

ANNUAL REPORT 2023

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Management report

Ethias SA's annual report includes the management report and the annual accounts of Ethias SA prepared in accordance with the provisions of the Belgian Code on Companies and Associations and the Royal Decree of 17 November 1994 on the annual accounts of insurance companies and approved by Ethias SA's Board of Directors on 29 March 2024.

Unless otherwise specified, the amounts in this report are stated in thousands of euros.

Report of the Board of Directors of Ethias SA to the General Assembly of Ethias SA on May 22, 2024.



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Retrospective and vision of the chairmen

To be the insurer that leaves a positive mark on Belgian society with every one of its footprints

2023...

...arrives after three years marked by the global pandemic, the war in Ukraine, the worsening consequences of global warming, an increasingly unstable geopolitical context and the growing risks associated with cybersecurity. Technologies such as artificial intelligence are shaking up our convictions, raising a lot of questions, but also opening up opportunities that we can't ignore. At Ethias, these challenges make us more determined than ever to align the Group's different strengths to support and protect a population under pressure.

A unique, solid and responsible Belgian player at the service of society for over 100 years

Due to its ability to anticipate, its resilience and its expertise of over 100 years, Ethias ended 2023 with a result that exceeded expectations.

As at December 31 2023, the net result amounts to EUR 200 million. Non-Life operating result amounts to EUR 201 million. In Life, the operating result amounts to EUR 76 million. Overall income amounted to EUR 3.374 billion, an increase of almost 16% compared to 2022. This good result largely exceeds forecasts and is attributable to both Life and Non-Life. The **Solvency II ratio** stands at **190%**¹ after deducting the proposed dividend. It should be noted that the ratio is calculated according to a standard formula without using transitional measures for technical provisions. Subject to the approval of the General Assembly, a dividend of EUR 110 million will be paid to our four shareholders (SFPIIM, Wallonie Entreprendre, the Flemish Region and EthiasCo).

Our "ESG by design" strategy: when purpose and performance meet

Beyond economic performance, which is obviously essential for any company, Ethias integrates sustainability and societal goals into its strategy in all its operations and activities. As you will discover in this report, Ethias' commitment

to society has been deeply rooted since the company was founded. Ethias' commitment became concrete in 2023 with the 2nd edition of the Ethias Youth Solidarity Awards, aimed at fighting poverty among people under the age of 30 and the Fail Better campaign. Ethias also concluded a number of sustainable investments and partnerships, pursued its "zero-carbon 2050" plan, successfully closed the issuance of its first Green Bond for an amount of EUR 250 million and launched Ethias Lease, which offers a 100% electric fleet management.

By integrating sustainability into all aspects of its business, Ethias strengthens its ability to be a strong and responsible player in society, creating jobs, but also finding solutions to the challenges facing every citizen.

Strengthening synergies within the Ethias Group for even more solutions and protection

Customers' needs are evolving: they expect solutions without multiple intermediaries. In this context, and thanks to its various activities, Ethias Group² continually generates value for its customers. The financial performance and strategies for the optimisation of synergies between the various entities over the last few years demonstrate the relevance of this ecosystem.

¹ Annual solvency assessment at 31/12/2023.

² includes Ethias SA, NRB Group, Ethias Pension Fund, Ethias Ventures, Ethias Services, Ethias Lease, Flora & IMA Benelux.

We are proud to count on the commitment of over 5,000 employees who make up the Ethias Group, the trust of our customers and the support of our shareholders. Without them, we could not be the insurer that makes a positive mark on Belgian

society with each and every one of its actions. Once again, we would like to thank them most sincerely.

We wish you a pleasant reading.



Philippe LALLEMAND
Chair of the Executive Committee
Chief Executive Officer



Myriam VAN VARENBERGH
Chair of the Board of Directors

1. Ethias in a nutshell

1.1. Key figures and financial indicators

1.1.1 Essential data of the income statement

	2023	2022	Yearly fluctuation
Non-Life income	1,669	1,512	10.39%
Public Bodies & Companies	1,006	895	12.48%
Private Individuals	663	617	7.51%
Life income	1,705	1,402	21.61%
Public Bodies & Companies	1,658	1,352	22.63%
Private Individuals	47	50	-5.93%
Total income	3,374	2,914	15.79%
Net result	200	191	4.85%
Result for the period to be appropriated	200	189	5.91%

1.1.2 Essential data regarding the financial situation

	2023	2022	Yearly fluctuation
Total assets	19,424	18,988	2.29%
Shareholders' equity	1,701	1,611	5.57%

1.1.3 Regulatory coefficients



	2023	2022	Yearly fluctuation
Solvency ratio of Ethias SA	190%	170%	20%

1.2. Non-financial key performance indicators¹

In order to monitor the progress of its sustainability strategy, set realistic goals and report on its progress, Ethias has a **centralised ESG dashboard which lists all the KPIs it considers important in relation to its ESG strategy.**

ENVIRONMENT	
Carbon footprint (marked-based - Scope 1, 2, 3)	10.751 tCO ₂ e
Share of renewable electricity in total energy consumption	26,5%
Electrification of company cars	32%
Fleet electrification (Cafeteria Plan)	11%
Circular economy – Number of recycled laptops (Digital For Youth stats)	132 laptops donated
Training/awareness-raising on climate issues for Ethias staff (Fresco)	150 employees attended Climate Fresco workshops
SOCIAL	
Allocation to the Ethias Impact Fund (€)	300.000 euros
Gender: % women-men	51,13% women – 48,87% men
Gender: % women-men ratio in middle management positions	38% women – 62% men
Gender: % women-men ratio in Top management	38% women – 63% men
Ethias Engagement Survey (score)	82 % of broadly satisfied employees
Percentage of days worked from home compared to days worked	43,5 %

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

GOVERNANCE	
Integrating sustainability goals into executive remuneration	Variable remuneration of members of the Executive Committee takes into account one or ESG goals
Rating/score	Ecovadis - Silver medal + Top Employer  
SUSTAINABLE INVESTMENT AND FUNDING	
Carbon intensity of private investments (tonnes CO ₂ eq. / millions of euros invested)	252
Carbon intensity of private investments (tonnes CO ₂ eq. / millions of euros of turnover)	763
Carbon intensity of sovereign and assimilated investments (tonnes CO ₂ eq. / GDP unadjusted)	246
Green, social, sustainable or ESG performance bonds invested	EUR 1,139 million invested
Investments in Belgian society	EUR 4,933 million invested in the Belgian economy
Green bond (green bond issued)	EUR 250 million invested in projects with a positive environmental impact
EU TAXONOMY	
Percentage of investments eligible for Taxonomy based on turnover	4,96%
Percentage alignment of investments with Taxonomy based on turnover	1,93%
Percentage of Non-Life underwriting activities eligible for Taxonomy	2,12%
Percentage of Non-Life underwriting business aligned with Taxonomy	0%

2. Key facts of 2023

Financial markets in 2023

A year of volatility

The year 2023 began with an almost unanimous market consensus: the very restrictive policies of the Fed and ECB were expected to maintain the upward trend in interest rates. They would also generate a severe economic recession before the end of the year. It now obvious that not everything went exactly according to plan.

After a final quarter of 2022 marked by a rapid rise in rates, the Goldilocks scenario – or soft landing – seemed to prevail in the early weeks of 2023. Central banks would succeed in bringing inflation back close to their targets, while maintaining sufficiently positive growth. As proof, the US economy showed no signs of weakness despite the sharp rise levels rates, with unemployment reaching its lowest levels historically. This optimism would be quickly shattered by the bankruptcies of Silicon Valley Bank (SVB) and other US regional banks. The loss of a significant proportion of their deposits had been a huge blow. These events had repercussions on financial markets, raising concerns about a crisis similar to that of 2008. Central banks responded with emergency measures, but persistent volatility spread to Europe, even threatening the stability of major financial institutions like Crédit Suisse.

The second quarter saw renewed optimism, thanks in particular to solid economic indicators in the United States. Central banks continued their monetary tightening cycle, and the market began to give more weight to the higher for longer scenario, meaning higher rates for a longer period.

At the start of the third quarter, the end of government debt issuance programs prompted a reconsideration of the interest rate stance, in anticipation of an imminent economic slowdown in Europe. However, the higher for longer assumption continued to weigh on the markets until the end of September, leading to a violent bear-steepening of the yield curves. The US 10-year yield even passed - briefly - the 5% mark, while the German 10-year was close to 3%.

The last quarter opened with a series of positive surprises on the inflation front, both in the US and Europe. Inflation was falling faster than expected, allowing central bankers to consider early rate cuts. It was the end of higher for longer and the return to power of Goldilocks and the soft-landing scenario. Falling inflation would lead to an easing of monetary policy, which would safeguard economic growth. As a result, the risk of recession became very low. Fixed-income markets fell sharply: the 10-year Bund rate lost 100bp in three months, and the 10-year US rate fell back below 4%. Meanwhile, stock market indices were regularly breaking new records.

In conclusion, the year 2023 ended with a strong rally in rates, no sign of an imminent recession, with the certainty that falling inflation will allow central banks to cut rates with-

in the next six months. The consensus of early 2023 did not materialise. Will 2024 be any different, or are the markets too optimistic?

Impact on the financial management of Ethias' investment policy

Ethias' investment philosophy is closely aligned with its values, social goals and insurance activities. Its investment policy is based on a long-term vision, and investment decisions are made in line with the strategic target allocation defined according to the company's risk appetite. As a responsible company, it implements a sustainable investment approach that aims to bring together the financial goals of its various stakeholders and environmental and social issues. The company is also committed to strict governance and to ensuring the best possible execution of transactions to minimise costs. In addition, Ethias has further accentuated its role as a benchmark investor by promoting sustainable economic development in Belgium in a significant proportion of its investments.

Despite an unstable macroeconomic context, the long-term nature of its investments and an active approach to asset-liability matching enabled Ethias to manage the impact of this volatility on its main performance and risk indicators as effectively as possible. Meanwhile, interest rates remained at historically high levels. Ethias took this opportunity to boost the average yield of its portfolios by investing in securities of good credit quality. In this context, the investment portfolio proved to be particularly resilient, and did not suffer any bond-related credit events. The pursuit of its allocation strategy towards more illiquid assets continues to significantly underpin the portfolio's current and future returns. Finally, interest-rate hedging programs generated higher-than-expected gains, also boosting the average rate of return on the investment portfolio.

The company is aware that being a responsible investor comes with a long-term responsibility in the management of legal and supplementary pensions and in supporting the local economy. In line with its allocation strategy, a significant proportion of Ethias' investments is devoted to supporting the economic development of public and private economic players in Belgium. By the end of 2023, Ethias will have invested EUR 5 billion in the Belgian economy, spread across all regions of the country. Through these investments, the company demonstrates its role as a long-term investor, contributing to the development of the economy by bringing the necessary stability to projects developed by local authorities and businesses.

In 2023, Ethias also continued to invest in companies and projects that contribute to environmental and/or societal goals. These investments are made in both equities and debt, on both listed and over-the-counter markets. Over the past two years, Ethias has increased its commitments to sustainable infrastructure funds and projects, either directly or through in-

vestment funds. Ethias has also strengthened its presence in the sustainable real estate sector. It focused on acquiring new assets that meet the strictest sustainability requirements and began major renovations in various buildings.

As a responsible investor, the company therefore implements an investment policy that aims to steer Ethias' investments towards sustainable economic development by integrating environmental and social factors. This policy is divided into 5 main areas: exclusion, integration, commitment, impact and communication. This approach is progressive and pragmatic, considering that the integration of ESG criteria in the management requires time and maturity.

Ethias has also developed an impact investment policy in order to generate a positive social or environmental impact in addition to achieving a financial return. In 2024, Ethias will still pursue this policy by investing in projects that have a positive impact on society and the environment. In addition to the collaborative commitments made in 2021, Ethias joined the Science Based Targets initiative in 2022. Through this initiative, it has committed to setting greenhouse gas emission reduction targets in line with the Paris climate agreement by 2024, with the specific aim of achieving Net Zero by 2050.

