rather a separate voluntary exercise. Belfius only chooses projects that are certified with a recognized quality standard: the Gold Standard. In full awareness of issues related to the reliability of the offset market, we are monitoring the developments and recommendations of international guidelines and platforms, such as the Integrity Council for the Voluntary Carbon Market (Integrity Council), an independent governance body for the voluntary carbon market, in order to strengthen our practices related to this area.

Customers in the driver’s seat: We are also supporting our clients in reducing their own environmental footprint by developing products and services that support them in their transition towards greater energy efficiency or a low carbon economy. Further information on this matter can be found in section 5 of this Report.

6.3. Emerging environmental challenges

6.3.1. Global insights and trends and financing natural capital

The World Economic Forum (WEF) has identified a spectrum of critical environmental risks. These encompass looming threats of critical change to earth systems, biodiversity loss and ecosystem collapse, as well as natural resource shortages projected over the next decade.

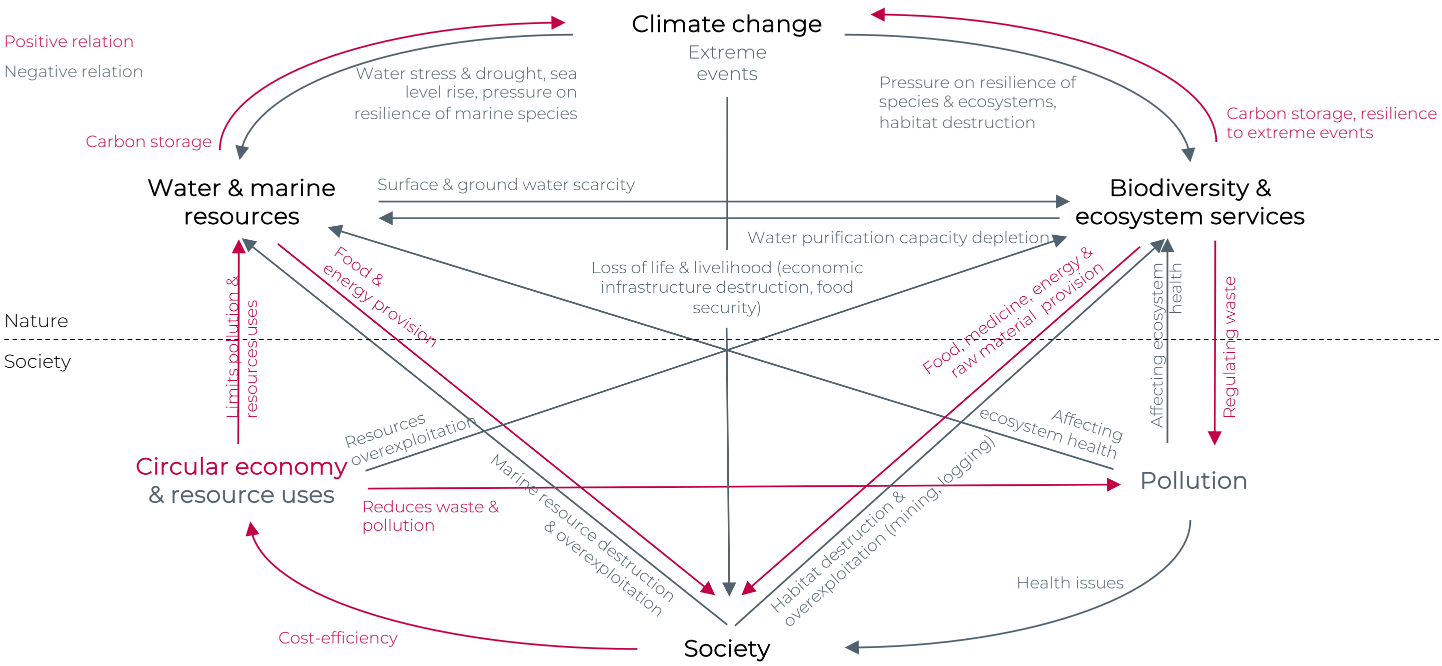
According to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), the primary drivers of environmental degradation, accounting for over half of nature's decline, are rooted in habitat destruction due to economic activities and the unsustainable overexploitation of finite natural resources. These challenges are further compounded by the effects of climate change, pollution and the introduction of invasive species (through globalization and transportation networks), posing a profound threat to human livelihoods, health and the availability of essential resources.

A swift evolution in global political commitments and regulatory landscapes recently occurred in response to these escalating environmental challenges.

The United Nations' Global Biodiversity Framework (GBF), established during the fifteenth Conference of the Parties (COP15) in 2022, has set ambitious targets. These include directives for corporations and financial institutions to mitigate their negative environmental impact and enhance positive contributions, with a clear mission to arrest biodiversity loss by 2030 and restore it by 2050.

Complementing these global efforts, the European Union has introduced the Deforestation Law and the Nature Restoration Law, translating global commitments into actionable regional mandates. As from 2023, the EU Deforestation Law requires companies importing or exporting palm oil, soy, timber, beef, cocoa, coffee and rubber related products to ensure they are deforestation-free. The upcoming EU Nature Restoration Law will further strengthen the global commitments into an obligation to restore at least 20% of Europe's land and sea areas by 2030 and all ecosystems in need of restoration by 2050.

In Belgium, the national biodiversity strategy aligns with the "Convention on Biological Diversity" and its associated protocols. The primary challenge to biodiversity in Belgium is attributed to the alteration of land use, driven by the expansion of cultural, industrial and agricultural activities into limited natural spaces. Despite Belgium's leadership in recycling and circular innovation, the high population density and resource-intensive industries pose significant environmental challenges. Issues such as water stress, soil erosion and pollution remain prevalent, necessitating enhanced water management and pollution mitigation strategies.



Belgium faces acute weather events like floods, droughts, heatwaves and water shortages, which represent total forecast costs of nearly EUR 9.5 billion/year, i.e. approx. 2% of the Belgian GDP[1]. It is predicted that water will become a significant issue. The World Resource Institute[2] ranks Belgium 18th globally on the scale of extreme water stress. In the case of unchanged water management, one can thus expect episodes of more severe water scarcity, affecting agriculture, industry and households.

These challenges underscore the need for a holistic approach to environmental conservation and sustainable resource management in Belgium.

Within this context, as over half of the global Gross Domestic Product (GDP) is dependent on nature, preserving biodiversity is essential for maintaining financial stability[3]. The Flemish Institute for Technological Research (VITO) and the universities of Antwerp and Ghent have assessed the value of the Natura 2000[4] network in Flanders. This conservative study estimated that the 168,000 hectares (ha) of Natura 2000 areas in Flanders have a total value to society of EUR 800 million to 1.2 billion (RBINS, 2019)[5].

Today, nature protection is almost exclusively financed by public finance, despite having financial impacts on the wider (private) economy[6]. The support of the financial sector is thus fundamental to shift capital away from nature-negative investments to nature-positive ones. Similarly to climate, the biggest underlying impact of the financial sector on nature is through its lending, investing and insuring activities. It is therefore crucial for the financial sector to integrate nature-related risks and opportunities into their business strategies and risk management frameworks.

For Belfius, operating within the financial sector, these environmental risks and challenges present both a responsibility and an opportunity. As a financial institution, Belfius has the potential to significantly influence environmental outcomes through its investment decisions, lending practices and policies. However, these environmental challenges also present a variety of risks, such as credit risks from environmentally sensitive sectors, reputational damage from perceived environmental negligence, regulatory risks from the above-mentioned evolving compliance standards, market risks due to asset valuation fluctuations and strategic risks from failing to adapt to environmental changes.

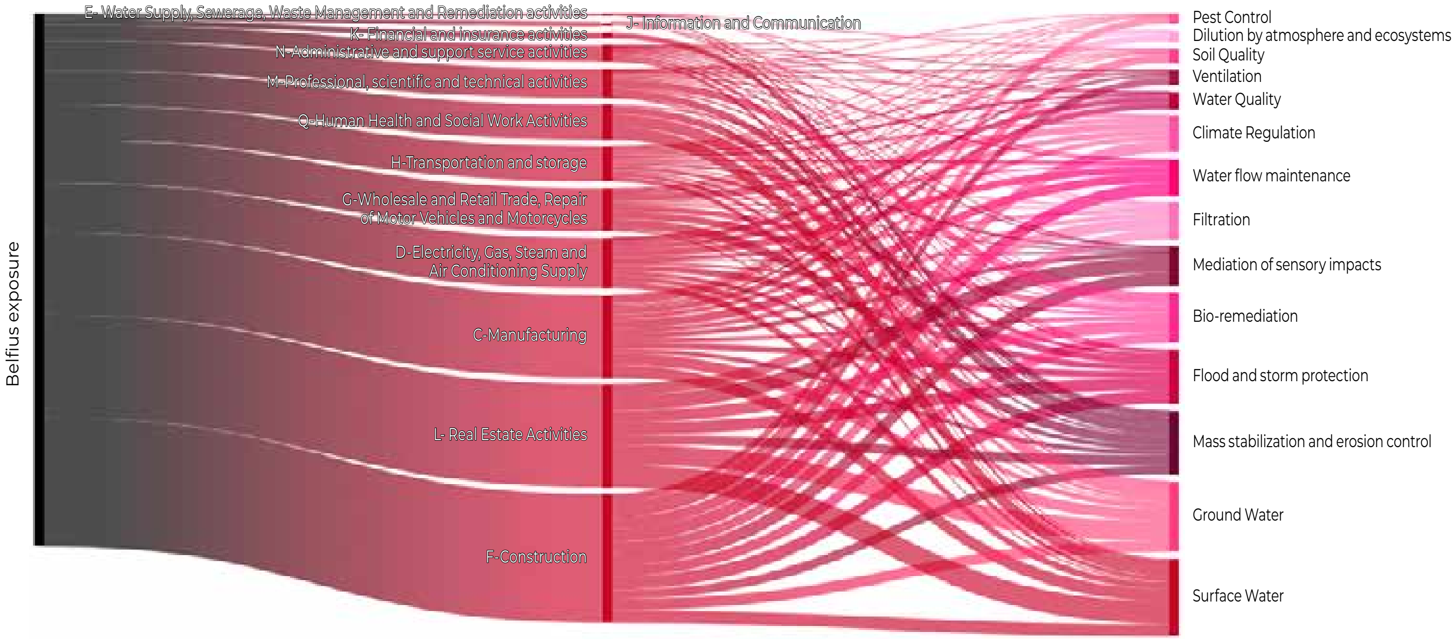
(1) VITO EVALUATION OF THE SOCIO-ECONOMIC IMPACT OF CLIMATE CHANGE IN BELGIUM
https://www.adapt2climate.be/wp-content/uploads/2020/09/SECLIM-BE-2020_FinalReport.pdf
(2) WEF 25 countries face extremely high water stress, study finds (2023)
https://www.weforum.org/agenda/2023/08/countries-extremely-high-water-stress/
(3) WEF, 50% of the global economy is under threat from biodiversity loss (2023)
https://www.weforum.org/agenda/2023/02/biodiversity-nature-loss-cop15/
(4) Natura 2000 network collects areas which have nature protection in the territory of the European Union. The network contains Special Areas of Conservation and Special Protection Areas designated under the Habitats Directive and the Birds Directive.
(5) RBINS (2019), Sixth National Report of Belgium to the Convention on Biological Diversity, Royal Belgian Institute of Natural Sciences, Belgian National Focal Point to the Convention on Biological Diversity,
www.biodiv.be/implementation/docs/reports/nat_reports/sixth-national-report-2019
(6) OECD, BIODIVERSITY AND DEVELOPMENT FINANCE 2015-2021 (2023)
https://www.oecd.org/dac/biodiversity-development-finance-target19-2015-2021.pdf

6.3.2. Belfius' biodiversity materiality assessment

Belfius conducted a high-level materiality assessment to develop a comprehensive understanding of how to effectively address challenges related to biodiversity. This approach enabled us to focus on specific areas within our operations where our impact on biodiversity is most significant and where we are most dependent on it. By doing so, we could pinpoint both opportunity and risk "hotspots", ensuring that we tackle biodiversity issues efficiently and effectively.

Our initial high-level evaluation uses the Science Based Targets Network sectoral materiality tool and ENCORE. The scores obtained were mapped onto NACE sectors (level 3) and reaggregated per sector for direct and upstream activities.

Biodiversity-related risks are assessed through ecosystem services, i.e. services provided by nature from which society benefits, the dependencies of specific sectors on these services and, in turn, Belfius' dependence on the financial wellbeing of these sectors.



The alluvial diagram shows what sectors and ecosystem services Belfius is most dependent on in the context of biodiversity. In this diagram, the size of each node is directly proportional to the associated risk: the thicker a node, the higher the risk. By focusing on the nodes with significant thickness we can better understand the nature of these risks and prioritize our efforts, ensuring that we address the most pressing biodiversity-related challenges in a strategic and efficient manner.

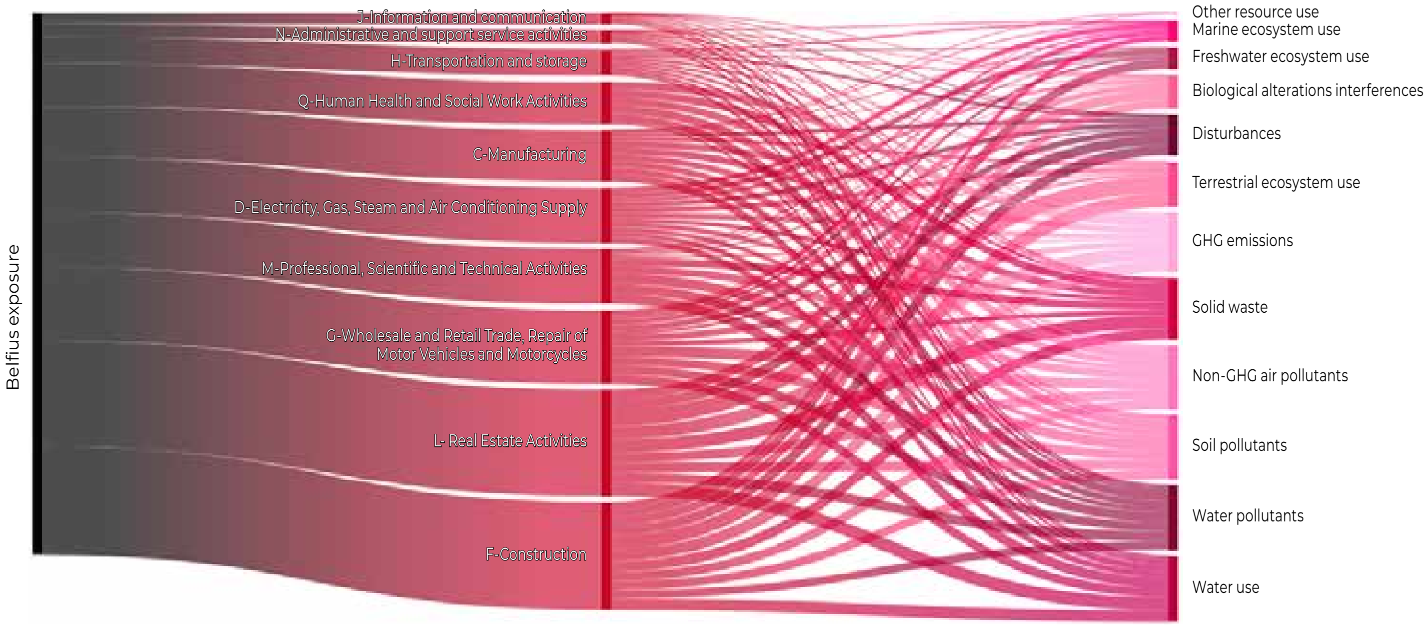
Based on our research, Belfius' dependencies in the context of biodiversity are most pronounced in the construction and real estate sectors, followed by manufacturing activities. The major risks identified in Belfius' portfolio are related to water – both surface and ground water – highlighting the critical impact of water contamination and scarcity on these sectors in Belgium:

- In the construction sector, water-related issues are diverse. Water flow maintenance is crucial for material production and onsite activities, while flood and storm protection naturally provided by vegetation is essential.
- In real estate, water issues significantly influence house prices, thereby affecting real estate activities. This sector is also sensitive to the mediation of sensory impacts, where environmental factors like noise, light and pollution play a pivotal role in determining quality of life and thus property values.

- The manufacturing sector, consuming significantly more water than households, relies heavily on water for various stages of production. This makes it vulnerable to water scarcity and contamination that are particularly relevant for Belgium.

Through its financing of certain economic activities, Belfius also contributes to specific impact drivers. These drivers negatively affect natural capital assets like water, habitats, species, minerals and more on which ecosystems depend to remain stable.

With regard to impacts, Belfius has identified three key hotspots where its activities critically intersect with biodiversity concerns. High exposures within the construction, real estate and wholesale sectors mean that Belfius contributes to some large impacts on biodiversity.



Construction and real estate sectors largely use terrestrial ecosystems. This impact is considered one of the most damaging ones as it includes deforestation, often the complete change of land-use and subsequent damage to local biodiversity. Construction and real estate also have notable influence on local waterbodies. The intense water usage in these sectors for drilling, dredging, cement, material production, water-use for households and many more activities are partially responsible for the drainage of the fragile hydrological cycle in Belgium. In addition, the construction sector is still very much a take-make-waste sector which pollutes both water and soil, disrupts habitats and destabilizes nature.

Several other sectors in addition to construction still produce too much solid waste. Today, the wide majority of products are manufactured with primary materials. Associated sectors such as wholesale, retail transportation and storage do not yet employ sufficiently circular models to avoid this waste production which, as a consequence, contributes to the disruption of habitats and depletes ecosystem function. In this way the very ecosystem services that the society depends upon are damaged.

Currently, we are in the process of planning our next materiality assessment. This upcoming evaluation is designed to provide a more nuanced understanding of our local impacts and dependencies. With this enhanced perspective, we aim to more effectively identify opportunities in Belgium and develop specific mitigation actions. In the course of 2024, we will further investigate methodologies developed by the Partnership for Biodiversity Accounting Financials (PBAF) and the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations to identify how nature can be further integrated within Belfius' sustainability strategy.

6.3.3. Implementing actionable environmental solutions

The climate, water and nature crises present an opportunity for companies to innovate in creating products, services and processes that are environmentally sustainable.

As Belfius Group, we want to contribute to the preservation of biodiversity in Belgium. Although our own infrastructure is not where our highest risk or impact lies, we have developed a climate and environmental policy outlining initial but fundamental measures to promote biodiversity, either directly such as procurement of FSC certified (100% or recycled) paper in our offices, or indirectly through our energy, waste and water reduction measures. We have also integrated environmental criteria into our Transition Acceleration Policy, limiting our business activities in palm oil and soy industries that may cause deforestation.

As explained in section 5.2.3.2. of this Report, Belfius is supporting environmental action through its Ambition Loans. These focus, amongst others, on supporting solutions related to waste collection and recycling, as well as construction and renewal of water and wastewater collection, treatment systems and distribution infrastructure. We consider these solutions as promising given the immense challenges in Belgium in this area.

In addition, Belfius' thematic mutual funds include one fund that supports companies active in water treatment, distribution and protection, as well as companies with outstanding approaches to water preservation, and another fund that supports companies offering solutions for the transition towards a circular model.

6.4. EU Taxonomy

6.4.1. The EU Taxonomy

In 2018, the European Commission released the Sustainable Finance Action Plan. One of the key elements of this plan was the EU Taxonomy, an ambitious market transparency tool aimed at directing investments towards the economic activities most needed for the transition in line with European Green Deal objectives.

The **EU Taxonomy Regulation** provides a classification system of economic activities that can be considered as environmentally sustainable. This classification enables a comparison of the sustainability performance of economic actors in the EU and is based on six environmental objectives:
- Climate change mitigation;
- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Transition to a circular economy;
- Pollution prevention and control;
- Protection and restoration of biodiversity and ecosystems.

6.4.1.1. Disclosure requirements

The EU Taxonomy Regulation (and the subsequent Disclosure Delegated Act) imposes **sustainability disclosure obligations** on actors in the EU market that are subject to the Non-Financial Reporting Directive (NFRD), namely large public interest companies (listed companies, banks, insurance companies that meet certain criteria relative to their size) and groups, with more than 500 employees. This obligation will later cover all large companies and groups, as well as listed SMEs, with the adoption of the Corporate Sustainability Reporting Directive (CSRD).

These companies must disclose key performance indicators (KPIs) in relation to the portion of their activities that are "sustainable".

6.4.1.2. Sustainability assessment and calculation

The introduction of the EU Taxonomy enables companies to **assess their sustainability performance** by quantifying the proportion of their activities deemed environmentally sustainable. This assessment is based on technical screening criteria set out by the EU to help evaluate whether an economic activity can be considered as environmentally sustainable under the EU Taxonomy.

Technical screening criteria have first been set for economic activities that can make a substantial contribution to the objectives of (1) climate change mitigation and (2) climate change adaptation, through the Climate Delegated Act and Complementary Climate Delegated Act. The Environmental Delegated Act which includes all the activities that can make a substantial contribution to the other four environmental objectives was adopted in June 2023 and has been applicable since January 2024.

Assessing the sustainability of economic activities represents a new system of sustainability accounting, based on traditional financial accounting systems. Sustainability calculations focus not only on the **turnover of companies**, reflecting their current performance and how their revenue associated to their core business operations aligns with the environmental objectives of the EU Taxonomy, but also on their **capital and operating expenditures (CapEx and OpEx)**. Considering a company's expenditures signals its proactivity in achieving better environmental performance and ensuring long-term resilience.

6.4.1.3. Disclosure on eligibility and alignment of economic activities

Companies that fall under the scope of the EU Taxonomy Regulation must disclose to what extent their activities are covered by the EU Taxonomy **(Taxonomy-eligibility)** in their sustainability report and whether they comply with the technical screening criteria set in the EU Taxonomy delegated acts **(Taxonomy-alignment)**.

The first exercise required companies to report on the "eligibility" of their activities, that is to say whether their economic activities have a set of corresponding technical screening criteria listed under the two climate objectives (climate change mitigation and adaptation) in the EU Taxonomy to be assessed against. A company can obtain revenues, or invest in numerous activities, for which criteria are defined in the EU Taxonomy delegated acts or other activities that are not covered by the delegated acts and are then qualified as "non-eligible".

In their 2022 sustainability report, non-financial companies were required to report on the **"alignment"** of their activities. Assessing the alignment of an economic activity means evaluating whether the technical screening criteria laid down in the EU Taxonomy are met.

To qualify as environmentally sustainable, an economic activity must (1) substantially contribute to one of the six environmental objectives of the EU and (2) do not significantly harm any of the other five environmental objectives, in accordance with the technical screening criteria defined by the EU. In addition, the company carrying out this activity must (3) prove that it respects certain minimum social safeguards (MSS).

In their 2023 sustainability reports, **Belfius and other financial companies report their Taxonomy-alignment for the first time, based on the information reported by their counterparties**.

This disclosure exercise comes with **numerous challenges**. The technical screening criteria to be met are numerous, as they are specific to each activity.

Moreover, the criteria are relatively complex, reflecting the EU's ambition to have a robust definition of sustainability aligned as closely as possible with scientific facts so as to avoid greenwashing. All these criteria must be supported by evidence.

Many of the technical screening criteria, especially those relating to the obligation of "Do No Significant Harm" to the environmental objectives, relate to compliance with other legal obligations, aiming to align with existing practices, for which gathering evidence is not always straightforward. Adding to this complexity is the challenge arising from variations in the transposition of some of these obligations among the three Belgian regions.

6.4.2. Belfius Group's EU Taxonomy strategy

As a financial institution, the evaluation and disclosure of our Green Asset Ratio (GAR), our Green Investment Ratio (GIR), and other relevant KPIs, i.e. the share of environmentally sustainable activities complying with the EU Taxonomy over our total assets and investments, is **largely dependent on the sustainability performance published by our clients and investees**.

To fulfil its mandatory reporting obligations, Belfius relies on the latest available sustainability information from its counterparties. This involves a collaborative effort with **specialized data providers**, crucial in collecting and organizing data from both non-financial and financial entities.

Belfius has taken a considerable level of caution in its reporting practices. In many instances, Belfius reports 0% for certain exposures, as it is currently not feasible to meet all technical screening criteria set by the EU Taxonomy, or the necessary information could not be obtained despite Belfius' earnest efforts. Despite in-depth discussions at sector level, several technical screening criteria leave room to interpretation. By openly acknowledging instances where criteria are not met or information is unavailable, Belfius aims to provide stakeholders with accurate and truthful insights into its environmental impact, reinforcing its commitment to responsible and transparent reporting. Moreover, in preparing its mandatory EU Taxonomy reporting, Belfius adheres to a **meticulous approach to prevent any instances of double counting**.

So far, **Belfius has used the EU Taxonomy as a means to identify climate solutions and financing opportunities**, and in particular as a metric enabling the group to better track its contribution to financing assets that are making a positive contribution to climate objectives.

In 2022, Belfius Bank launched its **"Ambition Loans & Lease"**, which are products following the description of the activities listed in the EU Taxonomy for a selection of use of proceeds related to real estate, mobility, transport and waste and water activities. These loans and lease products are therefore Taxonomy-eligible and constitute a first attempt to integrate Taxonomy activities into Belfius Bank's loan offering. These loans and lease products are however not Taxonomy-aligned, meaning that they are not yet fulfilling all the technical screening criteria of the EU Taxonomy. In this respect, clarification from the EU is paramount to, at some point, align these products with the EU Taxonomy.

In the same vein, Belfius uses the EU Taxonomy to **engage with its clients** improving their own alignment with the sustainability criteria defined by the EU.

The adoption in June 2023 of the relevant technical screening criteria for the remaining four environmental objectives of the EU Taxonomy will allow us to **move further and identify new opportunities to finance environmentally sustainable activities**.

6.4.3. Belfius' entities EU Taxonomy disclosure

The next sections cover Belfius' EU Taxonomy disclosure per entity (Belfius Bank, Belfius Insurance and Belfius Asset Management) for the 2023 financial year on both climate change mitigation and adaptation objectives, for which information has already been published by our counterparties. It also includes specific reporting on our exposures to gas and nuclear activities.

Belfius entities' EU Taxonomy disclosure is based on prudential consolidation of the Belfius Group in accordance with the supervisory reporting of financial institutions as defined in Regulation (EU) 575/2013 of the European Parliament and Council, and the European Commission Implementing Regulation (EU) 2021/451 (FINREP).

Please refer to the Appendix for Belfius Group's full disclosure under the EU Taxonomy Regulation and all the mandatory reporting templates.

6.4.3.1. Belfius Bank's EU Taxonomy disclosure

As a credit institution, Belfius Bank's main KPI for measuring the proportion of Taxonomy-aligned exposures is the **Green Asset Ratio (GAR)**. The GAR is a ratio showing Taxonomy-aligned financial assets as a percentage of Belfius' banking books and demonstrates the extent to which the activities we finance meet what the EU Taxonomy defines as environmentally sustainable.

The following table presents a summary of Belfius Bank's GAR on both its stock (i.e. all assets on Belfius Bank's balance sheet before 31 December 2022) and flow (i.e. new production in 2023). It also provides insight into the level of EU Taxonomy alignment of Belfius Bank's financial guarantees and assets under management.

Summary of Belfius Bank's KPIs

	GAR based on turnover	GAR based on CapEx	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
MAIN KPI					
GAR (on stock)	0.07%	0.08%	33.46%	-	-

	GAR based on turnover	GAR based on CapEx	% coverage (over total assets)	% of assets excluded from the numerator of the GAR	% of assets excluded from the denominator of the GAR
ADDITIONAL KPIs					
GAR (on flow)	0.04%	0.04%	3.64%	N/A	N/A
Financial guarantees	0.01%	0.00%			
Assets under management	1.05%	1.22%			
GAR TOTAL (STOCK + FLOW)	0.11%	0.12%	37.10%	42.02%	20.88%

The **turnover-based KPIs** represent the share of financing that Belfius Bank provides to companies subject to NFRD disclosure obligations already deriving revenues from sustainable activities.

The **CapEx-based KPIs** show how much portfolio companies invest into sustainable activities.

The GAR comes with several **limitations** that should be considered when analyzing it.

While the GAR is the relevant KPI for credit institutions, designed for comparing their environmental efforts, its effectiveness is hampered by the **limited coverage of assets**.

Exposures to **companies not subject to NFRD disclosure obligations** are excluded from the GAR numerator but not the denominator. In practice, this means that all our exposures to such companies (e.g. non-listed large companies, SMEs), representing 34% of Belfius Bank's exposures, enter in the total assets of our GAR (denominator) but cannot be accounted as sustainable (numerator).

In addition, a pitfall is that the NFRD currently only covers large public-interest companies. Therefore, a significant portion of our banking assets falls outside of the GAR's scope as Taxonomy-eligible assets are mainly restricted to financing EU companies subject to NFRD disclosure obligations.

Similarly, exposures to **central banks, central governments and supranational entities** (21% of Belfius Bank's exposures) are, according to EU Taxonomy disclosure requirements, entirely excluded from both the GAR numerator and denominator. Due to the federal structure of the Belgian state, the three regions (Flanders, Wallonia, and Brussels) are considered as central governments. In practice, this means that a substantial portion of loans and advances to regions, especially within our "Public and Social Banking" segment, is not reflected in our GAR.

Grasping Belfius Bank's GAR

Belfius Bank's GAR provides a comprehensive insight into our commitment to financing sustainable initiatives, primarily focusing on the support extended to **large companies subject to NFRD disclosure obligations**. These companies predominantly operate in sectors crucial to environmental sustainability, including electricity transportation and the manufacturing of electrical engines, generators and transformers.

The largest share of Belfius Banks' assets concern **residential real estate activities (i.e. mortgages to households) (33%) and financing to local governments (10%)**. Taxonomy-alignment for these exposures amounts to 0% as, at this stage, the technical screening criteria of the EU Taxonomy are too complex to ascertain.

Our GAR is improved by investments in **green bonds aligning with the EU Green Bonds Standards and certified by second-party opinions**, sourced primarily from financial institutions.

All financing is directed towards **climate change mitigation efforts**, with no allocation towards climate change adaptation initiatives.

21% of Belfius Bank's total assets are excluded from GAR calculations, i.e. financing granted to **central government, central banks and supranational issuers**, as well as **trading book activities**.

34% of total assets are attributed to **non-EU counterparties, non-listed large companies and small and medium-sized enterprises, amongst others**, which cannot be accounted as sustainable in our GAR per EU Taxonomy disclosure rules.

It results from the above that the current GAR structure places banks with significant exposures to excluded segments at a structural disadvantage.

For all these reasons, our GAR (on stock) based on the turnover of our counterparties is at 0.07% and on their CapEx is at 0.08%. If we add new production, our GAR rises to 0.11% (turnover-based) and 0.12% (CapEx-based).

We are actively working on the **improvement of our GAR** and we see this as a challenge to overcome.

Aligning our mortgage portfolio to the EU Taxonomy

As a retail bank, a significant portion of Belfius Bank's exposures consist of **mortgages to households** (33%).

Belfius determined that all these exposures were 0% aligned with the EU Taxonomy as we were **unable to verify the "Do No Significant Harm" condition to the objective of climate change adaptation**. Belfius is currently seeking a method to properly verify these criteria.

In accordance with the European Commission's guidelines, Belfius deemed that nothing aligned with the EU Taxonomy in the absence of such verification. This is a significant challenge for Belfius, and we proceeded in this manner to **avoid artificially inflating our GAR**.

Our approach involves strengthening our data strategy and expanding our information collection processes. We are also committed to raising awareness among our clients regarding sustainable practices and engaging in discussions with the sector to foster collective efforts.

Belfius Bank's status as a retail bank with significant exposures to SMEs, structurally reduces the proportion of sustainable activities in our GAR.

Consequently, Belfius Bank highlights the importance of considering the percentage of eligibility and not solely relying on the disclosed degree of sustainability by financial institutions.

In this context, sustainability of financial institutions should be assessed with regard to the GAR but also in conjunction with additional ESG disclosure requirements. For instance, the **ESG Pillar III reporting** includes, amongst others, disclosure on the level of alignment of exposures to non-financial companies not subject to NFRD disclosure obligations (for the calculation of the **Banking Book Taxonomy Alignment Ratio (BTAR)**), as well as specific **reporting on climate change mitigating actions**[1], that can provide more accurate insights into the environmental impact of our activities.

6.4.3.2. Belfius Insurance's EU Taxonomy disclosure

Underwriting activities

The EU Taxonomy considers that **underwriting non-life insurance and reinsurance activities** for climate-related perils has the potential to provide adaptation solutions and prevent adverse impacts of climate change. In other words, the EU Taxonomy considers how the insurance and reinsurance industries and, more specifically, their products and services are helping policyholders adapt to climate change risks, and prevent or protect against climate-related perils[2] (such as, for example, hail, windstorms or other natural hazards).

The current scope of application of the EU Taxonomy to insurance products and services is limited to the **climate change adaptation objective** that aims to reduce or prevent the adverse impact of current or expected future climate changes, and the risks of such adverse impact. The non-life insurance and reinsurance industries play a pivotal role in providing protection against climate-related risks in this respect, incentivizing risk reduction measures, and supporting recovery and rebuilding efforts in the aftermath of climate-related events.

Two business lines within Belfius Insurance's offer foresee climate-related perils, namely:

- motor insurance (i.e. omnium car);
- fire and other damages to property insurance.

The proportion of premiums related to the cover of climate-related perils in these two lines of business represent 0.52% of the overall amount of premiums at consolidated level.

Assessing Taxonomy-alignment of Belfius Insurance's underwriting activities involves verifying whether a substantial contribution is made to the climate adaptation objective. The technical screening criteria for making a substantial contribution are structured into five distinct tiers:

- leadership in modelling and pricing of climate risks;
- product design;
- innovative insurance coverage solutions;
- data sharing;
- high level of service in post-disaster situation.

Belfius Insurance adopts a nuanced approach that acknowledges the unique characteristics of each type of line of business and the specific nature of every climate-related peril. This strategy stems from the understanding that a singular, blanket solution is impractical, as the dynamics of EU Taxonomy alignment may vary significantly across different lines of business and risks.

(1) The purpose of this reporting is to provide information on other actions put in place by institutions to mitigate climate-change-related risks. It covers other activities of the institutions that are not included in the GAR.
(2) Appendix II Annex A of the Climate Delegated Act contains a list of climate-related perils.

Belfius Insurance is currently reporting 0% alignment given that it has not yet met the criterion of having a forward-looking pricing model. The central discussion surrounding the forward-looking model revolves around determining an appropriate timeframe, particularly due to the disparity between the short-term nature of contracts and the long-term implications of climate change. Requirements for integrating forward-looking scenarios into pricing frameworks are ambiguous, and there is currently no sector-wide consensus on this matter. Belfius Insurance therefore decided to take a cautious approach in its efforts to meet this criterion and await further guidance on interpretation, as well as information as to whether additional actions are necessary.

Investments activities

The following table provides Belfius Insurance's **Green Investment Ratio (GIR)**, i.e. the proportion of taxonomy-aligned investments managed in the value of all covered assets under management. In other words, this table presents the percentage of Belfius Insurance's investments that are directed at funding or are associated with Taxonomy-aligned economic activities.

Summary of Belfius Insurance KPI

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, **relative to the value of total assets covered by the KPI**:		The weighted average value of all the investments that are directed at funding, or are associated with, taxonomy-aligned economic activities:	
Turnover-based:	**0.89%**	Turnover-based:	**120 million**
CapEx-based:	**1.03%**	CapEx-based:	**139.5 million**
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	**69.77%**	Coverage:	**13.6 billion**

Our investment strategy at Belfius Insurance is primarily driven by **liability considerations**, with the main objective being to meet our contractual obligations to policyholders, encompassing pension products, insurance-based investment products, non-life products, and more.

Employing a buy-and-hold strategy for fixed-income assets, we focus on relatively lower-profile risk investments, defined by Solvency II, such as investments in **sovereigns**. In this context, about 30% of Belfius Insurance's total assets are sovereign exposures, which do not contribute to the GIR and are, therefore, not reflected in this table.

The proportion of exposures to **undertakings subject to NFRD disclosure obligations** is quite low (6%) and the majority of Belfius Insurance's exposures pertain to **"other counterparties and assets"** (34%). This category includes Belfius Insurance's mortgage portfolio and direct investments in real estate assets, which are placed on the market for rental purposes. Similar to the challenges faced by Belfius Bank, Belfius Insurance encounters difficulties with the "Do No Significant Harm" condition in its mortgage portfolio. For its direct investment in real estate assets, Belfius Insurance is presently gathering the necessary documentation. The aim is to assess alignment with the technical screening criteria of the best-performing real estate assets throughout 2024, paving the way for a formal action plan to enhance alignment with the EU Taxonomy.

A large part (31%) of Belfius Insurance exposures are investments held in respect of life insurance contracts where the investment risk is borne by the policyholders, i.e. Branche 23 products. However, it has proven difficult to capture data for these investments.

It results from the above that Taxonomy-aligned exposures of Belfius Insurance based on turnover amount to 0.89% and, based on CapEx, amount to 1.03%.

6.4.3.3. Belfius Asset Management disclosure

The following table provides Belfius Asset Management's **Green Investment Ratio (GIR)**, i.e. the proportion of taxonomy-aligned investments managed in the value of all covered assets under management.

Summary of Belfius Asset Management KPI

The weighted average value of all the investments that are directed at funding, or are associated with, taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**:		The weighted average value of all the investments that are directed at funding, or are associated with, taxonomy-aligned economic activities:	
Turnover-based:	**1.08%**	Turnover-based:	**322 million**
CapEx-based:	**1.10%**	CapEx-based:	**328 million**
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	**95.96%**	Coverage:	**29.7 billion**

The analysis of Belfius Asset Management's exposures reveals a small proportion (11%) of **companies subject to NFRD disclosure obligations** but nevertheless higher than those of Belfius Bank and Belfius Insurance.

The majority of Belfius Asset Management's exposures, amounting to 76%, fall under the category of **"other counterparties and assets"**. Notably, this category predominantly comprises external investment funds for which we have no details on the underlying counterparties nature or eligibility figures.

A small portion (4%) of Belfius Asset Management's exposures is allocated to **sovereign** entities, which are excluded from the KPI calculation.

Due to greater exposure to companies subject to NFRD disclosure obligations, Belfius Asset Management exhibits a slightly higher sustainability ratio (1.08% on turnover and 1.10% on CapEx) compared to Belfius Bank and Belfius Insurance.

6.4.3.4. Nuclear and fossil gas-related activities disclosure

Both financial and non-financial companies are required to make specific disclosures relative to their involvement in gas and nuclear energy activities.

This disclosure aims at enhancing market transparency concerning investments in **six natural gas and nuclear energy activities** as described in the EU Taxonomy. Namely:

- Pre-commercial stages of advanced technologies to produce energy from nuclear processes with minimal waste from the fuel cycle;
- Construction and safe operation of new nuclear power plants, for the generation of electricity or heat, including for hydrogen production, using best-available technologies;
- Electricity generation from nuclear energy in existing installations;
- Electricity generation from fossil gaseous fuels;
- High-efficiency co-generation of heat/cool and power from fossil gaseous fuels;
- Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system.

