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

- Establish processes to identify and assess ESG issues inherent to the portfolio and be aware of potential ESG-related consequences of the company's transactions
- Integrate ESG issues into risk management, 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)

Company strategy

Belfius Insurance is a wholly owned subsidiary of Belfius Bank and operates as the insurance arm of the Belfius Group. As an integrated bank-insurer, Belfius Insurance contributes to the Group's purpose of creating sustainable value for customers and society while maintaining sound risk management practices.

Belfius Insurance's mission is to help customers protect what matters most and increase their resilience against financial, social and environmental risks through accessible and innovative insurance solutions. Leveraging digital and data capabilities, Belfius also branches out to a beyond banking and insurance offering, simplifying its customers' lives and reinforcing its core business.

Sustainability is embedded in Belfius' Planet & Society 2030 strategy and is reflected in the insurance business through product development, underwriting activities, claims management and investment activities. As an insurer, Belfius Insurance can contribute to societal resilience by supporting the transition to a more sustainable economy and by helping customers adapt to emerging risks, including those related to climate change.

The Planet & Society 2030 strategy focuses on three societal priorities where Belfius to create a positive impact for Belgian society: "Self-Reliant BE & EU", "Health and wellbeing", and "Knowledge for progress".

For more information on the Planet & Society 2030 strategy.

Risk management and underwriting

Introduction

The insurance sector is particularly exposed to climate-related risks. For Belfius Insurance, these risks primarily affect the non-life insurance business through the increasing frequency and severity of extreme weather events and natural catastrophes.

Climate related risks are integrated into underwriting and risk management processes. Exposure is managed through risk assessment and pricing mechanisms, supported by historical data, forward-looking analyses and a robust reinsurance programme. The annual renewal cycle of most insurance contracts also provides flexibility to adapt coverage conditions and pricing where necessary.

Climate related risks have been identified as one of the key risks facing Belfius Insurance for several years. In response to increased regulatory expectations and the growing societal need for climate resilience, climate-related issues remain a strategic priority.

While climate change is currently considered less material for the life insurance business, Belfius Insurance continues to monitor potential long-term impacts, including demographic and mortality trends that may emerge over time.

At the same time, Belfius Insurance recognizes that sustainability risks extend beyond climate change alone. As a result, its risk management approach evolved to consider a broader range of Environmental, Social and Governance (ESG) factors. These risks may affect the company through its insurance activities, investment portfolio, operations and relationships with customers and other stakeholders.

Embed ESG in our risk management practices

In order to effectively identify, assess, manage and monitor ESG and climate risks, an ESG Risk Framework was progressively implemented since 2021 and was successfully finalized and documented in 2024. This Framework is based on the following principles:

- The concept of climate risk is extended to all ESG related risks. Climate risk remains however the main focus;
- A group approach is applied for topics with similar risk drivers (e.g. financial stress test, counterparty risk, mortgage loans, data collection, etc.);
- Since good practices, methods and data availability related to sustainability risks are still significantly evolving the framework and methodology are improved on ongoing basis.

At the end of 2025, key milestones of the ESG Risk framework have been implemented:

- A long-term adverse climate scenario has been conducted for the first time in 2024 and has been updated for 2025 to assess the impact on the profitability and resilience of Belfius Insurance.
- A financial resilience test has been performed on Belfius Insurance reinsurance program as per the climate risk assessment. The stress testing exercise of 2025 has also considered less probable scenarios (tail risk and absence of reinsurance structure). The stress testing approach has been enhanced by incorporating a reverse stress testing approach, moving towards a more tailored methodology. The

reverse stress test identifies the level of gross claims from multiple cascading natural catastrophes that would trigger the Solvency II ratio limits under four different reinsurance structures
- Sustainability features were progressively embedded in the risk management or business processes, namely risk taxonomy, investment risk framework and Real Estate Risk Framework, Risk identification and Control Assessment Process (RiCap), Risk and Control Self-Assessment (RCSA) for the Internal Control Report, ESG watch for risk purposes and methods, Risk Charter, Actuarial Function Charter, Remuneration Policy, inclusion in minimum standards on underwriting, inclusion in the mortgage acceptance criteria and pricing;
- A climate risk assessment is performed on a yearly basis and incorporated in the ORSA report.
- Insurance-associated emissions were calculated and disclosed for the first time for 2025, in line with the PCAF Standard Part C, covering personal motor lines and commercial lines.