Impact on insurance products and technical liabilities

In this turbulent macro-economic context, with inflation trending downward but significant volatility in market indicators, underwriting risk management and provisioning were impacted and tariff increases were applied. In addition, Ethias has also reviewed some of its assumptions and estimation methods to reflect the observed and expected inflation levels in its financial statements.

In response to the invasion of Ukraine, the European Union has imposed a series of sanctions against Russia. Ethias, through its Compliance department, regularly ensures that its investments and its relations with clients or intermediaries respect the rules in force.

Signing of the new agreement between insurers and the Walloon Region concerning the flooding of 2021

Following the floods of July 2021, the insurers and the Regions have joined forces in order to fully compensate the claims insured in Simple Risks.

An intervention protocol was signed in August 2021 to share the burden. This protocol provided that if the estimated threshold of EUR 1.7 billion was exceeded, the parties would meet again to examine and specify the cost allocation mechanism, referred to in the protocol as the "Rendezvous Clause". End 2022, the "rendez-vous" clause was activated.

In January 2023, it was agreed that the Walloon Region would intervene for an amount of EUR 1,030 million. The nine insurers concerned by the "rendez-vous" clause will take charge of all compensation due beyond the maximum amount of intervention by Wallonia, on the basis of a proportional distribution key agreed between them.

Ethias successfully closes its first Green Bond issue for a total of EUR 250 million

Started on April 24, 2023, the issuance of subordinated bonds within the framework of a Green Bond was successfully completed for Ethias. The company will be able to pursue its sustainable and responsible investment strategy in the Belgian economy by investing in projects with a positive impact on the environment.

The issuance amounts to EUR 250 million, matures in 2033 and carries a coupon of 6,75%. It was accompanied by an offer to repurchase EUR 116.5 million of the Tier 2 subordinated debt with a 2026 maturity, issued by Ethias, and by the early reimbursement in April 2023 of the subordinated Tier 2 debt of EUR 75 million with a maturity set in July 2023.

Fitch affirms Ethias SA's IFS rating at "A"

The rating agency Fitch once again affirmed Ethias SA's Insurer Financial Strength (IFS) rating at 'A' with a stable outlook. A fine demonstration of the insurer's solidity in a particularly volatile economic context.

The maintenance of this rating demonstrates once again Ethias' financial strength as well as its good profitability and the robustness of its business model. It also attests to the relevance of the insurer's unique positioning and of its strategic choices, allowing the company to stay on course despite an out-of-the-ordinary context of overlapping crises.

Fitch underlines the insurer's excellent capitalisation, driven by a strong solvency ratio, as well as its good operating and financial performance. It also highlights its position as a direct insurer on the Belgian market, leader in the public sector.

Dividend payment

The General Meeting of May 18, 2022 approved the distribution of a dividend of 108 million euros for fiscal year 2022.

New member of the Ethias SA's Board of Directors

On May 17, Ethias SA's General Assembly approved the appointment of Dewi Van De Vyver as an independent director on Ethias SA's Board of Directors. With her keen sense of entrepreneurship, her recognised expertise in ICT (crowned by the title of "ICT Woman of the Year 2020"), her involvement in sustainable development and corporate social responsibility, and her commitment to gender equality, she will strengthen the skills of the Board of Directors.

Creation of Ethias Lease Corporation

With the creation of Ethias Lease Corporation in June 2023 Ethias is breaking new ground in the Belgian leasing world: it will be introducing an offer specifically designed to meet the multiple challenges faced by Belgian companies and local authorities in their transition to an electrified car fleet, while responding to the new fiscal reality. Ethias Lease draws on Santander's expertise to provide its clients with a complete, integrated leasing solution and customised service.

Ethias Youth Solidarity Awards

In January 2023, Ethias launched the second edition of the Ethias Youth Solidarity Awards. An independent professional jury rewarded 14 projects from Public Centers for Social Action (CPAS) in Wallonia, Brussels and Flanders aimed at combating poverty among children and young people under the age of 30. Each winning initiative was rewarded with financial support of EUR 10,000, 25,000 or 40,000, for a total envelope of EUR 275,000. This 2nd edition of the Ethias Youth Solidarity Awards is an initiative of the Ethias Impact Fund, the corporate fund created by Ethias and managed by the King Baudouin Foundation. This fund is an important pillar of the company's Sustainability strategy, and aims to support organisations and projects fighting poverty or promoting environmental or health issues.

Double materiality assessment

In 2023, Ethias carried out its first double materiality analysis. The aim of this exercise is to identify the sustainability issues most relevant to its stakeholders, and to ensure that these are taken into account in the company's strategy and reporting.

This materiality analysis shows that Ethias' Sustainability strategy already encompasses all the concerns highlighted in this first study.

Awards

Ethias is elected Top Employer for the second year in a row! With 87.82%, Ethias is above the average score for insurers in Belgium. The Top Employers Institute certifies companies that offer their employees the best possible working environment through innovative HR practices that focus on people.

Once again this year, Ethias won three DECAVI Insurance Awards Non-Life: Tenant insurance, Workers' Compensation insurance and Family insurance. This is the 5th time that Ethias has won the Workers' Compensation insurance award, in recognition of its involvement as a socially active insurer committed to helping victims of accidents in the workplace.

In its 3rd consecutive year of assessment by EcoVadis, Ethias has consolidated its Silver Medal, making it one of the best performing companies in this area (all sectors combined). In addition to the numerous environmental and societal actions, EcoVadis highlights the company's progress made in responsible procurement.

Partnerships

In March 2023, Ethias signed an agreement with BPI Real Estate for the acquisition of the Wood Hub building. Wood Hub can be considered as one of the most ambitious architectural project in the Benelux in terms of sustainability. This acquisition is part of the diversification process for its real estate portfolio and perfectly meets its requirements in terms of quality, comfort for future occupants and ecological sustainability.

Furthermore, Ethias has teamed up with SFPI/SFPIM to create Cityforward, a real estate fund managed by the Whitewood capital fund manager, to draw up a plan for redeveloping 21

buildings of the European Commission into a sustainable urban district in line with ESG principles. SFPI/SFPIM, as a government agency, will purchase the buildings and Cityforward will take care of the redevelopment work. The entire operation is the result of a collaboration with the Brussels-Capital Region, the municipalities and government bodies.

Ethias, NRB and BeCode, Belgium's largest coding school with social impact, have signed a strategic partnership aimed at developing and strengthening the training of Belgian tech talents. This initiative, rooted in the shared values of the three partners, seeks to respond to the need for professional reintegration and retraining, the development of IT professions and the shortage of local talents in the sector.

3. Analysis of the results of the financial year

Ethias overcame the challenges of 2023 while affirming its commitment to growth, profitability and financial strength.

The year 2023 is characterised by the absence of storms, a slowdown in inflation and an overall more favourable macroeconomic context than in 2022. In addition to persistent market volatility and unpredictability, the company has demonstrated resilience. The net result of EUR 200 million, i.e. an increase of 4.85% compared with 2022, underlines the effectiveness of Ethias' strategic approach and its ability to deal with unforeseen events.

3.1. Non-Life

The result of Non-Life business amounts to EUR 200 million.

Income amounts to EUR 1,669 million and increases by 10.39% compared to 2022, due to new contracts and premium indexation. It breaks down as follows between the segments Private Individuals and Public Bodies & Companies:

- Income for Private Individuals increases by 7.51% compared to 2022 and amounts to EUR 663 million;
- Income for Public Bodies & Companies amounts to EUR 1,006 million and increases by 12.48% compared to 2022.

The adjusted net combined ratio (including recurring financial income from annuities) stands at 91.9% and remains below the 92% target.

The result of the Non-Life activities is clearly up compared to the year 2022 (+15.66%) despite a higher cost for fire reinsurance. These good results can be explained in particular by the absence of major climatic events, the growth of activities and a close monitoring of profitability.

3.2. Life

The result of Life business amounts to EUR 94 million.

Income at end-2023 is up by 21.61% compared to 2022 and amounts to 1,705 million euros, including 47 million euros in Private Individuals and 1,658 million euros in Public Bodies & Companies.

- Income in Life Individuals decreases by 5.93% compared to 2022.
- Income for Life Public Bodies & Companies decreases by 22.63% compared to 2022, both the 1st and 2nd pillar.

The result of Life business is up compared to 2022 (+10.54%) thanks to strong growth in premium income and better recurring financial results.

3.3. Non-technical

The non-technical result before tax shows a negative contribution of 35 million euros, mainly due to the expense of subordinated loans and impairments on receivables. Tax expenses for the year amount to EUR 59 million and benefit from deductions for income from innovation and for definitively taxed income (RDT deduction).

3.4. Changes in shareholders' equity and solvency margin level

After appropriation of the result, equity increases by EUR 90 million to EUR 1,701 million, compared to EUR 1,611 million at end-2022, taking into account a profit to be appropriated of EUR 200 million and the distribution of a dividend of EUR 110 million.

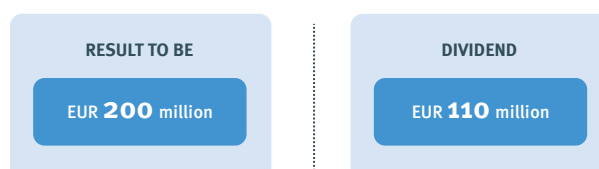
The SII margin at end-December 2023, based on the standard formula, amounts to 190.2% and takes into account the dividend.

3.5. Appropriation of the result

After withdrawal and transfers to untaxed reserves, the net profit for the financial year to be appropriated amounts to EUR 200 million. After taking into account the profit carried forward from the previous year, the profit to be appropriated amounts to EUR 719 million.

The following appropriation is proposed to the General Assembly:

- allocation to the statutory reserve; EUR 10 million;
- profit to be carried forward: EUR 599 million;
- remuneration of the capital (dividend): EUR 110 million.



4. Strategic fundamentals¹

4.1. Brand Purpose

The **brand purpose** defines the company's *raison d'être*: its moral principles beyond the profit motive. In this new world, we put people at the heart of all our actions, making them, more than ever, a lever for sustainable progress, equity and peace of mind for all.

This is the world today.

Climate emergencies, digital divides, social inequalities, wars and social tensions... These are new threats and challenges that are putting to the test the much-needed solidarity to build our future responsible and sustainable society.

Human and ethical values are all too often disregarded, even though they are our sole and unique reason for existing.

That is why, at Ethias, we put people and communities at the heart of everything we do.

At the centre of our actions, our concerns, our resources and our objectives, the H in Ethias symbolises the human values that have always given meaning to the incredible resilience of our company. Ethias wants every individual or collective action undertaken by its employees and every company's decision, to have a positive impact on Belgian society.

At Ethias, we enable our staff and partners to grow and to give of their best. We are agile and flexible. We are all working together to make life easier and more enjoyable for

everyone. We want to bring a smile to people's faces and make threats disappear.

Because at Ethias, technology does not create distance, but brings people together. It facilitates contact, without replacing it. We are close to you, we speak the same language and know the world a round you. Our job is to be a direct insurer, being in direct contact with life and bringing solutions directly to you.

We are here to protect you and encourage you to focus on what you are, what you want to become, what you want to achieve. Whether you are a single person, a couple, a family, an association, a company or a community.

And to make this happen, we dare to be kind, understanding and empathic. We bring all these deeply rooted human values together in our unwavering determination for the well-being of everyone.

That is why our motto will always be: **"Daring to be human together"**.

4.2. Values

The values are defined by all the employees and are the foundation of Ethias' identity, culture and personality. In a nutshell, they make up the company's DNA.

#Human

Humanity is at the heart of all our relationships which we treat with respect and empathy. We are a true partner to everybody we work with. We are here for every client. We assist and help them when the going gets tough. For us, proximity and solidarity are no empty words. At a time when our society is becoming increasingly complex and diverse, we want to help everyone.