This disclosure requirement should help investors differentiate among the activities they are investing in. With this specific disclosure, investors unwilling to invest in nuclear and gas activities can easily identify and choose activities and financial products without exposure to economic activities in the nuclear and gas sectors.

Belfius Group entities have limited exposure to counterparties with economic activities related to these activities, as reflected in the nuclear and gas disclosures included in the Appendix.

6.5. Belfius' own footprint

6.5.1. Reduction of energy consumption

Belfius aims to remain available and accessible to all its employees and customers. This involves the use of numerous buildings - central buildings, regional spaces and local branches - all of which require lighting and heating. Belfius understands the influence of energy consumption on climate change and therefore aims to reduce its energy requirements and, when possible, choose renewable energy sources.

6.5.1.1. Active management of the building stock

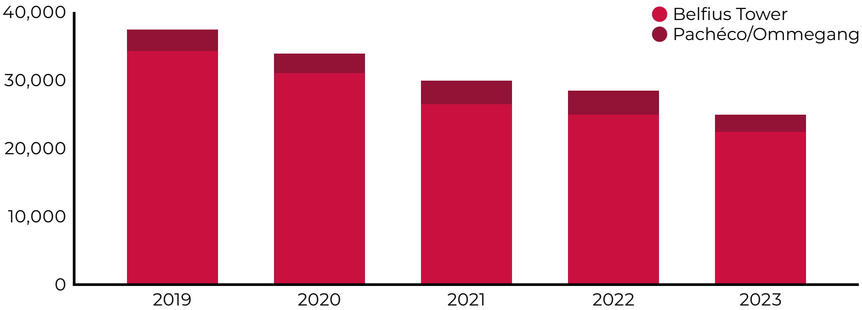
New buildings and major renovation projects use the latest techniques in terms of energy-efficient and socially responsible construction: insulation and ventilation that meet well-established standards, LED lighting, heat pumps and, where possible, the installation of photovoltaic panels. The choice of materials takes into account their environmental impact.

Belfius is working on developing an investment programme to enhance the energy efficiency of its branches. This plan is founded on a broader review of the energy performance of our buildings. Currently, 40% of branches have been audited and have received a certificate demonstrating their energy performance (EPC). Belfius plans to begin improvement works on these buildings as of 2024. Where appropriate, local branches with a high CO_2 impact are closed and integrated into other more energy-efficient sales points, or new construction projects.

Adjustments have also been made to regional-level buildings. The Namur-Combattants site now replaces the old locations in Mons, Courrière, Bouge, Namur, Liège and Wépion. The Gent Van Eyck building was vacated to concentrate activities in Gent Sint Pieters. Anderlecht printing and mailing activities have been integrated into the Rogier Tower and, finally, the Pacheco building was vacated at the end of 2023 - some activities have been integrated into the Brink's buildings and others into the Rogier Tower.

Currently, 50% of all branches utilize nanogrid, a system that enables continuous monitoring and adjustment of energy consumption. By 2025, nanogrids are expected to be implemented across all branches. A comparable system has been functioning at our headquarters for several years, helping to track our progress. Employing this multi-technological strategy has resulted in a substantial reduction in the energy required for heating, ventilation and air conditioning.

Consumption of primary energy at the central offices in Brussels
(in MWhep)



6.5.1.2. Renewable electricity

Our employee network's headquarters, regional buildings and branches have been using renewable energy since 2014. As Belfius aimed to standardize its approach to energy management across both salaried and independent branches, Belfius Bank assumed the energy contracts of its independent branches as of April 2023. This move aimed to guarantee that 100% of our electricity needs were covered by renewable electricity in those buildings.

We are also, wherever the situation permits, in the process of fitting these branches with solar panels. By the end of 2023, 207 Belfius branches were identified as suitable for solar panel installation. Over the course of 2023, solar panels were installed in 24% of these branches.

6.5.1.3. Energy consumption reduction plan

Belfius launched its winter energy plan for 2022-2023 in October 2022, in correlation with the European Union's push for energy conservation. Detailed discussions on the plan were held at the Committee for Prevention and Safety at Work and clear communiqués were disseminated via email and Intranet to employees working in impacted buildings, which included central and regional buildings, as well as employee network branches.

The plan entailed a broadening of the comfort temperature range with the minimum permissible temperature established at 19°C, down from the previous 22.5°C. The time window for automatic lighting was also reduced to between 7.30 a.m. and 5.30 p.m. Regular relocation of teams within head office allowed for the clearing of floors that no longer required to operate in comfort mode, nor be lit up. Belfius remained dedicated to energy-saving endeavours throughout 2023.

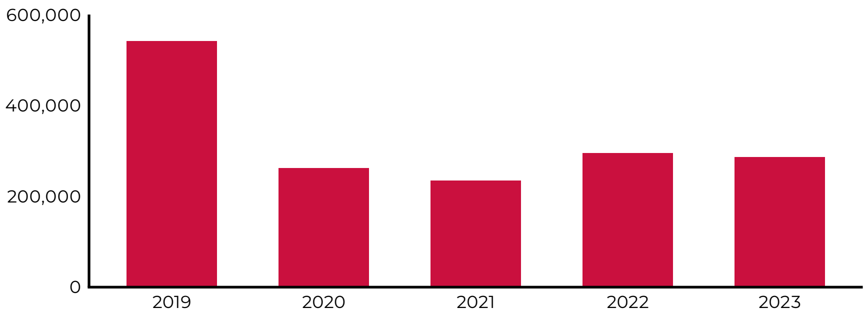
With this plan, our goal was to reduce electricity usage by 5% and gas usage by 19% at central offices during the winter, accounting for average weather conditions and partial occupancy. We take pride in the outcome of these initiatives as we saw a drop in electricity and gas consumption by 7% and 44% respectively over the winter season from October 2022 to March 2023.

6.5.2. Steadily decreasing waste production

In order to reduce pressure on natural resources, we are working to both limit the production of waste (mainly office waste, but also catering and hygiene waste) and increase the percentage of recycled waste.

After two years of Covid, during which the company restaurant was temporarily closed, waste production at head office increased again in 2022. Waste production slightly decreased in 2023 versus 2022. The waste level is now 47% below the 2019 baseline, close to our ambition to achieve an overall reduction of 50% between 2019 and 2025.

Production waste at the Brussels head office (in kg)



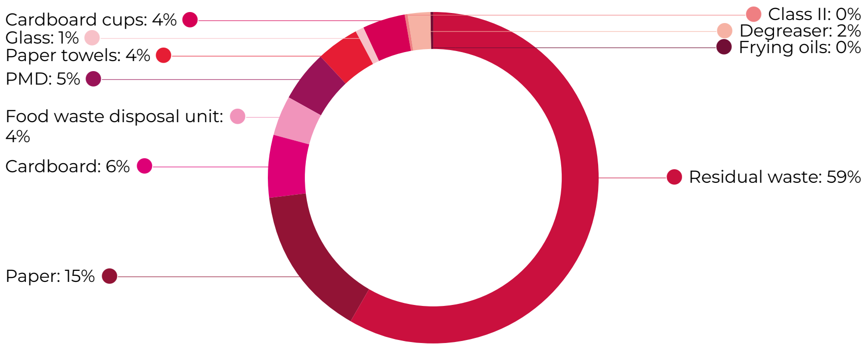
Waste generated at Belfius Tower (head office) and regional headquarters is sorted using sorting bins installed on all floors. These are collected by a cleaning company. A certain proportion of waste goes into local municipal services' processing chain, while other waste is collected by specialised companies.

Paper (confidential and non-confidential), cardboard, paper cups and paper towels are recycled.

Waste is sorted in accordance with municipal regulations at all of our local branches, however the removal, destruction and further processing of confidential papers is uniformly handled by a single operator appointed by our head office.

The graph below shows the distribution of different waste categories for 2023, as measured by our waste manager using the Facility Management Information System. Electronic equipment (servers, laptops, tablets, telephones, etc.) is not included, as Belfius operates through leasing contracts for IT equipment.

Production waste at the Brussels head office



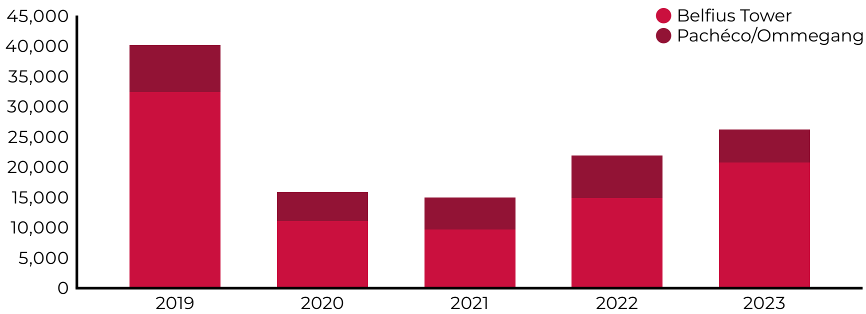
The close monitoring of the presence of staff in our buildings avoids food waste from the company restaurant. In addition, we continue to define ambitious targets for our catering company to further reduce food and non-food waste. These include composting food waste or converting it into biogas, using sustainable products, prioritizing shorter production chains and eliminating single-use plastic.

6.5.3. Reduction of water consumption

Water management is a key environmental issue in Belgium. Although in absolute terms Belfius is not a major player in this area, we nevertheless want to optimise our management of running water.

Most of the decrease in water consumption in our offices compared to 2019 is due to teleworking, which has become an integral part of our way of working. Our consumption did increase in 2023 compared to the previous year however due to an increase in building occupancy rate.

Water consumption at head office in Brussels (in m³)



Water consumption at central offices (Rogier Tower and Pacheco) is monitored in our central database so that we can quickly intervene in the event of any leaks or anomalies. The equipment of all local offices with nanogrids by 2025 will allow for the same monitoring and quick intervention at those sites.

6.5.4. Fleet and commuting

Belfius makes every possible effort to reduce CO_2 emissions linked to its employees' home-to-work journeys.

The introduction of a new structural teleworking status in 2022 has consistently reduced commuting and associated CO_2 emissions.

Belfius also strives to promote modes of transport emitting as little CO_2 as possible.

Belfius has resolutely opted for electric driving and, since May 2023, only fully electric cars can be ordered by Belfius employees. By the end of 2023, 14% of the fleet was composed of fully electric vehicles and 38% of hybrid vehicles. The entire Belfius car fleet will be decarbonised by the end of 2028.

Over the course of 2023, 77 new parking spaces were equipped with charging points at Belfius' Brussels headquarters, to reach a total of 132 equipped parking spaces. Outside head office, our employees benefit from a network of 474 equipped parking spaces, of which 210 were equipped in 2023. 34 of the 474 spaces are located at our regional headquarters, while the remaining spaces are located at local branches. Employees with a company car may choose to install a charging point at home. So far, 883 employees have made that choice, of which 492 in 2023.

Belfius also encourages the use of public or active modes of transport. Public transport and railway station parking costs are paid for by Belfius. Cyclists and pedestrians receive an allowance per kilometre and have access to showers, changing rooms and secure parking at work. The mobility plan further discourages individual car use (not carpooling) by charging a parking fee at the workplace.

In September 2023, Belfius Bank introduced the federal mobility budget, encouraging workers to opt for environmentally friendly mobility solutions. So far, 50% of eligible employees have chosen a mobility budget instead of a car budget. Belfius Insurance has followed suit and introduced its own mobility budget in January 2024.

Main mode of transport for home-to-work journeys Belfius

	2021	2022	2023
Public transport	60.3%	62.0%	63.9%
Private motorised transport (car, motorbike, carsharing)	35.4%	33.1%	31.5%
Active modes (walking or cycling)	4.3%	4.9%	4.6%

6.5.5. Sustainable IT

Our Information Technology (IT) Systems are fundamental to our daily operations and overall success. They are the driving force behind our business, playing a crucial role in every task we undertake. Looking to the future, it is clear that our reliance on various types of digital services will only continue to grow.

Whether it's basic day-to-day needs or more complex operations, digital services are becoming an increasingly dominant part of our work processes. This growth in digital service usage does not just mean more technology in use, but also reflects our commitment to ongoing development and sustainable practices.

All companies and organizations should address sustainable IT issues. We continue to support ISIT-BE (Institute for Sustainable IT) in their ambition to inform and train institutions therefore to reduce the environmental and social impact of IT systems. The Institute provides Belfius with support in its sustainability journey, while our membership is also a lever to stimulate collaboration between Belgian actors in their sustainable digital transition. ISIT-BE had 77 active members at the end of 2023.

The **environmental axis** of our activities – often called "Green IT" – aims to minimize the environmental impact of IT. With an ever-growing application portfolio where new business developments or mandatory needs outpace decommissioning of older applications, carbon reduction is more than a challenge. To limit the impact of IT activity, our foremost focus is on rightsizing equipment and configurations and on applying principles of eco-coding so as to ensure optimal development practices:

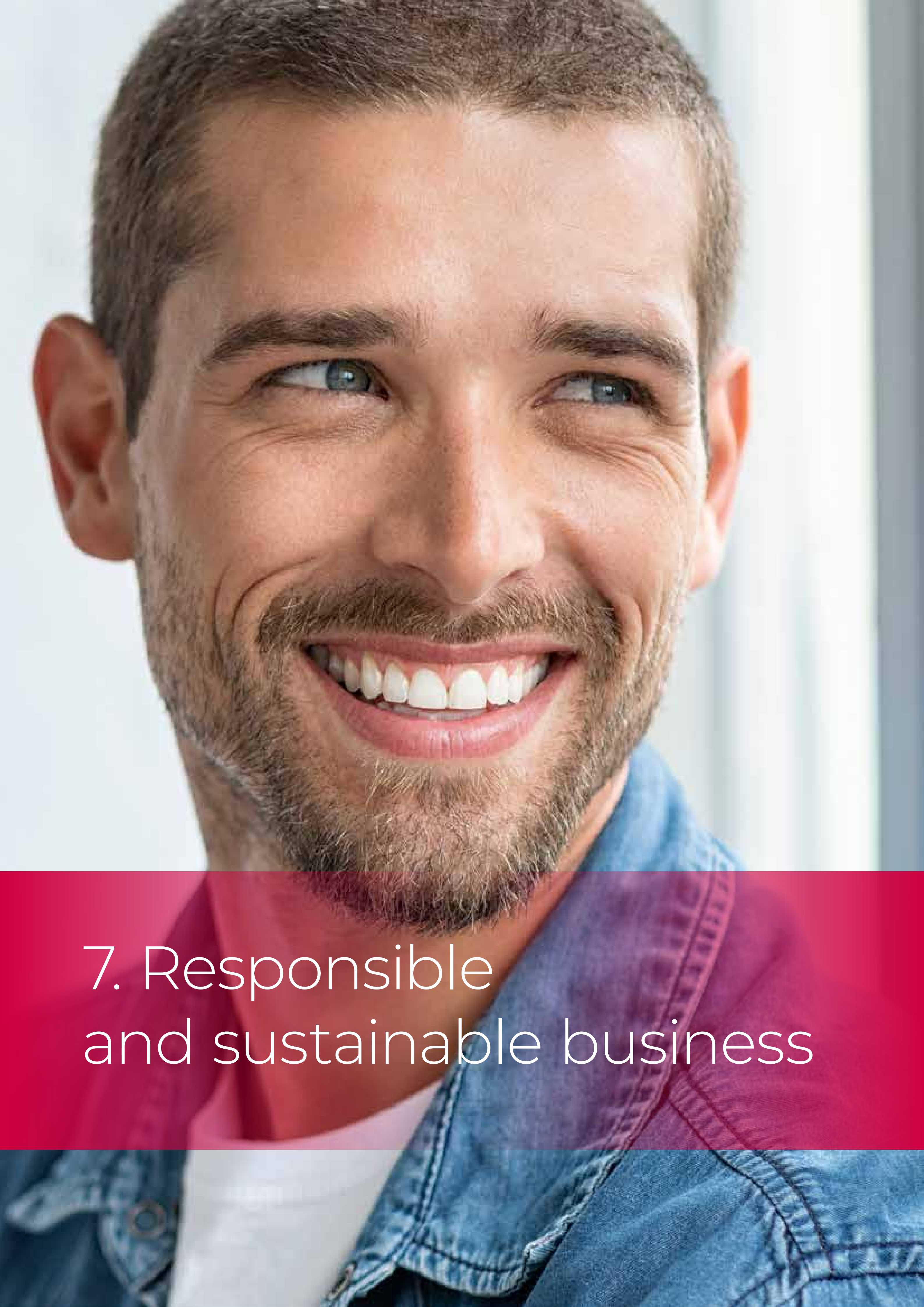
- Infrastructure: We make sure that we align our computing and storage configurations with the needs of our applications, from their launch through their entire lifespan. Alongside this, we must also maintain a safety net to ensure the smooth running and robust performance of these applications. With a more customized strategy, we can maintain the necessary infrastructure while keeping our energy use and greenhouse gas emissions low.
- Adequate software design: Our solution architects, designers and developers understand the environmental implications of their work from the inception of our projects. Adequately designed software is essential as it paves the way for reduced infrastructure strain.
- Optimizing equipment: Increasing the lifespan of our devices can help promote a more sustainable use of the minerals used to manufacture our equipment. Nevertheless, many of the laptops being used by our employees at Belfius are reaching their lifespan limit and will soon need to be replaced. To deal with these older laptops, Belfius has partnered with a non-profit organization, allowing us to refurbish devices to provide them with a second life and distribute them to social and educational institutions for further use.
- Customer channels: Belfius has recently added features to its mobile app aimed at reducing its environmental footprint. One such feature is the introduction of a dark mode that decreases the energy needed for the app to function. Another innovative addition is the offline access feature. This feature enables users to view their last three transactions without the need for an internet connection, further minimizing energy consumption.

The **social axis** of our activities addresses the need to lower barriers associated with technology and make it available to everyone as we are fully aware of the importance of offering accessible customer channels. An extensive audit was performed on Belfius Mobile and Belfius Direct Net to detect anomalies. In 2023, our priority went to improving Belfius Mobile and making it fully accessible for persons with disabilities (in accordance with the requirements of the European Accessibility Act) by June 2024. Following corrective actions, strengthened governance (including recurring testing) will ensure we remain at the required level going forwards.

At Belfius, we are aware of the prevailing diversity gap within STEM industries (Science, Technology, Engineering, and Mathematics). In 2023, our Technology department was composed of 32% women, a slight growth of 1% compared to the previous year. While this progress is motivating, we acknowledge the need to further enhance gender diversity within our IT staff. As we move forward, our goal is to strengthen our commitment to fostering diversity and providing all IT staff members with the requisite skills for achieving our sustainable IT objectives.

The **governance axis** ensures that policies and procedures enforce the activities relevant to the advancement of sustainable IT. The sustainability dimension is now discussed in every inflow, procurement and architecture board, making ESG aspects non-negotiable for IT projects. We also collaborate with a collective of Sustainable IT Ambassadors to promote awareness and initiate fresh sustainability-focused strategies. These individuals help to spread the message and drive new sustainable initiatives within our organization.

The Belfius AI & Ethics framework developed in 2022 is part of our standard governance and is applied to every usage of artificial intelligence (AI). This guides and supports teams to manage all inherent and related risks and ensure we are using AI to the best possible extent, taking into account our values, the legislative framework, public concerns around AI and technical capabilities.



7. Responsible and sustainable business

7.1. Responsible Business Conduct and Resilience

7.1.1. Compliance & Ethics

It is crucial for Belfius to always comply with laws and regulations and to at all times act in accordance with the highest standards of integrity throughout the value chain. As an important financial player in Belgium, Belfius stands in a competitive environment that is exposed to numerous risks, such as corruption, bribery and fraud, that have economic and societal impacts. Managing these risks is an inherent part of our business and is a basic prerequisite for our existence and continued growth, while providing value to our customers in a relationship that is based on integrity and trust.

To that end, Belfius scrupulously complies with all applicable laws, regulations and regulatory recommendations (NBB, FSMA) in force and respects the rules and practices prevalent in the financial sector, especially in relation to the protection of customer interests.

7.1.1.1. Compliance policies

As part of our management of ethics and compliance-related issues, we have put several policies and charters in place that coordinate our relationships with stakeholders, including our employees, customers and suppliers, amongst others.

First and foremost, the Compliance Policy is composed of the Compliance Charter and the Integrity Policy and allows all commercial activities of Belfius Group to manage several potential compliance risks in alignment with local and EU-level regulations. We attach particular attention to being a responsible, honest and professional employer. We also expect our employees to share the same values when engaging with our customers and partners if we are to gain, maintain and justify the trust of our customers and stakeholders, which we believe is fundamental to our activity:

- The **Compliance Charter** states the tasks, powers and position of the compliance function within Belfius;
- The **Integrity Policy** promotes honest, open and ethical behaviours from Belfius employees. The policy ensures compliance with laws, regulations and other professional standards in order to enhance and protect the reputation of Belfius, its products, services and activities. The policy also ensures integrity towards clients, loyalty and mutual respect in all our activities. Most of the areas listed in the Belfius Integrity Policy are also covered in the internal Code of Conduct, which is available in Dutch, French and English. The Code of Conduct reflects basic rules of conduct for employees.

Grounded on these foundational principles, several themes have been elaborated into comprehensive group-wide policies at group level and, where relevant, have been translated into internal operational procedures and/or succinct external policy statements. As a result, we have formulated numerous policies in Dutch, French and English that align with these core values, ensuring accessibility and transparency for all.

Most notably:
- The Anti-Discrimination Policy sets out Belfius' commitment to avoid and terminate any form of discrimination within and outside the company in its relationship with employees and individuals seeking recruitment, existing and prospective customers, suppliers and partners;
- The Whistleblowing Policy outlines the procedure in place within Belfius pursuant to which all employees may confidentially report violations. Any form of reprisal is prohibited.

Secondly, Belfius has established a set of distinct policies applicable to the entire group to manage arising compliance-related risks and maintain sound business practices with counterparties in line with Belfius' zero tolerance on anti-ethical behaviours, including market abuse, conflicts of interest, corruption, fraud and money laundering:
- The Anti-Fraud Policy sets out Belfius' anti-fraud risk management framework. Belfius enforces strict rules to meet its anti-fraud objectives throughout all Belfius entities;
- The Anti-Bribery Policy highlights the different scenarios and procedures aligned with Belfius' core values on bribery. Belfius expects its customers, suppliers, external service providers, intermediaries, business partners or other persons or entities associated with Belfius to apply the same strict rules;
- The Anti-Money Laundering (AML) Policy and Customer Acceptance Policy clarify Belfius' strong commitment to AML and the prevention of the financing of terrorism (CFT) and related internal processes. Having an important link with Belgium is a key requirement of Belfius' Customer Acceptance Policy;
- The Conflicts of Interests Policy focusses on the prevention and identification of potential conflicts, as well as the management of these conflicts, in the best interest of customers;
- The Internal Market Abuse Policy deals with insider trading, the illicit disclosure of privileged information and market manipulation.

Material changes to the aforementioned ethics and compliance-related policies are approved and overseen by the Management Board or the Board of Directors and are managed by the Compliance or Non-Financial Risk functions. They are regularly reviewed and updated as and when needed in order to align with regulatory evolutions, new insights, or other factors. The governance structure of each policy is clarified in the policy itself. Please see the list of our most important Policies & Charters on our corporate website.

7.1.1.2. Training and awareness-raising

All policies are disseminated to employees through internal communication channels, e-learning modules and a variety of training formats. Belfius takes responsibility for keeping its team members informed of advancements in their respective fields (via newsletters for instance), and ensures that they have the necessary information to perform their responsibilities effectively. Furthermore, our standards, policies and associated processes are readily accessible on the Intranet.

Should employees have questions, they can either seek guidance from their designated Compliance Correspondent within their department, or directly consult the Compliance department. The network of compliance correspondents located in each department enhances the bank's compliance message, reinforcing Belfius' values.

Belfius has its own compulsory training programme for all staff on ethics and compliance-related issues, including trainings on ethics, AML legislation and market abuse, amongst others. Depending on the subject, training courses are updated annually, or at a maximum every two to three years, with ad hoc training cycles organised for certain profiles. Each training is followed by a test leading to a certificate where the minimum passing grade is, depending on the training, 70-80%. Each employee has its own dashboard in which all planned and completed training courses are displayed and monitored by HR and Compliance. Every new employee must have successfully completed these training courses within three months of joining the company.

The designated recipient of whistleblowing reports also regularly engages in external trainings in order to remain adept at handling sensitive issues and remain up to date with best practices and compliance standards.

In recognition of the significance of compliance risk management, the compliance department instituted a time management system. This system offers clarity concerning the staff resources required to handle compliance tasks and enables the department to stay abreast of strategic evolutions and regulatory changes. The department hires talented individuals possessing the necessary competencies which are then maintained through a blend of internal and external trainings. Belfius' compliance department staff is obliged to acquire certifications confirming their adequate training, in line with regulatory demands.

7.1.1.3. Detection and monitoring practices

The Compliance function falls under the purview of the Chief Risk Officer and is supervised by the Audit Committee, the Risk Committee and the Board of Directors. The primary responsibility of the Compliance function is to safeguard Belfius' reputation with regard to compliance risks.

The Compliance function designs and administers a monitoring programme composed of thorough controls. These controls verify the correct implementation of standard procedures and directives, thus effectively minimizing the most significant compliance risks. Controls can be conducted through audits of the operating departments' outcomes (first line), personal sampling and observations, staff dialogues, tracking of complaints, exception reports and mystery shopping within Belfius branches.

Twice a year, a status report on Compliance risks, (control) activities, evaluation of monitoring processes and attention points is presented to the Management Board and the Audit Committee.

Belfius dedicates significant resources to ensuring it does not become implicated in money laundering derived from illicit activities, the facilitation of tax fraud, terrorism financing, or circumventing international sanctions. To underscore this commitment, the Anti-Money Laundering (AML) Compliance Officer has instituted a general compliance framework incorporating policies, comprehensive preventive measures and controls. Essential aspects in the prevention of such practices include a thorough understanding of the customer, their identification, validation of the origins of financial flows on accounts and detection of suspicious transactions.

In order to remain compliant with domestic and European AML/CFT legislation and regulations, Belfius has established Know-Your-Customer (KYC) standards. These standards require due diligence on each prospective customer before entering into a business relationship via identification and verification of his/her identity and, as the case may be, the representatives and beneficial owners on the basis of documents, data or information obtained from a reliable and independent source.

In addition to these objective criteria, particular attention is paid to subjective elements which may trigger suspicions regarding a customer. The KYC questionnaire also includes questions regarding activity type, transparency on ways of doing business, the known reputation of the customer and potential links with countries on the Belfius Country Watch List.

Finally, as KYC does not involve static but rather dynamic data through the relationship with the customer, it also requires follow-up and ongoing monitoring of the customer – in this case via a KYC review on a risk-based frequency in function of the customer's individual compliance risk profile.

In addition to this, the following monitoring is performed:
- Ongoing ex-post AML Second Line Transaction Monitoring ("Know Your Transaction") based on scenarios leveraging artificial intelligence (AI) to detect transactions that are unusual or suspicious compared to the customer's profile;
- Online ex-ante transaction filtering on SEPA and non-SEPA transactions to detect to what extent the counterparty of a payment transaction remains flagged on International Sanctions and Embargo lists. When a true hit is detected, the transaction is rejected and, in some situations, assets can be frozen and reported to the FOD Economics;
- Daily name screening of the Belfius customer database against International Sanctions and Embargo lists.

Belfius also upholds a Belfius Country Watchlist sourced from official databases. This list comprises all countries associated with a heightened risk of money laundering, tax fraud, terrorism financing and/or that are subject to international sanctions or embargos. Such a list calls for augmented vigilance and transaction restrictions with counterparties residing in these countries.

Internal audit regularly establishes missions and reports regarding AML/CFT activities.

Aside from legally and regulatory mandated fraud detection procedures (including detection of social fraud by companies), Belfius has implemented various additional procedures. Gifts and invitations of considerable value must be pre-approved either by management or board members, or by the Compliance Officer. Belfius refrains from making political contributions and does not participate in direct lobbying activities.

When needed, recommendations to the business are made and followed up upon and interventions may take place. More specifically, Compliance sits on the New Product Approval Process (NPAP) Committee, together with Legal and Non-Financial Risk. The NPAP Committee steers the so-called New Product Approval Procedure to screen all new concepts, products, projects, processes and procedures on inherent risks and formulates binding conditions to ensure compliance with Belfius' risk appetite at inception.

Throughout 2023, Belfius successfully maintained its standard of ethical operations with no corruption cases reported. No cases of whistleblowing were reported in 2022 and 2023.

7.1.2. Transparent tax practices

As a banking and insurance institution deeply rooted in Belgium, Belfius plays an important role in society by taking responsibility for stimulating the country's prosperity, thereby fostering sustainable economic growth and societal progress for enhanced wellbeing. We acknowledge the potential of effective tax policies in addressing social, economic and environmental challenges. As a responsible entity advocating for the integration of more sustainable practices, we actively keep pace with the changing tax rules relating to Belfius and its operations. Our aim is to consistently align our tax strategy with the prevailing tax legislation, while meeting our stakeholders' expectations for commendable tax practices. Beyond rigorous adherence to tax rules, Belfius is resolute in its commitment to abstain from engaging in aggressive tax planning.

We communicate our approach regarding the group's tax strategy (including objectives, guidelines and responsibilities in relation to tax management) in full transparency through the Belfius Group Tax Policy. This policy is drafted by the Tax department and approved by the Management Boards of Belfius Bank and Belfius Insurance and by the Boards of Directors of all group entities. The policy, which is published on the Belfius Intranet and website, is reviewed on an annual basis and is updated if necessary following approval by the above-mentioned bodies.

From an operational point of view, our in-house Tax department ensures that internal guidelines and policies remain in line with the latest developments in tax matters. We are constantly adapting procedures and developing initiatives to prevent fiscal risks. A good example of this is the "Tax risk score card' which enables the continuous assessment and monitoring of detected tax risks, including within the context of the approval procedure for new products (NPAP, see section 6.1.7.3.).

Annex 3 of the Belfius Group Tax Policy dealing with Tax prevention was thoroughly revised as a result of the publication of new legislation and updated obligations formulated by the NBB within the context of the fight against tax fraud. These measures are intended to encourage the financial sector to organize itself in such a way as to be irreproachable in the tax field and, more specifically, to avoid any involvement in (facilitating) tax evasion by customers.

In this respect, our unequivocal policy is not to engage in any relationship or transaction in which tax evasion is present or suspected.

We maintain a close watch on the practical implementation of the principles of prevention in tax evasion matters by all our employees and representatives. This is embodied in new monitoring procedures developed in close collaboration with our compliance department. For our "Wealth &

Private" customers who necessitate tailored attention due to the distinctiveness of their operations and transactions, we have established a dedicated "Intake" committee. The purpose of this is to sustain a low-risk profile for money laundering accusations that might arise from the primary crime of tax fraud.

Another crucial step taken by Belfius in the fight against tax fraud has been the development of tailored e-learning tools. These are designed to equip those employees and representatives who play a key role in the prevention of tax fraud with the appropriate instruments for detecting what are termed "special mechanisms". In addition to this, Belfius has set up a procedure for reporting suspicions of a special mechanism, allowing any employee or representative to report unusual behaviour that could constitute tax fraud.

The objective of all these measures is to achieve a permanent control of tax risks, in particular the risks related to tax fraud and its facilitation.

In the event of ambiguity concerning the execution of new legislation or the interpretation of current legislation, Belfius proactively engages with government authorities or the Office for Advance Tax Rulings. This interaction is aimed at acquiring legal certainty via a tax ruling concerning the application of tax laws to proposed operations.

Our Tax department, under the supervision of the Chief Financial Officer, plays a frontline role in dealings with local tax authorities in Belgium. In cases of audits involving Belfius' own tax obligations or those of third parties, our approach is to cooperate fully and transparently with tax authorities in order to facilitate the evaluation of compliance with these obligations.

Belfius also serves a significant role as a tax conduit on behalf of tax regulators, deducting taxes from specified customer accounts. In the event that a customer raises a justifiable concern regarding the deducted amounts however, Belfius has established procedures to validate the withholding, or rectify the situation.

Within this context and in accordance with the expectations of prudential authorities, Belfius informs its customers of the tax implications of each of the products marketed under its brand, but does not provide any form of advice or personal assistance on tax matters, except for the service offered by its Wealth Analysis and Planning team.

Finally, Belfius complies with all OECD rules on Base Erosion and Profit Shifting (BEPS) that are incorporated into Belgian legislation, as well as the legislation of other jurisdictions where Belfius entities are located. "BEPS" is an OECD action plan against tax evasion through the abuse of taxation gaps and disparities.

Belfius focuses exclusively on the Belgian market with regard to its commercial activities. For some very specific activities however, entities are maintained in Luxembourg and Ireland:
- Belfius Financing Company SA issues certain securities to external investors. For technical and operational reasons, it has been decided that these issuances take place in Luxembourg, in full transparency vis-à-vis the Belgian tax authorities after receiving a positive ruling in Belgium. Belfius Insurance Finance also manages a portfolio of shares and bonds in Luxembourg.
- Ireland-based Belfius Ireland controls a historical long-term bond portfolio which is being wound down. Belfius' Irish presence does not constitute a case of tax optimisation as there is no shift of taxable base from Belgium to Ireland.

Tax amounts paid by Belfius as a conglomerate are included in Belfius' financial statements.

Consolidated IFRS figures

(In thousands of EUR)	2021	2022	2023
TOTAL CASH TAXES AND CONTRIBUTIONS	(727,492)	(794,816)	(873,885)
Current taxes[1]	(234,998)	(266,896)	(304,968)
Sector levies[2]	(277,617)	(283,072)	(295,366)
Social sec. employer	(109,118)	(126,510)	(126,573)
Non-deduct VAT	(66,177)	(79,302)	(114,226)
Other indirect taxes	(39,582)	(39,036)	(32,752)

(1) Cf. Note 7.16. to the consolidated financial statements in the annual report of Belfius Bank.
(2) Cf. Note 7.9. to the consolidated financial statements in the annual report of Belfius Bank (Sector levies & Other levies).

7.1.3. Human rights

As a bank-insurer, we consider it our duty to respect and protect people's human rights and labour rights, whether they are our customers, employees, or members of society at large. Our commitment towards human rights touches the core of our mission of being "Meaningful and Inspiring for Belgian Society. Together".

Human rights at Belfius are integral to the well-being of our employees. For a comprehensive view on human rights and employees, kindly refer to the Human Resources chapter 9.

In addition to our internal focus, our partners and suppliers are also encouraged to respect human rights. We have set up a specific Code of Conduct for our suppliers, which amongst others outlines our expectations regarding human and labour rights. For more information, please refer to the section 7.3 of this Report.

At Belfius, human rights form an important part of how we do business as well. Through the Transition Acceleration Policy (TAP, see section 5.1), we expect our customers to respect human rights in line with our social commitment.

7.1.3.1. Strengthening our human rights due diligence

Corporate human rights due diligence is a way for companies to proactively manage potential and actual adverse human rights impacts (UN Guiding Principles).

As conducting human rights due diligence is becoming increasingly the norm, both in the EU and in Belgium, Belfius is taking an inward look at its own business conduct to prepare itself for these new norms and remain compliant in light of new human rights enforcement standards. In 2023, we undertook multiple efforts to strengthen our human rights due diligence.

7.1.3.2. Improving our policies

We have adapted some of our policies to further emphasize our commitment to uphold labour and human rights:

- We enhanced our Human Rights Policy to align with minimum human and labour rights standards determined by the Minimum Social Safeguards (MSS) criteria in the EU Taxonomy. The latter is crucial for qualifying some assets as "sustainable" in our Green Asset Ratio (GAR). Changes include designating responsibilities for human rights issues, references to our human rights risk and impact assessment and ESG Risk Management Framework, as well as defining remedies for adverse human rights impacts.
- We also revised our Sustainability Code of Conduct for Suppliers to further align our policy with ILO Fundamental Conventions on Minimum Age and Discrimination.

7.1.3.3. Identifying and assessing human rights risks

We conducted a Human Rights impact assessment to identify and prioritize the most severe potential adverse impacts on human rights in our consumer, business and corporate banking portfolios (Belfius Bank). Our assessment process involved an examination of various factors, including sectors of activity, relevant human rights themes and locations.

The construction sector, representing a large share of Belfius' business, corporate banking portfolio and investment banking portfolio, has been identified as the sector with the highest potential negative impact on human rights: low and irregular wages, toxic products affecting workers' health and safety, forced labour and discrimination. Additionally, real estate activities also carry a risk of illegal developments and corruption.

Technological manufacturing, retail, electric power generation and equipment manufacturing have also been identified as sectors associated with human rights risks, although to a lesser extent.

This analysis is shaping our approach to addressing and mitigating potential negative impacts on human rights in the future.

7.1.3.4. Managing human rights risks

Belfius aims to seamlessly integrate ESG risks into its risk strategies, emphasizing clear roles and responsibilities across all lines of defence.

An ESG Risk Management Framework has been developed in which social considerations, particularly those related to human rights, are fully integrated. In order to play an inspiring and meaningful role in Belgian Society, Belfius places emphasis on addressing social risks, alongside climate and environmental considerations.

Belfius has also reviewed its complaints mechanism to allow clients to voice any grievances they may encounter. This mechanism is designed to ensure that their concerns are heard, thoroughly investigated and addressed in a timely manner. A tag has been created in our systems to distinguish complaints that may concern potential labour or human rights violations.

This proactive approach reinforces Belfius' dedication to fostering a socially responsible and accountable business environment.

7.1.4. Data Privacy

Due to the inherent nature of their activities, financial institutions regularly process large amounts of data. The confidentiality and information security of this data have always been of the utmost importance to Belfius, as it is crucial to retain the trust of our customers and partners, as well as a solid reputation.

Considering the evolving digitalisation of product and service offerings within the financial sector (including those of non-financial partners) and established remote working practices, data protection has become an ever-increasing concern for financial institutions. To this end, Belfius pays close attention to the privacy of its customers and employees and carefully handles and protects any sensitive information generated within the course of its daily operations, in strict compliance with prevailing legislations and applicable directives.

At Belfius, respect for privacy, fundamental rights, fundamental freedoms and the protection of personal data is paramount. This commitment translates into regular controls and, in the case of the identification of a potential risk, into prompt mitigating and corrective actions. Additionally, Belfius commits not to sell personal data and continuously works on transparency around the processing of personal data for the purpose of service delivery, especially when this requires data exchange with third parties.

Belfius' fundamental commitments to privacy and the responsible collection, use and sharing of personal data are set out in our publicly available Privacy Charter. This document is regularly updated to inform customers of any changes and is reflected internally in a corresponding privacy policy and supporting guidelines. The current Privacy Charter is dated 1 January 2022.