Three ESG indicators are embedded in the risk appetite framework and continue to be reported in the quarterly risk report:
- ESG Regulatory requirements: risk of not respecting (ESG) regulatory requirements in due time;
- ESG Strategy: risk that targets related to sustainability are not reached on time or are deemed insufficient (by clients & other major stakeholders).
- Resilience Risk: risk that profitability and solvency are materially affected by ESG events.

The subsidence risk for Belfius Insurance's portfolio remains covered in our property insurance. The Transition Acceleration Policy (TAP) was revised in March 2025 to enable the financing of activities in the defence sector linked to NATO member states, while maintaining the exclusion of controversial weapons as defined by the Mahoux Law. The TAP continues to apply across our financial assets and underwriting portfolio.

Incorporating ESG and climate considerations into business and risk practices is key to mitigate risk at the source. By integrating comprehensive climate mitigation strategies across its operations, insurance and investment activities, Belfius Insurance demonstrates its commitment to sustainability and strengthen its resilience in the face of climate change and the challenges related to the transition.

Product and service development

By essence, an insurance company has an essential social role. It is Belfius Insurance's mission to protect and insure 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, Belfius insurance seeks to help its clients prevent those risks, protect them and their loved ones and facilitate their access to insurance solutions.

For **non-life insurance products**, Belfius Insurance seizes every opportunity to encourage its clients in their transition towards a net-zero economy and society. Belfius Insurance offers 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, the coverage is widened 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.) are covered without an extra premium. As of 2022, drought risk is now embedded in our coverage. Furthermore, in order to support customers in their transition towards energy efficient housing, Belfius Insurance offers pricing reductions for housing (less than 10 years) with EPC below 150 kW/m^2/year. Belfius Insurance's property coverage also extends to customers looking for shared mobility solutions who do not own the car they drive. Supporting shared and circular economy initiatives are essential, as they will help maintain economic growth, while minimising GHG emissions.
- In terms of Mobility Insurance, Belfius Insurance has adapted its pricing based on CO_2 emissions of the insured vehicle and the total distance driven, encouraging the transition to lower carbon mobility. To further incentive clients to opt for lower carbon transportation, Belfius Insurance offers policyholders an Assistance budget instead of a replacement car. In addition, 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 Insurance contributed to the development of standards for the future certification of actors in the repair chain that operate in an environmentally sensitive way. Moreover, Belfius Insurance offers a unique all-in bike insurance product, which covers theft, personal injury and repair. This product received the Decavi Award for four consecutive years (2022, 2023, 2024 and 2025). Lastly, with the km-linked insurance offered by Belfius Direct Insurance, people are incentivized to drive less as they are reimbursed for kilometres that are not driven.

- Belfius Direct Insurance launched renters' insurance and bike insurance, expanding accessible coverage to a broader population, and was recognised by the independent agency SIA as a leader in digital customer experience.
- Belfius developed the Pension Corner, which enables Belgian citizens to better prepare for retirement and anticipate long-term financial security challenges, as part of the Financial Literacy pillar of the Planet & Society 2030 strategy. Belfius Insurance also supports policyholders in understanding and covering risks related to critical illnesses including mental health conditions.

The 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 the clients. That is why Belfius Insurance invests in prevention and clear communication. In 2022, Belfius Insurance developed a communication prevention kit sending alerts and prevention tips before a natural catastrophe.

In 2025, three sets of prevention advice were issued covering various weather events (storms, thunderstorms and heatwaves), empowering clients to take pre-emptive damage prevention actions.

With regard to our Life Insurance products, our insurance-based investment products comply with criteria defined by the TAP.

For more information on Belfius Insurance's product and service development please see here.