#Empathy #Respect #Proximity #Team #Solidarity

#Commitment

For over 100 years, we have been daily committed to our clients, to our colleagues and to society. We are reliable, trustworthy, willing and ethical.

#Confidence #Trustworthy #Efficiency #SocialResponsibility
#Ethical #Responsible #100years #Proactive

#ClientSatisfaction

It is the driving power behind our activity and everything we do. Through our mutualist origins, we cherish the relations with our customers and strive for exemplary service quality. Our availability, efficiency and flexibility are no longer to be demonstrated and contribute to our customer satisfaction.

#Accessible #Partner #Flexibility #Adaptability #Efficiency
#Simplicity #Agile

#Enthusiasm

Because whatever happens, a heart beats within Ethias. Every day, we demonstrate energy, vitality, optimism and dynamism. Our enthusiasm helps us to be creative and to undertake innovative projects.

#Innovation #Vitality #Creativity #Energy #Dynamism #Optimism

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

4.3. Mission

Making insurance easier so as to bring to Ethias' clients security, peace of mind and freedom of initiative, with innovative services and products. As partner of your daily life, Ethias put its expertise and energy at your service.

4.4. Vision

Ethias' vision for the future is built around 3 axes that represent its strength:

- **Direct:** Ethias is a direct insurer, creating and strengthening relationships with its clients
- **Digital:** at the heart of its strategy, but serving people
- **Public sector:** Ethias is proud to be the number one insurer in the public sector and to be able to serve everyone



4.5. Business Strategy

4.5.1 Strategy 2023

2023 marks the end of the 2018-2023 strategic plan. Beyond the strengthening of the fundamentals, the goal of this strategic plan was to allow Ethias to offer a broad approach to meet customer needs more accurately, beyond the strict requirements of insurance, with ever-changing consumer demands and behaviours.

After 5 very eventful and unprecedented years (Covid19 and lockdowns, the invasion of Ukraine and its macroeconomic consequences), Ethias considers itself satisfied in terms of:

- growth;
- new products;
- mobility ecosystem and healthcare services;
- digital solutions for customers;
- solid and renewed presence at the service of the public sector;
- new distribution partnerships;
- financial support for projects in the public interest.

4.5.2 Ambitions 2024-2026

Ethias' 2024-2026 strategic plan, following on from the previous one, focuses on perfecting customer relations, maintaining specific solutions for the public sector and integrating ESG strategy as an integral part of the company's overall strategy.

These ambitions call for major changes in data management and IT tools, as well as continuous improvement in productivity thanks to a new organisation and the use of the latest generative artificial intelligence solutions.

Overall, Ethias aims to play a full role in Belgian society, serving each and every citizen, Belgian society as a whole and supporting the environmental transition. As a result, Ethias' vision is to become the insurer that leaves a positive mark on Belgian society in any way possible.

4.5.3 Sustainability at Ethias

4.5.3.1 An integrated strategy at the heart of our business

At Ethias, sustainability is a fundamental pillar of our corporate strategy. It is an integral part of every aspect of our insurance business: in the insurance products and services we develop, in the investments we make, and in the relationship with our customers, partners and shareholders, so that the way we conduct our business has a lasting impact on the society of today and tomorrow.

To contribute to the vision of society, Ethias has reshaped its Sustainability strategy at the end of 2021. This strategy is built around the three main pillars of Environmental - Social - Governance (ESG) and the guiding principles that underpin its implementation.

- **Environmental pillar:** Ethias is helping to mitigate climate change by aiming for a maximum reduction in its own emissions by 2030, and Net Zero by 2050;
- **Social pillar:** Ethias continually seeks to improve the working conditions of its employees and to create a positive impact for Belgian society, particularly through the Ethias Impact Fund;
- **Governance pillar:** Ethias is committed to communicating authentically and transparently, and to preserving its reputation as a socially responsible company.

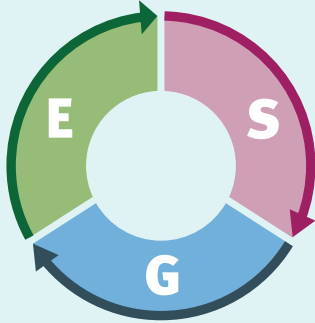
Its sustainable ambitions are also reflected in our investment activities and in the development of our insurance products.

- Ethias **invests in transition and sustainable businesses**, while supporting the local economy;
- In **product development:** Ethias is gradually transforming its range of insurance products and services to minimise their environmental impact, ensure that no one is excluded, and promote prevention and the adoption of sustainable behaviour.



WHY An ambitious Sustainability strategy to make our business future-fit

WHAT



HOW A framework in which we operate to guide the implementation of the sustainability strategy



SUSTAINABILITY GUIDING PRINCIPLES

- An **integrated sustainability strategy** aligned with stakeholder expectations and emerging issues
- **International frames of reference**
- **Cross-functional, participative governance** to support and steer it
- **Policies and commitments** to ensure its implementation
- **Projects and initiatives** to make it happen
- **Targets and KPIs** to monitor performance and report on progress
- **A community of employees** to support and develop it

EVERY DAY IS AN IMPACT DAY

4.5.3.2 10 key commitments

Ethias' sustainability strategy can be summed up in **10 major commitments** towards the planet, society and its various stakeholders.

- Transforming and developing **sustainable products and services**
- Focusing on **prevention** to meet the challenges of sustainability
- Acting on **climate** and aiming for Net Zero
- Protecting the environment and regenerating **ecosystems** and **biodiversity**
- To strengthen its responsible investment approach
- Creating impact in society through its **Ethias Impact Fund**
- Welcoming everyone's **diversity** and **uniqueness**
- To bring sustainability to life within the company with the **#ReGeneration Movement**
- Involving **stakeholders** in implementing the sustainability strategy
- Promoting sustainability by joining **networks and communities of experts**

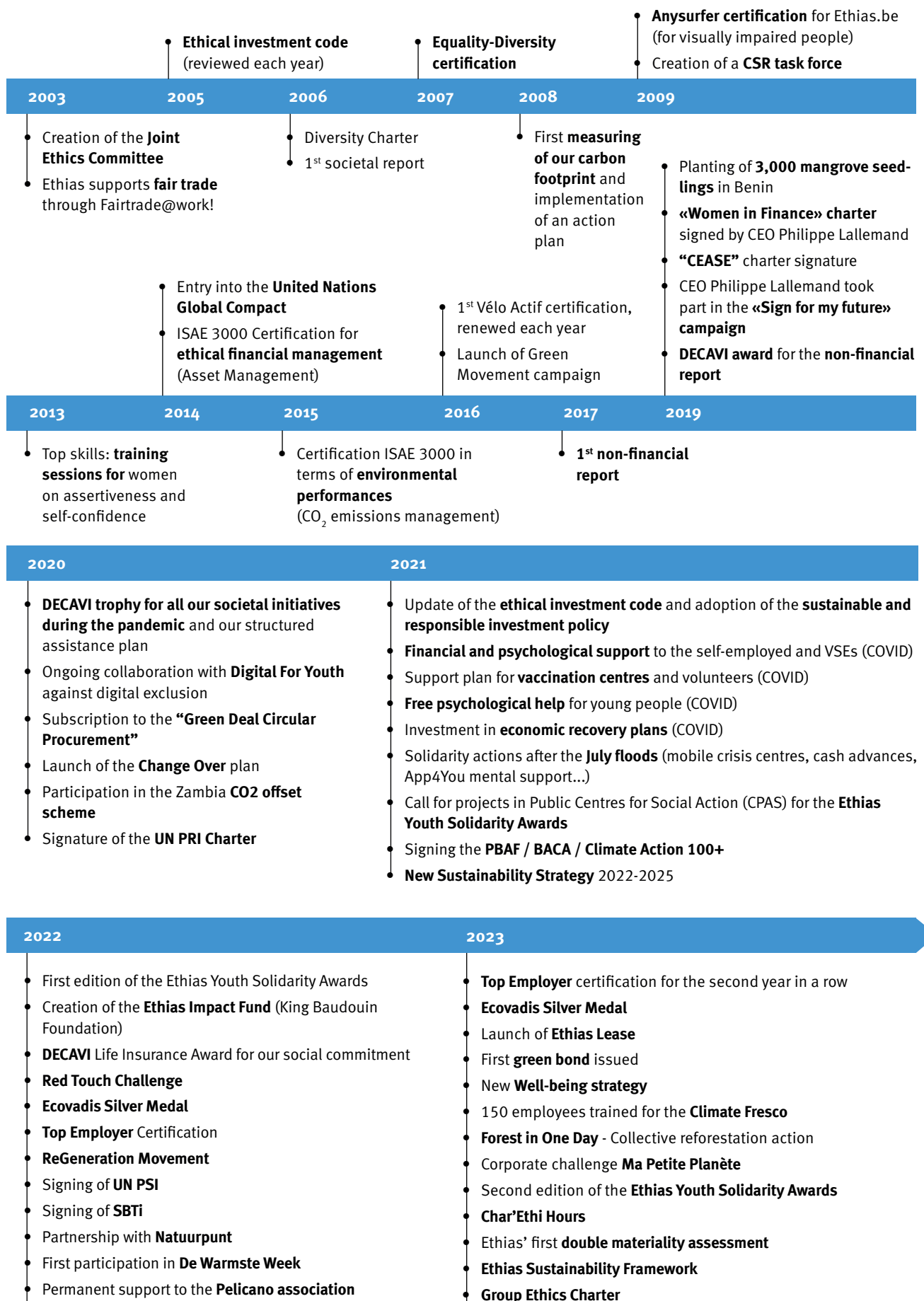
4.5.3.3 Partnerships, memberships and frames of reference

In addition to the various mandatory regulations and standards¹ applicable to its insurance activities, Ethias also chooses to follow the following reference frameworks, on a voluntary basis. It uses these benchmarks to set goals, measure progress, identify areas for improvement and ensure that actions taken meet the needs of today's and tomorrow's society.



¹ The European Sustainability Reporting Standards (ESRS), an integral part of the Corporate Sustainability Reporting Directive, and the International Financing Reporting Sustainability Standards (IFRS-S).

4.5.3.4 Ethias' history of sustainability



4.6. Business

4.6.1 A group with a mutual insurance philosophy

4.6.1.1 Direct insurer

To Ethias, being a direct insurer is not only a matter of business model. It is also about having a direct positive role and impact on the lives of its clients and people in general.

This makes it all the more important for Ethias to continually improve on how clients have access to services, whether on-line or in direct or remote contact with employees.

Ethias provided concrete solutions by renewing its campaign highlighting products at affordable premiums and by supporting the projects of fourteen public social welfare centers (Ethias Impact Fund) for helping young people living in poverty.

Being a direct insurer means being close to people and their concerns.

4.6.1.2 The strength of a group

Building on the success of its unique model, Ethias created an ecosystem capitalising on the strengths and specificities of its subsidiaries to position Ethias as a value-generating group for all its stakeholders.

The main entities of Ethias Group are:

Ethias

Over 100 years of expertise of insuring clients and their property.

Ethias Services

Developing innovative services in the fields of prevention, risk management and pensions. In 2023, ESG components were mapped out in the current range of services, and were also at the very heart of the development of new services (energy transition), drawing on the expertise of other Group entities (NRB, Civadis, Cevi for cyber, IMA for personal assistance). In addition, various Ethias SA departments have integrated solutions developed by Ethias Services into their value proposition in order to improve the service offered to customers.

Ethias Pension Fund

Ethias Pension Fund is a unique multi-employer pension fund in Belgium that offers the best suited solutions for financing pensions.

In 2023, the necessary efforts were made to have a separate management for over 350 new schemes, enabling Ethias Pension Fund to achieve exponential growth in terms of membership.

Ethias Lease

This newly-created subsidiary provides comprehensive, integrated leasing solutions for electric mobility.

With the approval of the European competition authorities, Ethias Lease – joint venture between Ethias and the Banco Santander Group – was officially incorporated on September 15. Since then, the first contracts have been signed and the very first vehicles are now on the road.