7.1.4.1. General Data Protection Regulation (GDPR) Governance

Numerous actors collaborate to ensure that our existing and new processes are and remain compliant with the GDPR (General Data Protection Regulation, 2018): the Data Protection Officer (DPO), the Chief Information Security Officer (CISO), the Digital Security Officer (DSO), the Chief Data Officer (CDO), the Non-Financial Risk (NFR) department, the Legal department, the Compliance department and the Outsourcing Officer.

A GDPR Steering Committee meeting takes place at least once every quarter. Privacy Key Risk Indicators and other GDPR matters are discussed at this meeting and are then reported internally to management, as well as Audit and Risk Committees, through various reports. These privacy KRIs are also part of our Risk Appetite Framework.

There is a dedicated network of privacy correspondents in each department working closely with the DPO to support and advise employees in matters related to the GDPR. These privacy correspondents are kept up to date with new developments through ad-hoc information sessions.

7.1.4.2. GDPR implementation

New projects and changes to existing processes are reviewed and advised by multiple stakeholders through the NPAP-procedure (New Product Approval Process, see section 6.1.7.3.).

Every new client approach - whether this involves offering products, services, digital tools or information - is subject to a prior GDPR analysis. When working with third parties, GDPR-compliance and minimum security requirements are contractually defined, initially tested and then regularly checked on a risk-based frequency and calibrated to the type of data exchanged.

Belfius keeps a register of all data processing activities. Each processing activity is assigned to a responsible party and a corresponding documented GDPR privacy risk assessment is made. All these components are regularly audited by the DPO, risk and internal audit and the results are submitted to management and the GDPR Steering Committee. The completeness of the register is monitored in a specific Key Risk Indicator (KRI) that is part of our Risk Appetite Framework.

7.1.4.3. GDPR watch and information

Changes in legislation (e.g. Payment Services Directive, Digital Services Act, Digital Markets Act, Digital Governance Act) with an impact on GDPR, Court of Justice or Data Protection Authority judgements, as well as Data Protection Authority guidelines, are analyzed by the legal department and the DPO and implemented where applicable. The CISO and the DPO also regularly inform internal stakeholders and management of upcoming changes, impacts, or rulings by regulators or data protection authorities.

Employees are also made aware of the issue of privacy protection through mandatory e-learnings to be taken within a three month timeframe of recruitment and repeated at least every three years.

In addition to a permanent detailed GDPR chapter on the Intranet, awareness on privacy and GDPR is maintained through regular point-of-interest communications on this channel, GDPR-communications by the network of privacy correspondents in their departments, as well as emails to all or selected target groups within the context of specific projects.

7.1.4.4. GDPR rights and data breaches

The GDPR guarantees customers a series of rights, including the right to access and amend their personal data. Belfius' Privacy Charter sets out possibilities to execute GDPR rights. Belfius Bank digital channels make it easy for such rights to be exercised, as shown by the 9,554 requests for access by customers in 2023, among which more than 97% of the requests (9,280) concerned right of access requests. 98.87% of requests went through our digital channels and were processed the next working day. This confirms that Belfius can quite rapidly offer its customers full transparency on personal data stored.

The governance and handling of GDPR rights and GDPR-related complaints is described in a separate internal privacy guideline and falls under managerial responsibility. A specific Key Risk Indicator refers to the timely response to GDPR rights enquiries. This is also regularly reported to the GDPR Steering Committee and management.

The management of data breaches is described in a separate internal privacy guideline. Our strategy is to analyse, mitigate and remedy each incident as quickly as possible. All breaches are documented internally, submitted to a risk assessment, reported to the GDPR Steering Committee and result in corrective action where appropriate. The decision to communicate to the Data Protection Authority (DPA) and/or data subjects is part of each breach analysis.

No major data breaches were identified in 2023. 14 minor incidents were reported to the Data Protection Authority, compared to 14 in 2022 and 7 in 2021. In each case, the response was prompt and appropriate actions were taken.

7.1.5. Information Security

7.1.5.1. A changing landscape

As the banking industry evolves towards increasing digitalization and innovation, new cyber risks continue to emerge. Banks are becoming more interconnected with each other and various third parties. From the year 2021, there has been a noticeable shift among customers towards digital payment methods. This has brought about changes like digital or hybrid workplaces and different work arrangements for employees. Ideas like Bring-Your-Own-Device, online meetings and data access from anywhere are becoming more common. In addition, people have become increasingly aware of the potential of Artificial Intelligence (AI) technology, which is in turn affecting our work habits. In recent years, increasing cyberattacks have reminded us of our reliance on information systems and technology and of their potential impact on both the economy and on individuals.

At Belfius, we understand the importance of information protection and creating a secure environment for our customers' data. Our goal is to be consistently reliable in terms of information security in order to maintain our customers' trust.

7.1.5.2. Assessment and testing

Over time, the regulatory landscape has been tightening, meaning Belfius must adhere to various national and European laws and regulations, including but not limited to GDPR, PSD2, DORA, and NIS. Information security often comes under the scrutiny of regulatory auditors. Belfius experiences information security audits conducted by internal, external and/or regulatory entities at least once a year. Furthermore, every two years, Belfius willingly undertakes a maturity assessment of all information security processes by an independent party to benchmark its performance in information security.

Belfius carries out a variety of internal and external tests on an annual basis. These include Red Team assessments, penetration tests, vulnerability scans and configuration reviews, all geared towards reaffirming different facets of our security organisation, framework and infrastructure. These evaluations not only test the efficacy of existing controls, but also help uncover new risks or vulnerabilities and ensure compliance with regulatory stipulations, etc.

Belfius also carries out separate Cyber Hygiene evaluations that are designed to confirm the effectiveness of current controls and ensures that any new security functionality is applied as required, fostering continuous improvements across all people, process and technology-related controls.

7.1.5.3. Frameworks and governance

Belfius uses standardised frameworks, such as ISO 27001 (Information Security), ISO 27005 (IT Risk Management), NIST Cybersecurity Framework and MITRE ATTACK. The Information Security Management Systems (ISMS) ensure that the top-level information security policy is effectively translated into lower-level guidelines, policies and processes. This ensures that all departments are contributing to a secure organisation. Belfius puts in steady efforts to improve its ISMS and regularly revises its framework and policies. Factors such as lessons learned, audit recommendations, business strategy and compliance requirements are taken into consideration during these updates. With an eye on the implementation of controls, Belfius aims to maintain and boost the confidentiality, integrity and availability of its systems.

A Technology Committee was set up at Board of Directors level within the Belfius Group in 2021. The Technology Committee advises the Board of Directors on information technology and digital and data matters, including security aspects, for all subsidiaries of the Belfius Group.

The Information Security Steering (ISS), managed by the Chief Information Security Officer (CISO) and chaired by the Chief Risk Officer (CRO), ensures a well-managed and coordinated information security strategy whereby an adequate system of identification, protection, detection, reaction and recovery regarding information security is put in place, in accordance with regulatory requirements.

7.1.5.4. Risk management and 3 Lines of Defence

The task of overseeing the risks related to technology, including IT and cybersecurity, rests with the Risk Committee and Audit Committee of the Board of Directors. These committees receive updates on information security every quarter. To underline our dedication, Belfius' Risk Appetite Framework, which is approved by the Board of Directors, includes a specific section on information security. This framework outlines and assesses key risk indicators (KRIs) that are critical in monitoring information security performance. Whenever a KRI falls below the set line, a correction plan is required at the level of the Information Security Steering. Our internal Information Security Policy further sets the framework to create a uniform and efficient approach towards information security.

Belfius uses the three Lines of Defence model to ensure the identification, documentation and handling of all potential risks within the organization. In the realm of information security, the first Line of Defence is held by the Digital Security Officer (DSO), who reports to the Chief Technology Officer (CTO). The task of monitoring Information Security from the second Line of Defence falls under the purview of the Chief Information Security Officer (CISO), who reports directly to the Chief Risk Officer (CRO). Finally, Internal Audit provides an impartial evaluation of the entire organization, serving as the third Line of Defence.

Our risk policies and processes illustrate how these Lines of Defence function together to effectively manage all risks across the organization, given that unaddressed risks can impact Belfius financially, reputationally, operationally and/or legally.

7.1.5.5. The Security Roadmap

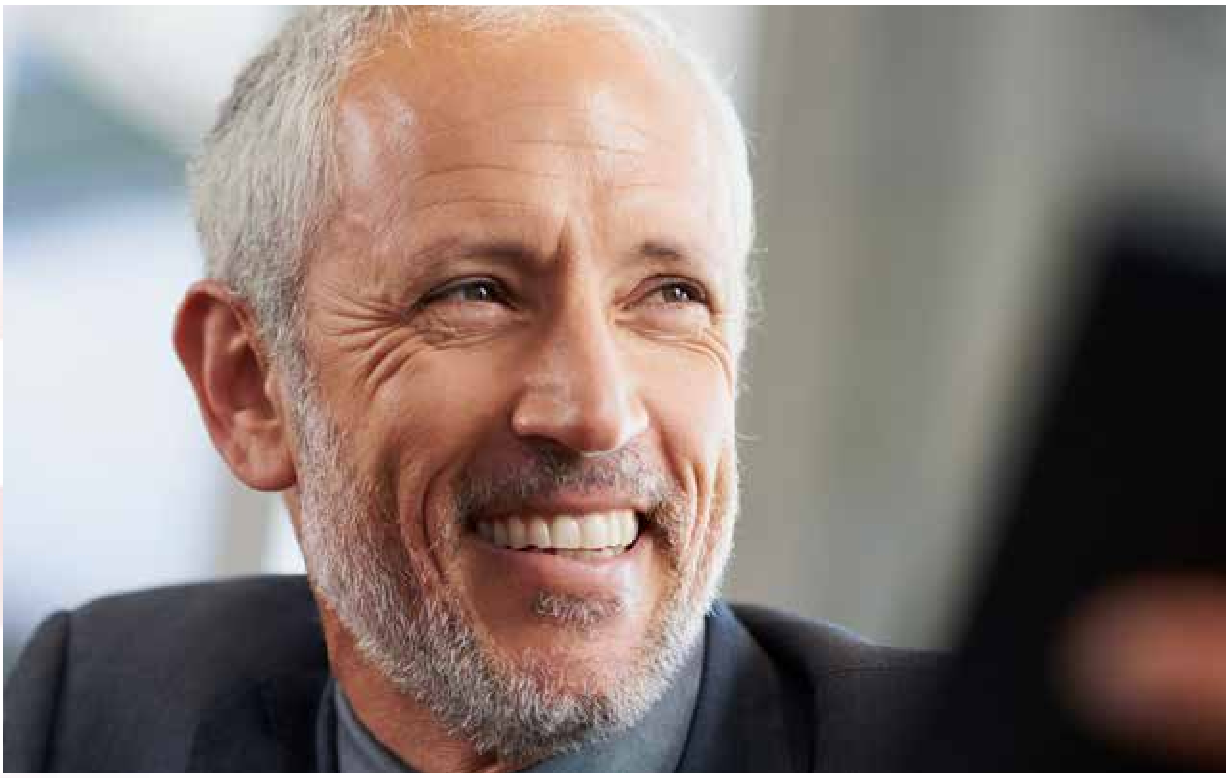
Risk assessments help define what improvements are most needed to reach our ambitions. High-level goals and priorities are translated into concrete projects and plotted on a roadmap, which typically spans the course of two years. A separate budget is allocated to this Security Roadmap programme, alongside a cyber-related budget that is used for business-as-usual tasks.

7.1.5.6. Human firewalls

In order to enhance the information security skills and mindset of Belfius employees and contractors, awareness, training and testing initiatives (e.g. monthly phishing email simulations) are performed on a regular basis. Every year, a Security Awareness Plan is created that incorporates lessons learned from previous years, areas in which the Belfius "human firewalls" need to improve, as well as emerging threats that the workforce needs to be aware of. An increased focus on the security of personal devices is also highlighted: locking screens, preventing data leakages when working remotely, etc. This plan was created by different departments working in collaboration so as to ensure its alignment with all existing initiatives within the organisation and present a coherent and consistent message to all concerned parties.

Certain security training courses are obligatory for the entire Belfius internal and external workforce and are actively monitored by senior management, with the assistance of the HR department. Newly on-boarded employees are also required to undergo training relating to information security as an integral part of their induction process. Data on training completion is regularly reported to the members of the Information Security Steering, as are the click rates from phishing simulation exercises so as to allow for close monitoring.

Additionally, we place importance on enhancing information security awareness. We regularly conduct initiatives, not only within our organization, but also for external entities like customers, students and the wider public, to keep them informed regarding security matters.



7.1.5.7. Information sharing and workgroups

Belfius actively partakes in various associations, collaborative groups and initiatives, such as Febelfin (the Belgian Financial Sector Federation), the Belgian Cyber Security Coalition and FS-ISAC. By engaging with these groups, Belfius is provided with an opportunity to collaborate with and learn from organizations across diverse sectors, including the financial industry. These interactions enable Belfius to remain updated on, and contribute towards, evolving best practices in information security. In essence, participation in these initiatives offers Belfius access to a platform for knowledge exchange on effective information security strategies, thereby aiding the continual refinement of its own measures and processes. This benefits not only Belfius, but also other participating organizations and the broader financial community, fostering a safer, more secure information landscape for all.

For more details on information security and data protection, please refer to the Belfius 2023 Risk Report.

7.2. Customer Experience

Customers are at the heart of the Belfius mission: "Meaningful & Inspiring for Belgian Society. Together." Customer-orientation is also one of our four core values. Establishing a lasting relationship with customers, engaging with them in a responsible and transparent way, taking their opinions into account and satisfying their demands, is just as important for us as optimising our operational services or financial performance.

As a customer-oriented and responsible banking and insurance company, we regard consumer protection as a non-negotiable factor. We strictly comply with all laws and regulations in responsible marketing and sales and with our own compliance policies (see section 7.1.1.).

Belfius also adheres to codes of conduct from:

- Febelfin: Belfius follows the code of conduct for good customer relations established by the Belgian financial sector federation. Our involvement with Febelfin also ensures our adherence to the Belgian Charter for digital inclusion.
- Assuralia: Belfius Insurance follows the federation of insurance companies' code of conduct for prompt quality claims handling.

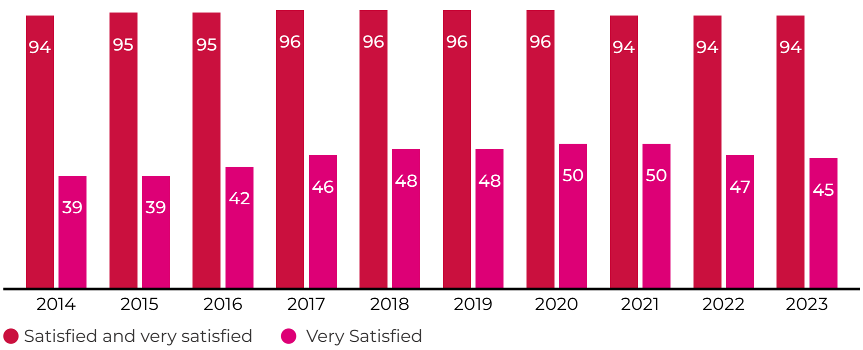
Our main philosophy is to put our customers at the heart of our operations, upholding their interests, meeting their needs and continuously seeking ways to adapt and improve for their benefit.

7.2.1. Customer satisfaction

At Belfius, we are committed to ensuring our customers are pleased with our services and have set a goal to reach a customer satisfaction rate of 95%. This target, which has been in place since 2014, was devised by our Customer Research department, in collaboration with external market research agencies, and has been tailored to specifically align with Belfius' objectives.

In 2023, an annual satisfaction survey was sent to 510,243 customers from various Belfius Bank business lines (individuals, business and corporate, public and social). Overall, Belfius Bank obtained a satisfaction score of 94% in 2023.

Degree of satisfaction (in %)



7.2.2. Complaint management

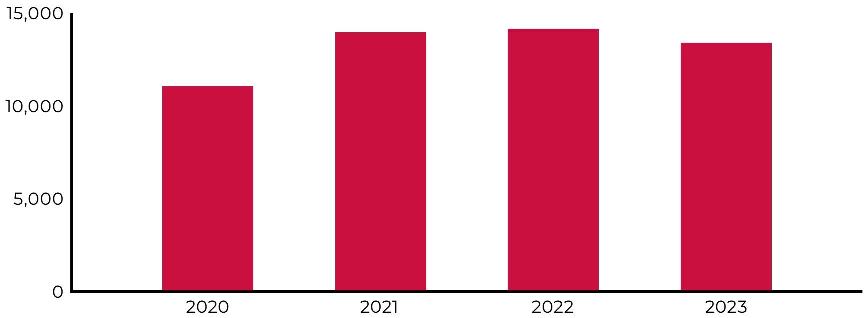
7.2.2.1. Closely monitoring complaints

In order to sustain fair and transparent customer relations and constantly improve the quality of our service, we closely listen to all complaints and strive to resolve them. Moreover, we consider each complaint as a key moment in the customer journey and one that contains valuable information to improve our services, products and processes. Consequently, we systematically monitor customer complaints and thoroughly analyze each case to provide effective solutions in conjunction with the Bank's various entities. Belfius has dedicated teams who carry out a step-by-step protocol that guarantees impartiality when processing complaints.

In 2023, Belfius recorded 13,413 complaints[1], which represented a decrease of 5% compared to 2022. Our complaints management teams have been operating at 100% capacity to respond as quickly as possible to these complaints. Given the high level in volumes over the 2020–2023 period, we have taken steps to strengthen our complaints teams, both by increasing the staffing plan and by allocating additional temporary resources.

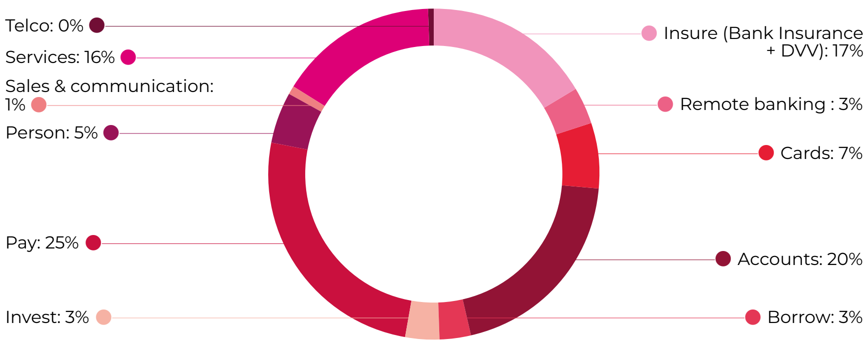
The 2023 reporting period took into account all open complaints (including discrimination and privacy-related complaints), whether they had already been handled, were in the process of being handled, or were awaiting processing.

# of complaints received



In order to facilitate the treatment of these complaints, our complaints management teams categorise complaints by topic.

Complaints per topic



(1) For reasons of comparability versus 2022, this number does not include the complaints recorded by Belfius Direct Assurances (ex-Corona Direct), that was merged with – and integrated into - Belfius Insurance in 2023.

The "Pay" domain is once again the domain with the most complaints, although it has decreased compared to 2022. This decrease is mainly due to the drop in the number of complaints related to fraud management (-19%) and a slight increase in complaints related to the management of transfers and direct debits. In 2023, Belfius set up a fraud committee that brings together all stakeholders in the fight against fraud. This has led, amongst others, to developments in fraud prevention, detection and monitoring, as well as to a comprehensive communication plan addressed to internal stakeholders, branches and customers.

The "Accounts" domain ranks second in terms of complaints for 2023. The topics addressed are mainly related to management fees and the sending of account statements, as well as account closures. Belfius is actively working on these issues.

Complaints related to "Insurance" decreased by 10.9% compared to 2022. The majority of these complaints were linked to claims management. The two main reasons clients lodge complaints in this area are either a disagreement with the decision taken by the insurer, or the lead time needed to handle a claim.

After a high number of complaints related to "Services" demonstrated dissatisfaction with the accessibility of branches and Belfius Connect in 2021 and 2022, Belfius partially reopened branches, adapted the branch telephone system, implemented new technology and introduced scheduling follow-up. This was reflected in a decrease in the number of complaints by more than 35% for this topic since the end of 2022.

7.2.2.2. Governance of the complaints management system

Belfius distinguishes four handling levels for complaints:

- Branches, Wealth Managers, Public and Corporate bankers, as well as Belfius Connect, represent the first level in the complaints management chain as it is the closest to the customer. This is also the case for the Belfius Insurance Customer Service and Claims Department that work for the DVV brand. Subsidiaries such as Belfius Lease, Belfius Auto Lease, Elantis and Belfius Commercial Finance register and handle complaints that concern their own activities themselves.
- The Complaints department (the second level) handles:
  - Complaints that the customer makes directly via a complaints form on the Belfius website, via letter, telephone, email, etc. to the Complaints department;
  - Complaints for which branches, bankers or contact centre agents are not able to offer a solution themselves and ask for help from head office;
  - Complaints received by internal services, other departments (for instance Distribution, Marketing, etc.), or certain subsidiaries (Belfius Insurance for products sold through the Belfius Bank networks, Crefius, Belfius Asset Management).

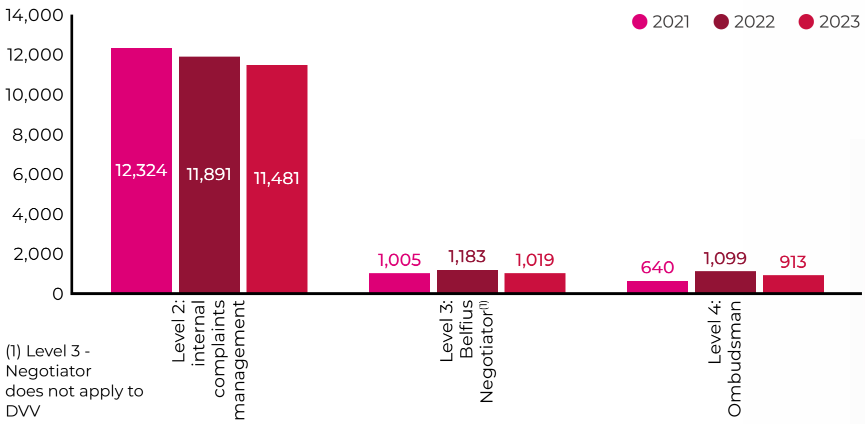
  The Complaints Departments handle complaints within set deadlines, observing established quality standards and, in principle, providing the customer with a response.

  The Belfius Insurance complaints department handles complaints relating to the DVV brand, as well as complaints escalated by the Belfius Bank Complaints department, due to their technical complexity.

- Internal negotiation: In the event that the customer rejects the solution suggested by the Complaints Department, they may address the Belfius Negotiator (the third level). As a neutral contact, the Belfius Negotiator makes a new analysis of the case, independently of the Complaints department, and responds directly to the customer. This level does not exist for DVV complaints.
- External mediation: Customers who continue to object to the position taken by Belfius can approach the Federal Bank/Insurance Ombudsman, or the Court. If the Federal Ombudsman (the fourth level for banking/insurance products) considers the complaint admissible, it will be managed with the cooperation of the Belfius Negotiator.
  The number of complaints escalated to the Belfius Negotiator and the Ombudsman level decreased in 2023, mostly due to the decrease in the number of complaints related to fraud cases.

Regular monitoring and reporting of complaints trends are carried out. This helps to identify problems and quickly act upon them, in addition to anticipating similar trends in the future.

Received complaints according to level of management



(1) Level 3 - Negotiator does not apply to DVV

Discrimination and privacy complaints

In our pursuit of protecting human rights, we want to decrease the number of complaints related to discrimination and privacy. Moreover, it is our legal duty as a financial institution to protect the confidentiality of our former and existing customers' data through securing their transactions and personal information.

In 2023, Belfius recorded 34 complaints related to discrimination, a 70% increase compared to 2022 (2022: 20; 2021: 26). Among these complaints, seven related to the opening of accounts for unaccompanied minors. We constantly strive for a zero-tolerance policy regarding discrimination. In this context, we will continue our internal communication awareness campaigns that have been designed following exchanges with Fedasil, the Red Cross and UNIA.

In 2023, Belfius also recorded 162 complaints concerning privacy, representing an 8.7% increase compared to 2022 (2022: 149; 2021: 173). The majority of these (126) concerned GDPR legislation. In 2023, Belfius launched a campaign to replace Maestro cards that generated complaints linked to the addressing of cards. These complaints, as well as other complaints concerning incorrect addressing of mail, represented 35% of GDPR complaints. For the DVV insurance brand, one GDPR complaint was registered in 2023 (versus three in 2022).

76 complaints related to other areas can also be linked to GDPR issues and often concern issues such as access to personal data by an unauthorised third party following a change of address, suspension of power of attorney, etc.

7.2.3. Special attention for more vulnerable customers

As a Belgian banking and insurance group whose mission is to be meaningful and inspiring for Belgian society, Belfius aims to provide for the accessibility of financial products and services to every citizen, including vulnerable customers such as the digitally excluded, persons suffering from disabilities, or persons in dire economic or personal circumstances.

It is within this context that we have identified financial inclusion as a material topic for Belfius.

7.2.3.1. Social Products & Services

For several decades now, Belfius Bank has been working with the Public Centres for Social Action (CPAS / OCMW) to develop specific, modern and secure banking solutions, helping them in their mission to support their beneficiaries according to their needs.

Since then, some of these solutions have also been offered to other parties, such as nursing homes and organizations responsible for the reception of asylum seekers.

A comprehensive review of our social products is available on our website. These include, amongst others:

- Social assistance accounts for the payment of integration income[1] or other income-replacement benefits[2] to people who currently do not have access to a bank account;
- "Budget management" accounts for those who require help in managing their budget;
- Rechargeable payment cards for recurring payments and single-use pre-loaded cards for urgent one-off financial help;
- "Reconstitution of rental guarantee" accounts to facilitate access to housing in the event that the Public Centres for Social Action are called upon to substitute for the tenant in the matter of rental guarantees in favour of the landlord.

In total, around 163,000 social accounts were active at the end of 2023.

In addition to the products themselves, Belfius has developed specific electronic applications that enable social organizations to implement and manage these products efficiently.

(1) Revenu d'intégration / leefloon.
(2) Allocations de remplacement de revenus / inkomensvervangende tegemoetkomingen.

Belfius also offers the Basic Banking Service account, a legally mandated service accessible to any consumer legally residing in Belgium who faces difficulties acquiring a bank account - predominantly asylum seekers or recognised refugees. At the end of 2023, 46,000 clients held this type of account at Belfius. More information regarding the Basic Banking Service offered by Belfius is available on our website.

Finally, in accordance with the principles and terms outlined in the Universal Banking Service Charter, Belfius also offers the Universal Account to serve clients who do not have access to digital services. The number of users for this account fell short of expectations however.

7.2.3.2 Preventing over-indebtedness

Belfius follows strict guidelines when granting loans to private individuals and considers both positive and negative factors to protect both itself and its customers from excessive lending.

Moreover, as a member of the Professional Credit Association (UPC/BVK), Belfius endorses and respects the UPC/BVK code of conduct. This code contains 10 principles to ensure responsible lending to individuals and covers matters including monitoring borrowers' needs and the risk of over-indebtedness, monitoring debt levels and credit utilization, monitoring payment problems, the anticipation of late payments ("risk prevention"), the active provision of solutions to customers and debt counselling.

7.2.3.3 Digital inclusion

Almost half of Belgium's population is defined as "digitally vulnerable", which is above the European average. More specifically, this means that 39% of Belgians have weak digital skills, according to the Barometer for digital inclusion published by the King Baudouin Foundation (2022). This digital divide is partially due to a lack of digital literacy – a trend that will tend to increase as digital skills need constant upgrading to keep pace with new digital advancements, as well as fraud or phishing threats.

Belfius believes that it is important that no one is left behind amidst the rapid digitalisation of the banking sector, the economy and society in general. While we view the digital trend as a positive progression for society, we also recognise that not all of our customers have access to these services, nor are comfortable with, or even interested in, this transition. Supporting this group of customers is an important concern for Belfius because, as a bank, we want to remain accessible to as many people as possible.

This is why Belfius, together with Febelfin, committed to work on a 10-point action plan aimed at easing the transition to online banking and continuing assistance for non-digital customers.

Belfius, in tandem with Febelfin, organized numerous information sessions on digital banking in Brussels, Wallonia and Flanders throughout 2023. The initiative primarily serves older customers and those who do not speak French or Dutch. Compared to the previous year, 2023 saw an increase in participation to these sessions and we plan to continue our support throughout 2024.

As part of our commitment to digital inclusion, a pilot project was launched with BEEGO, a company that works with students to help people solve their IT issues. For 10 weeks in 2023, BEEGO students were present in 10 Flemish retail branches two half days per week to support our customers in learning to use our digital app. An additional pilot will be conducted in February and March 2024 to define whether a wider rollout should be considered.

To benefit our digitally vulnerable customers, Belfius offers a phone banking solutions service that does not require access to a smartphone, the Internet or any digital skills. Although the number of users of this service is limited, we observe up to 10 calls per month from this group. This solution was granted an award from the OKRA senior citizen organisation in 2022.

7.2.3.4. Access to cash and banking transactions

Belfius, together with BNP Paribas Fortis, ING and KBC, launched the Batopin (Belgian ATm OPtimization INitiative) project to develop a network of cash machines (called Bancontact CASH points) to maintain cash accessible to everyone.

By the end of 2023, 389 Bancontact CASH points were operational and more will be added in the future in accordance with the agreement signed in March 2023 between the banking sector, represented by Febelfin, and the government.

In addition, Belfius maintains cashless machines (allowing for balance consultation, printing of bank statements and transfers) in branches with significant cashless transactions. These machines remain very important for non-digital customers who can easily follow up on their bank account and perform basic transactions. At the end of 2023 there were 410 cashless machines in our branches, accessible 24/7.

Customers over the age of 70 with a Beats New or Beats Star current account can also rely on free manual transfers and free monthly dispatch of paper statements.

7.2.3.5. Customers with disabilities

Belfius is determined to make its products and services more accessible to people with disabilities, with a particular emphasis on people with visual impairments.

For clients with visual impairments, account statements are sent in braille.

Bancontact CASH points, as well as Belfius recyclers (i.e. machines where money can be withdrawn and deposited) are accessible to all, including to people who are blind or partially sighted, or suffer from reduced mobility. These machines are equipped with audio support that allows customers to withdraw cash without external help. The keyboard itself incorporates braille features and is embossed so that people with visual impairments can easily find the different parts of the device (bank card insertion zone, zone for connecting headphones, etc.).

New Belfius cashless machines designed with guidance through headphones for specific transactions, will be installed in our branches after the summer of 2024.

Belfius is also actively striving to create a digital environment that is accessible and inclusive for all users. We are for example aiming to comply with the Web Content Accessibility Guidelines (WCAG 2.2.) and meet the AA level, ensuring that individuals with diverse abilities can navigate, perceive and interact with Belfius' online platforms with greater ease and accessibility.

In May 2023, an audit relating to Belfius Mobile identified specific areas for enhancement. Since then, significant strides have been made in addressing the audit's remarks. Looking forward, we recognize the ongoing need for improvements, with a focus on addressing accessibility challenges in future versions. In 2024, a new Belfius Mobile audit with the same scope as the May 2023 assessment is planned to ensure that previously identified issues are resolved and that we remain proactive in discovering and addressing any new challenges.

An assessment of Belfius Direct Net was also carried out in December 2023 with the aim of enhancing the accessibility of Belfius Direct Net in future releases.

At Belfius, we recognize that accessibility is an ongoing journey and we remain steadfast in our dedication to creating digital experiences that cater to the diverse needs of all of our customers.

7.3. Sustainable Procurement

As one of Belgium's leading banks, Belfius carries numerous responsibilities. Among these is the duty to establish sustainable procurement practices across its vast network of suppliers. This endeavour is substantial and challenging, causing Belfius to consistently evolve its procurement strategies. Three notable milestones were reached in relation to sustainable procurement practices over the course of 2023:

- Belfius has undertaken extensive transformation and digitalization of its procurement processes with a view to enhance supplier management and refine collaboration with its suppliers. In this transformation journey, Belfius has strengthened its standard supplier management processes by incorporating a new tool. Currently, this tool contains metadata from our suppliers and there are plans to expand its functionality to incorporate third-party risk management. This addition would enable Belfius to keep track of its suppliers' financial stability and their ESG performance. We plan to source this data from a third-party ESG rating agency to ensure the information is up to date and accurate.
- Together with the digitalization of Third Party Risk Management and technology evolution, our risk methodology was optimized and criteria defining suppliers' risk level were refined. This is a clear sign of our growing knowledge in the risk management of our suppliers.
- Our Sustainability Code of Conduct for Suppliers underwent comprehensive revisions to ensure its alignment with current norms and regulations. Various components within the document were amended and new elements were incorporated, particularly in the sections pertaining to Health and Safety, Labour, the Environment and Supplier Assessment.

Sustainability is a critical determinant within our sourcing process and ESG criteria are incorporated into our procurement procedures.

Any supplier entering into a contract with Belfius must complete the **EcoVadis sustainability assessment**. At Belfius, we have developed an approach that encourages responsible conduct, as opposed to simply excluding suppliers. Suppliers who do not attain Medal Performance status, scoring at least 45 out of 100, are asked to devise an action plan to boost their score within a two-year timeframe. If a supplier receives an insufficient score, between zero and 24 in any of the individual sub-themes of Environment, Ethics, Labour and Human Rights or Sustainable Procurement, we require them to make improvements within one year.

In addition, it is clearly communicated to all prospective suppliers during the sourcing process that alignment with Belfius' Sustainability Code of Conduct for Suppliers is mandatory. The Belfius Sustainability Code of Conduct for Suppliers is aligned with the United Nations Global Compact's 10 principles, promoting the obligation of our suppliers to respect internationally acknowledged human rights and adhere to health and safety standards within their workplaces and in relation to their products and services. We also place emphasis on the importance of lawful labour practices, principles of anti-corruption and integrity and the respect of freedom of association and collective bargaining. We are also committed to the eradication of forced and obligatory labour, the abolition of child labour and the curbing and elimination of all types of discrimination. Lastly, we expect our suppliers to support a precautionary approach to environmental challenges and to work to limit their environmental impact.

Belfius' General Terms and Conditions of Purchase highlight that the outcome of the EcoVadis sustainability evaluation, or a breach of the Sustainability Code of Conduct for Suppliers, could result in the termination of the existing agreements.

In the case that the relationship with the supplier qualifies as critical outsourcing, the Outsourcing Risk & Material Arrangements Policy also applies. For more information on this, please see the Belfius 2023 Risk Report.

In 2023, Procurement managed approximately 3,500 suppliers, of which 996 operated under established Belfius contracts and were therefore actively monitored in terms of financial health and regulatory compliance. Contracts with local Belgian companies accounted for 76%, those with European companies represented 18% and non-European companies 6%.

Of all the suppliers that completed the EcoVadis sustainability assessment, none received an insufficient score, although 40 suppliers received a score without Medal Performance, falling below the range of 45 out of 100.

At this stage, 62% of suppliers that have a Belfius contract and have passed the EcoVadis sustainability assessment, have signed our Sustainability Code of Conduct for Suppliers. We will continue to organize initiatives in 2024 to ensure an increasing number of suppliers sign our Code of Conduct.

In 2023, Belfius bolstered its sustainable procurement practices by hosting a series of events throughout the year:

- The webinar organized by Belfius and EcoVadis in January 2023 provided additional information and motivation to adhere to Belfius ESG ambitions. The EcoVadis sustainability assessment score (see above) of 40% of the participants subsequently increased in the months after the webinar.
- During the first Belfius External Contractor Suppliers event in November 2023, we took the opportunity to present a "Supplier Sustainability Award" to Hexaware, whose EcoVadis score has improved the most since 2022.
- As has happened every year since 2016, a selection of our suppliers was invited to do their bit for the two major charity campaigns that Belfius supports: Viva for Life and JEZ!
- In 2022, we reflected upon our own EcoVadis results related to the Sustainable Procurement theme and identified different areas for improvement. As a result, Belfius purchasers were invited to two training sessions in 2023: "Smart buying" and "How to reduce the environmental impact of digital technology".

Belfius Procurement is investing in enhancing its supplier risk approach in anticipation of DORA and the upcoming Corporate Sustainability Due Diligence Directive.

Finally, we reinforced our collaboration with Passwerk and TRplus. These two sister companies help people on the autism spectrum to fully develop their talents in the workplace, including at Belfius. They are now among our preferred suppliers, which means that they receive priority in presenting candidate profiles.

8. Community involvement

With our guiding mission to be “Meaningful and Inspiring for Belgian Society. Together.”, we aim to provide value to society through our range of products and services. Alongside our primary operations, we are also dedicated to supporting the wider society through promoting access to culture for all and providing aid to Belgian charities.

8.1. Social projects supported by Belfius

Belfius takes pride in its longstanding commitment to supporting social initiatives. We endeavour to foster durable relationships with a few stable, reputable and impactful organizations that align with Belfius’ overall mission and strategy. This alignment is regularly evaluated by the Brand Committee (composed of the CEOs of Belfius Bank and Insurance, the Chief People, Brand & Communications and the directors responsible for business lines), responsible for the protection and development of all Belfius brands. As a result of this strategic approach, we partner with charitable organizations that focus on assisting those who have been given fewer opportunities in life.

The Belfius communication department manages relations with chosen charities. The charities in question maintain full autonomy in their choices and operation of projects for children, young people and the disadvantaged.

Belfius staff and agents from our independent network are encouraged to actively champion these charities. In addition, Belfius staff also support various smaller charities and other initiatives on an annual basis.

8.1.1. Fighting child poverty (Viva for Life)

As per UNICEF’s 2023 data, Belgium’s child poverty rate stands at 14.9%, suggesting that nearly one out of every six children under the age of 16 in Belgium is currently living in poverty.

Recognising that addressing child poverty necessitates robust partnerships and firm commitments, Belfius actively supports Viva for Life. This initiative is the largest charity movement in French-speaking Belgium dedicated to combating child poverty. Managed by the Belgian radio and television station RTBF, in collaboration with charity CAP48 and Belfius, the initiative has had the support of Belfius as a sponsor since 2014 and as its principal sponsor since 2016.

All donations and profits generated through this initiative are managed by CAP48, that is also responsible for selecting the dozens of supported associations. In 2023, a total of 178 institutions were supported with funds collected in 2022. 64% of donations went to associations for children aged 0-3 years, while the remaining 36% went to associations for children aged 4-6 years. The 2023 edition continued to raise an impressive amount equal to EUR 8,466,888, of which EUR 790,123 was raised by Belfius.

Money raised for Viva for Life

(In EUR)	2021	2022	2023
Amount from Belfius[1]	620,545	784,563	790,123
Total raised[1] for Viva for Life	7,512,346	8,034,120	8,466,888

(1) The “Amount from Belfius” is the amount raised by Belfius through its various programmes, whereas the total raised represents the proceeds raised for Viva for Life in the whole of Wallonia and Brussels.