Claims management

Belfius Insurance believes that its efforts should carry on during the whole lifecycle of the product offerings. The easy-to-use MyBo platform is a clear reference for its efforts to facilitate the claims management process. MyBo serves as the preferred channel for claims communication, particularly in the event of a natural catastrophe. This innovative platform streamlines the claims process, allowing for timely and effective communication between clients and Belfius Insurance.

In the event of a claim, Belfius Insurance offers integrated repair solutions through its partnership with Jaimy and its IT platform that puts clients in touch with reliable professionals, notably to shorten claims-handling timelines and improve customer experience during the restoration of insured properties. Compensation takes the most recent building standards into account, including any associated additional costs, so as to support more sustainable reconstruction.

Since 2024, all Jaimy network repairers are required to carry a sustainability label ("Long Life Repair" / "Duurzaam Repareren") and are encouraged to apply sustainable repair techniques, equivalent or reused parts. In addition, Belfius Insurance also includes ESG criteria in its partner selection process (distance, means of transport, materials used), so as to help limit the overall environmental footprint.

Even though many solutions are deployed, complaints can always arise and these are handled in line with the expectations of the related Service Level Agreement. These complaints are essential to improving Belfius Insurance's processes and allow its offerings to become even more meaningful for its clients in the future.

For more information on claims management and complaint management, see respectively 1.6.3. and 3.2.4. of the 2025 Sustainability Statement.

Sales and marketing

As Belfius Insurance's values revolve around customer orientation, establishing transparent relationships with customers is an integral part of its mission. In addition to the ethics policies in place, Belfius Insurance adheres to Assuralia's code of conduct.

Belfius Insurance invests in the training of its employees to increase their understanding of sustainability so as to better advise the clients. Following the implementation of the amended Insurance Distribution Directive (IDD), integrating customers' sustainable preferences, the relevant employees followed a mandatory education program related to directive's changes. Annually, the sales teams are required to update their knowledge to further increase their understanding of sustainability.

Additionally, in 2025, Climate Fresk workshops continued to be organised for Belfius and Belfius Insurance employees to further increase awareness of climate challenges. The program has reached over 400 participants since its launch.

Investment management

As an insurer with deep roots in Belgian society, a large part of Belfius Insurance's resources are invested in Belgian assets.

In 2025, a total of EUR 16 billion is invested in the real economy, of which EUR 4.3 billion (27.2%) in corporate equities and bonds. Belfius Insurance also started a partnership with Impact Finance Belgium, a network of Belgian stakeholders committed to mobilising capital for sustainable and impact investing (see 1.6.2. of the 2025 Sustainability Statement). Thanks to these investments, Belfius Insurance provides the Belgian society with significant resources. For more details, please refer to Belfius Insurance's Engagement report.

In 2025, Belfius defined for the first time decarbonisation targets on its financed emissions, approved by the Joint Management Committee and the Board of Directors. These targets cover the five most carbon-intensive sectors of its portfolio (coal, oil & gas, power generation, automotive and residential real estate) representing more than 50% of total financed emissions and are calibrated using the PACTA methodology against IEA scenarios.

Finally, Belfius acts as a responsible investor through its engagement strategy. Belfius Asset Management is in charge of screening the Branch 21 Investment Portfolio.

For further details on meaningful management of Belfius Insurance's reserves, see 1.6. of the 2025 Sustainability Statement.

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

Clients

Belfius is aware of the increasing environmental, social and economic challenges that the society is facing. To this end, Belfius Insurance integrates ESG considerations into its decision-making processes to prevent and manage sustainability risks that might impact its strategy. The group also takes these considerations into account when engaging with different stakeholders to understand their expectations, but also to ensure the path towards a sustainable future.

Belfius Insurance continuously informs customers on ESG -related risks and, to support them with their daily operations, regularly develops sustainable solutions to help them prepare for the potential negative effects of climate change. Increasing customers' awareness is a key priority for Belfius and to do so additional information on investment products (Life Invest products) is provided to increase the clients' knowledge of ESG risks and to match their sustainability preferences with dedicated products. With regard to property products and mortgages, Belfius Insurance regularly informs clients through bank mails and newsletters on the different climate associated risks they may face (flooding and drought for instance) and how to help mitigate these.