Ethias Ventures

Ethias Ventures is a tool for investing in start-ups working in insurtech and ecosystems with added societal value close to insurance: mobility, health and home.

Flora by Ethias

Full digital insurance. 93.000 unique visitors on Flora's website in 2023 contributed to an 83% growth over the previous year.

Flora by Ethias has been voted by Sia Partners as the best online subscription experience for a Tenant insurance in Belgium. A 4.6/5 rating on Trustpilot speaks for the quality of its products and service. After just three years in business, Flora by Ethias is making its mark on the market alongside the major traditional insurers.

NRB Group

The NRB Group, one of Belgium's leading players in the ICT sector and a true local partner, supports its customers in their digital transformation. Capitalising on technological evolution and innovation, NRB aims to offer them the best solutions available, suited to their environment with a wide range of IT services built around four axes: consultancy, software, infrastructure & hybrid cloud, and managed staffing. NRB focuses on a wide range of sectors: the public and social sectors, the energy and utilities sector, the financial sector and industry. A team is dedicated to European and international institutions and companies.

IMA Benelux

IMA creates services related to Car, Home and Healthcare assistance. Since this year, solutions are provided to Ethias Lease clients and these solutions are integrated in AI for back-office processing in order to improve customer experience.

From a strategy as an insurer to a strategy of integrated and durable services for clients and the public

The Ethias Group ecosystem relies on the synergies, expertise and talents of more than 5,000 employees to speed up the implementation of solutions in areas such as health, ageing, mobility and public services. This allows Ethias to offer services that goes beyond insurance contracts by also focusing on sustainability aspects.

This strategy, which goes beyond insurance, is based on 5 pillars:

- Providing extended **services**;
- Developing **digital** and **technological** innovations for humans;
- Building **ecosystems**;
- Creating **synergies** and pooling **skills**;
- Building **partnerships** and improve the sales approach.

4.6.2 Research & Development

When a company wants to grow in a sustainable way, it must always look for creative and innovative solutions to anticipate customer expectations. This is why Ethias pays particular attention to innovation projects and devotes the necessary resources to the development of projects selected and prioritised according to selection criteria that take into account the expected improvements in a holistic manner and the cost/benefit ratio.

Ethias implements its development policy through specific structures focused on innovation, such as Flora and Ethias Ventures, and through ongoing collaboration with NRB, its go-to IT partner and member of the Ethias Group.

Several projects are currently under development, in line with Ethias' strategy and with the following main goals:

- improving the customer's user experience;
- creating new products and services;
- continued digitisation of processes;
- integrating innovative technological solutions.

4.7. Ethias' value creation graph



OUR FUNDAMENTALS

BRAND PURPOSE

“Daring to be human together”.
 “In this new world, we put people at the heart of all our actions, making them, more than ever, a lever for sustainable progress, equity and peace of mind for all.”

OUR VALUES

Human, Commitment, Enthusiasm, Customer satisfaction.

OUR MISSION

Making insurance easier so as to bring you security, peace of mind and freedom of initiative, with innovative services and products. As partner of your daily life, we put our expertise and our energy at your service.

OUR VISION

To be the insurer that leaves a positive mark on Belgian society with every one of its footprints.

OUR POSITIONING

Direct : Ethias is a direct insurer, creating and strengthening relationships with its clients
Digital : at the heart of its strategy, but at the service of people
Secteur public : Ethias is proud to be the number one insurer in the public sector and to be able to serve everyone.

OUR STRATEGIC AMBITIONS

Become the insurer with **the most personalised customer relationship**
We are here for every Belgian.

Support the **public sector** as it faces new challenges
We are here for Belgian society.

Becoming the most **future-proof** insurer
We are here to support change.

OUR BUSINESS LINES

ETHIAS SA

Centralises all Life and Non-Life insurance activities. To meet its customers' needs even more effectively, Ethias is developing complementary solutions through the strength of its group.

ETHIAS SERVICES

Services going beyond insurance, including prevention, risk management and pensions.

ETHIAS PENSION FUND

Tailor-made pension solutions for employers.

ETHIAS LEASE

Is a new leasing service created specifically for fully electric company cars.

ETHIAS VENTURES

Investment in innovative insurance-related start-ups.

NRB GROUP

ICT services and solutions.

IMA BENELUX

Specialist in mobility, travel, home and health assistance.

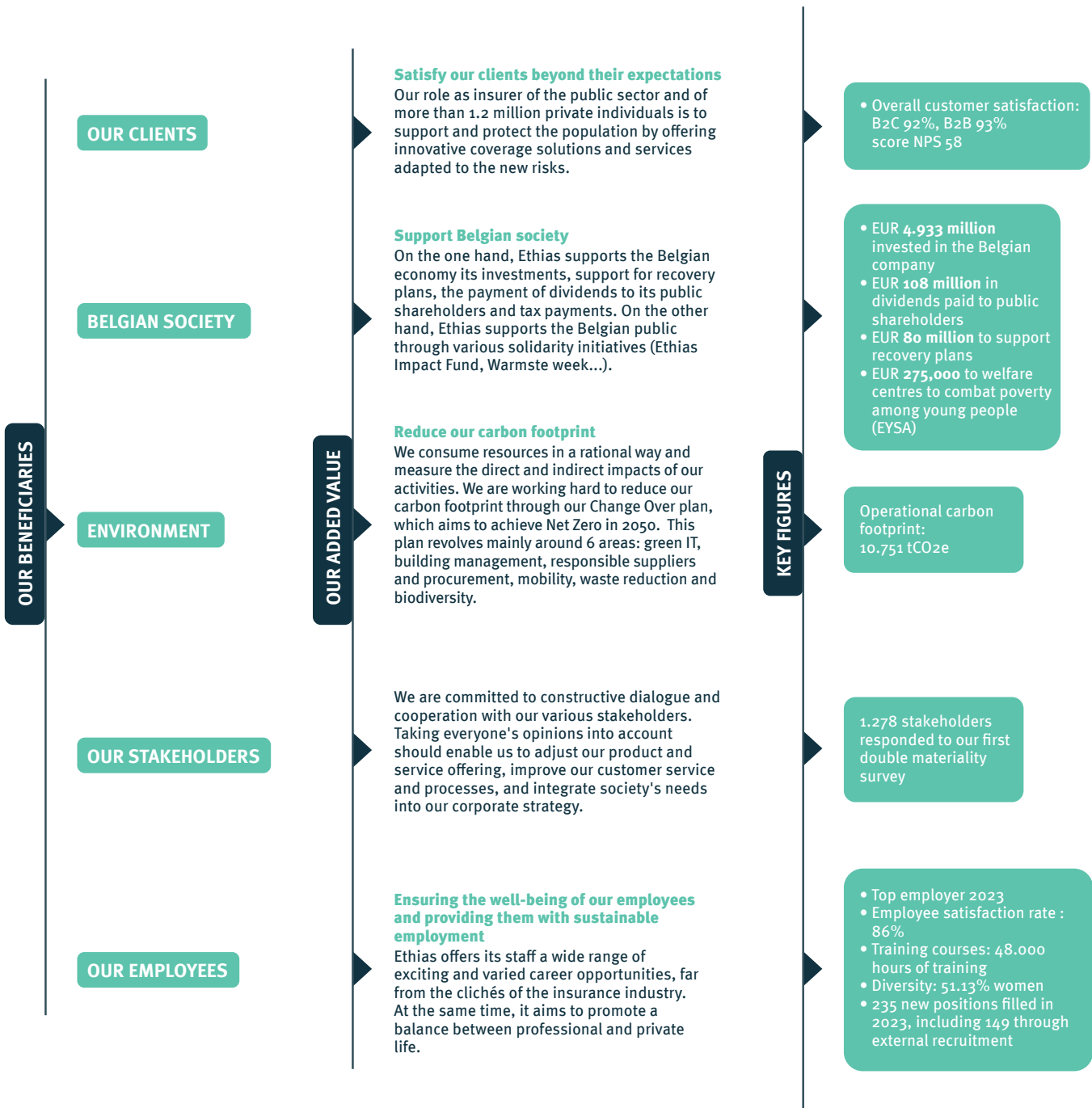
OUR RESOURCES

1,946 committed **employees** and more than 5,000 within the Ethias Group

Our partners who help us provide our customers with the best possible offers and service (network of inspectors for public bodies, etc.)

Our infrastructure: 3 headquarters, 37 offices, our call centers, the Ethias mobile truck and all our digital solutions

Our resources : we consume natural resources in a sustainable manner, respecting the planet's limits



5. Double materiality assessment¹

5.1. Purpose

In 2023, Ethias carried out its first double materiality assessment before the implementation of the CSRD directive. The materiality assessment must identify the company's positive and negative impacts on society. To this end, an appropriate

dialogue takes place with stakeholders to gather their sustainability concerns. The purpose of this assessment is also to highlight risks and opportunities for the company, and to assess whether they have a material financial impact.

5.2. Identification of themes and stakeholders

A first set of themes has been selected, based on international reference standards, because of their link with the context of Ethias, its business sector and its current strategic projects. With the help of an independent third party and various skills within the company, a pre-selection of material environmental, social and governance issues was carried out, taking into account their actual or potential impacts.

At the same time, a selection of different types of ESG risk was made on the basis of external risk reports and ongoing information monitoring.

It turns out that there is a clear correspondence between the themes of impact materiality and financial materiality. This cross-referencing allows us to understand that certain areas of Ethias' actions in its external environment could, at the same time, represent a risk or an opportunity for the company.

In order to compare these identified challenges, risks and opportunities with the opinions of stakeholders, Ethias has listed the most significant stakeholders to be contacted.

We then could put together a list of people or groups of people who can influence the company, or the opposite. Stakeholders have been classified into two categories: "internal" (e.g. employees, management staff, etc.) and "external" to the company (e.g. customers, suppliers, etc.).



Double materiality assessment involves cooperation and dialogue with the various stakeholders. This dialogue was established by means of an online questionnaire for the impact materiality section. For the financial materiality section, the stakeholders questioned (i.e. Top Management, the Executive Committee and the Board of Directors) were interviewed via a risks and opportunities survey conducted by Risk Management.

5.3. Impact materiality assessment

Respondents were presented with 17 sustainability themes previously identified for impact materiality. They were asked to select the issues that should be prioritised by Ethias.

In view of the obvious disparities in numbers between the different categories of internal and external stakeholders, the results of this survey have been weighted. In order to avoid any risk of over- or under-representation, a methodology was applied based on the importance of each stakeholder group surveyed for Ethias, according to the interest they have for the company and how they can influence it.

The threshold applied to determine the most important issues for each respondent group was established by taking into account the order of priority assigned to them by each of

these groups (internal and external). This allowed to highlight issues that must be prioritised by Ethias according to its clients and other external partners on the one hand, but also according to its employees, senior management and other internal stakeholders on the other.

The resulting list of issues identifies the priorities shared by at least one of the two stakeholder categories (internal and external). It includes five environmental issues, two social issues and one governance issue.

Environmental concerns top the list. Among these, company employees and individual customers attach more importance to issues close to their daily lives (such as reducing energy consumption and pollution), while the company's

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

governing bodies, subsidiaries and business customers focus on “corporate” issues such as preventing and covering climate risks, and reducing the company's carbon footprint.

Social considerations tend to be emphasised by internal stakeholders, who stress the importance of work conditions

for staff and of the company's wider action for the benefit of society. These are closely followed by governance considerations, such as Ethias' ethics.

5.4. Financial materiality assessment

The financial materiality assessment was carried out via an online survey asking stakeholders to rate 27 emerging external risks. These risks were selected based on external risk reports and ongoing information monitoring.

The identified stakeholders based on targets of the company's risk and opportunity assessment are the Board of Directors, the Executive Committee and the Top Management.

This survey's results are used to rank these risks according to their criticality. This is the result of a combination of assessing the probability of their occurrence and their financial impact on the company. For each of these risks, stakeholders should indicate whether they also represent opportunities

(new product development, investment, carbon transition, etc.) for the company as well as their priority.