8.1.2. Fuelling engagement and solidarity among young people

JEZ! is a youth collective founded in 2022 with the support of VTM, Qmusic, Het Laatste Nieuws and Belfius. It gives youth organizations a financial boost so that they can launch new projects for young people. These may be sports, cultural, artistic or social projects, as long as they make a positive difference in the lives of young people and fuel their commitment and solidarity.

On the basis of a call by VTM, Qmusic, Het Laatste Nieuws and Belfius, the King Baudouin Foundation selected 200 organizations that illustrated daily commitment to young people.

The first edition was already an overwhelming success. No less than EUR 3,219,191 was raised, of which EUR 376,364 by Belfius.

8.1.3. Supporting the disabled through sport (Special Olympics)

Through Belfius' partnership with Special Olympics Belgium since 2014, we support individuals with intellectual disabilities and encourage their integration into Belgian society through sport. Belfius has been a main partner of the Belgian Special Olympics since 2019. These games represent the sporting event of the year in Belgium for 20,000 athletes with a mental disability. A total of 3,000 athletes participated in 23 sports at the May 2023 national games in Mechelen. A delegation of 88 Belgian Special Olympics athletes travelled to the World Summer Games in Berlin in June. The Special Olympics values are: friendship, respect, self-fulfilment, surpassing oneself, dedication and emotion.

8.1.4. Fostering education (Campus 19 and Da's geniaal! / C'est génial!)

Belfius sponsors the Brussels and Antwerp campuses of Campus 19. This innovative educational institution offers training in computer coding for young adults between the ages of 18 and 30. Part of the 42 Network, the first global network of free coding platforms, Campus 19 offers free education, emphasising its commitment to social inclusion. The institution does not have traditional teachers and does not require a diploma for admission. Students learn at their own speed, relying on e-learning platforms and tackling challenges individually or in groups to further their learning.

In 2023, Campus 19 had 443 active students and facilitated 25 internships, while also helping secure 50 job placements. A number of students have taken an entrepreneurial route, launching their own startups. The institution is making an effort to welcome more female students in a bid to address the significant gender imbalance in the IT sector.

This lack of female students is found in all STEM-related education, despite these studies being critical for the future of our economy and society. That's why we partner with Da's Geniaal! / C'est génial!, an association whose mission is to interest all children aged 10 to 14 in these types of career opportunities.

8.2. Philanthropy

8.2.1. Beats

Beats customers have the opportunity to mark their choice for one or several societal themes that they consider important. This theme is then financially supported by Belfius via a pre-defined project:

- 29% favour Beats for Health with My Cancer Navigator. My Cancer Navigator, from the Antikankerfonds, provides cancer patients with evidence-based information in understandable language, giving them somewhere to go for information and allowing them to choose the most appropriate treatment in consultation with their doctor.
- 23% favour Beats for Planet via Airscan. The air quality in and around schools is often particularly poor due to poor ventilation or car traffic and therefore has an impact on the health of our children. Airscan places measuring equipment that monitors many air quality parameters in real time in and around schools with the intention of drawing up an action plan to improve air quality both outside (CO_2 + fine dust) and inside.
- 18% opt for Beats for People with JEZ! for Flanders and Viva for Life for French-speaking Belgium.
- The remainder support all three themes in equal measure.

8.2.2. Funds offering

Since 2019, Belfius has been offering investment solutions that invest in organizations that aim to tackle social and environmental problems. Belfius adds a further dimension by financially supporting good causes through partnerships with local entities, charities or similar initiatives.

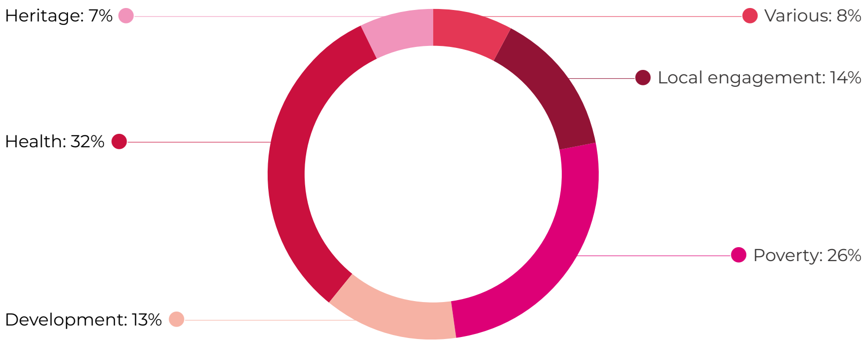
Since 2019, EUR 8.1 million has been donated. The following charities are currently supported :

- Stichting Tegen Kanker, an organization that works on prevention, support and scientific research against cancer.
- The Pure Cities project developed by Airscan and Belfius to monitor and improve ambient air quality conditions in cities around Belgium.
- The King Baudouin Foundation's Boost project that empowers talented young people from disadvantaged socio-economic backgrounds, especially women.
- Close the Gap, an international social enterprise that aims to bridge the digital divide by offering high-quality, pre-owned computers donated by European and international companies to educational, medical and social projects in developing and emerging countries.
- The Tubbe initiative of the King Baudouin Foundation that aims to transform nursing homes into attractive places for living and working.
- Responsible Young Drivers that promotes responsible driving among young individuals.
- Foodwin that comprises a team of specialists focused on preventing food waste together with local authorities, industrial kitchens, food companies and more.
- Campus 19, that offers free coding education (see section 8.1.4.).
- Natagora and Natuurpunt, two organizations that focus on preserving biodiversity, protecting natural habitats and advocating for sustainable living throughout Belgium.

8.2.3. Private and wealth management

The Belfius philanthropy programme offers its wealthier customers a specific framework for including charitable donations as a structural element of their wealth management or estate planning. In this way, Belfius responds to the demand of clients who wish to support certain charitable activities (e.g. health, poverty, heritage preservation and development aid, amongst others) in a structured manner. Through this programme, Belfius supports its clients in the creation of their own registered fund within an existing structure, such as a public utility foundation or university.

Allocation of philanthropic funds in 2023



In 2023, 284 funds were in operation and more than EUR 7 million was transferred from the estates of Belfius customers to various charities.

8.3. Social access to art

Over the past decade, Belfius has been sharing its interest in art with the public. Each year, we feature a fresh thematic selection of about 60 works from our collection at the Belfius Art Gallery, on the 32nd floor of our Brussels headquarters, the Belfius Tower. With over 4,000 pieces, the Belfius Art Collection is one of the most expansive private collections of Belgian art.

The current exhibition (open since October 2023 and until June 2024), inspired by Love, once again shows our admiration for Belgian art and emerging artists. Commemorating 70 years of collecting Belgian art, the exhibition puts a spotlight on our current acquisition strategy, which is deeply rooted in forming personal relationships with artists. It displays the contemporary creations of 12 talented artists, accompanied by their selection of masterpieces from the bank's expansive collection. The exhibition provides these artists a platform to share insights into their creative journey and their perspective on art.

In 2023, we complemented our physical exhibition with virtual tours of past and ongoing exhibits via our website, providing visitors an opportunity to experience the Belfius Art Gallery digitally. Our Facebook and Instagram accounts also offer updates on our exhibitions, behind-the-scenes glimpses, as well as knowledge about both well- and lesser-known artists from our impressive collection.

Continuous efforts are made to actively manage the collection by adding new pieces by budding Belgian talents and arranging for the loan of works to museums in Belgium and nearby countries.

9. Human Resources

Belfius is fuelled by the mission to be “Meaningful and inspiring for Belgian Society. Together”, a vision brought to life by the talents that make up Belfius’ workforce. We consider our employees essential and understand their significant role in the success of our operations. Our human resources policies support the transformation of Belfius into an organization that is centred on its customers and that readily adapts to change. As such, our responsibility lies in overseeing our human capital while ensuring our culture and purpose are aligned.

Belfius’ four core values provide the framework for our corporate culture:
- Customer orientation: the satisfaction of our customers is and will remain the reference and ambition that governs everything Belfius does;
- Authenticity: Belfius respects each person’s individuality and finds differences enriching. Everyone is at their best if they can be themselves;
- Fairness: Belfius seeks to balance the interests of all of its stakeholders: its aim is to create long-term value for customers and the company, as well as for the community and the environment;
- 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.

Belfius continues to emphasize the importance of continuous learning and the wellbeing of its talents.

9.1. Staff members: the backbone of the company

9.1.1. Key Figures

In 2023, Belfius Group counted 6,939 staff members, of which 99% had permanent contracts.

The age pyramid shows the distribution of the number of staff members by age group. These figures show that ageing is not only one of the major challenges of the near future (47.8% of staff members at Belfius Bank & Insurance are aged 50 or more), but also offers opportunities in terms of "employability" of younger staff members, who can as a result continue to develop within the organization.

Movements in the number of active employees in the consolidated Belfius Group (headcount)(1)

Type of contract	2022			2023		
	Male	Female	Total	Male	Female	Total
Permanent contract	3,422	3,234	6,656	3,506	3,394	6,900
Fixed-term contract	30	29	59	25	14	39
TOTAL	3,452	3,263	6,715	3,531	3,408	6,939

Movements in the number of active employees working full-time/part-time in the consolidated Belfius Group (headcount)(1)

Work regime	2022			2023		
	Male	Female	Total	Male	Female	Total
Full-time	3,327	2,389	5,716	3,403	2,547	5,950
Part-time	125	874	999	128	861	989
TOTAL	3,452	3,263	6,715	3,531	3,408	6,939

Movements in the number of active employees per age category in the consolidated Belfius Group (headcount)(1)

Age category	2022			2023		
	Male	Female	Total	Male	Female	Total
20y-29y	310	307	617	357	359	716
30y-39y	617	534	1,151	661	581	1,242
40y-49y	790	930	1,720	772	893	1,665
50y-59y	1,252	1,244	2,496	1,187	1,229	2,416
60+	483	248	731	554	346	900
TOTAL	3,452	3,263	6,715	3,531	3,408	6,939

(1) All of the figures relating to staff are for the "active" headcount (unless stated otherwise), i.e. excluding employees taking early retirement, on long-term sick leave, full-time time credits, on secondment.

9.1.2. Talent Acquisition

Talent Acquisition refers to the act of placing particular emphasis on the process of finding and hiring new employees.

In 2023, 1,247 internal and external vacancies for permanent positions were opened for Belfius Bank and Belfius Insurance.

787 of these vacancies were filled for Belfius Bank and 208 for Belfius Insurance.

Number of internal and external vacancies at Belfius Bank and Belfius Insurance, excl. temporary vacancies

	2022	2023
# vacancies	1,254	1,247

Movements in the number of "arrivals" per age group in the consolidated Belfius Group excl. transfers between entities[1]

Year	Age group	Male	Female	Grand Total
2022	20-29	123	94	217
	30-39	113	89	202
	40-49	60	51	111
	50-59	35	22	57
TOTAL 2022		331	256	587
2023	20-29	149	137	286
	30-39	99	93	192
	40-49	46	67	113
	50-59	19	19	38
TOTAL 2023		313	316	629

(1) All of the figures relating to staff are for the "active" headcount (unless stated otherwise), i.e. excluding employees taking early retirement, on long-term sick leave, full-time time credits, on secondment.

Belfius is convinced that it is necessary to invest today in tomorrow's solutions in order to face the challenges of the future. For Belfius, as for many other companies, the recruitment of fresh talent presents its own challenges. Belfius is constantly on the lookout for the right new talents to reinforce expertise in specific domains and to build a talent pipeline of diverse profiles with the potential to grow and remain relevant.

In 2023, Belfius recruited 28 **Young Professionals**, young people who had just graduated or who had limited professional experience. These young staff members work on strategic projects in different departments over a period of two years (four missions of six months each).

In 2023, Belfius Bank and Belfius Insurance welcomed 68 trainees.

Number of work experience trainees at Belfius Bank and Belfius Insurance (from school)

	2022	2023
Male	46	40
Female	30	28
GRAND TOTAL	76	68

Finally, Belfius continuously invests in its talent acquisition processes with the double objective of increasing efficiency and optimising employee experience.

Some of the initiatives taken in 2023:

- We created an inspiring new external and internal jobsite, allowing direct posting on LinkedIn and other job boards. This jobsite is key for **Belfius as an employer**, enhancing communication towards the job market. The content on the jobsite is designed to be attractive to Millennials and Gen Z too, and pays specific attention to Diversity and Inclusion.
- We implemented a new recruitment tool, allowing for more effective follow-up of candidate inflow, screening and hiring, as well as more active participation in the process by business managers.
- We invested significantly in the end-to-end onboarding journey to offer a unique “Belfius Love” experience to all new colleagues.
- We participated in over 60 university or secondary school job fairs, workshops and campus recruitment events, increasing Belfius Employer Brand recognition for Gen Z.

9.1.3. Outflow

Natural turnover is also a challenge for Belfius. In absolute figures, the number of departures slightly decreased in 2023 versus 2022. The majority of these were staff members in the 60+ age group who were retiring (38% of total departures). At the end of 2023, the 60+ age group represents 13% of our active population at Belfius Bank and Belfius Insurance.

Movements in the number of “departures” per age group in the consolidated Belfius Group, excl. transfers between entities(1)

Year	Age group	Male	Female	Grand total
2022	20-29	27	29	56
	30-39	57	38	95
	40-49	31	22	53
	50-59	25	10	35
	60 and +	82	44	126
TOTAL 2022		222	143	365
2023	20-29	28	24	52
	30-39	56	29	85
	40-49	27	31	58
	50-59	17	12	29
	60 and +	90	45	135
TOTAL 2023		218	141	359

Movements in churn in Belfius Bank en Belfius Insurance, i.e. number of departures in year N / [(# headcounts at 31/12 for year N-1 + # headcounts at 31/12 for year N) / 2](1)

	2021	2022	2023
Belfius Bank	4.01%	4.82%	4.67%
Belfius Insurance	8.54%	7.81%	6.66%

(1) All of the figures relating to staff are for the “active” headcount (unless stated otherwise), i.e. excluding employees taking early retirement, on long-term sick leave, full-time time credits, on secondment.

9.2. Talent management

As a bank-insurer, the quality of Belfius' talents is a key asset. However, just attracting the right talent is not enough. It is vital to create a conducive, healthy, secure and motivating work environment, while focusing on the development of these talents to provide meaningful employment. Investing in lifelong learning and sustainable careers is the only way to encourage talent retention and prepare for the challenges ahead.

9.2.1. Lifelong learning

Lifelong learning is the ongoing, voluntary and self-motivated pursuit of knowledge for either personal or professional reasons.

Changes in the environment, such as new technologies, digitalization, or early retirement, require staff members to be flexible. People no longer embark on a "job for life", so in an environment that is rapidly changing, a culture of life-long learning is crucial. Belfius is convinced that this is the best guarantee for its staff members to stay ahead of the latest developments and to increase their employability. Consequently, Belfius provides its staff members with the means they need to continue investing in their personal development and, in doing so, it is nurturing a purposeful and sustainable organisation.

To give its employees every opportunity to develop in a rewarding work environment, a Learning & Development team is dedicated to the development and management of training (hard and soft skills), as well as talent development.

Belfius offers its employees a wide range of **training programmes** that cover soft skills, technical skills and theoretical knowledge through the My Development portal. 24,641 days of training were given in 2023 (mostly by videoconference).

A thorough revision of our learning offer began in 2023. It will result in a Learning & Development framework based on three pillars: mandatory essentials learning, on-demand job related training and learning journeys on invitation. The first pillar of essentials trainings covers subjects such as banking and insurance basic knowledge, security and key soft skills. The second pillar organises learning per job domain and offers learning modules based on career aspirations and self-awareness to facilitate internal mobility. The third pillar proposes learning journeys on invitation and is specifically developed to support the career of people managers and key talents at Belfius.

Movements in the average number of days' training per full-time equivalent (Belfius Bank and Belfius Insurance)

	2022		2023	
	Belfius Bank	Belfius Insurance	Belfius Bank	Belfius Insurance
Average days of training per employee (incl. on-the-job, e-learning & mandatory training)	7.8	6.8	5.2	5.2
Average per female employee	8.0	7.0	5.5	5.3
Average per male employee	7.6	6.5	5.0	5.2

The My Development portal also provides access to:
- Share&Learn: an internal platform for every employee to share informative or inspiring content;
- GetAbstract: an online service that provides summaries (to be read in less than 10 minutes) of over 10,000 of the most influential books in the business world on personal development, leadership, business strategy or sales and marketing;
- +Babbel: a learning platform to learn new languages.

Initiatives organised by and for employees are also promoted. In our **Train Your Colleague sessions**, employees with specific expertise (for example digital or linguistic skills) share knowledge with their colleagues. In total, more than 70 training sessions were given in 2023, reaching more than 1,150 colleagues.

9.2.2. An ambitious career policy

Our career policy is a set of strategies and actions designed to help individuals maintain a successful and fulfilling career over the long term.

In 2019, Belfius Bank introduced a new career policy based on two pillars:
- A reflection tool that is available in the form of a personal online questionnaire, allowing employees to ask themselves the right questions to manage all aspects of their career;
- The opportunity for each employee to invite their manager at least once every 12 to 18 months to a career interview to discuss future professional plans.

In addition, continuous feedback is part of the Belfius culture. Belfius supports managers and directors in giving feedback as often as possible following negative or positive performances:
- Positive and exceptional performance is often rewarded with variable remuneration (a "spot award") that can be awarded throughout the year;
- Under-performance is followed up with concrete feedback and an action plan is discussed between the manager and the department's HR business partner.

As a next step, we focused on increasing the impact of our talent and career policy in 2023. A new set of valuable interactions were designed to foster dialogue around mutual expectations, career aspirations, action plans and feedback.

Internal mobility

One of the ways to achieve a sustainable career is to move to another role/function within the company (internal mobility). As an employer, Belfius offers a wide range of functions both in central and regional departments, and offers a wide variety of job opportunities to potential candidates.

In 2023, Belfius took steps to support internal mobility through the initiation of a user-friendly internal job site. Moreover, job vacancies are typically open to existing employees for at least six weeks before being advertised externally. The fulfilment of our internal mobility objectives depends on a collaborative relationship among hiring managers, HR business partners and recruiters.

In 2023, 277 staff members changed jobs within Belfius Bank and 74 within Belfius Insurance.

	2021		2022		2023	
	Belfius Bank	Belfius Insurance	Belfius Bank	Belfius Insurance	Belfius Bank	Belfius Insurance
Number of staff members who changed jobs within Belfius	336	75	360	110	277	74

9.2.3. Employee satisfaction & engagement

For the past ten years, Belfius has been measuring the satisfaction and engagement of its staff members through its annual engagement survey. Engagement remained very high in 2023, with 86% of employees engaged across Bank and 87% of employees engaged across Insurance.

"Satisfaction indicator" scores from the Engagement Survey (Belfius Bank and Belfius Insurance)[1]

	2021	2022	2023
Belfius Bank	92.9%	95.0%	93.5%
Belfius Insurance	92.7%	92.0%	93.9%

"Engagement Indicator" scores from the Engagement Survey (Belfius Bank and Belfius Insurance)[1]

	2021	2022	2023
Belfius Bank	87.0%	87.5%	85.6%
Belfius Insurance	84.7%	83.9%	86.7%

(1) All the figures relating to staff are for the "active" headcount (unless stated otherwise), i.e. excluding employees taking early retirement, on long-term sick leave, full-time time credits, on secondment.

9.2.4. Leadership

A new Leadership framework based on values and attitudes

Our values are at the core of our culture: customer orientation, authenticity, fairness and entrepreneurial spirit.

In 2023, a team dedicated to Leadership was created in a bid to centralize efforts in implementing and anchoring a new leadership framework. This new leadership framework will act as the basis for many initiatives relating to learning and development, as well as talent management. All employees will be encouraged to "Dare", "Care" and "Make it happen" (Belfius attitudes).

Every year, HR launches an internal **talent scouting exercise**. Each department can offer employees the opportunity to enrol in a talent development programme (BeLeads, Forward, Future Team Leaders, Talented Employees) to shape the managers of tomorrow. The HR Business Partner supports departments and their managers in their choice of candidates with their knowledge of the individuals concerned. During this exercise, Belfius ensures that women and men are given equal opportunity.

Furthermore, particular attention is given to selecting, developing and coaching people managers so that they are fully equipped to embody our unique culture and play their essential role along employee journeys.

9.3. Inclusive company culture

9.3.1. Human rights

Belfius respects the rights of its employees and in turn expects them to respect Belfius' human rights values, as stated in Belfius' Human Rights Policy and the Code of Conduct, requiring an honest and ethical attitude at work.

Guided by Belgian law, human rights and labour regulations, Belfius formally forbids child and forced labour across all its activities. In line with the International Labour Organization's (ILO) conventions and local/EU regulations, Belfius demonstrates absolute respect and compliance for its employees' **right to participate in collective bargaining and freedom of association**. In 2023, 94.28% of Belfius Bank and Belfius Insurance employees were covered by collective bargaining agreements.

The CLA No. 5 of the NAR dated 24 May 1971 on the status of trade union delegation of personnel within companies, states that the representative workers' and employers' organisations express agreement with the following principles:
- Workers recognize the necessity of the legitimate authority of the heads of enterprises and perform their work scrupulously;
- Employers respect the dignity of workers and treat them fairly. They undertake not to hinder, either directly or indirectly, their freedom of association and the free development of their organization within the company.

Enterprise representatives and trade union delegates are under all circumstances expected to demonstrate a sense of justice, fairness and conciliatory spirit towards good labour relations in the company and are expected to combine their efforts to comply with social legislation, collective agreements and labour regulations.

The management body is responsible for setting the social strategy, policies and risk framework, as well as supervising and managing their implementation. Conversely, employees are bound to perform their assigned work with care and observe professional secrecy, particularly regarding confidential information that could cause damage to the company, both during and after the execution of the employment contract.

Discrimination of individuals on the basis of personal characteristics such as, amongst others, gender, skin colour, age, disability or sexual orientation, has no place in Belfius' corporate culture. This is enshrined in our Anti-Discrimination Policy. Belfius applies a zero-tolerance policy towards violence in the workplace including verbal, physical and sexual harassment.

Belfius respects the privacy of employees and acknowledges that data privacy issues are human rights issues, falling under the "S" of ESG. According to Human Rights Watch, comprehensive data protection laws are essential in protecting human rights. The right to privacy, but also many related freedoms, depend on the ability to make choices regarding how and with whom information is shared. Compliance with Global Data Protection Regulation (GDPR) is a crucial aspect in the processes to guarantee **privacy and protection of personal data**.

9.3.2. An active diversity, equitable opportunities and inclusion (DEI) approach

An active diversity, equitable opportunities and inclusion (DEI) approach is a proactive and deliberate effort to promote a culture that fosters diversity, equality and inclusion, ensuring equal opportunity and equal pay.

Belfius believes a diverse and inclusive workplace where each employee feels their presence is valued and respected is conducive to a sense of engagement and innovation. For this reason, DEI makes up one of the core values of Belfius' approach. We also believe that this contributes to the development of Belgian society.

With this purpose, the **Diversity Manager** and **Diversity Steering Group** have been working towards creating an ever more inclusive environment at Belfius since 2015. In line with this, Belfius has also integrated its DEI approach into the screening of candidates, interview processes, salary proposals, recruitment KPIs, onboarding journeys, promotions and leadership trajectories, as well as employer brand and value propositions. This global approach is aimed at making Belfius an increasingly inclusive organisation, addressing various forms of diversity (gender, generation, sexual orientation, origin, (dis)abilities, etc.).

As a firm believer in the importance of diverse representation, Belfius is a signatory to the **Inclusive Panels Charter**. The purpose of this charter is to strive towards diverse panel representation in order to facilitate the creation of a sense of belonging for the audience.

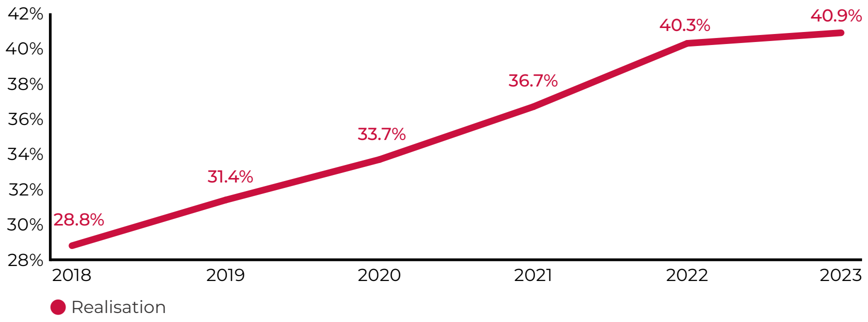
Belfius continues to take an active part in the **"Women In Finance"** initiative to improve gender balance in the financial sector. By signing the Financial Sector Diversity Charter in 2019, Belfius committed itself to pursuing a set of diversity objectives, rendering them public and reporting on them annually. The results are published on the Department of Finance website.

In 2023, Belfius launched two internal networks:
- **Belfius Equal & Allies**: according to a recent study by the Human Rights Campaign Foundation[1], 46% of LGBTQIA+ employees do not express themselves freely at work. This working group within the Diversity team, inspired by our **Open@Work** partnership[2], aims to offer LGBTQIA+ employees a working environment in which they feel safe and free to be themselves, in particular through awareness-raising actions and inclusive events open to all.
- **Origin**: this network was launched to promote cultural diversity within the company and to help create an increasingly inclusive working environment so that every employee feels appreciated and valued for their uniqueness and can benefit from the same opportunities for development, whatever their origins.

(1) A Workplace Divided: Understanding the Climate for LGBTQ+ Workers Nationwide - Human Rights Campaign (hrc.org)
(2) The Open@work initiative is a network of companies that aim for everyone to feel comfortable and at home in their work environment.

Belfius is gradually establishing a better gender balance at all levels of the organization. The average number of women in managerial positions (manager or senior/key position except Management Board) evolved positively in 2023. By 2025, our aim is that 44% of managerial positions are occupied by women (Belfius Bank and Belfius Insurance). Women make up 33.3% of Belfius Bank's Board of Directors and 26.67% of Belfius Insurance's Board of Directors.

Arithmetic average BB & BI weight female managers



Belfius' remuneration policy is gender-neutral and non-discriminatory. The remuneration policy ensures equal access to all available positions within the company without gender distinction and applies a uniform system of remuneration for the same category of employees. Belfius strives for equal remuneration for equal responsibilities and experience and discusses, measures and reports evaluations, remunerations and promotions within the competent bodies on an annual basis. An analysis to measure a possible gender pay gap is carried out every two years and is presented to social partners (Works Council). In 2022, the unadjusted pay gap is 12% for Belfius Insurance and 11% for Belfius bank. The adjusted pay gap is 1% for both entities, meaning the same salary is paid under the same conditions (seniority in the company, function level, level of education, activity percentage) regardless of the employee's gender.

To complement our DEI approach, Belfius supports employees through all stages of their lives and career paths with a **parental leave policy**.

Belfius Bank

	2022			2023		
	Total	Male	Female	Total	Male	Female
Total number of employees entitled to parental leave	1,100	633	467	1,120	628	492
Total number of employees who took parental leave	152	64	88	163	67	96
Total number of employees who returned to work after parental leave ended	152	64	88	161	66	95
Total number of employees who took parental leave in the year and are still employed today	147	61	86	159	65	94
Retention rate of colleagues who took parental leave	97%	95%	98%	98%	97%	98%

Belfius Insurance

	2022			2023		
	Total	Male	Female	Total	Male	Female
Total number of employees entitled to parental leave	387	181	206	433	203	230
Total number of employees who took parental leave	64	22	42	73	23	50
Total number of employees who returned to work after parental leave ended	61	21	40	71	22	49
Total number of employees who took parental leave in the year and are still employed today	59	21	38	69	21	48
Retention rate of colleagues who took parental leave	92%	95%	90%	95%	91%	96%

Finally, the **Belfius Young Community** (BYC) brings together employees under the age of 36 to support them in the early years of their careers. Through its activities, the community contributes to broadening the role of young employees so that they can leave their mark on Belfius' corporate culture.

9.4. Strong focus on health and wellbeing

By prioritising health and wellbeing regardless of circumstance, individuals can improve their overall quality of life and be better equipped to handle the challenges that they may face.

Belfius attaches great importance to the general wellbeing, safety and health – both physical and mental – of all its staff. Welfare, safety and health concern us all and are a right for each and every one of us.

9.4.1. Occupational health and safety management system

Belfius has a **health and safety policy** as specified by the Wellbeing Law of 1996 and its executive decrees (Codex Wellbeing at Work). It requires the development of a policy that aims to prevent accidents at work and occupational illnesses and specifies the relationship between people and work so that better attention is paid to a more holistic view of its workforce.

Belfius employs a dynamic **risk management system** that covers the following seven wellbeing domains: occupational safety, ergonomics, occupational hygiene, occupational health, environmental impact on employees, psychosocial aspects and the embellishment of workplaces, as well as the (potential) interactions between these domains. The risk management system enables prevention planning and the implementation of policies, in accordance with the Deming Principle (Plan-Do-Check-Act).

The prevention policy takes into account a number of specific government-issued legal and regulatory requirements, such as the designation of an internal health & safety adviser, the affiliation to an external health & safety service, the Committee for Prevention and Protection at Work, emergency procedures (first aid, fire, etc.) and accident prevention, as well as psychosocial and ergonomic risks.

Belfius also works with contractors, third parties, temporary workers and trainees. These persons are considered equal to internal employees under the wellbeing law and therefore have the same rights and obligations.

9.4.2. Hazard identification, risk assessment and incident investigation

A job risk analysis exists for all internal employees. It is carried out by the internal Health & Safety department and the occupational physician. The result of this analysis determines whether the employee should have a medical examination, follow specific trainings, be supplied with personal protection equipment, etc. The results of this analysis are reviewed on a yearly basis and adjustments are carried out if needed. Every employee has the right and duty to report an unsafe situation and also has the right to suspend work if they consider it too dangerous. An internal employee can do this by informing their supervisor, or by contacting the Health & Safety service. Legislation protects employees against possible reprisals. The external workforce has the same duties, rights and protections in reporting unsafe situations under wellbeing legislation.

For internal employees, a root cause analysis is performed for each accident (via an insurance declaration tool). Based on this analysis, corrective measures are determined to avoid a similar incident/accident in the future. For the external workforce, accident investigations are carried out by the third-party employer. These provide Belfius with the necessary information so that any preventive measures can be taken. At least once a year, third parties are obliged to provide Belfius with a list of all incidents that have occurred. In the case of serious accidents, Belfius has the right to participate in the Root Cause Analysis.

As a service provider, Belfius' most significant risks lie in the areas of psychosocial and ergonomic considerations for internal employees. Contractors, due to the nature of their work, may interact with increased technical installations, such as in the case of structural maintenance. To date, there have been no serious industrial accidents recorded involving contractors. Through active contractor management, Belfius makes continuous efforts to facilitate necessary information exchanges with a view to preventively identify risks and minimise them by implementing all essential measures.

Belfius conducts regular risk assessments for various aspects, including psychosocial (2019, 2021, 2022), ergonomics (2016, 2017, 2022), indoor climate (2021, 2022), fire & safety (2021, 2022, 2023) and job functions (2016, 2021, 2023). The bank often employs participatory risk analysis methods, allowing every employee to be involved and contribute to the identification of risks through a broad, anonymous employer report. In addition, all employees have the opportunity to suggest initiatives and areas of improvement. The findings and recommendations from these risk analyses are translated into actionable plans. Both the results and plans are presented and monitored by the Committee for Prevention and Protection at Work.

9.4.3. Health and Safety organisation at Belfius

The Committee for **Prevention and Protection at Work** aids in enforcing legal and regulatory provisions concerning employee wellbeing at work. Workers' representatives in this committee, representing all employees (white-collar and blue-collar workers), are elected every four years during social elections and are convened whenever necessary.

In 2023, nine meetings were conducted for Belfius Bank and 13 for Belfius Insurance. These meetings formally covered topics such as work safety, employee health protection, psychosocial elements (psychosocial hazards, stress, workplace violence, harassment or sexual harassment), ergonomics, occupational hygiene, workplace beautification and environmental measures impacting wellbeing at work.

Additionally, several prevention advisors are available, including one specializing in psychosocial aspects. At Belfius, every **prevention advisor** doubles as a confidentiality advisor and is therefore bound by professional secrecy. The Committee for Prevention and Protection at Work also approves these individuals.

Belfius disseminates ample wellbeing information via its Intranet. Employees can find content on physical fitness, mental resilience, work safety, optimal work environment, healthy lifestyle and training, as well as a contact page for Health & Safety support through internal communication channels.

Belfius requires all employees to undertake a Health & Safety e-learning programme and participate in an evacuation exercise or fire drill. First aid training is provided to the first aid team and fire training is given to the fire intervention team. Optional training includes psychosocial training (such as mindfulness and efficient stress management) and automated defibrillator training.

Most Belfius employees do not interact with customers directly. For those who do however, the primary risk is aggression. To assist, additional security personnel, as well as training on managing aggression and aggressive customers, is provided.

Annual reports on health and wellbeing policies and actions, along with figures (such as absenteeism, engagement, PBT score, etc.) relative to external sectoral and national benchmarks, are presented to the **Board of Directors**.

9.4.4. Investing in well-being

Belfius has been following a structured approach to employee **health and wellbeing** for several years. They can find support internally from the psycho-social team, but also externally through an Employee Assistance Programme (EAP).

The **EAP** provides free external assistance, complementary to the internal prevention services. The service is accessible 24/7, remotely or via a personal interview, is fully confidential and is available to employees and their families for any problem (psychological, relational, financial, legal, practical work /life balance support etc.), whether private or professional in nature. In 2023, 205 Belfius Bank & Insurance employees called on the EAP.

In addition, Belfius is also affiliated to an external prevention service, Idewe, which has more than 1,000 qualified employees providing support in seven wellbeing domains, as stipulated in the legislation. They support Belfius for around 1,500 hours per year, the largest number of hours going to medical examinations and performing risk analyses in all domains (safety, ergonomics, psychosocial).

Within Belfius Bank, a free medical check-up is offered every two years from the age of 40. At Belfius Insurance, the check is offered to all employees every two years for employees under the age of 50 and annually from the age of 50.

9.4.5. Work-related issues

At Belfius Bank and Belfius Insurance, there were 13 accidents at work in 2023, 28 of which occurred whilst commuting, with no fatalities.

	2022		2023	
	Belfius Bank	Belfius Insurance	Belfius Bank	Belfius Insurance
Total number of employees with work-related injuries	39	7	36	5
Of which fatalities	1	0	0	0
Of which a workplace accident	10	0	12	1
Of which commuting	28	7	24	4

Specific guidelines are communicated to minimize **work-related injuries**. These include reporting an unsafe situation, creating an optimal working environment, detailed safety instructions and recommendations for safe commuting, as well as detailed emergency procedures and/or descriptions of evacuations.

In addition to the hardship caused to employees, work-related accidents recorded in 2023 represented a **loss of productivity**. This loss is calculated by the quotient of the number of hours of incapacity in the event of an accident and the total number of performable hours. Only employees on the payroll are taken into account.

	2022		2023	
	Belfius Bank	Belfius Insurance	Belfius Bank	Belfius Insurance
Performable Hours (in thousand)	6,933	1,473	8,482	2,183
Work accident (expressed in thousands of hours)	3.3	0.3	4.2	1.1
Loss of productivity	0.048%	0.019%	0.050%	0.050%

Over the past three years, **absenteeism** at Belfius has remained relatively stable.

Absenteeism

	2021	2022	2023
Belfius Bank	3.90%	4.61%	4.46%
Belfius Insurance	5.42%	5.51%	5.44%

9.5. Remuneration at Belfius

9.5.1. Employee benefits

Employee benefits are designed to provide employees with financial and non-financial support that can help to improve their overall quality of life and job satisfaction.

The compensation and benefits offered to employees vary across different entities within the group. On the whole, employees at Belfius Bank and Belfius Insurance are entitled to benefits including, but not limited to, pension plans, life and health insurance, disability and invalidity coverage, parental leave, meal vouchers and a cafeteria plan, alongside mobility options such as car lease. Differentiation of benefits for employees based on the type of employment contract is possible:

- In principle, the same benefits apply for part-time employees as for full-time employees, apart from the fact that some are calculated on a pro rata basis, depending on the percentage of their work regime (e.g. salary, premiums, etc.);
- For employees on fixed-term contracts, some benefits do not apply. Those are mainly linked to the cafeteria plan and lease contracts. Benefits where the leasing period is longer than the duration of the fixed-term contract do not apply for fixed-term contract employees.

9.5.2. Senior management

Concerning remuneration policies for members of the highest governance body and senior executives, Belfius Group aims to have a single, overall remuneration policy for all entities. This remuneration policy fully applies to Belfius Bank and Belfius Insurance. With regard to subsidiaries and, more specifically, to Belfius Asset Management, the same basic principles apply. The specific nature of the subsidiary, in particular its size, specific regulations and the company's impact on the risk profile of the Belfius Group, must always be taken into account.

9.5.2.1. Process of defining remuneration

The Belfius Group's remuneration committee prepares the remuneration policy of the entities belonging to Belfius Group. The resulting recommendations are submitted for decision to the respective Boards of Directors.

The policy may be revised at any time pursuant to a decision of the Board of Directors at the proposal of the Remuneration Committee, including in the event of a change in legislation relating to fiscal, social and accounting law, a change in corporate governance rules, or a change in the applicable legal and regulatory framework.

Depending on the activity and level of seniority in the position, Belfius Group positions the remuneration of employees to whom the remuneration policy applies in relation to their peers. The positioning is therefore done in relation to a reference market.

By means of an endorsement or decision by the Board of Directors of the company concerned, targeted measures may be considered in certain Belfius Group entities when significant anomalies are identified in order to enable Belfius Group to attract the missing necessary talent, or to retain and reward the talent already present.

9.5.2.2. Structure of remuneration

Any type of remuneration may consist of:

- A **fixed** component, which constitutes the largest part of the remuneration. This includes the fixed salary, a role-specific premium (provided the employee continues in the same position), group insurance allowance (if legal conditions are met), fixed reimbursement for out-of-pocket expenses, healthcare insurance and a company car.
- A **performance-related** variable component that comprises additional payments that are linked to predefined performance criteria to retain and motivate existing staff, as well as to be able to recruit new talent in line with market practices.

The performance-related remuneration is made up of three parts that are assessed separately based on a number of financial and non-financial, quantitative or qualitative criteria.

- Group and entity share: this share is common to all and is calculated based on indicators taken into consideration by the Board of Directors at the proposal of the Remuneration Committee.
- Business share: the business share is assessed individually in the light of the objectives allocated for the coming year.
- Individual share: the individual share is assessed based on the objectives for the year in question, based on financial and qualitative criteria, such as management skills, the way in which the person in question took part in the development or practical implementation of the business plan for his or her department and compliance with the mission of the Belfius Group.

Belfius also encourages the adoption of Belfius' sustainability values by its managers through their annual variable remuneration. Non-financial qualitative criteria such as own operations' carbon emissions, leadership development, diversity and risk culture are included in the three sections mentioned above and represent at least one third of the total. This encourages further support for ESG considerations in decision-making.