Suppliers

Business partners also play a key role in the transition to a low -carbon economy. Belfius Insurance is aware of the need to manage its supply chain in a sustainable manner and to ensure that it maintains a constant dialogue with its suppliers so that they may take appropriate mitigating actions. Integrating ESG criteria in procurement activities and actively engaging with suppliers are key to make this meaningful transition. Hence, Belfius applies its Sustainability Code of Conduct to all of its suppliers (see 4.1. of the 2025 Sustainability Statement).

Within this context, Belfius has selected EcoVadis as its partner to screen the most important existing and new suppliers and advocate for these changes. Modifications have been made accordingly, including to the 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.

With regard to its claims management process in particular, Belfius Insurance developed solutions with its privileged partner in repair in kind, Jaimy by Belfius, embedding sustainable criteria in the selection of its partners.

For more information on sustainability within the supply chain, see 4.1 of the 2025 Sustainability Statement.

Insurers, reinsurers and intermediaries

In order to maintain the quality standards of the Insurance industry, Belfius Insurance works together with other organizations to increase 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 Belfius Insurance continues working with its 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 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

Belfius developed dedicated project organisation to adequately respond to the different regulatory requirements it is subject to. For instance, 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

Belfius also deepened its engagement with the Belgian education sector by extending the MAHA study - its annual reference analysis of financial health - to Belgian schools, complementing its long-standing coverage of the hospital sector.

In parallel, Belfius continued to develop in-depth pension research, with the aim of informing product development and contributing to the public debate on long-term financial security. Financial scans for municipalities are also offered to support local public authorities in assessing their budgetary situation and financial resilience.

Internal communication

Since 2024, Belfius organizes ESG events to create a community inside the company. It goes from a “Sustainability Week” featuring a variety of awareness activities open to all employees, to specific ESG stakeholder events to celebrate our successes together and ensure that ESG stays in their mind in their daily activities.

Belfius also hosts Climate Fresk workshops to its employees.

External communication

Belfius has long demonstrated its commitment to sustainability through robust external engagement and transparent communication. As a signatory of the UN Global Compact since 2011, the Group upholds the 10 principles on human rights, labour standards, environmental protection, and anti-corruption. Through its membership in the Principles for Responsible Banking (PRB), an initiative led by UNEP FI, Belfius prioritizes sustainable finance, transparency, and measurable positive impact. The Group further reinforces its climate accountability by participating in the CDP (Carbon Disclosure Project), reflecting its commitment to data-driven climate action.

Complementing these efforts, Belfius collaborates with key stakeholders, including The Shift, Belgium's sustainability network, to co-develop solutions for businesses and communities, driving collective progress.

Through these initiatives, Belfius not only communicates its sustainability ambitions but also drives concrete progress in line with global best practices.

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

As from 2025, Belfius publishes a consolidated Sustainability Statement in line with the CSRD regulation. Furthermore, SFDR forces us to be transparent, enabling investors to properly assess how sustainability risks are integrated into the investment decision process. All our reports and continuous progress are available on the Belfius website.

In addition, Belfius completes the annual CDP questionnaire to assess the environmental impacts of its direct operational activities, value chain, and financial decisions. Since 2023 we disclose annually with the aim of providing transparency and accountability regarding our environmental impact and the actions we take to limit it, our responsible business practices and the management of our environmental risks.

In 2025, this framework was formalised through the PACTA (Paris Agreement Capital Transition Assessment) methodology, with decarbonisation targets approved by the Board of Directors and the Joint Management Committee covering 5 carbon-intensive sectors (coal, oil & gas, power generation, automotive, residential real estate) representing more than 50% of total financed emissions. These targets have a 2022 or 2024 baseline and intermediary milestones for 2030, expressed as a range between the IEA Net Zero Emissions (1.5°C) and Sustainable Development Scenario (well-below 2°C). Compliance is monitored through quarterly dashboards reviewed bi-yearly with the JMC (Joint Management Committee of Belfius Bank and Belfius Insurance) and yearly with the Board. We remain committed to transparency and will continue to report on our progress annually.

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 (see 3.2.4. of the 2025 Sustainability Statement).