Three major sustainability issues emerged from the top 10 of the 2023 survey:

- an environmental risk, including the physical climatic risk of extreme events and the failure of the climate transition,
- a governance risk, in this case the risk of a cyber attack,
- a social risk linked to human capital, reflecting the new expectations of workers and the shortage of specific skills.

5.5. Double materiality assessment

Double materiality is obtained by cross-referencing the results of the impact materiality and financial materiality surveys. Environmental, Social and Governance (ESG) issues are positioned on a double-entry (voir page de droite) matrix illustrating the importance of each issue both from the point of view of the impact Ethias can have on them and on society as a whole (y-axis) and from the point of view of the impact they can have on Ethias (x-axis). The size of the balls represents the probability of occurrence spread over a short (1 to 3 years), medium (3 to 10 years) and long-term (beyond 10 years) time horizon: the shorter the time horizon, the larger the size of the balls.

Each theme is considered to be material if it emerges from either the impact materiality assessment (blue coloured band), the financial materiality assessment (green coloured band), or both. Only those themes that do not emerge from either assessment fall outside the double materiality assessment (lower left quadrant). However, this does not mean that they are not important, but rather that they are less of a priority than the others. Ethias does not necessarily exclude them from its scope of action.

The key stages of the double materiality assessment have been validated by the Ethias Executive Committee. The strength and reliability of the methodology and the results of this first exercise highlight the following points.

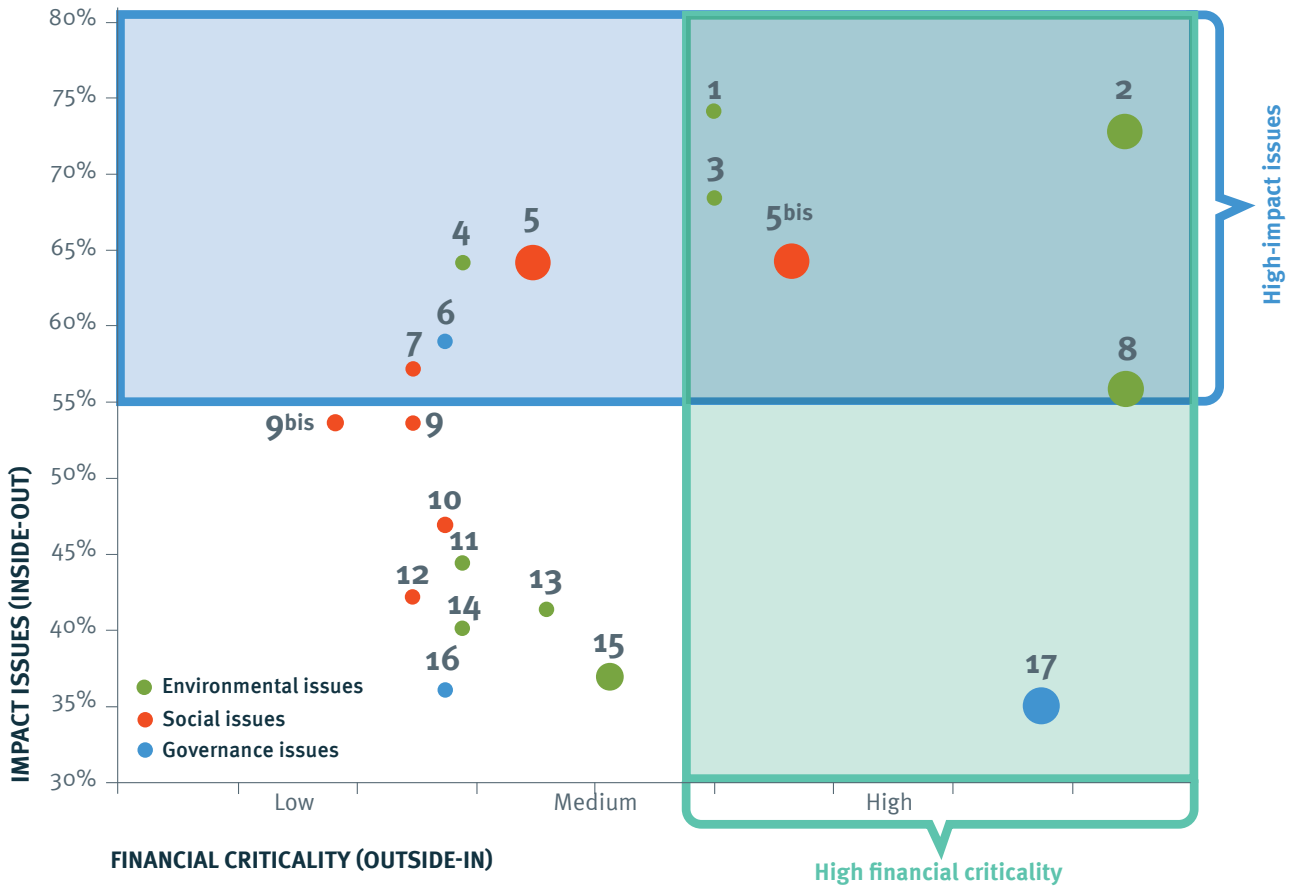
Environmental issues top the list of themes on which Ethias can have an impact. However, social and governance issues also find their place in our priorities, thanks in particular to the diversity of our stakeholders, who represent the company's entire value chain.

The various stakeholder categories focus on different areas of action concerning the impact Ethias can have in society, and the methodology applied during this assessment guarantees visibility for all. Themes as varied as reducing energy consumption and pollution, as well as the global challenge of decarbonisation, emerge.

Finally, the issues unanimously recognised as having the greatest potential impact for Ethias are the risk of extreme weather events and the risk of cyber attacks. In third place, the risks highlighted revolve around the macroeconomic environment. All this demonstrates the crucial importance of climate risks, corroborated by the financial impact they are likely to have and the importance of the opportunities they can generate for the company and the sustainability of its activities.

It also confirms the relevance of Ethias' multi-year sustainability strategy and the resulting implementation plans, which already include concrete actions on each of the issues highlighted.

Double Materiality matrix



- THE MOST MATERIAL ISSUES**
- 1 ● Reducing **energy consumption** - Failure of **climate action**
 - 2 ● **Climate risk prevention** products and services - **Extreme weather events**
 - 3 ● Reducing the **carbon footprint** - **failure of climate action**
 - 4 ● **Pollution reduction** - Pollution
 - 5 ● Actions concerning **employment conditions for its staff** - **Deterioration of mental health**
 - 5bis ● Actions to improve **employment conditions for its staff** - **New employee expectations and shortage of specific skills**
 - 6 ● **Ethical management of Ethias** - Ethics and **governance**
 - 7 ● **Actions to benefit society** - Erosion of **social cohesion** and polarisation of society
 - 8 ● Products and services to **cover climate risks**
 - 17 ● **Information-related actions**- **Technologies, cybercrime and generalised cyber-security**

- OTHER CHALLENGES**
- 9 ● **Actions for equal treatment and opportunity** - Erosion of **social cohesion** and polarisation of society
 - 9bis ● **Actions to promote fair treatment and equal opportunities** - Diversity and inclusion
 - 10 ● **Actions in favour of employment conditions and human rights** - Ethics and governance
 - 11 ● **Promoting circular economy** - Environment, pollution
 - 12 ● **Affordable products and services** – Erosion of **social cohesion** and polarisation of society
 - 13 ● **Water use** - Environment, scarcity of resources
 - 14 ● **Waste reduction actions** - Environment, pollution
 - 15 ● **Actions in favour of biodiversity** - Loss of biodiversity and collapse of ecosystems
 - 16 ● **Transparency on the influence Ethias can have through its activities and commitments** - Ethics and governance

6. Environmental impacts¹

6.1. Managing climate risks

An insurance company must be able to cope with any kind of change in its external environment. Knowing your external environment enables you to develop an adaptation strategy and be resilient in the face of any situation. Resilience is an important factor in guaranteeing clients a long-term service that will always meet their new needs and current laws.

In terms of methodology, Ethias takes into account all external risk factors through the different risk types expressed in its **Internal Risk Management Policy**. In other words, all external risk factors can generate internal risks (insurance, financial, operational, strategic) for the company, which it must manage through its risk management process (identification, assessment and measurement, processing and monitoring, reporting) in order to guarantee its long-term survival.

Some external risk factors may be "emerging". Emerging risks differ from other risks in the uncertainties surrounding them. Assessing their impact is not easy, but could be significant. An insurer must take this into account in its risk assessment. In addition to its regulatory obligations, Ethias is committed to taking into account all external risk factors, including emerging risks, in its regular risk assessment.

For more information on our risk management methodology, please refer to chapter 13 of this report.

ESG and climate risks

External risks include, among others, "Environmental, Social and Governance" risks, or in other words, risks that may affect a company's sustainability. For an insurance company, environmental risks represent a major challenge, since their emergence makes them more difficult to apprehend in terms of probability and impact on the company. It is therefore essential to first identify and understand in order to integrate them like all any other risk factor into the day-to-day risk management process, and adapt the company's strategy where necessary.

Within Environmental risks, the sub-category of climate risks deserves special attention and management, given its potential material impact and increased probability.

There are two categories of climate risks: **physical climatic risks** and **transitional climatic risks**.

Physical risks refer to direct and immediate damage caused by climatic events. This includes the effects of extreme weather events, also known as "acute" events - such as storms, floods and droughts - and long-term changes in climatic conditions, known as "chronic" events, such as permanent sea-level rise. These phenomena can have devastating consequences on infrastructures, supply chains and the health and safety of employees and clients alike, affecting companies' financial and operational performance and consequently customer service.

As part of its assessment of the financial impact of physical risks on its insurance liabilities, Ethias has carried out a valuation exercise based on appropriate models. Two perils have been identified at this stage as being directly linked to global warming: floods and hailstorms. The impacts of different global warming scenarios on these two risks are summarised in the table below:

Peril	baseline	+1.5°C	+2.0°C	+3.0°C
Floods	100%	118%	132%	149%
Hail	100%	100%	111%	128%

For example, floods are more sensitive than hail to rising temperatures: a +1.5°C rise in temperature compared to the pre-industrial era would mean an 18% increase in claims compared to a reference level of +1.1°C.

According to the scientific community, the storm peril is not directly linked to a rise in temperature, but rather to atmospheric and oceanic changes.

In terms of income, overall, 13% of Ethias' Fire premium income is dedicated to covering perils exposed to significant physical risk in the short, medium and long-term. This represents some EUR 33 million in cash acquired in fiscal 2023.

Transition risks refer to the challenges associated with the transition to a low-carbon economy. These risks include regulatory changes, such as carbon taxes and emissions restrictions, technological developments, changes in consumer preferences and market dynamics. Companies need to adapt to these changes not only to remain competitive, but also to have a positive impact on the transition, which may require significant investment in research and development, new technologies or strategic reorientation.

With regard to the financial impact of transition risks on our assets and liabilities, Ethias estimates its percentage of investments in companies active in carbon-intensive sectors at 17.15%. The percentage of premiums collected on contracts involving customers active in carbon-intensive sectors is estimated at 15.75%.

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

6.2. Managing climate opportunities

By proactively managing both physical and transitional climate risks, Ethias has taken a number of strategic opportunities.

Firstly, the anticipation of physical risks linked to climate, such as floods and storms, provided the company with tools based on climate change models to develop insurance rates and coverage that better suit the specific needs of Belgium and its regions.

Ethias has also decided to offer its B2B customers new preventive services to help them manage emerging risks, including climate change. Other opportunities could emerge such as the creation of innovative new insurance policies that cover other aspects of emerging climate risks, offering added value to its customers not only B2B but also B2B2C and B2C. In addition, a thorough understanding of environmental regulations helps Ethias to anticipate legislative changes for its clients too, and to offer advice and products tailored to their needs that meet their concerns.