In the event that Belfius Group experiences a potential consolidated loss, or a significant drop in results or other adverse situation, the group & entity and business shares of the performance-related remuneration may be reduced to zero. In addition, the entire performance-related remuneration may be reduced to zero if the individual assessment falls below a certain percentage, or if the results or other circumstances in which Belfius Group finds itself are so severe that the Board of Directors, on the advice of the Remuneration Committee, is obliged to bring the entire performance-related remuneration to zero.

Besides legislative and regulatory provisions, **variable remuneration clawbacks** can occur in various situations, such as active participation in fraud or issues related to company performance or risk.

If a **signing-on payment** were to be made by way of compensation for a loss of variable remuneration allocated by the previous employer, this payment must reflect the long-term interests of the company and must meet all requirements regarding variable remuneration, in particular with regard to deferment, retention, payment in instruments and clawback rules. Non-compensatory signing-on payments may only be allocated once and only if the company has a solid capital base.

Severance pay encompasses not just dismissal or redundancy compensation, but also any other payment given at the end of an employment relationship in any form, including non-competition payments.

Global Reporting Initiative (GRI) – table

Statement of use	Belfius Bank NV/SA has reported in reference to the GRI Standards for the period from 1 January 2023 to 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	GRI Financial Sector Standards have not been released yet, Belfius used the previous GRI G4 Financial Sector Services disclosues when relevant

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
GENERAL DISCLOSURES					
GRI 2: GENERAL DISCLOSURES 2021	2-1	Organizational details	Belfius Bank NV/SA Public limited company Place Charles Rogier 11, B-1210 Brussels Belgium		
	2-2	Entities included in the organization's sustainability reporting	Annual Report 2023: Profile of Belfius; Sustainability Report 2023: 1. About this report.		
	2-3	Reporting period, frequency and contact point	Annual Report 2023: Message from the Chairmen; Sustainability Report 2023: 1. About this report.		
	2-4	Restatements of information	There are no substantial restatements in Belfius Sustainability Report 2023.		
	2-5	External assurance	Sustainability Report 2023: 1. About this report.		
	2-6	Activities, value chain and other business relationships	Annual Report 2023: • Message from the chairmen; • Profile of Belfius; Sustainability Report 2023: • 1. About this report; • 2.2. Belfius strategy - Value creation; • 3.1. Main stakeholders and material topics - Engaging with our stakeholders; • 7.3. Responsible and Sustainable Business - Sustainable Procurement.		
	2-7	Employees	Annual Report 2023: Human Resources; Sustainability report 2023: 9. Human resources.		#8 Decent work and economic growth; #10 Reduced inequalities

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
GRI 2: GENERAL DISCLOSURES 2021	2-8	Workers who are not employees	Omitted	Information unavailable/ incomplete(1)	#8 Decent work and economic growth; #10 Reduced inequalities
	2-9	Governance structure and composition	Sustainability Report 2023: 4. ESG Governance.		
	2-10	Nomination and selection of the highest governance body	Annual Report 2023: Corporate governance.		#5 Gender equality
	2-11	Chair of the highest governance body	Annual Report 2023: Corporate governance.		
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Report 2023: 4. ESG Governance.		
	2-13	Delegation of responsibility for managing impacts	Sustainability Report 2023: 4. ESG Governance.		
	2-14	Role of the highest governance body in sustainability reporting	Sustainability Report 2023: 4. ESG Governance.		
	2-15	Conflicts of interest	Annual Report 2023: Corporate governance.		
	2-16	Communication of critical concerns	Omitted	Information unavailable/ incomplete(2)	
	2-17	Collective knowledge of the highest governance body	Sustainability Report 2023: 4. ESG Governance.		#4 Quality education
	2-18	Evaluation of the performance of the highest governance body	Annual Report 2023: Corporate governance.		
	2-19	Remuneration policies	Annual Report 2023: Human resources; Sustainability report 2023: 9.5. Human resources - Remuneration at Belfius.		
	2-20	Process to determine remuneration	Annual Report 2023: Human resources.		
	2-21	Annual total compensation ratio	Omitted	Confidentiality constraints(3)	
	2-22	Statement on sustainable development strategy	Annual Report 2023: Message from the chairmen.		
	2-23	Policy commitments	Annual Report 2023: Risk Management.		
	2-24	Embedding policy commitments	Annual Report 2023: Message from the chairmen.		
	2-25	Processes to remediate negative impacts	Omitted	Information unavailable/ incomplete(4)	
	2-26	Mechanisms for seeking advice and raising concerns	Sustainability Report 2023: 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics.		
	2-27	Compliance with laws and regulations	Sustainability Report 2023: 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics.		

(1) Monitoring of workers who are not employees is being put in place.
(2) Critical concerns treated by Board of Directors on a case by case basis. Numbers not monitored.
(3) No legal obligation to publish.
(4) Whistleblowing mechanism in place,but does not cover all negative impacts.

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
	2-28	Membership associations	Sustainability Report 2023: 3.1. Main stakeholders and material topics - Engaging with our stakeholders.		#17 Partnerships to achieve the Goals
	2-29	Approach to stakeholder engagement	Sustainability Report 2023: 3.1. Main stakeholders and material topics - Engaging with our stakeholders.		
	2-30	Collective bargaining agreements	Annual Report 2023: Human resources; Sustainability report 2023: 9.3.1. Human resources - Inclusive company culture - Human rights.		#8 Decent work and economic growth;
MATERIAL TOPICS					
GRI 3: MATERIAL TOPICS 2021	3-1	Process to determine material topics	Sustainability Report 2023: 3.2. Main stakeholders and material topics - Materiality assessment.		
	3-2	List of material topics	Sustainability Report 2023: 3.2. Main stakeholders and material topics - Materiality assessment.		
INFORMATION SECURITY					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Annual Report 2023, Risk Management; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.4. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Data privacy; • 7.1.5. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Information security.		
TALENT MANAGEMENT					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Annual Report 2023: Human Resources; Sustainability Report 2023: 3.2. Main stakeholders and material topics - Materiality assessment.		#3 Good health and well-being; #4 Quality education; #5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
GRI 401: EMPLOYMENT 2016	401-1	New employee hires and employee turnover	Annual Report 2023: Human resources; Sustainability Report 2023: 9.1.2. Human resources - Staff members: the backbone of the company - Talent acquisition.		#3 Good health and well-being, #5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Annual Report 2023: Human resources; Sustainability Report 2023: 9.5. Human resources - Remuneration at Belfius.		
	401-3	Parental leave	Annual Report 2023: Human resources; Sustainability Report 2023: 9.3.2. Human resources - Inclusive company culture - An active diversity, equitable opportunities and inclusion (DEI) approach.		

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
GRI 404: OCCUPATIONAL HEALTH AND SAFETY 2018	403-4	Worker participation, consultation, and communication on occupational health and safety	Annual Report 2023: Human resources; Sustainability Report 2023: 9.4. Human resources - Strong focus on health and wellbeing.		#3 Good health and well-being; #4 Quality education; #5 Gender equality #8 Decent work and economic growth; #10 Reduced inequalities
	403-9	Work-related injuries	Annual Report 2023: Human resources; Sustainability Report 2023: 9.4. Human resources - Strong focus on health and wellbeing.		
GRI 404: TRAINING AND EDUCATION 2016	404-1	Average hours of training per year per employee	Annual Report 2023: Human resources; Sustainability Report 2023: 9.2. Human resources - Talent management.		#4 Quality education; #5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
	404-3	Percentage of employees receiving regular performance and career development reviews	Omitted	Information unavailable/ incomplete(1)	
CUSTOMER EXPERIENCE AND SATISFACTION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	ESG framework; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics; • 7.2.1. Responsible and Sustainable Business - Customer experience - Customer satisfaction; • 7.2.2. Responsible and Sustainable Business - Customer experience - Complaint management.		#10 Reduced inequalities
PRIVACY AND DATA PROTECTION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Annual Report 2023: Risk Management; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.4. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Data privacy.		
GRI 418: CUSTOMER PRIVACY 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Sustainability Report 2023: • 7.1.4. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Data privacy; • 7.1.5. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Information security; • 7.2.2. Responsible and Sustainable Business - Customer experience - Complaint management.		

(1) Although the main disclosure requirements in the Guidance have been reported on, due to data constraints certain granular data could not be disclosed.

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
CLIMATE CHANGE AND ENVIRONMENTAL RISKS					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	ESG framework; Sustainability Report 2023: • 2. Belfius strategy; • 3.2. Main stakeholders and material topics - Materiality assessment; • 5. Meaningful growth; • 6.1. Focus on environmental action - Environmental and climate-related risks and opportunities; • 6.2. Focus on environmental action - Climate challenge - Decarbonization journey; • 6.3. Focus on environmental action - Emerging environmental challenges; • 7.3. Responsible and Sustainable Business - Sustainable procurement.		#3 Good health and well-being; #7 Affordable and clean energy; #12 Responsible consumption and production; #13 Climate action; #14 Life below water; #15 Life on land
GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	Sustainability Report 2023: 6.2. Focus on environmental action - Climate challenge - Decarbonization journey.		#3 Good health and well-being; #7 Affordable and clean energy; #8 Decent work and economic growth; #12 Responsible consumption and production; #13 Climate action
	305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report 2023: 6.2. Focus on environmental action - Climate challenge - Decarbonization journey.		
	305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report 2023: • 6.1. Focus on environmental action - Environmental and climate-related risks and opportunities; • 6.2. Focus on environmental action - Climate challenge - Decarbonization journey;		
COMPLIANCE AND BUSINESS ETHICS					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Governance Memorandum; ESG framework; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics.		
GRI 205: ANTI-CORRUPTION 2016	205-3	Confirmed incidents of corruption and actions taken	Sustainability Report 2023: 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics.		

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
RESILIENCE AND LONG-TERM ORIENTED FINANCIAL PERFORMANCE					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Annual Report 2023: Financial results; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.2. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Transparent tax practices; • 8. Community involvement.		#8 Decent work and economic growth
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct economic value generated and distributed	Annual Report 2023: Financial results; Sustainability Report 2023: 8. Community involvement.		#8 Decent work and economic growth
GRI 207: TAX 2019	207-1	Approach to tax	Sustainability Report 2023: 7.1.2. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Transparent tax practices.		#8 Decent work and economic growth
	207-2	Tax governance, control, and risk management	Annual Report 2023: Financial results; Sustainability Report 2023: 7.1.2. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Transparent tax practices.		
	207-4	Country-by-country reporting	Annual Report 2023: Declaration of transparency, Country-by-country reporting.		
HUMAN RIGHTS					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Human Rights Policy; Anti-Discrimination Policy; Sustainability Code of Conduct for Suppliers; Annual Report 2023: Human Resources, Human rights; Sustainability Report 2023: • 2. Belfius strategy; • 3.2. Main stakeholders and material topics - Materiality assessment; • 5.1. Meaningful growth - Accelerating the transition; • 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics; • 7.3. Responsible and Sustainable Business - Sustainable Procurement.		#5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
GRI 412: HUMAN RIGHTS ASSESSMENT 2016	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Sustainability Code of Conduct for Suppliers; Sustainability Report 2023: 7.3. Responsible and Sustainable Business - Sustainable Procurement.		#5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
COMMUNITY INVOLVEMENT					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Annual Report 2023: Financial results; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 5.2. Meaningful growth - Meaningful financing solutions; • 8. Community involvement.		#1 No poverty; #8 Decent work and economic growth; #9 Industry, innovation and infrastructure; #10 Reduced inequalities; #11 Sustainable cities and communities
GRI 201: ECONOMIC PERFORMANCE 2016	201-1	Direct economic value generated and distributed	Annual Report 2023: Financial results; Sustainability Report 2023: 8. Community involvement.		#8 Decent work and economic growth
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-2	Significant indirect economic impacts	Sustainability Report 2023: • 5.2. Meaningful growth - Meaningful financing solutions; • 8. Community involvement.		#1 No poverty; #8 Decent work and economic growth; #10 Reduced inequalities; #11 Sustainable cities and communities
GRI G4 LOCAL COMMUNITIES	FS14	Initiatives to improve access to financial services for disadvantaged people	Sustainability Report 2023: 7.2.3. Responsible and Sustainable Business - Customer experience - Special attention for more vulnerable customers.		#1 No poverty; #8 Decent work and economic growth; #10 Reduced inequalities
SUPPORTING AND ACCELERATING THE SUSTAINABILITY TRANSITION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 2. Belfius strategy; • 3.2. Main stakeholders and material topics - Materiality assessment; • 5. Meaningful growth; • 6. Focus on climate and environmental action.		#3 Good health and well-being; #7 Affordable and clean energy; #12 Responsible consumption and production; #13 Climate action
GRI G4 PRODUCT PORTFOLIO	FS7	Monetary value of products and services developed in order to obtain specific social benefits by business line and purpose	Sustainability Report 2023: • 5.2. Meaningful growth - Meaningful financing solutions; • 5.5. Meaningful growth - Meaningful investing.		#3 Good health and well-being; #7 Affordable and clean energy; #12 Responsible consumption and production; #13 Climate action
	FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	Sustainability Report 2023: • 5.2. Meaningful growth - Meaningful financing solutions; • 5.5. Meaningful growth - Meaningful investing; • 6.4. Focus on climate and environmental action - EU Taxonomy.		#3 Good health and well-being; #7 Affordable and clean energy; #12 Responsible consumption and production; #13 Climate action
GRI G4 ACTIVE OWNERSHIP	FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	Sustainability Report 2023: • 5.5. Meaningful growth - Meaningful investing; • 5.6.1. Meaningful growth - Proprietary portfolios and sustainability - Sustainable management of Belfius Insurance's reserves.		#3 Good health and well-being; #7 Affordable and clean energy; #12 Responsible consumption and production; #13 Climate action

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
DIVERSITY, EQUITABLE OPPORTUNITIES AND INCLUSION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Human Rights Policy; Anti-Discrimination Policy; Annual Report 2023: Human Resources; Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 9.3.1. Human Resources - Inclusive company culture - Human rights; • 9.3.2. Human Resources - Inclusive company culture - An active diversity, equitable opportunities and inclusion (DEI) approach.		#5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1	Diversity of governance bodies and employees	Annual Report 2023: Human Resources; Sustainability Report 2023: • 3. Main stakeholders and material topics; • 9.3.2. Human Resources - Inclusive company culture - An active diversity, equitable opportunities and inclusion (DEI) approach.		#5 Gender equality; #8 Decent work and economic growth; #10 Reduced inequalities
FINANCIAL INCLUSION AND ACCESS TO FINANCIAL SERVICES					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.2.3. Responsible and Sustainable Business - Customer experience - Special attention for more vulnerable customers.		#1 No poverty; #4 Quality education; #8 Decent work and economic growth; #10 Reduced inequalities
GRI G4 LOCAL COMMUNITIES	FS14	Initiatives to improve access to financial services for disadvantaged people	Sustainability Report 2023: 7.2.3. Responsible and Sustainable Business - Customer experience - Special attention for more vulnerable customers.		#1 No poverty; #4 Quality education; #8 Decent work and economic growth; #10 Reduced inequalities
FUTURE-PROOF, INCLUSIVE AND RELEVANT INFRASTRUCTURE					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 2. Belfius strategy; • 3.2. Main stakeholders and material topics - Materiality assessment; • 5.2. Meaningful growth - Meaningful financing solutions; • 8. Community involvement.		#8 Decent work and economic growth; #11 Sustainable cities and communities
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-1	Infrastructure investments and services supported	Sustainability Report 2023: • 5.2. Meaningful growth - Meaningful financing solutions; • 8. Community involvement.		#8 Decent work and economic growth; #11 Sustainable cities and communities

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
TRANSPARENT COMMUNICATION ON PRODUCTS AND SERVICES					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 7.1.1. Responsible and Sustainable Business - Responsible Business Conduct and Resilience - Compliance & Ethics; • 7.2. Responsible and Sustainable Business - Customer experience.		
LOCAL INNOVATION AND DIGITALIZATION					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 2. Belfius strategy; • 3.2. Main stakeholders and material topics - Materiality assessment; • 5.4. Meaningful growth - Innovative banking and insurance solutions.		#9 Industry, innovation and infrastructure; #10 Reduced inequalities;
MANAGING DIRECT AND INDIRECT ENVIRONMENTAL IMPACTS OF BELFIUS GROUP					
GRI 3: MATERIAL TOPICS 2021	3-3	Management of material topics	Sustainability Report 2023: • 3.2. Main stakeholders and material topics - Materiality assessment; • 6.2. Focus on climate and environmental action - Climate challenge - Decarbonisation journey; • 6.5. Focus on climate and environmental action - Belfius' own footprint.		#12 Responsible consumption and production; #13 Climate action
GRI 301: MATERIALS 2016	301-1	Materials used by weight or volume	Sustainability Report 2023: 6.5.2. Focus on climate and environmental actions - Belfius' own footprint - Steadily decreasing waste production.		
GRI 302: ENERGY 2016	302-1	Energy consumption within the organization	Sustainability Report 2023: 6.5.1. Focus on climate and environmental actions - Belfius' own footprint - Reduction of energy consumption.		#12 Responsible consumption and production; #13 Climate action
GRI 303: WATER AND EFFLUENTS 2018	303-5	Water consumption	Sustainability Report 2023: 6.5.3. Focus on climate and environmental actions - Reduction of water consumption.		#12 Responsible consumption and production
GRI 305: EMISSIONS 2016	305-1	Direct (Scope 1) GHG emissions	Sustainability Report 2023: 6.2. Focus on environmental action - Climate challenge - Decarbonisation journey.		#12 Responsible consumption and production; #13 Climate action
	305-2	Energy indirect (Scope 2) GHG emissions	Sustainability Report 2023: 6.2. Focus on environmental action - Climate challenge - Decarbonisation journey.		
	305-3	Other indirect (Scope 3) GHG emissions	Sustainability Report 2023: 6.2. Focus on environmental action - Climate challenge - Decarbonisation journey.		

GRI standard/ other source	Disclosure		References/Information	Omissions	SDGs
GRI 306: WASTE 2020	**306-1**	Waste generation and significant waste-related impacts	Sustainability Report 2023: 6.5.2. Focus on climate and environmental actions - Belfius' own footprint - Steadily decreasing waste production.		
	306-2	Management of significant waste-related impacts	Sustainability Report 2023: 6.5.2. Focus on climate and environmental actions - Belfius' own footprint - Steadily decreasing waste production.		
	306-3	Waste generated	Sustainability Report 2023: 6.5.2. Focus on climate and environmental actions - Belfius' own footprint - Steadily decreasing waste production.		

UN Global Compact Progress Index

Principles	References
HUMAN RIGHTS	
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and	Belfius Human Rights Policy
	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.1. - Human Resources, Inclusive company culture, Human rights
Principle 2: make sure that they are not complicit in human rights abuses.	Belfius Human Rights Policy
	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.1. Human Resources, Inclusive company culture, Human rights
LABOUR	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Belfius Human Rights Policy
	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.1. Human Resources, Inclusive company culture, Human rights
Principle 4: the elimination of all forms of forced and compulsory labour;	Belfius Human Rights Policy
	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.1. Human Resources, Inclusive company culture, Human rights

Principles	References
Principle 5: the effective abolition of child labour; and	Belfius Human Rights Policy
	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.1. Human Resources, Inclusive company culture, Human rights
Principle 6: the elimination of discrimination in respect of employment and occupation.	Belfius Human Rights Policy
	Belfius Anti-Discrimination Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 9.3.2. - Human Resources, Inclusive company culture, An active DEI approach
	Sustainability Report - Section 9.3.1. - Human Resources, Inclusive company culture, Human rights
	Sustainability Report - Section 7.1.1. - Responsible and sustainable business, Responsible business conduct and resilience, Compliance and ethics

Principles	References
ENVIRONMENT	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Climate and environmental policy
	Sustainability Report - Section 6.5 - Focus on climate and environmental action, Belfius' own footprint
	Sustainability Report - Section 6.1 - Focus on climate and environmental action, Environmental and climate-related risks and opportunities
	Sustainability Report - Section 6.3 - Focus on climate and environmental action, Emerging environmental challenges
Principle 8: undertake initiatives to promote greater environmental responsibility; and	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 6.5 - Focus on climate and environmental action, Belfius' own footprint
	Sustainability Report - Section 6.1 - Focus on climate and environmental action, Environmental and climate-related risks and opportunities
	Sustainability Report - Section 6.3 - Focus on climate and environmental action, Emerging environmental challenges
Principle 9: encourage the development and diffusion of environmentally friendly technologies	Transition Acceleration Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 5 - Meaningful growth
ANTI-CORRUPTION	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Belfius Anti-Bribery Policy
	Belfius Anti-Fraud Policy
	Sustainability Code of Conduct for suppliers
	Sustainability Report - Section 7.1.1. - Responsible and sustainable business, Responsible business conduct and resilience, Compliance and ethics

UNEP FI Principles for Responsible Banking reporting

Principle 1: Alignment

We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

1.1 Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

Response	Links and references
Belfius is a Belgian banking and insurance group wholly owned by the Belgian federal state through the Federal Holding and Investment Company (FHIC). It is licensed as a credit institution in accordance with Belgian Banking Law. Belfius Bank, which has signed the United Nations Environmental Programme Finance Initiative (UNEP FI) Principles for Responsible Banking (PRB), is the parent company of the Belfius Group. Its major commercial subsidiaries operate in the Belgian market: Belfius Insurance (BI, insurer), Belfius Asset Management (BAM, asset manager), Belfius Lease & Lease Services (leasing), Belfius Auto Lease (car leasing), Belfius Commercial Finance (factoring) and Crefius (servicing and management of mortgage loans). For some very specific activities, entities are maintained in Luxembourg and Ireland: • Belfius Financing Company SA issues certain securities to external investors. For technical and operational reasons it has been decided that these issuances take place in Luxembourg. Belfius Insurance Finance manages a portfolio of shares and bonds there in full transparency vis-à-vis the Belgian tax authorities after receiving a positive ruling in Belgium. • Ireland-based Belfius Ireland controls a historical long-term bond portfolio, however this portfolio is currently being wound down. Belfius' Irish presence does not constitute a case of tax optimisation as there is no shift of taxable base from Belgium to Ireland. Belfius' business model addresses the whole of the Belgian economy and society: public and social sector actors, enterprises and entrepreneurs, as well as individuals, from the strongest to the most vulnerable. As of 2023, Belfius serves nearly 30% of the population in Belgium, providing banking products to around 3.8 million customers. Belfius' integrated business model is built on generating and capitalizing upon synergies across distinct client segments, its range of products and business sectors in which it is active, as well as a commitment to investments across all strata of society: • Belfius finances individuals, including private and wealth clients. As a bank-insurer, Belfius helps customers protect and develop their assets through cross-selling along the whole product range, such as payments, savings and investments, mortgages and consumer finance and non-life and life insurances.	Annual Report 2023, Profile of Belfius Sustainability Report 2023 Section 2. Belfius Strategy Transition Acceleration Policy

Response		Links and references
• The public and social sector, such as local and federal authorities, intermunicipal companies, hospitals, care homes, social housings and education centres are offered a wide and integrated range of products and services including, but not limited to, credit lending, treasury management and financial markets products. • Belfius equally provides financing to entrepreneurs and enterprise clients ranging from the self-employed, liberal professions and small companies, to local corporates and medium- and large-sized companies. Belfius seeks to support them throughout their entire lifecycle with a comprehensive package of products and services (loans, transaction banking, financial market products, pension insurance, digital accessibility etc.).	With the exception of some actors that cannot meet our Transition Acceleration Policy and a historic underrepresentation in agriculture, Belfius' portfolio mostly reflects Belgium's activity sectors.	

1.2. Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

● Yes ○ No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

● UN Guiding Principles on Business and Human Rights ● International Labour Organization fundamental conventions ● UN Global Compact ○ UN Declaration on the Rights of Indigenous Peoples ○ Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones ○ Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones ○ None of the above

Response		Links and references
As Belfius affirms its role in Belgium's sustainable progression it aims to, and can, make the most significant impact on SDG 7 - Affordable and Clean Energy, SDG 8 - Decent Work and Economic Growth, SDG 9 - Industry, Innovation & Infrastructure and SDG 11 - Sustainable Cities and Communities. In this regard, Belfius strives to contribute to the SDGs through its product and service offering wherever possible. Belfius has historically been a bank that is active in the public and social sector in Belgium, financing core infrastructure investments in the country for an inclusive and prosperous society. Acknowledging the urgency of the climate crisis, Belfius also actively participates in local and international initiatives to better align its business with the objectives of the Paris Climate Agreement. In order to align its operations with the Sustainable Development Goals (SDGs) and the Paris Agreement, Belfius began measuring and reporting Scope 1, 2,	and 3 emissions, including financed emissions, starting in 2022. This evaluation is designed to enable us to ascertain the required efforts to effectively manage our environmental footprint. For more details, please see section 6.2. Climate Challenge – Decarbonisation journey of the 2023 Sustainability Report. In 2022, Belfius was part of the trial for the enhanced Communication on Progress under the UN Global Compact (UNGC). The UNGC principles feature prominently in both the Transition Acceleration Policy (TAP) and the Human Rights Policy of Belfius that apply to all Belfius entities and activities. The latter also includes the International Bill of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work (ILO) guidelines, the UN Guiding Principles on Business and Human Rights, the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and the recommendations for Responsible Business Conduct in the Financial Sector.	Sustainability Report 2023 Section 2. Belfius Strategy and Section 6.2. Climate Challenge – Decarbonisation Journey Transition Acceleration Policy Human Rights Policy

Principle 2: Impact and Target Setting

We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

2.1. Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly and fulfil the following requirements/elements (a-d):

a) Scope

What is the scope of your bank's impact analysis? Please describe which parts of the bank's core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

Response	Links and references
In a 2023 exercise, using data per 30/06/23, Belfius Bank utilised the UNEP FI Portfolio Impact Analysis Tool for Banks, designed to meet the four established UN PRB requirements for a thorough and rigorous impact analysis. This approach encompasses scope, exposure scale, context and relevance, and scale and intensity/salience. The bank is primarily focused on estimating its own direct, positive and negative influences via the products and services it provides to its clients. Given that over 95% of its business in scope for this analysis is carried out in Belgium, the country analysis in the context module primarily emphasises Belgian priorities. Belfius used two UNEP FI tools to perform its impact analysis: the Consumer Banking Identification tool for examining the impact of its individual, self-employed and liberal profession clients (households) and the Institutional Banking Identification tool for assessing the impact of its corporate, small & medium enterprises and public & social sector clients. Consequently, there is an evaluation of the products and services provided to households, including the current and savings accounts and loans through retail banking services. These make up around a fourth of Belfius Bank's gross income. There has been a focus on the loans and advances provided to non-financial corporations and government-related entities to better study the direct impact of Belfius' lending practices across multiple sectors. Government loans are a considerable part of this portfolio, leading to important impacts based on government resource allocation. Scope limitations Belfius strives to present an exhaustive impact analysis. However, the lack of readily available data and the need to cleverly allocate scarce resources limits its ability to do so. This is reflected in the impact analysis approach which currently focusses on Belfius Bank's traditional operations and excludes financial markets, investment and asset management activities.	

b) Portfolio composition

Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition your portfolio globally and per geographical scope:

- by sectors & industries for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or
- by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank's scale of exposure, please elaborate, to show how you have considered where the bank's core business/major activities lie in terms of industries or sectors.

Response	Links and references
Belfius Bank conducted a detailed evaluation of various products and services in its examination of consumer banking dynamics. This range includes current accounts with payment facilities, savings accounts and savings certificates. The bank's review noted that a significant number of our customers use our current and savings accounts, while a smaller number engage with certificates of deposit. Additionally, the analysis delved into diverse loan categories such as credit card loans, consumer loans or vehicle-related loans and mortgages. Collectively, these products represent around one-quarter of Belfius Bank's gross income, with mortgages constituting a substantial slice. Belfius Bank's institutional loans portfolio is also mainly active in Belgium and exceeds the household loans portfolio. Belfius is a privileged partner of the Belgian economy, with a strong focus on local governments, aiding the creation of many public projects. Belfius extends its lending services to all sectors of Belgium's diversified economy (more than a hundred sectors), including key areas such as real estate-related corporations, the construction sector, holding company operations, electricity production and hospital-related services.	

c) Context:

What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate? Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

This step aims to put your bank's portfolio impacts into the context of society's needs.

Response	Links and references
The UNEP FI context module facilitated the identification of the most relevant challenges and priorities related to sustainable development in Belgium, where almost all of Belfius' activities are located. For that purpose, the Tool has a scoring system where challenges and priorities are highlighted based on data retrieved from national or international statistics related to relevant sustainable development areas. We complemented these findings with our research and assessment regarding the Belgium national context to gather the most representative and up to date overview based on external data. As a result, we have identified Belgium's country priorities to be mainly related to Climate and Nature, availability, accessibility, affordability and quality of resources (water, energy & raw materials), as well as services, equality and justice.	

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)? Please disclose.

Response

The analysis of Belfius' portfolio exposure showed that potential positive impact areas associated with our activities include climate change, access to qualitative finance products, access to decent housing, public debt management, efficient use of resources (water, energy, raw materials etc.) and healthcare.

Also, potential negative impact areas would similarly include climate change, public debt management, the efficient use of resources (water, energy, raw materials etc.) and biodiversity.

Among the positive and negative impact areas that were generated by the tool, and taking into account our internal research, we have identified climate and affordable energy-efficient housing as the as the areas we initially wished to focus on. In this identification process, we looked into our business activities and their contribution to determine the scale and intensity/salience of the impacts. The fact that construction, real estate and electricity represented the major corporate sectors in our business and corporate portfolios, and the fact that mortgages constituted the bulk of loans to individuals, played a role in our assessment.

Climate

At a time of unprecedented global awareness regarding the importance of climate, and given the concentration of our portfolio in the construction, real estate, production and distribution of electricity sectors, we have identified climate as a significant impact area.

Natural disasters and severe weather conditions continue to disrupt economic activities in both developed and developing countries, heightening the need to focus on the challenge of achieving sustainable development goals and transitioning towards a climate-resilient society. In addition, the growing interest in climate change policy across political debates and the increased level of awareness amongst younger generations, have placed environmental challenges at the heart of the EU's agenda. The impact of climate change on human and natural systems also poses serious challenges to Belgian society, as witnessed by the July 2021 floods and winter 2023-2024 rainfall and floods. Following the 2022 European heatwaves, 2023 was the 3rd warmest year on record in Belgium.

In line with the Paris Agreement, the European Union has been taking actions to fight climate change by developing a series of policies and measures to implement concrete climate solutions. As part of the European Green Deal's ambitions, the EU has put forward a plan to further cut emissions by at least 55% by 2030. In the 2023 revision of its National Energy and Climate Plan (NECP), Belgium delineated new milestones for the year 2030. The country is endeavouring to achieve a reduction of 47% in greenhouse gas (GHG) emissions by 2030, using 2005 as a reference point, in sectors not involved in the Emission Trading System (non-ETS). Alongside reducing greenhouse gas emissions, the EU is also taking action to adapt to the impacts of climate change.

Having a key role in the Belgian private sector, Belfius is aware of the importance of taking concerted actions in order to mitigate the negative impacts of climate change and minimise any potentially devastating consequences. We are committed to setting our emissions reduction targets in line with the Paris Climate Agreement to limit global warming to well below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. Our objective is also to accompany our clients in their ambitions to reduce their carbon impact and to implement necessary climate adaptation actions. Finally, Belfius seeks to positively support Belgium towards the implementation of national commitments and ambitions by making climate a strategic priority in our sustainability strategy. We believe that effectively confronting climate change starts with collaborative efforts and shared responsibility.

Affordable energy-efficient housing

Considering the outcomes of the Tool, as well as salient issues in Belgium related to sustainable development, we decided to combine two potential impact areas - namely resource efficiency from the perspective of energy efficiency, and affordable housing. The concentrations of our portfolios in certain sectors (construction and real estate represent the major sectors in our business and corporate portfolio and mortgages constitute the bulk of loans to individuals) and the importance of the affordable energy-efficient housing agenda in Belgium, both played a role in our selection.

According to figures published by the King Baudouin Foundation, the share of Belgian households considered energy-poor remains high (20.6% in 2021 with regional disparities: Wallonia Region – 28.8%, Brussels-Capital Region – 27.4%, Flanders Region - 14.8%). Unfortunately, those figures do not yet include the impact of the 2022/2023 energy crisis and we can expect the current situation to be even worse than the numbers quoted above.

"The energy efficiency of Belgium's housing stock is 72% lower than the European average,"[1] which confirms that it is of utmost importance to address this issue. In fact, the majority of dwellings in Belgium were built before 1981, which explains the need for housing renovation in Belgium. Accordingly, the renovation of buildings is one of the major action plans highlighted in Belgium's National Energy and Climate Action Plan (NECP, 2019) mandated by and submitted to the European Union.

Links and references

Figures published by the King Baudouin Foundation

(1) https://ec.europa.eu/regional_policy/en/projects/europe/innovative-belgian-funding-scheme-helps-vulnerable-homeowners-renovate-their-houses

Response	Links and references
For Belgium to reach its goals regarding energy-efficient housing, Belfius believes it is crucial to tackle the underlying challenge of the target, which is the affordability of energy-efficient housing. In Europe, lowest-income households live in the most energy-inefficient houses and face major difficulties in renovating their houses[1]. Based on a survey on income and living conditions in Belgium in 2022, 5.1% of the Belgian population struggled to keep their home adequately warm due to financial reasons[2]. Thereby, energy-saving renovations are rapidly becoming a social necessity. We believe it is important that the public sector's efforts towards affordability should be complemented by private-sector initiatives that will address the challenge at country-level. As the number one bank for the public and social sector, we want to leverage our position in affordable energy-efficient housing for our retail clients, as well as for social housing entities in our client portfolio. We want to help our impacted customers to escape the affordability trap, where renovation investment prices remain high and energy expenditures become a burden. By focusing on affordable energy-efficient housing, our ambition is not only to contribute to actions towards the NECP commitments of Belgium, but also to support the Belgian population's welfare through renovation investment, which will both increase the value of owners' properties and lower the energy expenditures of households.	

d) For these (min. two prioritized impact areas)

Performance measurement: Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health & inclusion as your most significant impact areas, please also refer to the applicable indicators in the Annex.

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.

Response	Links and references
The Impact Identification Tool for Banks by UNEP FI, readily accessible to the public, was crucial in linking our products to their respective impacts. By using the Sector Impact Map developed in the Portfolio Impact Tool, we established correlations for each of our activities. Both current and savings accounts, which form a large part of our product portfolio, seem to contribute positively to the accessibility and quality of financial resources and services. This aligns with the Sustainable Development Goals (SDGs) numbers 8 - Decent Work and 9 - Economic Growth and Industry, Innovation and Infrastructure. Our collection of credit products yield several positive results, e.g. home renovation loans and mortgages improve housing access (SDG 11 - Sustainable Cities and Communities) and vehicle loans facilitate quality mobility (SDGs 9 and 11). Together with other consumer loans and credit cards, these loan products further enhance financial resources and services access (i.e. SDGs 8 and 9). It is crucial however to acknowledge that credit products and credit cards inherently carry the risk of over-indebtedness, potentially negatively impacting society. Additionally, whereas loans can elevate lifestyle by granting customers access to economic opportunities, such as home or vehicle ownership, these activities contribute to negative environmental outcomes, due to the production and subsequent usage of related buildings, vehicles and goods. The analysis reveals that mortgages, that constitute a large part of Belfius Bank's loan portfolio, are the main contributors to climate impact. Customers with mortgages are mostly middle-income to high-income populations, thus contributing to the related impacts.	

(1) https://www.feantsa.org/public/user/Resources/reports/Targeting_Energy_Efficiency_Renovation_Report.pdf
(2) https://statbel.fgov.be/en/themes/households/poverty-and-living-conditions/material-and-social-deprivation / Material and social deprivation | Statbel (fgov.be)

Response	Links and references

As Belfius supports the Belgian economic fabric, we also conducted a review of the loans extended to non-financial corporations and the public sector. Considering the scale and diverse range of sectors Belfius operates in, we understand that our size and presence could indirectly influence various sustainable development goals, alongside the promotion of employment accessibility, decent work conditions and economic growth (SDG 8).

Belfius acknowledges the potential negative climate impact through greenhouse gas emissions, given our strong presence in the construction and real estate industries. These sectors also face the challenge of responsibly managing resources, as less efficient practices could adversely affect both climate and biodiversity. Finally, these industries also carry potential social risks, possibly having a negative effect on SDG 8 - Decent Work, as well as SDG 16 - Peace, Justice and Robust Institutions.

Nevertheless, it is important to keep in mind that these sectors also positively contribute to societal needs by increasing the country's housing capacity and improving the availability, accessibility and affordability of quality properties (SDG 11 - Sustainable Cities and Communities).

Belfius is an active participant in Belgian society, particularly in the public and healthcare sectors.

Our loans promote hospital activities, enabling broader access to healthcare. We are also present in the electricity production sector, which has a direct potential positive impact association with climate action. The loans granted to governmental bodies still constitute the most significant category within our portfolio and can positively impact cities and communities (SDG 11). Furthermore, these loans enhance public institutions' stability and effectiveness, thus increasing their positive societal impact.

The analysis revealed an alignment between the impacts of Belfius' corporate and consumer loan portfolios.

SELF-ASSESSMENT SUMMARY

Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?

- Scope: Yes ●, In progress ○, No ○
- Portfolio composition: Yes ●, In progress ○, No ○
- Context: Yes ●, In progress ○, No ○
- Performance measurement: Yes ○, In progress ●, No ●

Which most significant impact areas have you identified for your bank, as a result of the impact analysis?

Climate Change Mitigation and Affordable Energy-efficient Housing

How recent is the data used for and disclosed in the impact analysis?

○ Up to 6 months prior to publication ● Up to 12 months prior to publication ○ Up to 18 months prior to publication ○ longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.:

The update of the impact analysis shows that the two chosen areas remain more than ever relevant today

2.2 Target Setting (Key Step 2)

Show that your bank has set and published a minimum of two targets which address at least two different areas of most significant impact that you identified in your impact analysis.

The targets have to be Specific, Measurable (qualitative or quantitative), Achievable, Relevant and Time-bound (SMART). Please disclose the following elements of target setting (a-d), for each target separately:

a) Alignment

Which international, regional or national policy frameworks to align your bank's portfolio with have you identified as relevant? Show that the selected indicators and targets are linked to and drive alignment with and greater contribution to appropriate Sustainable Development Goals, the goals of the Paris Agreement, and other relevant international, national or regional frameworks.
You can build upon the context items under 2.1.