Proactive management of transition risks helped Ethias to make its infrastructures (head offices and regional offices) more sustainable, thereby offering employees a working environment that respects the environment and their well-being. Customers also benefit from a more environmentally-friendly welcome on site, thanks to the sustainable modernisation of regional offices.

Ethias has also installed 53.6 kWp of photovoltaic panels at its Alleur site. Ethias estimated that the savings generated will amortise the cost of the investment, and that the break-even point, at which net profits will be generated, will be reached in year 18, i.e. in 2040.

Moreover, on the investment front, Ethias signed in 2023 an agreement with BPI Real Estate for the acquisition of the Wood Hub. Wood Hub can be considered as one of the most ambitious buildings in the Benelux in terms of sustainability. Further information is available in the Sustainable and Responsible Investment chapter of this report.

In 2023, Ethias also intensified its market positioning in terms of sustainability by creating a new subsidiary: Ethias

Lease. Ethias Lease's offer was specifically designed to meet the multiple challenges faced by Belgian companies and local authorities in their transition to an electrified car fleet, while responding to the new fiscal reality.

Ethias Lease provides a complete, integrated leasing solution – including car, home chargers, charging card, support, insurance and assistance. With its innovative approach, Ethias Lease aims to become the benchmark in green leasing by 2027, with a projected fleet of 8,000 vehicles and over 6,000 home chargers.

This new activity will not only enable Ethias to achieve its objectives for reducing its own CO₂ emissions by 2030 (since it will accelerate the electrification of its 2 vehicle fleets), but will also support Belgian companies and public institutions in their transition to greener vehicle fleets. The choice for electric vehicles is also in line with political strategies at Belgian and European level, encouraging companies to move towards fleets of this type.

Ethias is also active in partnerships with associations protecting ecosystems and which can contribute to slowing climate change if their protection and extension are maintained. For instance, the Zwarte Beek valley is one of the last peat areas in Flanders, currently under great pressure due to climate change. Natuurpunt aims to strengthen the nature reserve in the coming years by focusing on water management. This will allow water to infiltrate and be buffered, peat to replenish and biodiversity to be stimulated. Natuurpunt is able to achieve this project thanks to the funding of Ethias and subsidies from the Flemish government.

In conclusion, proactive climate risk management helps companies improve their operational and financial resilience. By reducing the financial impact of weather-related losses and adapting to market trends, the company can maintain a stable and sustainable financial position.

This proactive management paves the way for innovation, strengthens Ethias' market position and stimulates our corporate social responsibility, while aligning our operations with our sustainability goals.

6.3. Ethias' environmental ambitions

The transition to Net Zero is central to Ethias' Sustainability strategy. Climate change is one of the world's greatest challenges. We are faced with a steady increase in man-made greenhouse gas (GHG), mainly due to the use of fossil fuels. Every company must therefore adapt its business model to actively participate in climate change mitigation efforts, and to move towards a fossil-free business model.

Despite all our mitigation efforts, we must also anticipate the various adaptations needed to cope with the risks and transformations resulting from global warming.

Ethias' Environmental strategy is not only about the climate issue. It also embraces other major environmental challenges linked to biodiversity, pollution, water and the circular economy, which require urgent action.

Our vision: a company must thrive in harmony with its environment. It is no longer possible to drain or degrade ecosystems without paying the price eventually.

Companies need to move towards a balanced form of prosperity, without fossil fuels or major environmental impact, in the interests of their customers, shareholders and employees.

That's why Ethias has adopted an ambitious Environmental strategy that focuses on **4 major areas**:

- reaching **Net Zero**;
- measuring and reducing its other impacts on **nature**;
- analysing, understanding and helping clients adapt to **climate risks**;
- evolving in **harmony with the environment**.

These ambitions are part of Ethias' transition plan and are broken down into relevant environmental action areas for the company and society as a whole.

This chapter reviews the main elements of Ethias' transition plan and explains how environmental issues are addressed. For each of them, it will also give an overview of the main goals, commitments, projects and actions undertaken, as well as the figures they relate to.

6.4. Ethias' environmental strategy

6.4.1 Climate change: achieving Net Zero

Even if Ethias' activities do not seem polluting, the company and its employees still represent an environmental impact through their travel, energy consumption, waste and CO₂ emissions, or even water and paper consumption. Ethias must reduce its harmful impact on the environment and increase its positive impact.

Ethias is well aware that ambition is not enough. To make a difference, it needs a rigorous new climate transition plan that defines the steps to reduce greenhouse gas emissions in order to achieve a maximum reduction in its own CO₂ emissions (scope 1 and 2) by 2030, and Net Zero by 2050.

This new version of Ethias' transition plan is being drawn up in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), recognised practices of financial institutions, and the environmental goals set by the EU. Ethias has set targets that it wishes to align scientifically with a 1.5°C trajectory in line with the Paris Agreements for its operational activities, supply chain and investments (according to Science Based Targets initiative (SBTi)).

Ethias is not starting from scratch in this area. Ethias has measured its carbon emissions since 2012. In 2020, it drew up its transition plan - version "1.0" (Change Over), in which it set out its ambition and trajectory to achieve the maximum reduction in its own CO₂ emissions (scope 1 and 2) by 2030 (using the GreenHouse Gas (GHG) Protocol Standard method).

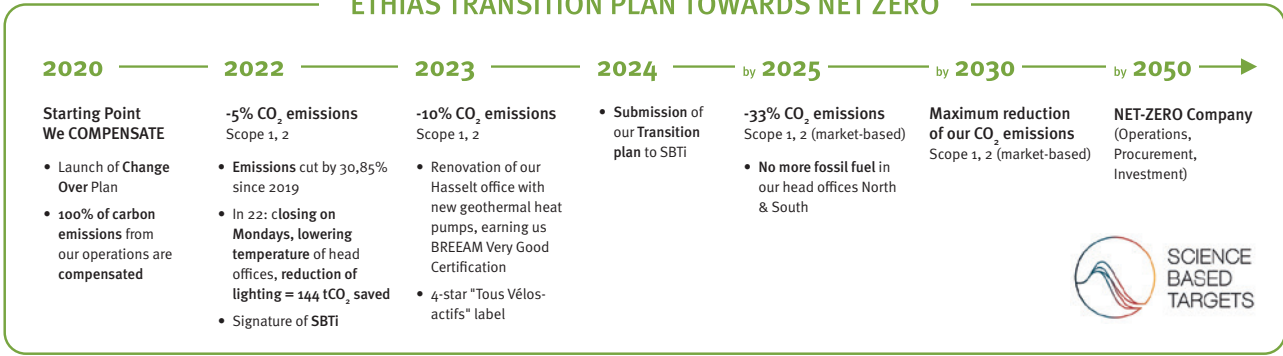
In 2022, Ethias took a further step forward by signing the NET ZERO 2050 SBTi commitment, thereby accelerating its ambition to make its entire value chain carbon-free by 2050, at the Group level. Ethias is actively preparing its new transition plan (version 2.0) to be submitted to the SBTi scientific committees in December 2024. Ethias is broadening the scope of activities with decarbonisation targets, including its investment activity, which now accounts for the largest share of its indirect emissions.

Making Ethias asset management carbon-free will be a key element of Ethias' transition. As a financial institution, Ethias is a catalyst that helps accelerate the transition in key sectors where long-term private investment is essential (such as sustainable transport, green energy infrastructure, building renovation,...). For more information, see the Sustainable and Responsible Investment chapter of this report.

How do you actually achieve Net Zero?

Ethias aims to reduce greenhouse gas from its operations by 2030 (scope 1, 2 (Market Based) and partially scope 3 linked to certain purchases) and to reach Net Zero by 2050 for the entire scope 3, including investments. To achieve this, we need a solid, comprehensive assessment of our main sources of emissions.

ETHIAS TRANSITION PLAN TOWARDS NET ZERO



6.4.1.1 Operational section

Carbon balance 2023

The first step in reducing our greenhouse gases is to carry out the most accurate and comprehensive carbon assessment possible, based on an internationally recognised scientific method.

Between 2012 and 2022, the methodology used was the Bilan Carbone method developed by ADEME. Since 2022, Ethias has been carrying out its carbon balance according to the GHG Protocol Standard.

When it comes to the scope of the carbon balance, Ethias reached a new milestone in 2023 by adding all premises occupied by Ethias staff, including leased premises for which it is very difficult to collect precise energy consumption data. The scope of the balance sheet also includes all purchases made by Ethias.

Details of the **2023 Carbon Footprint** according to the various GHG Protocol scopes and categories, including the new scope, are available below.

Scope GHG	1			2			3								Total					
Category GHG	1	2	3				1			1	2	3	4	5	6	7	8			
Category name	Fixed sources - fossil fuel combustion	Fugitive emissions from processes	Mobile sources - fossil fuel combustion	Total Scope 1	Electricity purchase	Total Scope 2	Purchased goods and services	Capital goods	Other fuel and energy-related activities	Upstream transport	Waste generated by operations	Business trips	Employee commuting	Upstream leased assets	Total Scope 3					
	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	
Procurement							5927	943										6869	6869	
Mobility			1474	1474	18	18			355			10	693					1058	2550	
Buildings	851	0		851	19	19			245									107	352	1223
Logistics			5	5					1	50									51	57
Waste											52								52	52
Total	851	0	1479	2330	37	37	5927	943	601	50	52	10	693	107	8384			10751		

Change Over

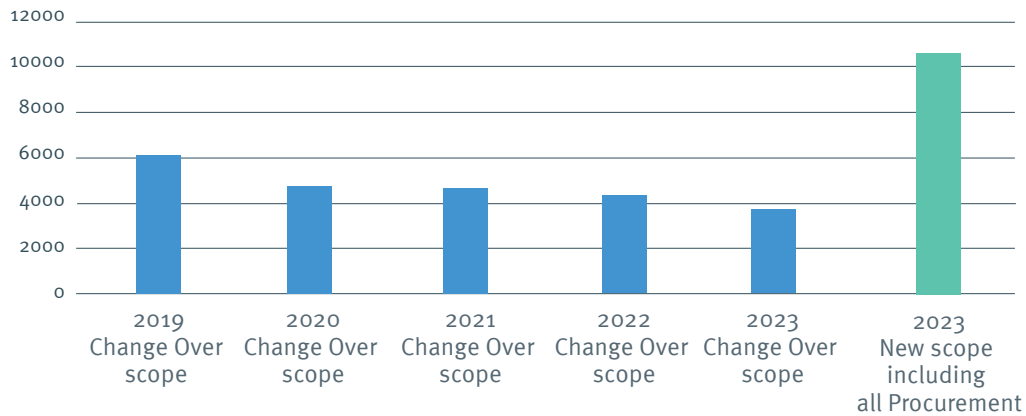
The goal of the Change Over plan (version 1.0 of the Ethias Transition Plan) is to eliminate the use of fossil fuels (coal, oil and gas) in Ethias' operations and, as soon as possible, in its purchasing. Ethias' carbon footprint serves as a baseline and monitoring tool for the plan.

A table showing the 2023 carbon footprint based on the usual Change Over scope and the evolution since 2019 of the carbon footprint of Ethias' operational activities is presented

below. The increase in 2023 (in green) is due solely to the widening of the scope, which now includes all purchases, including consultancy, and all buildings occupied by Ethias staff, including those leased. Without this change in scope, the reduction in emissions has been confirmed since 2019, thanks to controlled energy consumption in its buildings, efforts to promote soft mobility, reduced use of paper and the electrification of its vehicle fleet.

Scope GHG	1			2		3								Total		
Category GHG	1	2	3	1		2		3		4	5	6	7	8	Total	
Category name	Fixed sources - fossil fuel combustion	Fugitive emissions from processes	Mobile sources - fossil fuel combustion	Total Scope 1	Electricity purchase	Total Scope 2	Purchased goods and services	Capital goods	Other fuel and energy-related activities	Upstream transport	Waste generated by operations	Business trips	Employee commuting	Upstream leased assets	Total Scope 3	
	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG	GHG
Procurement							189								189	189
Mobility			1474	1474	18	18			355			10	693		1058	2550
Buildings	731	0		732					210						210	942
Logistics			5	5					1	30					32	37
Waste											52				52	52
Total	731	0	1479	2211	18	18	189		567	30	52	10	693		1542	3770

EVOLUTION CARBON FOOTPRINT IN TCO2E ETHIAS OPERATIONAL (MAINLY SCOPE 1 / 2) AND NEW SCOPE INCLUDING ALL PROCUREMENT IN 2023



To achieve this, a 4-step Framework is used.

- **Reduce.** Reduce unnecessary energy consumption as much as possible, and use energy resources sparingly.
- **Improve efficiency.** Improve the efficiency of what can't be eliminated.
- **Shift technology.** Transform energy generators (motors, boilers, etc.) in order to stop using fossil fuels.
- **Remove.** Any remaining carbon will have to be captured to reduce its presence in the atmosphere.

The two operational areas that currently rely the most on fossil fuels are mobility and buildings.

Reduce carbon footprint around mobility

Ethias encourages its employees to carpool. Ethias encourages the use of public transport. Ethias has launched a wide range of initiatives to promote cycling, which is on the increase. It promotes carpooling (**improve efficiency**).

Ethias offered a collective bonus to all employees if they would come to work by another way of transportation than driving alone in their car. This target has been far exceeded!

Employees have been able to work from home for several years now (**reduce**).

Fleet electrification (technological shift)

The car, which a few years ago accounted for 88% of transport modes, is not going to go away. That is why we must make a technological shift, phasing out combustion-powered cars from fleets and replacing them with electric vehicles.

With this in mind, in 2023 Ethias launched Ethias Lease which only offers full electric vehicles for leasing.

Reduce carbon footprint of Buildings

Ethias has been streamlining (**reduce**) its real estate assets for many years, while maintaining excellent working conditions for its employees.

This reduction in surface area helped to steadily reduce the building-related carbon footprint.

A new milestone was reached in 2023 in Hasselt. The renovation was completed on schedule (**improve efficiency**) and employees can now enjoy brand-new office spaces. For this renovation, we received a BREEAM Very Good certification, mainly thanks to new geothermal heat pumps (**shift technologique**).

100% green electricity

Ethias signed electricity supply contracts providing electricity from 100% renewable sources (hydroelectricity, wind power, co-generation or solar energy).

scopes 1, 2 and 3, as well as total GHG emissions for Ethias SA's portfolio of financial assets. The scope covers bonds and shares issued by private issuers ("CORP") and sovereign and similar issuers ("GOVIES").

6.4.1.2 Assets section

The following table shows gross GHG emissions and intensity for

Emissions are calculated according to an allocation factor linked to EVIC (Enterprise Value Including Cash) and GDP (unadjusted), while intensity is calculated according to REV-ENUE and GDP (unadjusted).

Activity category	total investment (M€)	amount (M€) of CORP and GOVIES investments	amount (M€) of investments covered for total scope 1+2+3 emissions	% coverage	% coverage of total investments	Scope1 emissions (tCO2eq)	Scope2 emissions (tCO2eq)	Scope3 emissions (tCO2eq)	Total scope 1+2+3 emissions (tCO2eq)
Administrative and support service activities	123	106	50	47%	40%	421	76	7.560	8.057
Financial and insurance activities	6.371	2.950	939	32%	15%	254	477	71.562	72.293
Real estate activities	1.025	1.020	427	42%	42%	586	969	9.487	11.042
Specialised, scientific and technical activities	161	156	77	49%	48%	1.278	225	6.955	8.458
Sale and repair of motor vehicles and motorcycles	58	58	47	80%	80%	936	835	45.930	47.701
Construction	75	72	19	27%	26%	586	117	12.925	13.628
Accommodation and catering	25	25	25	100%	100%	373	2.691	2.522	5.586
Manufacturing industry	739	739	439	59%	59%	16.962	8.243	238.064	263.268
Information and communication	759	754	233	31%	31%	465	1.761	19.622	21.849
Water production and distribution, sewage water treatment, waste management and pollution control	112	98	27	27%	24%	11.023	1.588	9.316	21.927
Electricity, gas, steam and air conditioning production and distribution	577	577	178	31%	31%	45.651	6.708	95.191	147.550
Human health and social work	12	12	0	0%	0%	0	0	1	2
Transportation and warehousing	364	364	29	8%	8%	1.236	166	5.500	6.902
Public administration	5.984	5.979	4.922	82%	82%	1.210.870	0	0	1.210.870
Others	1.221	1.201	0	0%	0%	0	0	0	0
TOTAL	17.608	14.113	7.412	53%	42%	1.290.642	23.857	524.634	1.839.133

Amount (M€) of investments covered for calculating intensity

Investment intensity

	Scope 1	Scope 2	Scope 3
Amount (M€) of investments covered for calculating intensity	8.456	3.535	3.535
Investment intensity	165	22	689

6.4.1.3 Business section

Ethias positions itself as a sustainable company, a responsible investor and a trustworthy insurer.

In 2023, Ethias' underwriting activity was analysed for the first time against sustainability criteria, in order to improve the portfolio's ESG knowledge and thus be able to guard against risks that could affect its performance.

The analysis focused on B2B customers in the underwriting portfolio active in sectors that might not be in line with ESG issues. Six sectors have been identified as such: armaments,

thermal coal, tobacco, conventional oil and gas, non-conventional oil and gas, electricity (excluding the public sector).

These sectors were already excluded in Ethias' investment policy. To avoid any form of greenwashing, it seemed important to align the application of sustainability-related rules between the company's different activities. Sectors of activity that are excluded from the investment policy are now given special attention in the context of insurance activities: each new case involving customers with activities in the identified sectors is presented to the Acceptance Board, a body chaired by a member of the Ethias Executive Committee.

6.4.2 Beyond carbon

6.4.2.1 Pollution and waste management

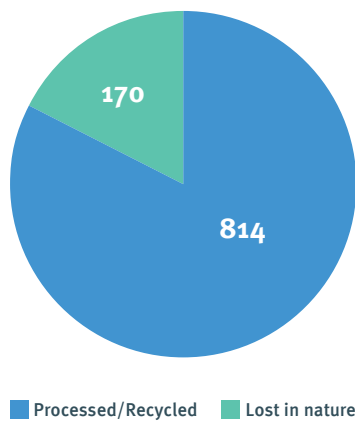
Ethias aims to prevent pollution, particularly of air, water and soil, and to protect the health and well-being of people.

Ethias has launched a Zero Plastic project to measure its plastic footprint and take various actions to reduce it.

systems, enabling us to impose improvements on the policyholder, or, failing that, to cancel the insurance policy.

6.4.2.2 PlasticFootprint 2023

TOTAL PLASTIC FOOTPRINT 2023
IS 948 KG



The first concrete actions to reduce the use of plastic began in 2023 with the phasing out of **plastic bottles in drinks dispensers**.

Ethias ensures that its insurance activity portfolio (new business and/or renewals) is made up of policyholders who are aware of and sensitive to pollution, but who also meet certain underwriting criteria.

In the case of incinerators, for example, the "Prevention" department has introduced enhanced monitoring and scoring

6.4.2.3 Water

Ethias' impact on water consumption is reduced. Nonetheless, measures are taken to reduce our consumption at headquarters and in the various offices.

6.4.2.4 Circular economy

Ethias aims to move towards a regenerative growth model, by separating economic growth from resource use and environmental degradation. It also aims to accelerate the transition to a circular economy.

The Procurement team is highly aware of and trained in climate issues. Ethias has a Responsible Procurement Charter for opening the dialogue with its suppliers and asks them questions on the subject. By getting to know our suppliers better, Ethias is able to extend its actions beyond its own activities and involve its entire value chain.

Ethias is also a partner of Digital For Youth, an association that collects computer equipment for associations working primarily around young people, inequality of opportunity and education.

The lifespan expansion and reuse of IT equipment are also strategic issues.

6.4.2.5 Biodiversity and ecosystems

Ethias aims to protect, preserve and restore biodiversity. Strengthening natural capital (air, water and soil, as well as forest, marine, freshwater and wetland ecosystems) is also a concern.

The partnership with Natuurpunt since 2022 is a first step in this direction. The aim of this partnership is to purchase land around the Zwarte Beek valley to create a protected area. The goals of this project are to regenerate the soil and improve its absorption capacity in order to preserve water reserves and prevent the risk of flooding. This ecosystem is also unique in that it naturally captures CO₂.

6.4.3 Green IT, a cross-functional field of action

While IT tools support environmental transition by saving paper, they can be a source of energy consumption themselves.

Ethias and its subsidiary NRB aim to reduce the environmental impact of digital technology through responsible and sustainable use, and to optimise infrastructures and processes.

Ethias and NRB are working together in a number of areas:

- **significant use of renewable energy sources** (solar, wind) to power data centers;
- donating, via Digital For Youth, laptops to schools and non-profits in order to **extend their lifespan**;
- **digitalising NRB's servers** to reduce the number of physical servers and therefore the energy requirements for power and cooling;
- **raising awareness** of the environmental impact of digital technology, through an IT challenge aimed at reducing the size of e-mail inboxes.

A series of new multi-year initiatives are currently being evaluated with the aim of:

- **reducing carbon footprint of Ethias** by implementing an action plan to reduce this digital footprint
- **optimising resources**, through, among other things, the introduction of a specific recycling program for data center waste
- **optimising energy efficiency** by using technologies to improve data center energy efficiency: cold corridor, free cooling, etc.
- **Green IT training** including a course about the environmental impact at work and a green coding training project.

6.5. EU Taxonomy

6.5.1 Non-Life underwriting activities eligible for and aligned to the European taxonomy

As of 31/12/2023, Ethias' Non-Life insurance activities eligible for the European taxonomy (Taxonomy Regulation (EU) 2020/852) are those that could contribute to the achievement of the following environmental objectives: adaptation to climate change.

Ethias' Non-Life underwriting activities that are eligible for the European taxonomy are those whose written premiums in the 2023 accounting year include a climate change coverage component as set out in article 10.1 of the Taxonomy Complementary Climate Delegated Act. To determine the amount of cash received from these activities, Ethias has selected insurance premiums from the following accounting categories (LOB Solvency II) : "Fire and other damage", "Marine aviation and transport" and "Motor other classes". Only the shares of premiums linked to climate-related perils have been taken into account in calculating the eligibility of its Non-Life underwriting activities, in order to have a comparable basis with the amounts that will be considered in the alignment indicators. Given this new methodological approach, 2023 is considered a new baseline. As a result, Ethias no longer makes comparisons with previous years.

- The "Fire and other damages" branch includes the income of fire and all risks. The CatNat share of these premiums has been taken into account.
- The "Marine aviation and transport" branch includes the income of transport coverages. However, it cannot be considered eligible because it is not possible to identify the part of the premium linked to Climate related perils.
- The "Motor other classes" branch includes the income of non-liability motor insurance. The share of Ethias' expenses relating to climate-related perils is 1.8%. The income taken into account in this branch therefore corresponds to this percentage.

Taking into account the selection criteria mentioned above, Ethias' Non-Life underwriting activities eligible for the European taxonomy amount, at the end of 2023, to:

Insurance branches under Solvency II categories	Premium income on the basis of premiums written in 2023	Eligible income on the basis of premiums written in 2023
Fire and other damages	307.449.518,69 €	31.737.456,13 €
Marine aviation and transport	297.372,57 €	0,00 €
Motor other classes	199.263.284,61 €	3.586.739,11 €
Total	507.010.175,87 €	35.324.195,24 €
Total Income Non-Life	1.664.724.777,84 €	1.664.724.777,84 €
% to taxonomy	N/A	2,12 %

Ethias' Non-Life underwriting activities that are aligned with the European taxonomy are those that make a substantial contribution to the environmental objective of adapting to climate change. These are premiums written in the 2023 accounting year that include a hedging component linked to climate change as defined in section 10.1 of the Taxonomy Complementary Climate Delegated Act and that meet all the RTS qualitative criteria.