Response	Links and references
As part of Belfius' engagement with the PRB, the bank intends to establish SMART targets on the identified and confirmed key priority areas of climate change mitigation and affordable energy-efficient housing during the next reporting cycle. In the meantime, Belfius joined the Partnership for Carbon Accounting Financials (PCAF) in 2021, a global collaboration that unites banks and investors to enable harmonised assessments and disclosures of greenhouse gas (GHG) emissions financed by loans and investments. Our involvement with PCAF is pivotal in aligning our portfolio with key international frameworks, including the Paris Agreement, and has resulted in the publication of our 2022 carbon baseline. Over the course of 2023, Belfius has been analysing the Science Based Targets initiative (SBTi) and Paris Agreement Capital Transition Assessment (PACTA) methodologies as a basis for setting its carbon reduction targets. The Science Based Target initiative, a collaboration formed by the CDP, the United Nations Global Compact (UN Global Compact), the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), is a reference in science-based carbon reduction trajectories. PACTA provides an analytical framework that can guide us in aligning our investment and lending activities with the climate goals set by the Paris Agreement, as well as national policies, further contributing to a cohesive approach towards sustainable development. Moreover, we notice a growing sense of urgency regarding housing renovation in Belgium, which has been pinpointed as a major working point in Belgium's National Energy and Climate Action Plans (NECPs), mandated by and submitted to the European Union (EU). If it is everyone's responsibility to raise awareness around this, banks have a true power to enable it. With Belfius' commitment to supporting all strata of the population, the ambition to make energy-efficient housing affordable becomes self-evident. Belfius intends for its initiatives to be in harmony with national and international priorities and effectively contribute to Belgium's commitments under the NECPs, EU Green Deal and Paris Agreement.	Sustainability Report 2023 Section 6.2. Climate Challenge – Decarbonisation Journey

b) Baseline

Have you determined a baseline for selected indicators and assessed the current level of alignment? Please disclose the indicators used as well as the year of the baseline.
You can build upon the performance measurement undertaken in 2.1 to determine the baseline for your target.

c) SMART targets (incl. key performance indicators (KPIs))

Please disclose the targets for your first and your second area of most significant impact, if already in place (as well as further impact areas, if in place). Which KPIs[1] are you using to monitor progress towards reaching the target? Please disclose.

Response	Links and references
With regard to climate, initiatives like PCAF, SBTi and PACTA are laying the groundwork for critical metrics. This is why Belfius has been analysing these reference methodologies to develop Key Performance Indicators (KPIs) that are scientifically grounded and align our operational and financed emissions with the goal of limiting temperature increase to 1.5°C. Internal assessments are still ongoing to ensure that our carbon KPI and carbon reduction targets are not only ambitious, but also grounded in the reality of our current capabilities. On affordable energy-efficient housing, we are in the preliminary stages of choosing workable KPI options that reflect the impact we aim to achieve.	

d) Action plan

Which actions including milestones have you defined to meet the set targets? Please describe.

Please also show that your bank has analysed and acknowledged significant (potential) indirect impacts of the set targets within the impact area or on other impact areas and that it has set out relevant actions to avoid, mitigate, or compensate potential negative impacts.

Response	Links and references
While the formal action plan for achieving these climate change mitigation and affordable energy-efficient housing targets is still in the development stages, Belfius is already actively engaged in preliminary measures to mitigate climate risks. In 2023, we reviewed our Transition Acceleration Policy (TAP) and published our Climate and Environmental Policy, aiming to inform our customers, suppliers, partners, employees, investors and other stakeholders about Belfius' ambition to address the climate crisis and environmental degradation in a socially inclusive manner. Belfius developed financial products designed to assist our customers in reducing their carbon footprint. For companies and organizations, the Ambition Loans and Lease range enables financing of projects with climate or environmental targets in the fields of real estate, mobility, energy and water & waste management. For households, Belfius has been expanding its Energy-Efficient mortgage loan range to support energy transition and now offers discounts for new nearly zero energy buildings (nZEB), the purchase of energy-efficient homes (EPC <= 150 kWh/m^2/year) and the energy-renovation of buildings (in order to reduce energy consumption by at least 30%). We also take pride in our interest in the Vicinity Affordable Housing Fund through our Belfius Insurance subsidiary. Vicinity is a real estate investment fund dedicated to affordable and sustainable housing in Belgium.	Transition Acceleration Policy Climate and Environmental Policy

SELF-ASSESSMENT SUMMARY

Which of the following components of target setting in line with the PRB requirements has your bank completed or is currently in a process of assessing for your…

	… first area of most significant impact: Climate change mitigation	… second area of most significant impact: Affordable energy-efficient housing	(If you are setting targets in more impact areas) … your third (and subsequent) area(s) of impact: … (please name it)
Alignment	○ Yes ● In progress ○ No	○ Yes ○ In progress ● No	○ Yes ○ In progress ○ No
Baseline	○ Yes ● In progress ○ No	○ Yes ○ In progress ● No	○ Yes ○ In progress ○ No
SMART targets	○ Yes ● In progress ○ No	○ Yes ○ In progress ● No	○ Yes ○ In progress ○ No
Action plan	○ Yes ● In progress ○ No	○ Yes ○ In progress ● No	○ Yes ○ In progress ○ No

2.3. Target implementation and monitoring (Key Step 2)

For each target separately: Show that your bank has implemented the actions it had previously defined to meet the set target.

Report on your bank's progress since the last report towards achieving each of the set targets and the impact your progress resulted in, using the indicators and KPIs to monitor progress you have defined under 2.2.

Or, in case of changes to implementation plans (relevant for 2^{nd} and subsequent reports only): describe the potential changes (changes to priority impact areas, changes to indicators, acceleration/review of targets, introduction of new milestones or revisions of action plans) and explain why those changes have become necessary.

Response	Links and references
We are currently still in the process of defining our targets and adjacent action plans. Consequently, there has been no monitoring of progress as yet.	

Principle 3: Clients and Customers

We will work responsibly with our clients and our customers to encourage sustainable practices and enable economic activities that create shared prosperity for current and future generations.

3.1. Client engagement

Does your bank have a policy or engagement process with clients and customers in place to encourage sustainable practices?

○ Yes ● In progress ○ No

Does your bank have a policy for sectors in which you have identified the highest (potential) negative impacts?

● Yes ○ In progress ○ No

Describe how your bank has worked with and/or is planning to work with its clients and customers to encourage sustainable practices and enable sustainable economic activities. It should include information on relevant policies, actions planned/implemented to support clients' transition, selected indicators on client engagement and, where possible, the impacts achieved.

This should be based on and in line with the impact analysis, target-setting and action plans put in place by the bank (see P2).

Response	Links and references
At Belfius, customers are the focal point of our business strategy and engaging with them responsibly and transparently is fundamental to fostering long-term relationships. Our approach to encouraging sustainable practices among customers is currently in progress, underpinned by robust policies and a commitment to support all segments of Belgian society in the transition towards sustainable economic activities. Currently, the Belfius Customer Acceptance Policy and the Transition Acceleration Policy (TAP) are the cornerstones of Belfius' responsible engagements with its clients. Belfius aims to ensure that sustainable and responsible business practices are adopted and implemented by all business lines and customers. In line with its values as a responsible bank-insurer, Belfius expects that its principles of responsibility, honesty and professionalism are adopted and embraced by all of its employees. Belfius' TAP aims to exclude certain controversial activities, such as tobacco production and gambling, as well as actively support our clients' transition to a low-carbon and just economy, while respecting the United Nations Global Compact principles. The scope of the policy covers all processes of Belfius Group, such as client onboarding, loan and leasing origination and investment offer, amongst others. The TAP is regularly reviewed, with the ambition to increase its reach over time - addressing emerging societal or market evolutions in a timely manner, as well as covering voluntary commitments (e.g. Principles for Responsible Banking) and upcoming legislations (e.g. the EU Taxonomy, Corporate Sustainability Due Diligence Directive).	ESG Framework Policies & Charter website Transition Acceleration Policy Sustainability Report 2023, Section 7.1. Responsible Business Conduct and Resilience

3.2. Business opportunities

Describe what strategic business opportunities in relation to the increase of positive and the reduction of negative impacts your bank has identified and/or how you have worked on these in the reporting period. Provide information on existing products and services, information on sustainable products developed in terms of value (USD or local currency) and/or as a % of your portfolio, and which SDGs or impact areas you are striving to make a positive impact on (e.g. green mortgages – climate, social bonds – financial inclusion, etc.).

Response	Links and references
As a key bank-insurer in Belgium, Belfius believes that it has a crucial role within society to facilitate and promote the transition of the Belgian economy to sustainable economic activities, in line with the vision of the European Green Deal. Belfius' strategic business opportunities lie in enhancing positive impacts and reducing negative ones through innovative sustainable financial products and services, fostering energy-efficient practices and supporting transition projects, thereby aligning with global sustainability goals and driving not only environmental progress, but also societal progress and wellbeing. To achieve this, Belfius relies on the TAP and the development of a product and service offering that supports customers in the accomplishment of their sustainability ambitions. Belfius' initiatives and products are aligned with various Sustainable Development Goals (SDGs), including SDG 7 (Affordable and Clean Energy), SDG 11 (Sustainable Cities and Communities) and SDG 13 (Climate Action). With Corporate ESG Ambition, we aim to engage and accompany our Corporate and Local Corporate customers through their sustainability journey, from definition through to the financing the implementation of their ESG strategy, be that related to environmental, social or governance components. For companies and organizations, the Ambition Loans and Lease range enables the financing of projects with climate or environmental targets in the fields of real estate, mobility, energy and water & waste management, as defined by Belfius, at a more favourable rate. Furthermore, Belfius Bank actively participates in sustainable lending programmes offered by the European Investment Bank (EIB), such as the European Local Energy Assistance (ELENA) initiative. Belfius also supports its clients' green and sustainability bond issuances o through the entire process. With regard to households, Belfius has been expanding its Energy-Efficient mortgage loan range alongside its Energy Renovation Loan (a consumer loan) for the financing of renovation projects that contribute to energy-savings in Belgian households. The Energy-Efficient mortgage loan range offers discounts for new nearly zero energy buildings (nZEB), the purchase of energy-efficient homes (EPC <= 150 kWh/m^2/year) and the energy-renovation of buildings (in order to reduce energy consumption by at least 30%). For customers who limit the ecological footprint of their mobility, Energy (Plus) Car loans, bicycle loans and reductions in Belfius Car premiums are available. Finally, when developing new investment products, Belfius prioritises products that promote environmental or social characteristics (SFDR article 8).	Sustainability Report 2023 Section 5.2. Meaningful Financing Solutions Section 5.5. Meaningful Investing Section 6.1. Environmental and Climate-related Risks and Opportunities

Principle 4: Stakeholders

We will proactively and responsibly consult, engage and partner with relevant stakeholders to achieve society's goals.

4.1. Stakeholder identification and consultation

Does your bank have a process to identify and regularly consult, engage, collaborate and partner with stakeholders (or stakeholder groups[(1)]) you have identified as relevant in relation to the impact analysis and target setting process?

○ Yes ● In progress ○ No

Please describe which stakeholders (or groups/types of stakeholders) you have identified, consulted, engaged, collaborated or partnered with for the purpose of implementing the Principles and improving your bank's impacts. This should include a high-level overview of how your bank has identified relevant stakeholders, what issues were addressed/results achieved and how they fed into the action planning process.

Response	Links and references
Belfius regularly consults and engages with its stakeholders, including customers, employees and unions, civil society, shareholders, sectorial organisations and prudential supervisors, as well as rating agencies and sustainability analysts. The stakeholder identification process at Belfius is twofold: first, it considers those impacted by Belfius' operations, followed by those who exert influence over Belfius. These interactions with stakeholders take place on a regular basis through different channels, depending on the nature of Belfius' relationship with the stakeholder in question. Dialogue with stakeholders allows Belfius to understand their expectations regarding Belfius' environmental and social impact, as well as inform them about Belfius' sustainability strategy, objectives and risk management. Belfius first conducted a materiality analysis in 2017, which contributed to the development of sustainability policies and the integration of ESG into Belfius' Inspire 2025 strategy. At the end of 2021, Belfius once again engaged with a targeted group of stakeholders (a selection of customers, suppliers, partners, NGOs, academics, trade unions and employees) through a questionnaire with a double objective: to confirm that Belfius' group-wide strategy and sustainability commitments tackle issues that stakeholders consider relevant, and to identify any additional topics that are material to Belfius' stakeholders that might not have been to date included in Belfius' strategy. The results of this assessment were published in the 2021 Sustainability Report and were reviewed in 2022 to reflect the changing world around Belfius. In 2023, no new topics were added to our sustainability agenda. In 2024, Belfius will perform a complete double materiality assessment in order to ensure compliance with the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS). As partnerships with relevant stakeholders can amplify positive impacts and mitigate negative ones, Belfius actively engages with several sustainability initiatives and sectoral organisations, both at local and international level. Acknowledging the United Nations' role, in addition to being a signatory to the PRB initiative, Belfius is also a signatory to the United Nations Global Compact, the UN Principles for Sustainable Insurance (Belfius Insurance) and the UN Principles for Responsible Investment (Belfius Asset Management). Belfius is also a member of PCAF (since 2021). At local level, Belfius is a member of the sustainability community the Shift, as well as the Belgian Institute for Sustainable IT (ISIT-BE). This 'think and do' tank brings together Belgian companies, organisations and individuals to help them succeed in their digital transition, while reducing the environmental and social footprint of their IT services and usages. Belfius champions diversity and inclusion on the workfloor as a signatory to the Women in Finance Diversity Charter for a more balanced and fair financial service industry, as well as the Open@Work initiative to bring together and connect people from the LGBTQIA+ community within Belfius. Finally, we also contribute to sustainability-related workgroup activities (e.g. on renovation facilitation) organised by Febelfin, our sectoral organisation.	Sustainability Report 2023 Section 3.1. Engaging with our Stakeholders Section 3.2. Materiality Assessment

(1) Such as regulators, investors, governments, suppliers, customers and clients, academia, civil society institutions, communities, representatives of indigenous population and non-profit organizations.

Principle 5: Governance & Culture

We will implement our commitment to these Principles through effective governance and a culture of responsible banking

5.1. Governance Structure for Implementation of the Principles

Does your bank have a governance system in place that incorporates the PRB?

● Yes ○ In progress ○ No

Please describe the relevant governance structures, policies and procedures your bank has in place/is planning to put in place to manage significant positive and negative (potential) impacts and support the effective implementation of the Principles. This includes information about

- which committee has responsibility over the sustainability strategy as well as targets approval and monitoring (including information about the highest level of governance the PRB is subjected to),
- details about the chair of the committee and the process and frequency for the board having oversight of PRB implementation (including remedial action in the event of targets or milestones not being achieved or unexpected negative impacts being detected), as well as
- remuneration practices linked to sustainability targets.

Response	Links and references
All ESG-related themes, including issues linked with the Principles of Responsible Banking, are integrated into the various governance layers of Belfius Group. At Belfius, the Boards of Directors, at the proposal or recommendation of the Management Board, defines and oversees the implementation of the strategy. This encompasses a wide array of elements including, amongst others, the setting of objectives, the orchestration of the financial planning process, the analysis of financial and business review reports and the establishment of general policy directives. To further embed sustainable considerations into Belfius' operational framework, the Management Board relied on the Strategic Sustainability Committee (SSC) and the Sustainability Manager to track the implementation of the ESG strategy, mandatory ESG reporting requirements and voluntary ESG commitments, such as the UNEPFI Principles of Responsible Banking. Belfius is progressively integrating climate-related Key Performance Indicators (KPIs) and Key Risk Indicators (KRIs) into its existing reporting tools. The Strategic Sustainability Committee's (SSC) agenda is significantly shaped by input from both the Belfius Bank Sustainability Manager, who coordinates the implementation of the Principles of Responsible Banking (amongst other ESG duties) and the CEO of Belfius Bank. In 2023, priority was given to reviewing the Transition Acceleration Policy and researching carbon-reduction targets and actions. Belfius also encourages the inclusion of ESG considerations in decision-making through the use of non-financial qualitative criteria as factors contributing to senior management's variable remuneration – these include gender diversity, carbon emissions of own operations and risk culture.	Annual Report 2023 Corporate Governance Sustainability Report 2023 Section 4. ESG Governance

5.2. Promoting a culture of responsible banking:

Describe the initiatives and measures of your bank to foster a culture of responsible banking among its employees (e.g. capacity building, e-learning, sustainability trainings for client-facing roles, inclusion in remuneration structures and performance management and leadership communication, amongst others).

Response	Links and references
Belfius has set itself an ambitious purpose: "Meaningful and Inspiring for Belgian Society. Together.", supported by a strong internal culture based on four core values (customer orientation, authenticity, fairness and entrepreneurial spirit) and an "Inspire 2025" strategy that incorporates sustainability and customer expectations. This "Inspire 2025" strategy is shared throughout the organization and is available to all employees, facilitating the integration of sustainable and responsible banking practices in our operations. Belfius seeks a fair balance between the interests of all stakeholders to create sustainable long-term value for its customers, society as a whole, the environment and the Belfius organization. We welcome diversity in our teams and actively foster an inclusive work environment that values individuality and difference, which is crucial to the long-term success of our organization and its commitment to responsible banking. To foster a culture of responsible banking among our employees, Belfius Bank has instated a series of capacity building initiatives. In addition to mandatory trainings that are specific to the financial industry (compliance, anti-money laundering, privacy etc.), all employees have access to online training on ESG topics, such as a webinar explaining Belfius' Transition Acceleration Policy or an introductory course on sustainable finance. In some instances, these ESG modules are included in mandatory training trajectories (e.g. corporate banking). Furthermore, a core of motivated employees have trained to be facilitators for the "Climate Fresk" and are hosting workshops open to all Belfius colleagues. This activity aims to develop the understanding of climate science by activating the group's collective intelligence. Belfius also runs "Train Your Colleagues Sessions" where employees can share their passion on a topic - ESG-related topics are often on offer. Through these learning opportunities, we ensure that our employees are educated on the latest strategies, policies and practices in the realm of sustainability.	

5.3. Policies and due diligence processes

Does your bank have policies in place that address environmental and social risks within your portfolio? Please describe.

Please describe what due diligence processes your bank has installed to identify and manage environmental and social risks associated with your portfolio. This can include aspects such as identification of significant/salient risks, environmental and social risks mitigation and definition of action plans, monitoring and reporting on risks and any existing grievance mechanism, as well as the governance structures you have in place to oversee these risks.

Response	Links and references
Belfius operates in a dynamic and competitive landscape where it encounters a variety of risks, both financial and non-financial. For Belfius, effectively managing risks is crucial for the successful implementation of its "Inspire 2025" strategy. Within this context, Belfius' overall ESG approach was cast into an ESG-framework for the benefit of our customers, partners, employees and other stakeholders to inform them of Belfius' commitment to addressing climate, environmental, social and governance issues. The framework summarizes Belfius' ambitions, strategy, commitments, and governance related to sustainable development. It encompasses various aspects, all related to the sustainability perspective, such as responsible business conduct, internal operations management and dealings with its counterparties. The ESG framework provides access to all of Belfius' underlying policies linked to different ESG aspects, such as the Customer Acceptance Policy, the Transition Acceleration Policy, the Human Rights Policy, the Anti-discrimination Policy and the Climate and Environmental Policy, amongst others. Along with the TAP, the Human Rights Policy was also reviewed in 2023. In pursuit of effective management of ESG risks and in line with the ECB's Guide on Climate-related and Environmental risks, Belfius adheres to all applicable regulations and works to integrate ESG risk management factors in all relevant processes, such as the loan origination process to assess credit risk (internal rating system and credit note), or the New Product Approval Procedure to tackle ESG risk from inception of a product, service or process. In 2023, Belfius conducted an extensive Climate and Environmental Risk Materiality Assessment exercise for its banking activities.	Sustainability Report 2023 Section 7.1. Responsible Business Conduct and Resilience Section 6.1. Environmental and Climate-related Risks and Opportunities ESG-Framework

SELF-ASSESSMENT SUMMARY

Does the CEO or other C-suite officers have regular oversight over the implementation of the Principles through the bank's governance system?

● Yes ○ No

Does the governance system entail structures to oversee PRB implementation (e.g. incl. impact analysis and target setting, actions to achieve these targets and processes of remedial action in the event targets/milestones are not achieved or unexpected neg. impacts are detected)?

● Yes ○ No

Does your bank have measures in place to promote a culture of sustainability among employees (as described in 5.2)?

○ Yes ● In progress ○ No

Principle 6: Transparency & Accountability

We will periodically review our individual and collective implementation of these Principles and be transparent about and accountable for our positive and negative impacts and our contribution to society's goals.

6.1. Assurance

Has this publicly disclosed information on your PRB commitments been assured by an independent assurer?

○ Yes ● Partially ○ No

If applicable, please include the link or description of the assurance statement.

Response	Links and references
Deloitte Belgium BV/SRL has been engaged to provide limited assurance under ISAE3000 to certain sections of this PRB report (criteria 2.1, 2.3 and 5.1), in accordance with PRB guidelines. The assurance statement has been added at the end of this appendix.	

6.2. Reporting on other frameworks

Does your bank disclose sustainability information in any of the listed below standards and frameworks?

● GRI ○ SASB ● CDP ○ IFRS Sustainability Disclosure Standards (to be published) ● TCFD ○ Other

Response	Links and references
We have been reporting sustainability-related information in line with the Global Reporting Initiative (GRI) Standards since 2017. We have been reporting according to the TCFD recommendations since 2021 and became a TCFD supporter in 2022. Belfius submitted its CDP questionnaire in July 2023.	Sustainability Report 2023 Section 1. About this report Section 6.1. Environmental and Climate-related Risks and Opportunities Appendix – GRI index

6.3. Outlook

What are the next steps your bank will undertake in next 12 month-reporting period (particularly on impact analysis, target setting and governance structure for implementing the PRB)? Please describe briefly.

Response	Links and references
Following the latest portfolio impact analysis and in alignment with our strategic objectives and the PRB framework, Belfius seeks to establish specific, measurable, achievable, relevant and time-bound (SMART) targets for the selected areas of climate change mitigation and affordable, energy-efficient housing in 2024.	

6.4. Challenges

Here is a short section to find out about challenges your bank is possibly facing regarding the implementation of the Principles for Responsible Banking. Your feedback will be helpful to contextualise the collective progress of PRB signatory banks.

What challenges have you prioritized to address when implementing the Principles for Responsible Banking? Please choose what you consider the top three challenges your bank has prioritized to address in the last 12 months.

Embedding PRB oversight into governance
○ Gaining or maintaining momentum in the bank
○ Getting started: where to start and what to focus on in the beginning
○ Conducting an impact analysis
○ Assessing negative environmental and social impacts
○ Choosing the right performance measurement methodology/ies
○ Setting targets
○ Customer engagement
○ Stakeholder engagement
● Data availability
● Data quality
○ Access to resources
○ Reporting
○ Assurance
● Prioritizing actions internally
○ Other:

If desired, you can elaborate on challenges and how you are tackling these:

Deloitte.

Belfius Bank NV/SA

Independent assurance report on selected environmental, social and governance information published in the Principles for Responsible Banking Reporting for the year ending 31 December 2023

Independent assurance report on selected environmental environmental, social and governance information published in the Principles for Responsible Banking Reporting for the year ending 31 December 2023

To the board of directors,

We have been engaged by Belfius Bank NV/SA ("the Company") to conduct a limited assurance engagement on selected environmental, social and governance information ("Selected Information") published in the Principles for Responsible Banking Reporting (as an appendix to 2023 Sustainability Report) of the Company for the year ending 31 December 2023. In preparing the Selected Information, Belfius Bank NV/SA applied the United Nations, Principles for Responsible Banking guidance for issuers dated September 2019 and updated in November 2021. The Selected Information needs to be read and understood together with the Applicable Criteria.

The Selected Information in scope of our engagement are listed in the table below:

Selected Information	Applicable Criteria
2.1 Impact Analysis	United Nations Environment Programme Finance Initiative (UNEP FI) Principles for Responsible Banking (PRB)
2.3 Plans for Target Implementation and Monitoring	
5.1 Governance Structure for Implementation of the Principles	

Based on our work done as described in this report, nothing has come to our attention that causes us to believe that the abovementioned Selected Information as published in Belfius Bank NV/SA's Principles for Responsible Banking Reporting 2023, has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Responsibility of the board of directors

The board of directors of Belfius Bank NV/SA is responsible for the preparation of the Selected Information and the references made to it presented in the Principles for Responsible Banking Reporting 2023 as well as for the declaration that its reporting meets the requirements of the Applicable Criteria.

The board of directors is also responsible for:

- Selecting and establishing the Applicable Criteria.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Applicable Criteria.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of the Services.
- Confirming to us through written representations that you have provided us with all information relevant to our Services of which you are aware, and that the measurement or evaluation of the underlying subject matter against the Applicable Criteria, including that all relevant matters, are reflected in the Selected Information.

Our responsibilities

Our responsibility is to express a conclusion on the Selected Information based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board (IAASB), in order to state whether anything had come to our attention that causes us to believe that the Selected Information has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Applying these standards, our procedures are aimed at obtaining limited assurance on the fact that the Selected Information does not contain material misstatements. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our work was performed on the information gathered and retained in the reporting scope by Belfius Bank NV/SA as mentioned above. Our conclusion covers therefore only the abovementioned Selected Information and not all information included in the Principles for Responsible Banking Reporting 2023. The limited assurance on the Selected Information was only performed on the Selected Information covering the year ending 31 December 2023.

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the description of activities undertaken in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the description of activities undertaken in respect of the Selected Information, we performed the following procedures:

- Through inquiries of management, obtain an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify and assess risks of material misstatement in the Selected Information, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through inquiries of management, obtain an understanding of internal controls relevant to the Selected Information, the quantification process and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information. We will not evaluate the design of particular internal control activities, obtain evidence about their implementation or test their operating effectiveness.
- Through inquiries of management, document whether an external expert has been used in the preparation of the Selected Information, then evaluate the competence, capabilities and objectivity of that expert in the context of the work performed and also the appropriateness of that work as evidence.
- Inspect documents relating to the Selected Information, including specific Committees' meeting minutes to understand the level of management awareness and oversight of the Selected Information.
- Perform procedures over the Selected Information, including recalculation of relevant formulae used in manual calculations and assessment whether the data has been appropriately consolidated.
- Perform procedures over the Selected Information including assessing management's assumptions and estimates.
- Accumulate misstatements and control deficiencies identified, assessing whether material.
- Read the narrative accompanying the Selected Information with regard to the Applicable Criteria, and for consistency with our findings.

We apply International Standard on Quality Management 1 and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

In conducting our engagement, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Applicable Criteria. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Applicable Criteria, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

Use of our report

This report is made solely to the board of directors of Belfius Bank NV/SA in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the board of directors those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than the Company and its board of directors, we acknowledge that the board of directors may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Belfius Bank NV/SA and its board of directors as a body, for our work, for this report, or for the conclusions we have formed.

Signed at Zaventem.

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Tom Renders

Deloitte.

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United Nations Principles for Sustainable Insurance (UNPSI)

Principle 1: We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.

Company strategy
- Establish a company strategy at the Board and executive management levels to identify, assess, manage and monitor ESG issues in business operations
- Dialogue with company owners on the relevance of ESG issues to company strategy
- Integrate ESG issues into recruitment, training and employee engagement programmes

Risk management and underwriting
- Embed ESG risks in the usual risk management practices and processes used to identify, assess, monitor and manage risks and be aware of potential ESG-related consequences of the company's transactions
- Integrate ESG issues into business practices: risk management as first lines of defence, underwriting and capital adequacy decision making processes, including research, models, analytics, tools and metrics

Product and service development
- Develop products and services which reduce risk, have a positive impact on ESG issues and encourage better risk management
- Develop or support literacy programmes on risk, insurance and ESG issues

Claims management
- Respond to clients quickly, fairly, sensitively and transparently at all times and make sure claims processes are clearly explained and understood
- Integrate ESG issues into repairs, replacements and other claims services

Sales and marketing
- Educate sales and marketing staff on ESG issues relevant to products and services and integrate key messages responsibly into strategies and campaigns
- Make sure product and service coverage, benefits and costs are relevant and clearly explained and understood

Investment management
- Integrate ESG issues into investment decision-making and ownership practices (e.g. by implementing the Principles for Responsible Investment)

Belfius Insurance is a 100% subsidiary of Belfius Bank and provides insurance solutions to their clients. As a subsidiary, we follow Belfius Bank's strategy and benefits from initiatives realised at Group level.

Company strategy

As society is facing growing environmental, social and governance (ESG) challenges, sustainability has increasingly become an indispensable component within Belfius' strategy. We work with regulators, brokers and customers to guarantee sustainable business practices and develop approaches to better manage underlying trends in the insurance industry. As part of our core purpose: "Meaningful & Inspiring for Belgian Society. Together", Belfius aspires to creating long-lasting value for all of its stakeholders. With this vision as our guiding principle, we have defined a clear sustainability strategy.

On the one hand we 'walk the talk': we do what we say in terms of sustainability and ensure a maximum positive contribution in everything we do. On the other, we put our customers in the driver's seat of their sustainability ambitions and support them through an adapted range of products and services. We also provide a strong framework through collaboration with sound partners who help lead the way in a complex and changing world.

Because the fight for climate is more than an environmental issue, we make daily efforts to not only support, but actively enable, the transition to a low carbon, resilient Belgian society, as it is a crucial social change that we seek to encourage.

We are also aware of the complexity of finding solutions that meet both the needs of our clients and our sustainability goals. Within this context, we heavily invest in improving the quality of our ESG data environment. As we understand that appropriate measurement and transparent reporting are keys to success, Belfius Group attaches great importance to having an open dialogue with stakeholders (including its shareholders) on ESG issues to understand and tackle them properly and efficiently.

Belfius has established an ESG governance structure with clear responsibilities at Board and executive management level, regular collaboration and interactions with Belfius' insurance shareholder (Belfius Bank), and explicit integration of sustainability-linked criteria into the variable compensation of senior management positions. Furthermore, various dedicated teams are responsible for ESG issues within the Group and we continually ensure through the Belfius Insurance Approval Process that Belfius Insurance includes sustainability in its decision-making. In 2023, a total of eight awareness sessions (e.g. Risk Management, Project Management, Management Board and Senior Executive level, etc.) were organised, including on topics such as sustainable finance and the EU Action Plan. For additional information, see section 6.1. of the Sustainability Report.

Risk management and underwriting

Introduction

The insurance sector is particularly exposed to ESG concerns. Traditionally, climate risk was mainly considered from the perspective of the non-life insurance business. The risks related to climate events were primarily managed via an appropriate risk (re)pricing based on historical data and mitigated by reinsurance. To date,the mortality risk is not materially impacted in life insurance products .

Due to the escalating challenges posed by climate change, climate-related risks encompass all activities of Belfius Insurance, including the assets.

In response to the potential impacts of climate change and climate transition on Belfius Insurance activities, considerable efforts have been devoted to include, assess and manage the related significant risks in our Risk Management Framework. The concept of climate risk is even extended to sustainability risks in general. The aim of our Risk Management Framework is to ensure that risks are systematically and effectively identified, assessed, managed and monitored. For more information, see section 6.1. of the Sustainability Report.

Risk Roadmap

In order to ensure that ESG risks are gradually and systematically embedded into our governance, processes and the existing Risk Management Framework, a three-year ESG Risk Roadmap was designed and approved in 2021 by the Management Board. It focuses on three risk categories:

- ESG Regulatory requirements: risk of not respecting (ESG) regulatory requirements in due time
- ESG Strategy: risk that ambitions related to sustainability are deemed insufficient (by clients & other major stakeholders) or not reached on time
- Resilience Risk: risk that profitability and solvency are materially affected by ESG events

The implementation of the ESG Risk Roadmap was structured in different majors, described below.

Firstly, a qualitative screening of our climate-related physical and transition risks was performed: the "Climate Risk Map".

Based on this Climate Risk Map, a first climate stress scenario at company level was proposed and its impact on our solvency ratio was computed in 2021. This stress test is now updated on yearly basis in the ORSA. To design and calibrate this internal scenario, Belfius closely analyses climate stress tests proposed by several European supervisors. For more information on the insurance climate stress tests, see section 6.1. of the Sustainability Report.

Sustainability-related risks have been embedded in the risk appetite policy with dedicated key risk indicators (KRIs). Indicators are improved and completed when needed. These indicators have been monitored since 2022.

A first full climate materiality risk assessment has been performed to determine the risk level of all company activities in 2023.

We have also started to collect additional data to improve our risk assessments - energy performance information on assets linked to real estate properties (for direct investment in real estate and mortgage loans) is the first step to measuring transition risks for these kinds of positions. The subsidence risk for Belfius Insurance's portfolio is now covered in our property insurance and the Transition Acceleration Policy (TAP) has been fully implemented in our financial assets and underwriting portfolio. It should be noted that a new version of the Transition Acceleration Policy that considers the most recent scientific reports (IPCC[1] and IEA[2]) was validated by the Belfius Insurance Board of Directors in December 2023. For more information on KRIs and the TAP, see sections 6.1. and 5.1. of the Sustainability Report.

Embed ESG in our risk management practices

In line with the ESG Roadmap and strategy, we also took initiatives to embed ESG in our decisions, policies, processes and organization.

To comply with sound risk management practices and regulatory risk requirements, sustainability features were progressively embedded in the risk management or business processes:

- Risk taxonomy, investment risk framework and Real Estate Risk Framework
- Sustainability-related risks were integrated in our Risk Taxonomy, Risk Charter, Actuarial Function Charter, Risk and Control Self-Assessment (RCSA) for the Internal Control Report, Remuneration Policy and Risk Taxonomy
- The identification, assessment, monitoring and management of these risks in now part of our Risk Identification and Control Assessment Process (RiCap) and several ESG reflections have been included in the (product) approval process
- Inclusion in minimum standards on underwriting and in mortgage acceptance criteria and pricing
- ESG considerations are embedded in the Investment Risk Framework and Real Estate Risk Framework. These are taken into account during the investment process. We inserted additional considerations in the Investment Risk Framework to strengthen the investment due diligence process, taking into account for instance investees' actions to reduce their Green House Gas emissions that follows a scientific path

In line with Belfius Group's Transition Acceleration Policy (TAP), these screening principles have been fully embedded into our underwriting guidelines since 31 December 2021.

Product and service development

By essence, an insurance company has an essential social role. It is our mission to protect and insure our clients against the financial risks related to serious life hazards (e.g. domestic or mobility accidents, natural catastrophes, illness, hospitalization, unemployment, disability or death). Since life is unpredictable, we seek to help our clients prevent those risks, protect them and their loved ones and facilitate their access to insurance solutions. To this end, we embed environmental, social and governance factors into our products and services.

In terms of insurance products, Belfius has adapted its processes, leading to the development of products incorporating ESG criteria and has facilitated the development of innovative insurance solutions. Our aim is that each of our products and services should fully integrate our ambition and strategy.

For **our non-life insurance products**, we seize every opportunity to encourage our clients in their transition towards a net-zero economy and society. We offer a wide range of products and services that answer to the needs of a large number of people and have a positive effect on the environment:

- With regard to Property insurance, we have widened our coverage to ensure all 'smart' installations that have a positive impact on reducing the Green House Gas (GHG) emissions of buildings (heat pumps, solar panels, batteries, etc.) without an extra premium. As of 2022, drought risk is now embedded in our coverage. Furthermore, in order to support our customers in their transition towards energy-efficient housing, we offered pricing reductions for housing (less than 10 years) with EPC below 150 kW/m^2/year from

(1) Intergovernmental Panel on Climate Change (IPCC) 6th synthesis report 2023
(2) International Energy Agency report

September 2023[1]. Our property coverage extends to customers looking for shared mobility solutions who do not own the car that they drive. It is essential that we support shared and circular economy initiatives as they will help ensure the maintenance of economic growth, while minimising GHG proliferation.
- In terms of Mobility Insurance, we have adapted our pricing in relation to CO_2 emissions and kilometres driven, encouraging the transition to low-carbon mobility, as well as offering an Assistance budget instead of a replacement car. Moreover, when a vehicle is damaged or faulty, insurers can play a key role in ensuring that repairs are carried out in the most sustainable way possible. In this respect, together with other industry players, Belfius is contributing to the development of standards for the future certification of actors in the repair chain that operate in an environmentally sensitive way. Finally, we have a unique all-in bike insurance product covering theft, personal injury and repair that won the DECAVI prize for the best bike insurance for a second year straight. Moreover, with our km insurance proposed by Belfius Direct Insurance, we incentivize people to drive less as they are reimbursed for kilometres that are not driven.

Our aim to become a more sustainable organization does not stop at offering insurance solutions. The underlying risk covered by insurance solutions should be universally understood, especially by our clients. That is why we invest in prevention and clear communication. In 2022, we developed a communication prevention kit sending alerts and prevention tips before a natural catastrophe. This kit was activated seven times in 2023 (five times in 2022), mainly for the heavy rain and storm Ciaran experienced in November 2023.

With regard to our Life Insurance products, all our insurance-based investment products comply with criteria defined by the Transition Acceleration Policy. In 2023, 100% of our promoted insurance-based investment products were Art 8.

For more information on our underwriting offer, please see sections 5.6. and 6.1. of the Sustainability Report.

Claims management

We also believe that our efforts should carry on during the whole lifecycle of our product offerings. It is part of our mission to serve our clients fairly, quickly and transparently. Our easy-to-use MyBo platform is a clear reference for our efforts to facilitate the claims management process. MyBo – a Belfius chatbot - was the preferred tool when natural catastrophes occurred. For instance, in November 2023, after disasters experienced following storm Ciaran, a total of 56% of claims were introduced through MyBo.

Furthermore, in the case of homes claims, we collaborate with CED to expand the scope of remote expertise services. By leveraging technology, this collaboration has allowed us to minimize the necessity for experts to physically travel to locations. This shift not only reduces travel time and costs, but also significantly lowers the ecological footprint associated with the on-the-road activities of our experts. In 2023, we undertook 347 assignments, out of which approximately 70% were successfully completed remotely.

For all repair in kind, we worked with Jaimy by Belfius, our IT platform that puts you in touch with reliable professionals. Of the 9,860 claims managed, the average timeframe was eight days with client satisfaction up to 97%.We also include ESG criteria in our partner selection process (distance, means of transport, materials used), so as to help limit our overall environmental footprint.

Even when we deploy many solutions however, complaints can always arise and we handle these in line with the expectations of the related Service Level Agreement. These complaints are essential to improving our processes and allow our offerings to become even more meaningful for our clients in the future.

For more information on complaints management and the insurance approach, please see sections 5.3. and 7.2.2. of the Sustainability Report.

Sales and marketing

As Belfius' values revolve around customer-orientation, establishing transparent relationships with customers is an integral part of our mission. In addition to the ethics policies in place, Belfius adheres to Assuralia's code of conduct.

For more information on responsible and transparent customer relations, please see section 7.2. of the Sustainability Report.

Investment management

As an insurer with deep roots in Belgian society, a large part of Belfius Insurance's resources are invested in Belgian assets. Indeed, Belfius Insurance's contribution to the Belgian economy cannot be underestimated.

(1) Before it was 45kw/m^2year

In 2023, more than EUR 3.3 billion was invested in bonds issued by the Belgian State and Regions. Thanks to this investment, Belfius Insurance provides the State, Regions and, consequently, Belgian society, with significant resources.

In addition, EUR 6.6 billion was invested in 2023 in other Belgian assets (corporate bonds, real estate, mortgages, loans, shares of Belgian companies, etc.) across various sectors. We are also investing in the start-ups of the future through W.I.N.G.S, a business incubator, and have started a sponsorship with Do! Gent.

As of 2023, a total of EUR 14.7 billion has been invested in the real economy, mainly in Belgium. Our Engagement Report gives more details on this.

We also seek to limit our impact on the environment while maximizing our impact on society and its resilience. Since October 2022, our Transition Acceleration Policy (TAP) has been fully integrated into our investment strategy. By the end of 2023, our investment portfolios in scope[1] fully comply with the Transition Acceleration Policy. For more information on the TAP, see section 5.1. of the Sustainability Report.

Finally, Belfius acts as a responsible investor through its engagement strategy. Following the end of our partnership with Portfolio21 on 30 September 2022, Belfius Asset Management is now in charge of the screening and engagement approach.

For further details on Belfius' insurance management of proprietary assets, see section 5.6. of the Sustainability Report.

(1) The Transition Acceleration does not apply to mortgages.

Principle 2: We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.

Clients and suppliers

- Dialogue with clients and suppliers on the benefits of managing ESG issues and the company's expectations and requirements on ESG issues
- Provide clients and suppliers with information and tools that may help them manage ESG issues
- Integrate ESG issues into tender and selection processes for suppliers
- Encourage clients and suppliers to disclose ESG issues and to use relevant disclosure or reporting framework

Insurers, reinsurers and intermediaries

- Promote the adoption of the Principles
- Support the inclusion of ESG issues in professional education and ethical standards in the insurance industry

Our clients

Belfius is aware of the increasing environmental, social and economic challenges that our society is facing. To this end, we integrate ESG considerations into our decision-making processes to prevent and manage sustainability risks that might impact our strategy. Our group also takes these considerations into account when engaging with our different stakeholders to understand their expectations, but also to ensure the path towards a sustainable future.

We continuously inform customers on ESG-related risks and, to support them with their daily operations, regularly develop sustainable solutions to help them prepare for the potential negative effects of climate change (cf. Section 5.3.). Increasing our customers' awareness is a key priority for Belfius and to do so we provide additional information on our investment products (Life Invest products) to increase our clients' knowledge of ESG risks and to match their sustainability preferences with dedicated products. With regard to our property products and mortgages, we regularly inform clients through bankmails and newsletters on the different climate associated risks they may face (flooding and drought for instance) and how to help mitigate these.

Our suppliers

Our business partners also play an important role in our transition to a low-carbon economy. Belfius is aware of the need to manage its supply chain in a sustainable manner and to ensure that we maintain a constant dialogue with our suppliers so that they may take appropriate mitigating actions. This is crucial in terms of continuity, reputation and cost, as we have the ambition to make affordable insurance solutions available to all of our clients.

Within this context, we have selected EcoVadis as our partner to screen our most important existing and new suppliers and advocate for these changes. We believe it is not only important for Belfius Insurance to understand our suppliers' exposures related to ESG risks, but it is also considered by our suppliers as an opportunity to understand and improve their own processes. Modifications have been made accordingly, including to our tender process, to screen new suppliers so as to embark on the sustainability journey together from the very beginning. In the event that vendors did not immediately respond to the ESG assessment invitation, Belfius actively interacted with them. Finally, we reflected upon our own EcoVadis results related to the Sustainable Procurement theme and identified different areas that could be improved by the end of 2023.

With regard to our claims management process in particular, we developed solutions with our privileged partner in repair in kind, Jaimy by Belfius, embedding sustainable criteria in the selection of our partners.

For more information on sustainability within the supply chain, see section 7.3. of the Sustainability Report.

Insurers, reinsurers and intermediaries

In order to maintain the quality standards of the Insurance industry, we work together with other organisations to increase our expertise in the sector. To this effect, Belfius Insurance played a central role together with Assuralia members in the development of the ESG Action Plan aimed at helping the entire sector to endorse more sustainable behaviours. The Action Plan has been validated and we continue working with our peers to strengthen sustainability in the sector and further implement this action plan.

Furthermore, Belfius Insurance has always seen reinsurance as an indispensable risk mitigator. Reinsurers help us to measure and assess, amongst others, risks associated with natural catastrophes. In this regard, discussions with reinsurers on climate risks and impacts in Belgium remain essential.

Principle 3: We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.

Governments, regulators and other policymakers

- Support prudential policy, regulatory and legal frameworks that enable risk reduction, innovation and better management of ESG issues
- Dialogue with governments and regulators to develop integrated risk management approaches and risk transfer solutions

Other key stakeholders

- Dialogue with intergovernmental and non-governmental organisations to support sustainable development by providing risk management and risk transfer expertise
- Dialogue with business and industry associations to better understand and manage ESG issues across industries and geographies
- Dialogue with academia and the scientific community to foster research and educational programmes on ESG issues in the context of the insurance business
- Dialogue with media to promote public awareness of ESG issues and good risk management

Governments, regulators and other policymakers

The EU Commission has developed an ambitious action plan that makes the European Union the first in the world to answer to the commitments made during the Paris Agreement in 2015. The first regulations that have been issued in that regard are the Sustainable Finance Disclosure Regulation (SFDR) and the EU Taxonomy for sustainable activities. Other existing regulations have been amended, such as the Insurance Distribution Directive (IDD), Solvency II and the Non-Financial Reporting Directive (NFRD), which will be replaced by the Corporate Sustainability Reporting Directive (CSRD) by 2025. This is mainly aimed at redirecting financial flows where they can have a positive impact, enhancing our risk management and increasing transparency in the financial sector, allowing for better investment decisions.

To this effect, Belfius developed dedicated project organisation to adequately respond to the different regulatory requirements (cf. Supra) it is subject to. Therefore, a dedicated legal team operates the legal watch. Belfius Insurance contributes to policy making through regular dialogue with different stakeholders, such as Assuralia, Insurance Europe, the European Insurance & Occupational Pensions Authority (EIOPA) and Financial Services & Markets Authority (FSMA), aiming at facilitating the implementation of these regulations.

Academia

One of the greatest environmental challenges Belgium is facing today is the energy issue, by far the primary driver of the ongoing climate change crisis[1]. As a Belgian bank-insurer, we consider it our duty to come up with meaningful solutions to the energy issue for Belgium and to support the many investments needed from all citizens and public authorities related to climate and energy challenges.

In 2022 therefore, we contacted several professors (e.g. from UCLouvain and ULiège) to better understand the energy specificities and climate challenges within Belgium. This led to the definition of Belfius' science-based Energy vision that was presented to the Board of Directors and guided the development of specific offers for our clients in terms of energy (financing, investment and insurance solutions). In 2023, we organized an expert panel to help us define amendments to the new version of the Transaction Acceleration Policy (TAP).

Communication

In 2023, we worked with a consultant on how to increase awareness around various ESG risks through tailored communications.

(1) IEA 2022

Principle 4: We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

- Assess, measure and monitor the company's progress in managing ESG issues and proactively and regularly disclose this information publicly
- Participate in relevant disclosure or reporting frameworks
- Dialogue with clients, regulators, rating agencies and other stakeholders to gain mutual understanding on the value of disclosure through the Principles

Once a year we publish an extended Sustainability Report, including the UNEP FI Principles for Sustainable Insurance (PSI), in which we provide further information on our annual accomplishments. All our reports and continuous progress are also available on the Belfius website. Our yearly engagement report with regard to our investment portfolio is also published. For more information on engagements, see section 5.6. of the Sustainability Report.

On several occasions in 2023, the ESG Dashboard, which consists of a series of Key Performance Indicators (KPIs) in line with our strategy, was discussed by the Belfius Insurance Board of Directors. We also worked on the measurement on our Green House Gas emissions and the development on Science Based Targets, leading to presentations to the Management Board. Targets will be submitted in 2024 to the Board of Directors for validation before submission.

Belfius also collaborates with external stakeholders such as non-governmental associations or environmental, social & governance (ESG) rating agencies, with the ambition of increasing transparency, enhancing our existing policies and increasing transparency within the insurance sector.

Finally, we have a complaint service that aims at addressing issues clients may have and maintaining a positive dialogue to gain mutual understanding and looking for appropriate solutions.

Financed emissions methodology

The calculation of financed emissions starts with Belfius balance sheet data, so all financial numbers and asset class definitions are set in line with financial accounting definitions to align with Belfius' financial statements.

The calculations of financed Scope 3 GHG emissions are performed by internally developed calculation engines. The engines are built to allow maximal flexibility and will select the calculation option with the highest data quality depending on data availability. Belfius is expecting to increase data availability over the following years, therefore engines are built to integrate these data points.

Real estate loans

Scope of the portfolio

The mortgage portfolio includes all of Belfius consolidated Group's mortgage loans (i.e. covering Belfius Bank and Belfius Insurance balance sheets). Land purchase, construction and renovation loans are currently excluded from the calculations. The inclusion of embodied emissions will be considered for the next release. For loans including both the purchasing and the renovation of buildings, it is currently not possible to split the loan amount into the different purposes of the loan. In these cases, the full outstanding amount is included as a mortgage loan in the financed GHG emissions calculations.

The Commercial Real Estate (CRE) portfolio includes all Belfius Bank loans serviced by the letting of one or more properties. Development loans that are serviced by the eventual sale of one or more finished buildings that are currently under development are excluded from the calculations. The inclusion of embodied emissions will be considered for the next release. Other commercial real estate loans that are not defined under the CRE asset class according to the PCAF Methodology are classified as business loans in the financed GHG emissions calculations. Loans to regulated real estate investment companies are classified as business loans.

Methodology

$$\text{Financed emissions} = \sum_{b,e} \frac{\text{outstanding amount}_b}{\text{Property value at origination}_b} \times \text{Building emissions}_{b,e}$$

(b = building, e = energy carrier)

Our calculations of the attribution factor are based on the valuation of real estate collateral since no information on the financed building is available. In cases where no information on real estate collateral is available, the most conservative approach of 100% attribution is used.

Our calculations of building scope 1 and 2 emissions for the real estate loan portfolio are obtained in two different ways:

- With regard to mortgage loans, Belfius began structurally collecting the energy performance certificates (EPC) of real estate assets in the loan origination process in 2021. Building emissions are estimated through the building energy consumption based on the EPC score (kWh/m^2) and the estimated surface area. Since information on the surface area in our systems is currently lacking, this data is approximated based on statistical sector prices for flats and houses per municipality. The approximation of the surfaces decreases our data quality score to '5'.
- Secondly, if no information on the EPC label is available, country-specific emission intensities per building type are used from the PCAF European building emission factor database. For Commercial Real Estate loans, Belfius uses this estimation option as Belgium's three regions do not require EPCs on all commercial buildings.

General purpose asset classes

Scope of the portfolio

The general-purpose asset class includes all Belfius Bank and Belfius Insurance listed and unlisted equity, corporate bonds investments and business loans.

Methodology

For listed companies:

$$\text{Financed emissions} = \sum_{c} \frac{\text{Outstanding amount}_c}{\text{Enterprise Value Including Cash}_c} \times \text{Company emissions}_c$$

(c = borrower or investee company)

For unlisted companies:

$$\text{Financed emissions} = \sum_{c} \frac{\text{Outstanding amount}_c}{\text{Total } equity_c + \text{Total debt}_c} \times \text{Company emissions}_c$$

(c = borrower or investee company)

The **company emissions** are obtained and prioritised in five different ways, depending on data availability:

- First, through reported emissions data directly from our client or through our ESG data provider.
- Second, through estimated emissions data from our ESG data provider.
- Third, specifically for loans and investments to counterparties active in the power generation sector, the counterparty's emissions are approximated using the company's physical activity data. This production data was collected manually by screening the annual report or website of large power generation companies in our portfolio, resulting in a data quality score of '3'. The production data of the counterparty is multiplied by a PCAF physical activity-based emission factor to obtain the company emissions.
- Fourth, in the case that the counterparty is active in sectors other than power generation, an economic activity-based emission factor per sectoral revenue from the PCAF emission factor database is used to estimate revenue-based emissions. Graydon databases are used to obtain the financial information of Belgian counterparties in the Belfius portfolio, our ESG data provider for foreign companies.
- Fifth and lastly, the GHG emission intensity per sectoral total assets is used from the PCAF emission factor database and multiplied by the outstanding amount to obtain the financed emissions.

There is an inconsistency between scope 3 emissions reported and estimated by our ESG data provider and scope 3 emissions estimated from PCAF emission factors. PCAF emission factors only include scope 3 upstream emissions, whereas our ESG data provider takes into account both upstream and downstream scope 3 emissions. Consequently, to obtain consistency in reporting from both emission sources, where company scope 3 emissions are missing, estimations of continental and sectoral averages are performed using our ESG data provider's estimated and reported emissions.

Project Finance

Scope of the portfolio

In line with PCAF, Belfius Bank's project finance portfolio includes scope 1 and scope 2 emissions from all financing of projects in the power generation sector. Project finance of other types are currently out of scope of these calculations and will be considered in the future. The scope of the methodology covers projects contributing to electricity generation from fuels including biomass and waste, wind and solar photovoltaics.

Methodology

$$\text{Financed emissions} = \sum_{p} \frac{\text{Outstanding amount}_p}{\text{Total equity}_p + \text{Total Debt}_p} \text{ x Project emissions}_p$$

(p = project)

The **project emissions** are approximated by using the project's physical activity data for the power generation sector. This production data was collected using the P50[1] value (as recommended by PCAF) of projects in commercial files. This production data is multiplied by a PCAF physical activity-based emission factor to obtain the project's emissions. Since all financed power generation projects in the Belfius portfolio are renewable energy projects, the financed emissions using this calculation method is zero given that the PCAF emission factor for renewable energy projects is also set at zero emissions.

(1) P50 is only used for renewable energy sources where the actual energy production varies depending on external factors. To give a best estimate of emissions, we use the P50 which is a statistical level of confidence suggesting that we expect the predicted energy yield may be exceeded with 50% probability.

Motor vehicle loans

Scope of the portfolio

The motor vehicle loans portfolio includes all loans related to the financing of motor vehicles. The portfolio includes consumer lending for motor vehicles for the purchase of a motor vehicle for private use, as well as corporate loans that include financing of motor vehicles for businesses.

Operational and financial leasing of motor vehicles are not included in this asset class as their emissions are classified as Scope 3 Category 13 Downstream Leased Assets, or as a separate financial lease asset class.

Methodology

$$\text{Financed emissions} = \sum_{v} \frac{\text{Outstanding amount}_v}{\text{Total value at origination}_v} \text{ x Vehicle emissions}_v$$

(v = vehicle or vehicle fleet)

For all motor vehicle loans, the conservative assumption of 100% attribution is used as no information is currently collected and stored on financed vehicles.

Our calculations of vehicle emissions for the motor vehicle portfolio are based on country-average vehicle emissions using the PCAF emission factor database. As the portfolio composition of vehicle combustion type of is unknown, the conservative assumption that all vehicles are thermal combustion vehicles is used.

Financial Lease

Scope of the portfolio

The financial lease portfolio includes all Belfius Lease, Belfius Lease Services and Belfius Bank financial lease contracts. Financial leases are treated similarly to business loans on the accounting balance sheet, as the ownership of the leased asset lies with the lessee instead of the lessor (Belfius). This is why Belfius decided to include financial leases in scope 3 – category 15 Investments and calculate financed emissions in line with the PCAF methodology according to the leased asset.

Methodology

$$\text{Financed emissions} = \sum_{f} \frac{\text{Outstanding amount}_f}{\text{Total value at origination}_f} \text{ x Asset emissions}_f$$

(f = financial leased asset)

Our calculations of the leased asset emissions are as far as possible aligned to PCAF methodology depending on the type of the leased asset:

- For real estate lending, country-specific emission intensities per building type from the PCAF European building emission factor database are used.
- For motor vehicles, country specific emissions factors per vehicle type from the PCAF database are used.
- For power generation assets, as well as air and maritime transportation, sectoral emission factors provided in the PCAF database are used to cover carbon intensive sectors in a consistent way.

Sovereign debt

Scope of the portfolio

This asset class covers bonds and loans to a borrowing country; the underlying emissions are therefore related to the emissions of these countries. Its direct (scope 1) emissions are attributable to the emissions generated within its boundaries. The direct emissions are calculated twice, with and without LULUCF adjustments.

Methodology

$$\text{Financed emissions} = \sum_{s} \frac{\text{Outstanding amount}_s}{\text{PPP} - \text{adjusted GDP}_s} * \text{Sovereign Emissions}_s$$

(s = sovereign borrower)

Calculations use the most recent emissions available. When no emissions data are found, a regional average is used as a proxy. In order to align our calculations, we convert all foreign currencies into EUR. For USD we use a World Bank exchange rate, while all others are converted using internal exchange rates.

EU Taxonomy disclosures

Belfius Bank's EU Taxonomy disclosure

Annex VI of the Disclosure Delegated Act & Annex XII of the Disclosure Delegated Act

REPORTING PRINCIPLES

The following tables present **Belfius Bank's mandatory disclosures**, namely its Green Asset Ratio (GAR), as well as its KPI on off-balance sheet exposures.

Compliance with disclosure requirements

Reporting is done following the guidelines provided in Annex V and according to the mandatory templates in Annex VI of the Disclosure Delegated Act.

For nuclear and fossil gas-related activities, information is presented following the templates in Annex XII of the Disclosure Delegated Act, based on Belfius Bank's KPIs as a credit institution.

Scope

The EU Taxonomy disclosure by Belfius Bank is based on the scope of its prudential consolidation determined in accordance with Regulation (EU) No 575/2013, Title II, Chapter 2, Section 2.

The calculation of the GAR (for on-balance sheet exposures) covers the accounting categories of financial assets listed in the Disclosure Delegated Act.

It should be noted that more than 20% of Belfius Bank's balance sheet, corresponding to central governments, supranational entities, central banks and Belfius trading book, are not included in the calculations according to rules laid down in Article 7(1) of the Disclosure Delegated Act.

Off-balance sheet exposures cover financial guarantees and assets under management by Belfius Bank.

Data sources and limitation

Covered assets

For **exposures to counterparties where the use of proceeds is unknown** (general-purpose loans), the screening of the eligibility and alignment percentage of the mandatory reporting is based on the most recent data provided by our ESG data provider. A careful review of our ESG data provider's methodology is performed and only data reported by the underlying counterparties is used to prepare the figures presented in this table.

With regard to **financial undertakings**, alignment figures are limited for these counterparties as they only publish alignment figures as of 2024. Belfius does finance some green bonds however following the EU Green Bond Standard (EU GBS). Under "other financial institutions", in addition to investment firms, management companies and insurance undertakings, we also identify other financial intermediaries, financial auxiliaries, clearing houses and captive financial institutions following the FINREP definition.

Regarding **non-financial undertakings**, the identification of those subject to NFRD is data-driven and therefore comes with many data quality issues. Identifying these companies is currently a challenge as there are several criteria to define the size of the company which may not always be available. Moreover, under NFRD (and soon under CSRD), companies may report at the consolidated group level with a lack of transparency on the sub-entities covered by the reporting. Belfius Bank cannot always identify these groups which may have an impact on our Taxonomy-alignment. Concerning the issue of legal group structures, Belfius Bank is seeking more granular data on group legal consolidation for upcoming reporting.

For **products where the use of proceeds of financing is known**, we capture information on the destination of the financing for eligibility in our internal systems and do not rely on third-party information as is the case for general-purpose loans.

Belfius Bank has exposure to **commercial real estate activities**, which are eligible activities under the EU Taxonomy. None of the use of proceeds-based financing for these activities is aligned to the EU Taxonomy due to technical screening criteria complexity, documentation and interpretation challenges. Similarly, we are unable to assess the alignment of our **project finance portfolio**. Nevertheless, a large part of these projects are related to electricity generation using renewable energy, infrastructure projects for personal mobility or rail transport, as well as some projects on the construction of new buildings that could all potentially be considered as environmentally sustainable at a later stage.

The largest share of activities identified with known use of proceeds is related to residential **real estate activities**. Aligning these activities to the technical screening criteria in the EU Taxonomy is currently challenging due to the DNSH criteria which are at this stage too complex to prove with sufficient documentation or are subject to interpretation when considering their DNSH. We attempted to develop an internal methodology to assess climate risks for DNSH on the climate change adaptation objective for mortgage loans. It is not currently possible however to verify all of these risks. As it is not yet possible to do so, **Belfius Bank does not consider any of its mortgage loans as aligned with the EU Taxonomy** as part of its commitment to ensuring that, as required by the EU Taxonomy rules, in order to classify an economic activity as environmentally sustainable, all technical screening criteria must be met.

No exposure to eligible activities towards **local governments** is identified. This can be explained by the fact that social housing is financed by the Regions in Belgium and therefore does not qualify as local government financing according to the Belgian National Bank. In addition, for the time being, no local government is able to provide all necessary evidence of the alignment of their project to the sustainability criteria laid down in the EU Taxonomy.

Finally, as a Belgian bank, Belfius has few **non-EU counterparties** in its portfolio, yet a significant exposure (more than 32% of total GAR assets) to **SMEs and other non-financial companies not subject to NFRD disclosure obligations**, leading to a substantial portion of our activities being absent from our alignment computation.

Note that for the **reporting year T-1** only partial information is available due to the fact that in 2023 only eligibility figures were to be reported and that in the meantime changes were made to the reporting template (e.g., additional breakdown per type of financing). We expect to have more representative information in the coming reporting years.

GAR sector information

The GAR sector information is limited to the main activity of our counterparties and is exclusively based on the NACE code for which we have eligible exposure. It is not uncommon for this code to be erroneous or inaccurate however, affecting the reliability of our reporting.

We interpret the “[Gross] carrying amount” column as being for eligibility reporting, as this data is required for alignment, and this column is below the relevant objective.

Off-balance exposures

For assets under management, we use the same approach as for Belfius Insurance and Belfius Asset Management’s disclosures on investments that are directed at funding, or are associated with, EU Taxonomy-aligned activities. Belfius Bank’s off-balance sheet exposures equally stem from debt securities and equity instruments.

A distinction between the stock and flow is not possible in this template as data for flow is currently unavailable.

Nuclear and gas

In Annex XII on nuclear and gas-related activities, data capture proves particularly challenging. This is primarily due to the recent disclosure of such information. Consequently, there is a lack of clarity regarding the substantial contribution to either “CCM” (Climate Change Mitigation) or “CCA” (Climate Change Adaptation). As a result, we report all data under the combined objectives and do not report per objective.

It should be noted that template 5 on non-eligible activities proves even more difficult to interpret. As a result, we have only filled in the last two rows concerning other non-eligible activities and the total.

KPI OF CREDIT INSTITUTIONS

0. Summary of KPIs to be disclosed by credit institutions under Article 8 Taxonomy Regulation

		Total environmentally sustainable assets	KPI****	KPI*****	% coverage (over total assets)***	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Main KPI	**Green asset ratio (GAR) stock**	-	**0.07%**	**0.08%**	**33.46%**	-	-

		Total environmentally sustainable activities	KPI	KPI	% coverage (over total assets)	% of assets excluded from the numerator of the GAR (Article 7 (2) and (3) and Section 1.1.2. of Annex V)	% of assets excluded from the denominator of the GAR (Article 7 (1)) and Section 1.2.4 of Annex V)
Additional KPIs	*GAR (flow)*	-	0.04%	0.04%	3.64%	-	-
	*Trading book**	N/A	N/A	N/A			
	Financial guarantees	-	0.01%	0.00%			
	Assets under management	-	1.05%	1.22%			
	*Fees and commissions income***	N/A	N/A	N/A			

Green asset ratio (GAR) total (stock+flow)		0.11%	0.12%	37.10%	42.02%	20.88%

* For credit institutions that do not meet the conditions of Article 94(1) of the CRR or the conditions set out in Article 325a(1) of the CRR

**Fees and commissions income from services other than lending and AuM

*** % of assets covered by the KPI over banks´ total assets

****based on the Turnover KPI of the counterparty

*****based on the CapEx KPI of the counterparty, except for lending activities where for general lending Turnover KPI is used

1.Assets for the calculation of GAR on turnover

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
			Disclosure reference date : December 2023																													
Million EUR		Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	61,334.71	197.89	143.49	9.98	0.07	131.93	187.9	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	386.57	144.14	9983548.99	0.07	131.93
2	**Financial undertakings**	4,434.03	32.69	12.3	9.98	0	2.32	22.71	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55.4	12.3	9983548.99	0	2.32
3	Credit institutions	3,069.84	9.98	9.98	9.98	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.98	9.98	9983548.99	0	0
4	*Loans and advances*	1,328.13	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
5	*Debt securities, including UoP*	1,710.7	9.98	9.98	9.98	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.98	9.98	9983548.99	0	0
6	*Equity instruments*	31.0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
7	Other financial corporations	1,364.19	22.71	2.32	0	0	2.32	22.71	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45.42	2.32	0.00	0	2.32
8	*of which investment firms*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
9	*Loans and advances*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
10	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
11	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
12	*of which management companies*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
13	*Loans and advances*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
14	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
15	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
16	*of which insurance undertakings*	1,277.45	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
17	*Loans and advances*	1,215.01	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
18	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
19	*Equity instruments*	62.44	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
20	**Non-financial undertakings**	689.24	165.19	131.19	0	0.07	129.62	165.19	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	331.16	131.84	0.00	0.07	129.62
21	*Loans and advances*	608.43	142.7	129.24	0	0.0	129.24	142.7	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	285.4	129.24	0.00	0.0	129.24
22	*Debt securities, including UoP*	80.81	22.49	1.95	0	0.07	0.38	22.49	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44.99	1.95	0.00	0.07	0.38
23	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
24	**Households**	42,518.82	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0.00	0	0
25	*of which loans collateralised by residential immovable property*	41,235.37	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0.00	0	0
26	*of which building renovation loans*	322.92	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0.00	0	0
27	*of which motor vehicle loans*	960.53					0	0																				0	0	0.00	0	0
28	**Local governments financing**	13,692.62	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
29	*Housing financing*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
30	*Other local government financing*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0.00	0	0
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	69,469.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	**Financial and Non-financial undertakings**	44,916.69																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	43,079.21																														
35	Loans and advances	42,861.91																														
36	of which loans collateralised by commercial immovable property	17,940.03																														
37	of which building renovation loans	0.0																														
38	Debt securities	210.14																														
39	Equity instruments	7.15																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	1,837.48																														
41	Loans and advances	230.21																														
42	Debt securities	1,607.28																														
43	Equity instruments	0																														
44	**Derivatives**	751.13																														
45	**On demand interbank loans**	3,596.65																														
46	**Cash and cash-related assets**	258.63																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	19,945.98																														
48	**Total GAR assets**	130,803.78	197.89	143.49	9.98	0.07	131.93	187.9	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	386.57	144.14	9983548.99	0.07	131.93
49	**Assets not covered for GAR calculation**	34,529.05																														
50	**Central governments and Supranational issuers**	9,236.66																														
51	**Central banks exposure**	20,228.54																														
52	**Trading book**	5,063.85																														
53	**Total assets**	165,332.83	197.89	143.49	9.98	0.07	131.93	187.9	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	386.57	144.14	9983548.99	0.07	131.93
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																															
54	Financial guarantees	308.52	31.42	11.99	0	0	0	19.93	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	51.35	11.99	0	0	0
55	Assets under management	130,712.35	2,959.06	1,371.97	0	25.57	721.85	2,687.72	0.12	0	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,647.02	1,372.09	0	25.61	6,368.88
56	*Of which debt securities*	61,648.12	1,120.81	536.25	0	8.41	290.92	1,111.73	0.12	0	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,232.78	536.37	0	8.45	2,523.7
57	*Of which equity instruments*	69,064.23	1,640.51	637.97	0	17.16	430.93	1,575.99	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,216.5	637.97	0	17.16	430.93

1.Assets for the calculation of GAR on turnover (T-1)

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	Million EUR	Total [gross] carrying amount	Disclosure reference date December 2022																													
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	49,024.92	40,020.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,020.29	-	-	-	-
2	**Financial undertakings**	9,032.47	572.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	572.49	-	-	-	-
3	Credit institutions	1,702.16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
4	*Loans and advances*	563.17	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
5	*Debt securities, including UoP*	1,106.34	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
6	*Equity instruments*	32.65	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
7	Other financial corporations	7,330.3	572.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	572.49	-	-	-	-
8	*of which investment firms*	370.59	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
9	*Loans and advances*	218.84	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
10	*Debt securities, including UoP*	134.26	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
11	*Equity instruments*	17.49	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
12	*of which management companies*	15.12	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
13	*Loans and advances*	14.33	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
14	*Debt securities, including UoP*	0.79	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
15	*Equity instruments*	0.0	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
16	*of which insurance undertakings*	1,609.93	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
17	*Loans and advances*	1,547.49	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
18	*Debt securities, including UoP*	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
19	*Equity instruments*	62.44	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
20	**Non-financial undertakings**	654.86	110.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	110.21	-	-	-	-
21	*Loans and advances*	624.7	110.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	110.21	-	-	-	-
22	*Debt securities, including UoP*	30.16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
23	*Equity instruments*	0	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
24	**Households**	39,337.59	39,337.59	-	-	-	-	-	-	-	-					-	-	-	-									39,337.59	-	-	-	-
25	*of which loans collateralised by residential immovable property*	38,996.64	38,996.64	-	-	-	-	-	-	-	-					-	-	-	-									38,996.64	-	-	-	-
26	*of which building renovation loans*	212.71	212.71	-	-	-	-	-	-	-	-					-	-	-	-									212.71	-	-	-	-
27	*of which motor vehicle loans*	128.24	128.24	-	-	-	-	-																				128.24	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*Housing financing*	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
30	*Other local government financing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	**Financial and Non-financial undertakings**																															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																															
35	Loans and advances																															
36	of which loans collateralised by commercial immovable property																															
37	of which building renovation loans																															
38	Debt securities																															
39	Equity instruments																															
40	Non-EU country counterparties not subject to NFRD disclosure obligations																															
41	Loans and advances																															
42	Debt securities																															
43	Equity instruments																															
44	**Derivatives**																															
45	**On demand interbank loans**																															
46	**Cash and cash-related assets**																															
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**																															
48	**Total GAR assets**	165,821.85	40,020.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,020.29	-	-	-	-
49	**Assets not covered for GAR calculation**																															
50	**Central governments and Supranational issuers**																															
51	**Central banks exposure**																															
52	**Trading book**																															
53	**Total assets**	110,383.76	40,020.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,020.29	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	114,104.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	*Of which debt securities*	52,152.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	*Of which equity instruments*	61,952.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1.Assets for the calculation of GAR on CapEx

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
	Million EUR	Total [gross] carrying amount	Disclosure reference date : December 2023																													
			Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)								
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	61,334.71	218.77	159.56	9.98	0.03	136.92	208.78	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	427.57	159.56	9.98	0.03	136.92
2	**Financial undertakings**	4,434.03	34.54	18.49	9.98	0	8.38	24.56	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59.1	18.49	9.98	0	8.38
3	Credit institutions	3,069.84	9.98	9.98	9.98	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.98	9.98	9.98	0	0
4	*Loans and advances*	1,328.13	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
5	*Debt securities, including UoP*	1,710.7	9.98	9.98	9.98	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.98	9.98	9.98	0	0
6	*Equity instruments*	31.0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
7	Other financial corporations	1,364.19	24.56	8.51	0	0	8.38	24.56	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	49.12	8.51	0	0	8.38
8	*of which investment firms*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
9	*Loans and advances*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
1'-	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
11	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
12	*of which management companies*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
13	*Loans and advances*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
14	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
15	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
16	*of which insurance undertakings*	1,277.45	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
17	*Loans and advances*	1,215.01	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
18	*Debt securities, including UoP*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
19	*Equity instruments*	62.44	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
20	**Non-financial undertakings**	689.24	184.22	141.07	0	0.03	128.54	184.22	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	368.47	141.07	0	0.03	128.54
21	*Loans and advances*	608.43	144.43	128.57	0	0	127.16	144.43	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	288.85	128.57	0	0	127.16
22	*Debt securities, including UoP*	80.81	39.8	12.51	0	0.03	1.37	39.8	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79.6	12.51	0	0.03	1.37
23	*Equity instruments*	0	0	0		0	0	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0	0		0	0
24	**Households**	42,518.82	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0	0	0
25	*of which loans collateralised by residential immovable property*	41,235.37	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0	0	0
26	*of which building renovation loans*	322.92	0	0	0	0	0	0	0	0	0					-	-	-	-									0	0	0	0	0
27	*of which motor vehicle loans*	960.53	0	0	0	0	0																					0	0	0	0	0
28	**Local governments financing**	13,692.62	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
29	*Housing financing*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
30	*Other local government financing*	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	0	0	0	0	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0	0	0	0
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	69,469.08	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	**Financial and Non-financial undertakings**	44,916.69																														
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	43,079.21																														
35	Loans and advances	42,861.91																														
36	of which loans collateralised by commercial immovable property	17,940.03																														
37	of which building renovation loans	0.0																														
38	Debt securities	210.14																														
39	Equity instruments	7.15																														
40	Non-EU country counterparties not subject to NFRD disclosure obligations	1,837.48																														
41	Loans and advances	230.21																														
42	Debt securities	1,607.28																														
43	Equity instruments	0																														
44	**Derivatives**	751.13																														
45	**On demand interbank loans**	3,596.65																														
46	**Cash and cash-related assets**	258.63																														
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**	19,945.98																														
48	**Total GAR assets**	130,803.78	218.77	159.56	9.98	0.03	136.92	208.78	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	427.57	159.56	9.98	0.03	136.92
49	**Assets not covered for GAR calculation**	34,529.05																														
50	**Central governments and Supranational issuers**	9,236.66																														
51	**Central banks exposure**	20,228.54																														
52	**Trading book**	5,063.85																														
53	**Total assets**	165,332.83	218.77	159.56	9.98	0.03	136.92	208.78	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	427.57	159.56	9.98	0.03	136.92
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	308.52	13.26	5.32	0	0	0	8.51	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.78	5.32	0	0.0	0.0
55	Assets under management	130,712.35	4,100.35	1,590.28	0	45.98	743.84	3,942.21	0.11	0	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,042.62	1,590.41	0	45.98	744.31
56	*Of which debt securities*	61,648.12	1,476.63	583.5	0	16.45	237.54	1,451.72	0.11	0	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,928.41	583.63	0	16.45	237.6
57	*Of which equity instruments*	69,064.23	2,587.36	893.38	0	29.53	506.31	2,490.49	0	0	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,077.85	893.38	0	29.53	506.71

1.Assets for the calculation of GAR on CapEx (T-1)

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
		Disclosure reference date: December 2022																														
	Million EUR	Total [gross] carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
				Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)			
					Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
	GAR - Covered assets in both numerator and denominator																															
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	49,024.92	565.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	565.97	-	-	-	-
2	**Financial undertakings**	9,032.47	460.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	460.4	-	-	-	-
3	Credit institutions	1,702.16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
4	*Loans and advances*	563.17	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
5	*Debt securities, including UoP*	1,106.34	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
6	*Equity instruments*	32.65	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
7	Other financial corporations	7,330.3	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
8	*of which investment firms*	370.59	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
9	*Loans and advances*	218.84	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
1'-	*Debt securities, including UoP*	134.26	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
11	*Equity instruments*	17.49	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
12	*of which management companies*	15.12	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
13	*Loans and advances*	14.33	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
14	*Debt securities, including UoP*	0.79	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
15	*Equity instruments*	0.0	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
16	*of which insurance undertakings*	1,609.93	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
17	*Loans and advances*	1,547.49	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
18	*Debt securities, including UoP*	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
19	*Equity instruments*	62.44	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
20	**Non-financial undertakings**	654.86	105.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.57	-	-	-	-
21	*Loans and advances*	624.7	105.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105.57	-	-	-	-
22	*Debt securities, including UoP*	30.16	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
23	*Equity instruments*	0	0	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	0	-		-	-
24	**Households**	39,337.59	0	-	-	-	-	-	-	-	-					-	-	-	-									0	-	-	-	-
25	*of which loans collateralised by residential immovable property*	38,996.64	0	-	-	-	-	-	-	-	-					-	-	-	-									0	-	-	-	-
26	*of which building renovation loans*	212.71	0	-	-	-	-	-	-	-	-					-	-	-	-									0	-	-	-	-
27	*of which motor vehicle loans*	128.24	0	-	-	-	-	-																				0	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*Housing financing*	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
30	*Other local government financing*	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-
32	**Assets excluded from the numerator for GAR calculation (covered in the denominator)**	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33	**Financial and Non-financial undertakings**																															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations																															
35	Loans and advances																															
36	of which loans collateralised by commercial immovable property																															
37	of which building renovation loans																															
38	Debt securities																															
39	Equity instruments																															
40	Non-EU country counterparties not subject to NFRD disclosure obligations																															
41	Loans and advances																															
42	Debt securities																															
43	Equity instruments																															
44	**Derivatives**																															
45	**On demand interbank loans**																															
46	**Cash and cash-related assets**																															
47	**Other categories of assets (e.g. Goodwill, commodities etc.)**																															
48	**Total GAR assets**	165,821.85	565.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	565.97	-	-	-	-
49	**Assets not covered for GAR calculation**																															
50	**Central governments and Supranational issuers**																															
51	**Central banks exposure**																															
52	**Trading book**																															
53	**Total assets**	110,383.76	565.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	565.97	-	-	-	-
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations																																
54	Financial guarantees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Assets under management	114,104.14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
56	*Of which debt securities*	52,152.04	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
57	*Of which equity instruments*	61,952.11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2. GAR sector information on Turnover

	Breakdown by sector - NACE 4 digits level (code and label)	a	b	c	d	e	f	g	h
		Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)
1	C2013 - Manufacture of other inorganic basic chemicals	0.05	0			0.05	0		
2	C2059 - Manufacture of other chemical products n.e.c.	0.82	0.02			0.82	0		
3	C2319 - Manufacture and processing of other glass, including technical glassware	0.32	0.3			0.32	0		
4	C2434 - Cold drawing of wire	10.51	0.25			10.51	0		
5	C2711 - Manufacture of electric motors, generators and transformers	0	0			0	0		
6	C2790 - Manufacture of other electrical equipment	4.22	1.26			4.22	0		
7	C2910 - Manufacture of motor vehicles	9.75	0			9.75	0		
8	D3511 - Production of electricity	1.63	1.5			1.63	0		
9	D3512 - Transmission of electricity	50.26	50.18			50.26	0		
10	F4222 - Construction of utility projects for electricity and telecommunications	77.66	77.54			77.66	0		
11	J6201 - Computer programming activities	9.97	0.12			9.97	0		

	Breakdown by sector - NACE 4 digits level (code and label)	i	j	k	l	m	n	o	p
		Water and marine resources (WTR)				Circular economy (CE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)
1	C2013 - Manufacture of other inorganic basic chemicals	-	-			-	-		
2	C2059 - Manufacture of other chemical products n.e.c.	-	-			-	-		
3	C2319 - Manufacture and processing of other glass, including technical glassware	-	-			-	-		
4	C2434 - Cold drawing of wire	-	-			-	-		
5	C2711 - Manufacture of electric motors, generators and transformers	-	-			-	-		
6	C2790 - Manufacture of other electrical equipment	-	-			-	-		
7	C2910 - Manufacture of motor vehicles	-	-			-	-		
8	D3511 - Production of electricity	-	-			-	-		
9	D3512 - Transmission of electricity	-	-			-	-		
10	F4222 - Construction of utility projects for electricity and telecommunications	-	-			-	-		
11	J6201 - Computer programming activities	-	-			-	-		

	Breakdown by sector - NACE 4 digits level (code and label)	q	r	s	t	u	v	w	x
		Pollution (PPC)				Biodiversity and Ecosystems (BIO)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)
1	C2013 - Manufacture of other inorganic basic chemicals	-	-			-	-		
2	C2059 - Manufacture of other chemical products n.e.c.	-	-			-	-		
3	C2319 - Manufacture and processing of other glass, including technical glassware	-	-			-	-		
4	C2434 - Cold drawing of wire	-	-			-	-		
5	C2711 - Manufacture of electric motors, generators and transformers	-	-			-	-		
6	C2790 - Manufacture of other electrical equipment	-	-			-	-		
7	C2910 - Manufacture of motor vehicles	-	-			-	-		
8	D3511 - Production of electricity	-	-			-	-		
9	D3512 - Transmission of electricity	-	-			-	-		
10	F4222 - Construction of utility projects for electricity and telecommunications	-	-			-	-		
11	J6201 - Computer programming activities	-	-			-	-		

	Breakdown by sector - NACE 4 digits level (code and label)	y	z	aa	ab
		TOTAL (CCM + CCA + WMR + CE + P + BE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C2013 - Manufacture of other inorganic basic chemicals	0.11	0		
2	C2059 - Manufacture of other chemical products n.e.c.	1.65	0.02		
3	C2319 - Manufacture and processing of other glass, including technical glassware	0.64	0.3		
4	C2434 - Cold drawing of wire	21.02	0.25		
5	C2711 - Manufacture of electric motors, generators and transformers	0.65	0.65		
6	C2790 - Manufacture of other electrical equipment	8.43	1.26		
7	C2910 - Manufacture of motor vehicles	19.49	0		
8	D3511 - Production of electricity	3.25	1.5		
9	D3512 - Transmission of electricity	100.64	50.18		
10	F4222 - Construction of utility projects for electricity and telecommunications	155.32	77.54		
11	J6201 - Computer programming activities	19.95	0.12		

2. GAR sector information on Capex

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa	ab
	Breakdown by sector - NACE 4 digits level (code and label)	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WMR + CE + P + BE)			
		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD		Non-Financial corporates (Subject to NFRD)		SMEs and other NFC not subject to NFRD	
		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount		[Gross] carrying amount	
		Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCM)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (CCA)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (WTR)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (CE)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (PPC)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)	Mn EUR	Of which environmentally sustainable (CCM + CCA + WTR + CE + PPC + BIO)
1	C2013 - Manufacture of other inorganic basic chemicals	0	0			0	0			-	-			-	-			-	-			-	-			0	0		
2	C2059 - Manufacture of other chemical products n.e.c.	1.15	0.03			1.15	0			-	-			-	-			-	-			-	-			2.31	0.03		
3	C2319 - Manufacture and processing of other glass, including technical glassware	0.78	0.62			0.78	0			-	-			-	-			-	-			-	-			1.57	0.62		
4	C2434 - Cold drawing of wire	11.76	0.5			11.76	0			-	-			-	-			-	-			-	-			23.53	0.5		
5	C2790 - Manufacture of other electrical equipment	4.67	0.22			4.67	0			-	-			-	-			-	-			-	-			9.34	0.22		
6	C2910 - Manufacture of motor vehicles	10.07	1.13			10.07	0			-	-			-	-			-	-			-	-			20.14	1.13		
7	D3511 - Production of electricity	10.51	10.39			10.51	0			-	-			-	-			-	-			-	-			21.04	10.39		
8	D3512 - Transmission of electricity	50.29	50.23			50.29	0			-	-			-	-			-	-			-	-			100.58	50.23		
9	F4222 - Construction of utility projects for electricity and telecommunications	77.7	77.61			77.7	0			-	-			-	-			-	-			-	-			155.41	77.61		
10	J6201 - Computer programming activities	17.28	0.33			17.28	0			-	-			-	-			-	-			-	-			34.56	0.33		

3. GAR KPI stock (turnover)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Disclosure reference date : December 2023																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	0.09%	0.07%	0.01%	0.00%	0.06%	0.09%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.18%	0.07%	0.01%	0.00%	0.06%	33.46%
2	**Financial undertakings**	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	1.63%
3	Credit institutions	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	1.27%
4	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.62%
5	*Debt securities, including UoP*	0.01%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	0.64%
6	*Equity instruments*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.02%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	0.00%	0.00%	0.00%	0.36%
8	*of which investment firms*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	*Equity instruments*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
12	*of which management companies*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	*Equity instruments*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
16	*of which insurance undertakings*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.35%
17	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.32%
18	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	*Equity instruments*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.04%
20	**Non-financial undertakings**	0.08%	0.06%	0.00%	0.00%	0.06%	0.08%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.17%	0.06%	0.00%	0.00%	0.06%	0.21%
21	*Loans and advances*	0.07%	0.06%	0.00%	0.00%	0.06%	0.07%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13%	0.06%	0.00%	0.00%	0.06%	0.18%
22	*Debt securities, including UoP*	0.02%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	0.00%	0.00%	0.00%	0.03%
23	*Equity instruments*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-		-	-	-		-	-	-		-	-	-			0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	23.34%
25	*of which loans collateralised by residential immovable property*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	22.82%
26	*of which building renovation loans*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	0.16%
27	*of which motor vehicle loans*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%																						
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	8.28%
29	*Housing financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	*Other local government financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.09%	0.07%	0.01%	0.00%	0.06%	0.09%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.18%	0.07%	0.01%	0.00%	0.06%	33.46%

3. GAR KPI stock (turnover): T-1

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
	% (compared to total covered assets in the denominator)	Disclosure reference date: December 2022																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which specialised lending	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*of which investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
12	*of which management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
16	*of which insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-	-
25	*of which loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-	-
26	*of which building renovation loans*	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-	-
27	*of which motor vehicle loans*																										-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*Housing financing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	*Other local government financing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

3. GAR KPI stock (CapEx)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Disclosure reference date : December 2023																														
		Disclosure reference date: December 2022					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
	% (compared to total covered assets in the denominator)	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	0.11%	0.08%	0.01%	0.00%	0.06%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%	0.08%	0.01%	0.00%	0.06%	33.46%
2	**Financial undertakings**	0.01%	0.01%	0.01%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	1.63%
3	Credit institutions	0.01%	0.01%	0.01%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	1.27%
4	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.62%
5	*Debt securities, including UoP*	0.01%	0.01%	0.01%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.01%	0.01%	0.00%	0.00%	0.64%
6	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.02%
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	0.00%	0.00%	0.00%	0.36%
8	*of which investment firms*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0	0		0	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
12	*of which management companies*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0	0		0	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
16	*of which insurance undertakings*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.35%
17	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.32%
18	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0	0		0	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.04%
20	**Non-financial undertakings**	0.10%	0.07%	0.00%	0.00%	0.06%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.20%	0.07%	0.00%	0.00%	0.06%	0.21%
21	*Loans and advances*	0.07%	0.06%	0.00%	0.00%	0.06%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.14%	0.06%	0.00%	0.00%	0.06%	0.18%
22	*Debt securities, including UoP*	0.03%	0.01%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06%	0.01%	0.00%	0.00%	0.00%	0.03%
23	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0	0		0	-	-		-	-	-		-	-	-		-	-	-			0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	23.34%
25	*of which loans collateralised by residential immovable property*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	22.82%
26	*of which building renovation loans*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	0.16%
27	*of which motor vehicle loans*	0.00%	0.00%	0.00%	0.00%	0.00%																										
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	8.28%
29	*Housing financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	*Other local government financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.00%	0.00%	0.00%	0.00%	0.00%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.11%	0.08%	0.01%	0.00%	0.06%	0	0	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21%	0.08%	0.01%	0.00%	0.06%	33.46%

3. GAR KPI stock (CapEx): T-1

		ag	ah	ai	aj	ak	al	am	an	ao	ap	aq	ar	as	at	au	av	aw	ax	ay	az	ba	bb	bc	bd	be	bf	bg	bh	bi	bj	bk
		Disclosure reference date: December 2022																														
	% (compared to total covered assets in the denominator)	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which specialised lending	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	**Financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Credit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
7	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8	*of which investment firms*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
12	*of which management companies*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
16	*of which insurance undertakings*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
20	**Non-financial undertakings**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	*Loans and advances*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	*Debt securities, including UoP*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	*Equity instruments*	-	-		-	-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-		-	-	-
24	**Households**	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-		-	-	-
25	*of which loans collateralised by residential immovable property*	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-	-
26	*of which building renovation loans*	-	-	-	-	-	-	-	-	-					-	-	-	-									-	-	-	-	-	-
27	*of which motor vehicle loans*																										-	-	-	-	-	-
28	**Local governments financing**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	*Housing financing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30	*Other local government financing*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	**Total GAR assets**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

4. GAR KPI flow (turnover)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
		Disclosure reference date : December 2023																														
% (compared to flow of total eligible assets)		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of total new assets covered
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	0.06%	0.04%	0.00%	0.00%	0.04%	0.06%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11%	0.04%	0.00%	0.00%	0.04%	3.64%
2	**Financial undertakings**	0.01%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	0.00%	0.00%	0.00%	1.06%
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.59%
4	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%
5	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.40%
6	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.01%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.00%	0.00%	0.00%	0.00%	0.47%
8	*of which investment firms*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
12	*of which management companies*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
16	*of which insurance undertakings*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.42%
17	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.42%
18	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	0.04%	0.04%	0.00%	0.00%	0.04%	0.04%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08%	0.04%	0.00%	0.00%	0.04%	0.20%
21	*Loans and advances*	0.04%	0.04%	0.00%	0.00%	0.04%	0.04%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08%	0.04%	0.00%	0.00%	0.04%	0.19%
22	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
23	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-			0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	2.38%
25	*of which loans collateralised by residential immovable property*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	2.12%
26	*of which building renovation loans*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	0.04%
27	*of which motor vehicle loans*	0.00%	0.00%	0.00%	0.00%	0.00%																					0.00%	0.00%	0.00%	0.00%	0.00%	0.21%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	*Housing financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	*Other local government financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.06%	0.04%	0.00%	0.00%	0.04%	0.06%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.11%	0.04%	0.00%	0.00%	0.04%	3.64%

4. GAR KPI flow (CapEx)

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae	af
% (compared to flow of total eligible assets)		Disclosure reference date : December 2023																														
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total new assets covered
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling	
	GAR - Covered assets in both numerator and denominator																															
1	**Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation**	0.06%	0.04%	0.00%	0.00%	0.04%	0.06%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12%	0.04%	0.00%	0.00%	0.04%	3.64%
2	**Financial undertakings**	0.02%	0.01%	0.00%	0.00%	0.01%	0.02%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.01%	0.00%	0.00%	0.01%	1.06%
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.59%
4	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%
5	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.40%
6	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
7	Other financial corporations	0.02%	0.01%	0.00%	0.00%	0.01%	0.02%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.03%	0.01%	0.00%	0.00%	0.01%	0.47%
8	*of which investment firms*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-		-	0.00%	0.00%		0.00%	0.00%	0.00%
12	*of which management companies*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
16	*of which insurance undertakings*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.42%
17	*Loans and advances*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.42%
18	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-						-	0.00%	0.00%		0.00%	0.00%	0.00%
20	**Non-financial undertakings**	0.04%	0.04%	0.00%	0.00%	0.04%	0.04%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.09%	0.04%	0.00%	0.00%	0.04%	0.20%
21	*Loans and advances*	0.04%	0.04%	0.00%	0.00%	0.04%	0.04%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08%	0.04%	0.00%	0.00%	0.04%	0.19%
22	*Debt securities, including UoP*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
23	*Equity instruments*	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	-	-		-	-	-		-	-	-		-	-	-			0.00%	0.00%		0.00%	0.00%	0.00%
24	**Households**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	2.38%
25	*of which loans collateralised by residential immovable property*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	2.12%
26	*of which building renovation loans*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%					-	-	-	-									0.00%	0.00%	0.00%	0.00%	0.00%	0.04%
27	*of which motor vehicle loans*	0.00%	0.00%	0.00%	0.00%	0.00%																					0.00%	0.00%	0.00%	0.00%	0.00%	0.21%
28	**Local governments financing**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	*Housing financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	*Other local government financing*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	**Collateral obtained by taking possession: residential and commercial immovable properties**	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	**Total GAR assets**	0.06%	0.04%	0.00%	0.00%	0.04%	0.06%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12%	0.04%	0.00%	0.00%	0.04%	3.64%

5. KPI off-balance sheet exposures on turnover

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
	% (compared to total eligible off-balance sheet assets)	Disclosure reference date : December 2023																													
		Climate Change Mitigation (CCM)					**Climate Change Adaptation (CCA)**				**Water and marine resources (WTR)**				**Circular economy (CE)**				**Pollution (PPC)**				**Biodiversity and Ecosystems (BIO)**				**TOTAL (CCM + CCA + WTR + CE + PPC + BIO)**				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.02%	0.01%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02%	0.01%	0.00%	0.00%	0.00%
2	Assets under management (AuM KPI)	2.26%	1.05%	0.00%	0.02%	0.55%	2.05%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.32%	1.05%	0.00%	0.02%	4.87%

5. KPI off-balance sheet exposures on CapEx

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w	x	z	aa	ab	ac	ad	ae
% (compared to total eligible off-balance sheet assets)		Disclosure reference date : December 2023																													
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
			Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)			
				Of which Use of Proceeds	Of which transitional	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which enabling			Of which Use of Proceeds	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.01%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01%	0.00%	0.00%	0.00%	0.00%
2	Assets under management (AuM KPI)	3.13%	1.22%	0.00%	0.04%	0.57%	3.01%	0.00%	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.15%	1.22%	0.00%	0.04%	0.57%

STANDARD TEMPLATES FOR THE DISCLOSURE REFERRED TO IN ARTICLE 8(6) AND (7)

Template 1 Nuclear and fossil gas related activities on turnover

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 1 Nuclear and fossil gas related activities on capex

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.65	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	142.84	0.11%	143.49	0.11%	0	0.00%
8.	TOTAL APPLICABLE KPI	143.49	0.11%	143.49	0.11%	0	0.00%

Template 2 Taxonomy-aligned economic activities (denominator) on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	159.56	0.12%	159.56	0.12%	0	0.00%
8.	TOTAL APPLICABLE KPI	159.56	0.12%	159.56	0.12%	0	0.00%

Template 3 Taxonomy-aligned economic activities (numerator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.65	0.17%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	385.14	99.83%	197.89	100.00%	187.9	100.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	385.79	100.00%	197.89	100.00%	187.9	100.00%

Template 3 Taxonomy-aligned economic activities (numerator) on Capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	427.55	100.00%	218.77	100.00%	208.78	100.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	427.55	100.00%	218.77	100.00%	208.78	100.00%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on Turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.13	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	**AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI**	**242.18**	**0.19%**	**54.4**	**0.04%**	**187.9**	**0.14%**
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	242.3	0.19%	54.4	0.04%	187.9	0.14%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.02	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	**AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI**	**267.97**	**0.20%**	**59.21**	**0.05%**	**208.78**	**0.16%**
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	267.99	0.20%	59.21	0.05%	208.78	0.16%

Template 5 Taxonomy non-eligible economic activities on turnover

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	60,948.14	46.60%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	60,948.14	46.60%

Template 5 Taxonomy non-eligible economic activities on CapEx

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	60,907.14	46.56%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	60,907.14	46.56%

Belfius Insurance's EU Taxonomy disclosure

Annex X of the Disclosure Delegated Act & Annex XII of the Disclosure Delegated Act

REPORTING PRINCIPLES

The following tables present the contribution of **Belfius Insurance's** underwriting portfolio to the objective of climate change adaptation and its investment portfolio to the climate change adaptation and mitigation objectives.

Compliance with disclosure requirements

Reporting is done following the guidelines provided in Annex IX and according to the mandatory templates in Annex X of the Disclosure Delegated Act.

For nuclear and fossil gas-related activities, information is presented following the templates provided in Annex XII of the Disclosure Delegated Act, based on Belfius Insurance's KPI as an insurance and reinsurance company.

Scope

For the KPI related to underwriting activities, Belfius Insurance has only two insurance policies with terms related to the treatment of climate-related perils, namely (i) motor insurance and (ii) fire and other damage to property insurance cover climate-related perils.

For KPIs related to investments, all Belfius Insurance direct and indirect investments, including investments in collective investment undertakings and participations, loans and mortgages, as well as property are covered.

Data sources and limitation

KPI for underwriting activities (Template 1)

Belfius Insurance applies a six-step approach for calculating its KPI for sustainable underwriting activities, as follows:

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
TOTAL VOLUME OF NON LIFE PREMIUMS As defined by EU legislation	**LOBS WITH CLIMATE-RELATED PERIL COVERAGE** Property and CASCO	**ELIGIBILITY** Proportion of premium covering climate-related perils	**SUBSTANTIAL CONTRIBUTION CRITERIA** Modeling, pricing, product design, data, service provision	**DO NO SIGNIFICANT HARM** No link with activities involving the extraction, storage, transport or production of fossil fuels or similar energy sources	**MINIMUM SOCIAL SAFEGUARDS**

The first step is to **calculate the total non-life Gross Written Premiums (GWP)**, i.e. the twelve Solvency II non-life Lines of Business (LOBs).

The second step is to **determine LOBs covering climate-related perils**. Only two LOBs within Belfius Insurance offer policies with terms related to the treatment of climate-related perils, namely (i) motor insurance and (ii) fire and other damage to property insurance cover climate-related perils.

The third crucial step is to **calculate the proportion of premiums eligible under the EU Taxonomy**, i.e. the proportion of premiums directly related to the underwriting of climate-related perils. This calculation is performed at the level of climate-related perils. The proportion of premiums covering climate-related perils represents 10.52% of the overall amount of premiums at the consolidated level. It should be noted that in order to facilitate reporting during the first two financial years (FY) (FY 2021 and FY 2022), when a Line of Business was confirmed to cover climate-related perils, the full GWP for that line of business was reported as eligible. For FY 2023, each line of business is reviewed in detail to calculate the correct and accurate proportion of premiums covering climate-related perils.

The fourth, fifth and sixth steps relate to the **assessment of the alignment with the EU Taxonomy**.

Assessing the EU Taxonomy-alignment of Belfius Insurance's underwriting activities involves verifying whether a substantial contribution is made to the objective of climate change adaptation. The technical screening criteria for making a substantial contribution are structured into five distinct tiers: (i) leadership in modelling and pricing of climate risks, (ii) product design, (iii) innovative insurance coverage solutions, (iv) data sharing, and (v) high level of service in post-disaster situation.

Belfius Insurance adopts a nuanced approach that acknowledges the unique characteristics of each LOB and the specific nature of every climate-related peril. This strategy stems from the understanding that a singular, blanket solution is impractical, as the dynamics of Taxonomy alignment may vary significantly across different LOBs and risks.

Belfius Insurance is currently reporting 0% alignment, indicating that it has not yet met the criterion of having a forward-looking model. Requirements regarding the explicit incorporation of forward-looking scenarios into pricing frameworks remain unclear and there is no current consensus at sector level on how to interpret the forward-looking criterion. Therefore, Belfius Insurance decided to take a cautious approach in its efforts to meet this criterion and awaits further guidance on interpretation, as well as whether additional actions are necessary.

The alignment to the EU Taxonomy also implies the **verification of the DNSH and MSS conditions**. The DNSH condition has not been verified in practice as the substantial contribution condition is not met. In the future, the assessment will be done contract by contract to identify whether the corresponding activity of the policyholder cannot be considered as negatively impacting the environment. Concerning the MSS, as Belfius aims to Walk the Talk, the group has revised its Human Rights Policy and taken comprehensive measures to align with the latest interpretation of applying minimum social safeguards.

Investment KPI (Template 2)

For **life insurance contracts where the investment risk is borne by the policyholder**, i.e. Branche 23 products, data is captured through European ESG Templates (EET) files. These files were developed for SFDR compliance, but given the lack of reported data relating to asset management activity, EET files are deemed to be, for the time being, the most reliable source of data available, more likely to reflect with accuracy the alignment with the EU Taxonomy of these products. In the absence of eligibility data, not required under SFDR, we assume that the eligibility percentage is at least as high as the alignment percentage in order to avoid having an alignment higher than the eligibility.

Regarding exposures to **other counterparties and assets**, under this row we report, amongst others, mortgages and direct property investments.

Nuclear and gas

In Annex XII on nuclear and gas-related activities, data capture proves particularly challenging. This is primarily due to the recent disclosure of such information. Consequently, there is a lack of clarity regarding the substantial contribution to either "CCM" (Climate Change Mitigation) or "CCA" (Climate Change Adaptation). As a result, we report all data under the combined objectives and do not report per objective.

Eligibility data presents another obstacle, particularly for investment funds where capturing eligibility information proves difficult. This challenge significantly affects the data quality in Annex XII, specifically in Template 5, which outlines the percentage of non-eligible activities.

KPI OF INSURANCE AND REINSURANCE COMPANIES

Template 1 - The underwriting KPI for non-life insurance and reinsurance undertakings

Economic Activities[1]	Substantial contribution to climate change adaptation			DNSH					MSS
	Absolute Premiums, Year t[2]	Proportion of premiums, year t[3]	Proportion of premiums, year t-1[4]	Climate change mitigation[5]	Water and marine resources[6]	Circular economy[7]	Pollution[8]	Biodiversity and eco-systems[9]	
A.1. NON-LIFE INSURANCE AND REINSURANCE UNDERWRITING TAXONOMY-ALIGNED ACTIVITIES (ENVIRONMENTALLY SUSTAINABLE)	0	0%	0%	0.00	0.00	0.00	0.00	0.00	0.00
Property	0	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A
Casco	0	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A
A.1.1 OF WHICH REINSURED	0	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A
Property	0	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A
Casco	0	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A
A.1.2 OF WHICH STEMMING FROM REINSURANCE ACTIVITY									
A.1.2.1 Of which reinsured (retrocession)									
A.2 NON LIFE INSURANCE AND REINSURANCE UNDERWRITING TAXONOMY-ELIGIBLE BUT NOT ENVIRONMENTALLY SUSTAINABLE ACTIVITIES (NOT TAXONOMY-ALIGNED ACTIVITIES)	90.42	10.52%	10.09%						
Property	84.6	9.84%	9.30%						
Casco	5.82	0.68%	0.79%						
A.2.1 OF WHICH REINSURED	19.48	2.27%	1.87%						
Property	18.05	2.10%	1.75%						
Casco	1.42	0.17%	0.12%						
A.2.2 OF WHICH STEMMING FROM REINSURANCE ACTIVITY	-	-	0.06%						
A.2.2.1 Of which reinsured (retrocession)	-	-	0.04%						
B. NON LIFE INSURANCE AND REINSURANCE UNDERWRITING TAXONOMY NON-ELIGIBLE ACTIVITIES	769.05	89.48%	89.91%						
TOTAL (A.1 + A.2 + B)	859.47	100%	100%						

(1) Property corresponds to the Solvency II Line of Business 7, ie. “Fire insurance”
(2) Casco corresponds to the SII LOB 5, ie. “Other motor insurance”
(3) Note that A.2.2 is not applicable to Belfius Insurance anymore as of YE 2023 because of the integration of Corona production within Belfius Insurance’s production and not anymore as a separate (sister) entity, making this internal accepted reinsurance not relevant anymore.

Template 2 - The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below:		The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	0.89%	Turnover-based:	120.03
CapEx-based:	1.03%	CapEx-based:	139.52
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	69.77%	Coverage:	13,554.23

ADDITIONAL, COMPLEMENTARY DISCLOSURES: BREAKDOWN OF **DENOMINATOR** OF THE KPI

The percentage of derivatives relative to total assets covered by the KPI.	0.03%	The value in monetary amounts of derivatives:	4.41
The proportion of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	10.55%	For non-financial undertakings:	1,430.07
For financial undertakings:	14.42%	For financial undertakings:	1,954.21
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	2.63%	For non-financial undertakings:	356.48
For financial undertakings:	1.85%	For financial undertakings:	250.25
The proportion of ex**posures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	3.43%	For non-financial undertakings:	465.31
For financial undertakings:	2.39%	For financial undertakings:	323.81
The proportion of **exposures to other counterparties and assets over** total assets covered by the KPI:	33.89%	Value of **exposures to other counterparties and assets**:	4,593.46
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts **where the investment risk is borne by the policy holders**, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	30.81%	Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:	4,176.21
The value of all the investments that are funding **economic activities that are not taxonomy-eligible** relative to the value of total assets covered by the KPI:		Value of all the investments that are funding **economic activities that are not taxonomy-eligible**:	
Turnover-based:	34.21%	Turnover-based:	4,637.42
CapEx-based:	33.53%	CapEx-based:	4,545.35
The value of all the investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned relative to the value of** total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible **economic activities, but not taxonomy-aligned**:	
Turnover-based:	29.32%	Turnover-based:	3,974.08
CapEx-based:	29.86%	CapEx-based:	4,046.66

ADDITIONAL, COMPLEMENTARY DISCLOSURES: BREAKDOWN OF **NUMERATOR** OF THE KPI

The proportion of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based:	0.75%	Turnover-based:	101.69
Capital expenditures-based:	0.88%	Capital expenditures-based:	119.11
For financial undertakings:		For financial undertakings:	
Turnover-based:	0.06%	Turnover-based:	8.06
Capital expenditures-based:	0.11%	Capital expenditures-based:	15.29
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based:	0.08%	Turnover-based:	10.28
Capital expenditures-based:	0.04%	Capital expenditures-based:	5.11
The proportion of **taxonomy-aligned exposures to other counterparties and assets** over total assets covered by the KPI:		Value of taxo**nomy-aligned exposures to other counterparties and assets**:	
Turnover-based:	0.00%	Turnover-based:	0
Capital expenditures-based:	0.00%	Capital expenditures-based:	0

BREAKDOWN OF THE NUMERATOR OF THE KPI PER ENVIRONMENTAL OBJECTIVE
TAXONOMY-ALIGNED ACTIVITIES:

(1) Climate change mitigation			
Turnover:	0.89%	Transitional activities: (Turnover)	0.00%
CapEx:	1.03%	Enabling activities: (Turnover)	0.70%
		Transitional activities: (CapEx)	0.00%
		Enabling activities: % (CapEx)	0.70%
(2) Climate change adaptation			
Turnover:	0,00%	Enabling activities: (Turnover)	0,00%
CapEx:	0,00%	Enabling activities: (CapEx)	0,00%
(3) The sustainable use and protection of water and marine resources			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(4) The transition to a circular economy			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(5) Pollution prevention and control			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(6) The protection and restoration of biodiversity and ecosystems			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-

STANDARD TEMPLATES FOR THE DISCLOSURE REFERRED TO IN ARTICLE 8(6) AND (7)

Template 1 Nuclear and fossil gas related activities on turnover

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 1 Nuclear and fossil gas related activities on capex

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.14	0.02%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.81	0.01%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.84	0.01%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	120.03	0.89%	120.03	0.89%	0	0.00%
8.	TOTAL APPLICABLE KPI	123.82	0.91%	120.03	0.89%	0	0.00%

Template 2 Taxonomy-aligned economic activities (denominator) on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.46	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	3.52	0.03%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.49	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.04	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	139.52	1.03%	139.52	1.03%	0	0.00%
8.	TOTAL APPLICABLE KPI	144.03	1.06%	139.52	1.03%	0	0.00%

Template 3 Taxonomy-aligned economic activities (numerator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	2.14	1.73%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.81	0.65%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.84	0.68%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	120.03	96.94%	120.03	100.00%	0	0.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	123.82	100.00%	120.03	100.00%	0	0.00%

Template 3 Taxonomy-aligned economic activities (numerator) on Capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.46	0.32%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	3.52	2.45%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.49	0.34%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.04	0.03%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	139.52	96.87%	139.52	100.00%	0	0.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	144.03	100.00%	139.52	100.00%	0	0.00%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on Turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.81	0.01%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.84	0.01%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	**AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI**	**3,974.08**	**29.32%**	**3,816.87**	**28.16%**	**157.21**	**1.16%**
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	3,975.72	29.33%	3,816.87	28.16%	157.21	1.16%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.49	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.04	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	**AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI**	**4,046.66**	**29.86%**	**3,840.96**	**28.34%**	**205.7**	**1.52%**
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	4,047.19	29.86%	3,840.96	28.34%	205.7	1.52%

Template 5 Taxonomy non-eligible economic activities on turnover

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	-	-
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	-	-

Template 5 Taxonomy non-eligible economic activities on CapEx

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	-	-
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	-	-

Belfius Asset Management's EU Taxonomy disclosure

Annex VI of the Disclosure Delegated Act & Annex XII of the Disclosure Delegated Act

REPORTING PRINCIPLES

The following tables present **Belfius Asset Management**'s investments that are directed at funding or are associated with Taxonomy-aligned economic activities.

Compliance with disclosure requirements

Reporting is done following the guidelines provided in Annex III and according to the mandatory templates in Annex IV of the Disclosure Delegated Act.

For nuclear and fossil gas-related activities, information is presented following the templates provided in Annex XII of the Disclosure Delegated Act, based on Belfius Asset Management's KPI as an asset manager.

Scope

This ratio covers all assets under management resulting from both collective and individual portfolio management activities, including assets under active management, discretionary and advisory, as reported in financial statements.

Data sources and limitation

The calculations rely on the disclosed proportion of Taxonomy-aligned economic activities by investee undertakings reflecting their environmental performance, as captured through our ESG data provider. At the moment, this data covers both climate change mitigation and adaptation objectives.

We note that a **limited amount of eligibility and alignment data was available**, either because it was not captured through our ESG data providers or not reported by underlying investee undertakings.

For Belfius Asset Management's **internal investment funds**, we managed to capture both eligibility and alignment data. However, for external investment funds, we did not manage to capture the eligibility data.

For **external investment funds**, we relied on EET files which only contain alignment data. These files were developed for SFDR compliance, but given the lack of available reported data relating to asset management activity , EET files are deemed to be, for the time being, the most reliable source of data available, more likely to reflect with accuracy the alignment with the EU Taxonomy of these products. In the absence of eligibly data, for these funds, we report the same percentage for both the eligibility and the alignment, assuming that the eligibility should be at least as important as the alignment percentage. These funds are reported under **other counterparties and assets**, leading to a high percentage for this category of exposure.

In the same vein, EET files do not provide the **split between the climate change mitigation and adaptation objectives** affecting the breakdown of the numerator per environmental objective.

With regard to the challenge of potential **double counting** issues by non-financial companies, we notice that there could be inaccuracies in the data reported by investee undertakings, in particular when comparing figures for the same activity under various objectives. These inaccuracies might influence the precision of the breakdown of the numerator per environmental objective.

Nuclear and gas

In Annex XII on nuclear and gas-related activities, data capture proves even more challenging.

This is primarily due to the recent disclosure of such information. Consequently, there is a lack of clarity regarding the substantial contribution to either "CCM" (Climate Change Mitigation) or "CCA" (Climate Change Adaptation). As a result, we report all data under the combined objectives and do not report per objective.

Additionally, eligibility data presents another obstacle, particularly for investment funds where capturing eligibility information proves difficult. This challenge significantly affects the data quality in Annex XII, specifically in Template 5, which outlines the percentage of non-eligible activities.

KPI OF ASSET MANAGERS

Template - The proportion of asset managers' investments that are directed at funding, or are associated with, Taxonomy-aligned activities in relation to total investments

The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below:		The weighted average value of all the investments that are directed at funding, or are associated with taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	**1.08%**	Turnover-based:	**321.86**
CapEx-based:	**1.10%**	CapEx-based:	**328.05**
The percentage of assets covered by the KPI relative to total investments (total AuM). Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage ratio:	**95.96%**	Coverage:	**29,718.59**

ADDITIONAL, COMPLEMENTARY DISCLOSURES: BREAKDOWN OF DENOMINATOR OF THE KPI

The percentage of derivatives relative to total assets covered by the KPI.	**0.25%**	The value in monetary amounts of derivatives:	**73.33**
The proportion of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to EU financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	**1.62%**	For non-financial undertakings:	**480.0**
For financial undertakings:	**1.84%**	For financial undertakings:	**547.43**
The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	**8.11%**	For non-financial undertakings:	**2,411.39**
For financial undertakings:	**1.53%**	For financial undertakings:	**454.5**
The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:	**7.09%**	For non-financial undertakings:	**2,106.14**
For financial undertakings:	**3.79%**	For financial undertakings:	**1,127.82**
The proportion of **exposures to other counterparties and assets over** total assets covered by the KPI:	**75.77%**	Value of **exposures to other counterparties and assets**:	**22,517.96**
The value of all the investments that are funding **economic activities that are not taxonomy-eligible** relative to the value of total assets covered by the KPI:		Value of all the investments that are funding **economic activities that are not taxonomy-eligible**:	
Turnover-based:	**9.02%**	Turnover-based:	**2,680.59**
CapEx-based:	**8.11%**	CapEx-based:	**2,408.78**
The value of all the investments that are funding taxonomy-eligible economic activities, **but not taxonomy-aligned relative to the value of** total assets covered by the KPI:		Value of all the investments that are funding Taxonomy-eligible economic activities, **but not taxonomy-aligned**:	
Turnover-based:	**0.78%**	Turnover-based:	**231.51**
CapEx-based:	**1.67%**	CapEx-based:	**497.13**

ADDITIONAL, COMPLEMENTARY DISCLOSURES: BREAKDOWN OF NUMERATOR OF THE KPI

The proportion of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:		Value of **Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:	
For non-financial undertakings:		For non-financial undertakings:	
Turnover-based:	**0.50%**	Turnover-based:	**147.32**
Capital expenditures-based:	**0.71%**	Capital expenditures-based:	**211.55**
For financial undertakings:		For financial undertakings:	
Turnover-based:	**0.03%**	Turnover-based:	**10.28**
Capital expenditures-based:	**0.09%**	Capital expenditures-based:	**27.33**
The proportion of **taxonomy-aligned exposures to other counterparties and assets** over total assets covered by the KPI:		Value of **taxonomy-aligned exposures to other counterparties and assets**:	
Turnover-based:	**0.55%**	Turnover-based:	**164.27**
Capital expenditures-based:	**0.30%**	Capital expenditures-based:	**89.17**

BREAKDOWN OF THE NUMERATOR OF THE KPI PER ENVIRONMENTAL OBJECTIVE
TAXONOMY-ALIGNED ACTIVITIES:

(1) Climate change mitigation			
Turnover:	**0.46%**	Transitional activities: (Turnover)	
CapEx:	**0.70%**	Enabling activities: (Turnover)	**0.00%**
		Transitional activities: (CapEx)	**0.27%**
		Enabling activities: % (CapEx)	**0.03%**
			0.38%
(2) Climate change adaptation			
Turnover:	**0.00%**	Enabling activities: (Turnover)	**0.00%**
CapEx:	**0.00%**	Enabling activities: (CapEx)	**0.01%**
(3) The sustainable use and protection of water and marine resources			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(4) The transition to a circular economy			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(5) Pollution prevention and control			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-
(6) The protection and restoration of biodiversity and ecosystems			
Turnover:	-	Enabling activities: (Turnover)	-
CapEx:	-	Enabling activities: (CapEx)	-

STANDARD TEMPLATES FOR THE DISCLOSURE REFERRED TO IN ARTICLE 8(6) AND (7)

Template 1 Nuclear and fossil gas related activities on turnover

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES

Template 1 Nuclear and fossil gas related activities on capex

	NUCLEAR ENERGY RELATED ACTIVITIES	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	YES
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	YES
	FOSSIL GAS RELATED ACTIVITIES	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Template 2 Taxonomy-aligned economic activities (denominator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.3	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.05	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.01	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	321.5	1.08%	138.07	0.46%	1.24	0.00%
8.	TOTAL APPLICABLE KPI	321.86	1.08%	138.07	0.46%	1.24	0.00%

Template 2 Taxonomy-aligned economic activities (denominator) on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.02	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.08	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	327.94	1.10%	207.82	0.70%	0.46	0.00%
8.	TOTAL APPLICABLE KPI	328.05	1.10%	207.82	0.70%	0.46	0.00%

Template 3 Taxonomy-aligned economic activities (numerator) on turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.3	0.09%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.05	0.01%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.01	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	321.5	99.89%	138.07	100.00%	1.24	100.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	321.86	100.00%	138.07	100.00%	1.24	100.00%

Template 3 Taxonomy-aligned economic activities (numerator) on Capex

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.02	0.01%	-	-	-	-
4.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0.08	0.02%	-	-	-	-
6.	Amount and proportion of taxonomy- aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE NUMERATOR OF THE APPLICABLE KPI	327.94	99.97%	207.82	100.00%	0.46	100.00%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-ALIGNED ECONOMIC ACTIVITIES IN THE NUMERATOR OF THE APPLICABLE KPI	328.05	100.00%	207.82	100.00%	0.46	100.00%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on Turnover

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.01	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	4.18	0.01%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.62	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.12	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	226.58	0.76%	228.32	0.77%	347.85	1.17%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	231.51	0.78%	228.32	0.77%	347.85	1.17%

Template 4 Taxonomy-eligible but not taxonomy-aligned economic activities on CapEx

Row	Economic activities	Amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
2.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	-	-	-	-
3.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.02	0.00%	-	-	-	-
4.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.07	0.00%	-	-	-	-
5.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.08	0.00%	-	-	-	-
6.	Amount and proportion of taxonomy- eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	-	-	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-ELIGIBLE BUT NOT TAXONOMY-ALIGNED ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	495.96	1.67%	500.35	1.68%	685.58	2.31%
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY ELIGIBLE BUT NOT TAXONOMY- ALIGNED ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI	497.13	1.67%	500.35	1.68%	685.58	2.31%

Template 5 Taxonomy non-eligible economic activities on turnover

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	-	-
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	-	-

Template 5 Taxonomy non-eligible economic activities on CapEx

Row	Economic activities	Amount	Percentage
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7.	AMOUNT AND PROPORTION OF OTHER TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES NOT REFERRED TO IN ROWS 1 TO 6 ABOVE IN THE DENOMINATOR OF THE APPLICABLE KPI	-	-
8.	TOTAL AMOUNT AND PROPORTION OF TAXONOMY-NON-ELIGIBLE ECONOMIC ACTIVITIES IN THE DENOMINATOR OF THE APPLICABLE KPI’	-	-

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