For fiscal 2023 (see table below), it is difficult to validate compliance with the qualitative criteria, particularly in view of the "predictive impact" requirement of Climate related perils (forward looking). Ethias is making progress in collecting the data needed to calculate the figures considered to be in line with European taxonomy for the coming financial years.

UNDERWRITING KPI FOR NON-LIFE INSURANCE AND REINSURANCE COMPANIES

Economic activities	Absolute premiums, year t	Share of premiums, years t	Share of premiums, year t-1	Climate change adaptation	Climate change mitigation	Aquatic and marine resources	Circular economy	Pollution	Bio-diversity and ecosystems	Minimum guarantees	Do No Significant Harm (DNSH - Do No Significant Harm)	
											Category (transitional activity) (T)	Category (transitional activity) (T)
	Euros	%	%	%	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	H	T
A.1 Taxonomy-aligned Non-Life insurance and reinsurance underwriting activities (environmentally sustainable)	0	0	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A.1.1 Of which reinsured	0	0	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A.1.2 Of which stemming from reinsurance activities	0	0	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A.1.2.1 Of which reinsured (retrocession)	0	0	n/a	0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A.2 Activities not included in A1	1.664.724.777,84 €	100	n/a	100	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total (A.1 + A.2)	1.664.724.777,84 €	100	n/a	100	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

6.5.2 Investments eligible for and aligned with the European taxonomy

The assets covered by the KPIs of the European taxonomy are all assets under management, including investments whose risk is borne by policyholders, but excluding investments in sovereign entities.

The KPIs to the end of 2023 are similar to the KPIs to the end of 2022, unlike the following items:

- the methodologies have been slightly refined to better comply with legislation;
- the share of investments other than investments held under life insurance contracts where the investment risk is borne by policyholders is now the total value of assets instead of the value of eligible assets in 2022;
- KPIs based on CapEx will be published for the first time during fiscal 2023;
- aligned positions mainly concern utilities (electricity), REITS and energy (alternative sources).

In accordance with legislative directives, Ethias has obtained information on the taxonomic eligibility and alignment of its investments via the official KPIs of the underlying issuers' European taxonomy. If the information is not publicly available proxies provided by its main ESG data provider, MSCI,

have been used. Information is reported according to the model provided by the EU in Annex IV of the delegated act.

These KPIs reflect an in-depth analysis of companies' economic activities and the way they operate, in order to verify whether these activities are included in the EU taxonomy and therefore eligible. This eligibility is taken into account if companies have been able to prove a substantial contribution to one or more of these activities, while not undermining any of the other environmental goals and respecting the minimum social guarantees set by the EU taxonomy.

In its approach to aligning investments with the EU taxonomy, particularly in the context of climate change mitigation and adaptation goals, Ethias systematically applies a framework that avoids double counting and provides stakeholders with a clear and verifiable account of its contributions to climate change mitigation and adaptation. Each investment is evaluated according to the objective to which it contributes: either mitigation or adaptation, or both. When an investment intrinsically supports both goals, Ethias reflects both contributions in the breakdown of global alignment KPIs for sales and capital expenditure.

Standard template for disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (asset managers)

The weighted average value of all the investments of insurance or reinsurance undertakings 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 of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:	
Turnover-based:	1,93%	Turnover-based:	€ 204.880.316
Capital expenditures-based:	2,41%	Capital expenditures-based:	€ 255.894.416
The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM) Excluding investments in sovereign entities.		The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.	
Coverage:	60,32%	Coverage:	€ 10.627.018.573

Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.		The percentage of derivatives relative to total assets covered by the KPI.	
	-0,34%		€ -35.823.821
The proportion of exposures to 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 financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU:	
For non-financial undertakings:	40,22%	For non-financial undertakings:	€ 4.274.538.273
For financial undertakings:	29,84%	For financial undertakings:	€ 3.171.190.155
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:	7,16%	For non-financial undertakings:	€ 761.317.553

For financial undertakings:	0,00%	For financial undertakings:	€ 64.431
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:	10,59%	For non-financial undertakings:	€ 1.125.428.870
For financial undertakings:	6,98%	For financial undertakings:	€ 741.642.282
The proportion of exposures to other counterparties and assets over total assets covered by the KPI:		Value of exposures to other counterparties and assets:	
	5,49%		€ 582.982.849
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 policyholders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:		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 policyholders, that are directed at funding, or are associated with Taxonomy-aligned economic activities:	
	19,69%		€ 2.092.595.205
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:	
	95,04%		€ 10.099.666.496
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:	
	3,03%		€ 322.471.762

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:	1,93%	Turnover-based:	€ 204.787.218
Capital expenditures-based:	2,41%	Capital expenditures-based:	€ 255.752.623
For financial undertakings:		For financial undertakings:	
Turnover-based:	0,00%	Turnover-based:	€ 0
Capital expenditures-based:	0,00%	Capital expenditures-based:	€ 0
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 policyholders, that are directed at funding, or are associated with, Taxonomy-aligned:	
Turnover-based:	0,03%	Turnover-based:	€ 3.007.178
Capital expenditures-based:	0,04%	Capital expenditures-based:	€ 4.002.010
The proportion of Taxonomy-aligned exposures to other counterparties and assets in over total assets covered by the KPI:		Value of Taxonomy-aligned exposures to other counterparties and assets over total assets covered by the KPI:	
Turnover-based:	0,00%	Turnover-based:	€ 59.985
Capital expenditures-based:	0,00%	Capital expenditures-based:	€ 103.020

Breakdown of the numerator of the KPI per environmental objective

Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:

(1) Climate change mitigation	Turnover:	1,77%	Transitional activities:	
			Turnover:	0,05%
			CapEx:	0,04%
(2) Climate change adaptation	CapEx:	2,41%	Enabling activities:	
			Turnover:	0,74%
			CapEx:	0,62%
(3) The sustainable use and protection of water and marine resources	Turnover:	0,07%	Transitional activities:	
			Turnover:	0,00%
(4) The transition to a circular economy			CapEx:	0,05%
	CapEx:	0,28%	Enabling activities:	
(5) Pollution prevention and control			Turnover:	0,03%
			CapEx:	0,12%
(6) The protection and restoration of biodiversity and ecosystems				

7. Human impacts¹

Ethias would be nothing without the strength and commitment of its 1.946 employees! For Ethias, social cohesion and the well-being of its staff are absolute priorities directly in line with its ESG values and commitments.

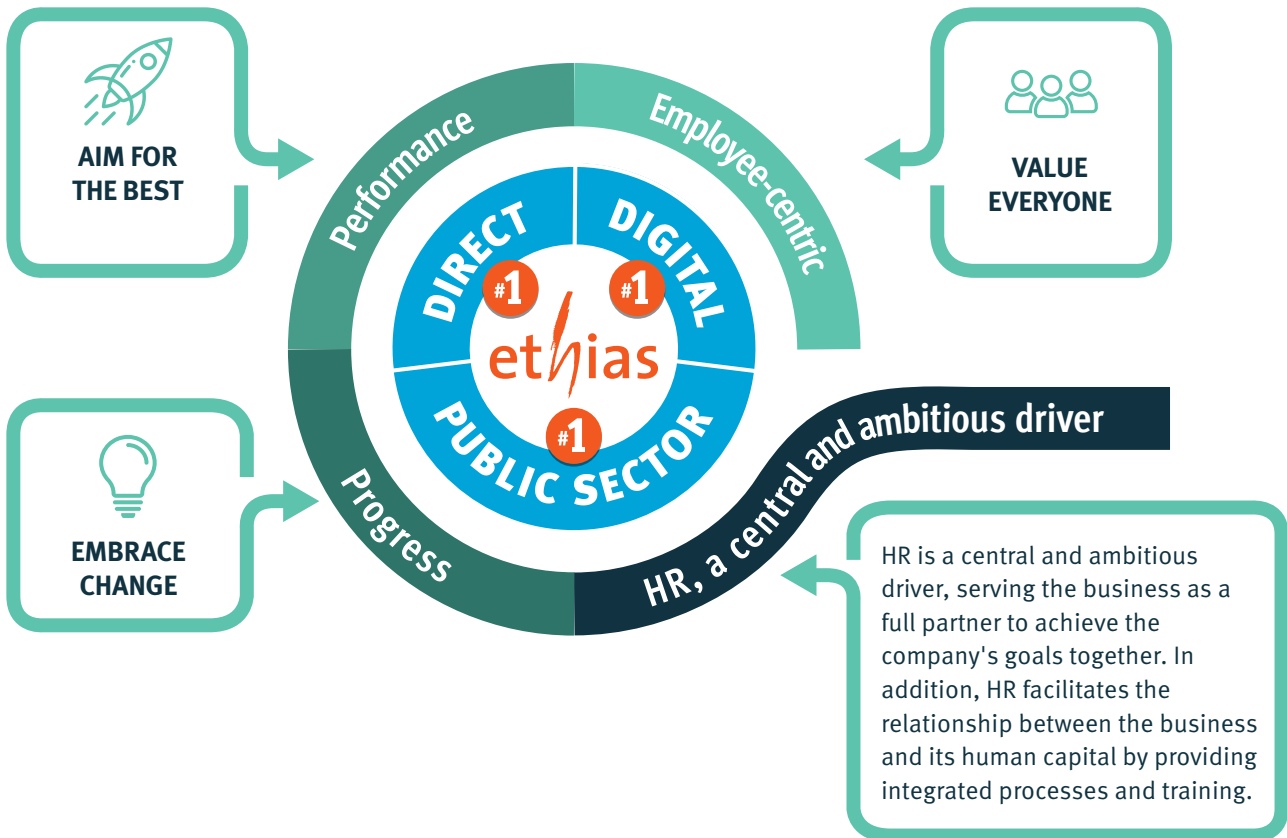
A respectful, collaborative and responsible social dialogue has always been anchored in Ethias' corporate culture. The social cohesion of our the company allowed us to thrive for over a century.

7.1. HR Mission

Ethias pursues a customer-oriented, modern and integrated HR policy. It ensures quality service in the interests of the company and its employees, without losing sight of the financial resources available. Ethias truly believes that People & Business go hand in hand.

7.2. HR Vision

Ethias wants to create conditions that allow employees to give their best in order to maximise client satisfaction and the company's performance. To achieve this goal, HR works constructively with all stakeholders to create a working environment where accountability and commitment, mutual respect and trust are of the utmost importance.



¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor, except where expressly stated otherwise.

7.3. HR Strategy

“DARING TO BE HUMAN TOGETHER”



7.3.1 Employer Branding

Employee Value Proposition & Strategy

In collaboration with Communication, HR has produced a new “Employee Value Proposition” assessment for 2023, based on the Top Employer survey, the Engagement Survey and the Randstad Study. Given the tightness of the job market, we must think about what makes Ethias unique as an employer.

- Belgian roots, always close by: as one of Belgium's largest companies, Ethias offers a tailor-made salary package, job security and a friendly working atmosphere. You can work at our headquarters in the heart of Liège and Hasselt, or at one of our regional offices across the country.
- Choose to grow, work on your talents: Ethias helps its employees to build and invest in a lasting career through a range of learning opportunities.
- Give it your all, at work and at home: Ethias helps every employee find the right balance between work and private life. The employee joins a team where everyone belongs, is truly listened to and can give their best.
- Make a difference for people and society: in addition to working daily on solutions to help its policyholders and improve customer satisfaction, Ethias is more broadly committed to making society more sustainable and responsible. Each employee can have a direct, positive impact on their daily lives.

In line with its strategy, Ethias also applies a “phygital” approach with candidates. Ethias has a strong presence at events (Workrfestival, Love Tomorrow, Student Take Off, Talent Fair @Finance Avenue, Talentum, school job fairs, etc.), but also tries to reach candidates online via search engines, job boards, social networks... In 2024, Ethias will launch a strategic communication campaign in order to show what it really means to work for Ethias.

Employee Engagement Survey

In 2023, Ethias employees took part for the third year in a row in the Employee Engagement Survey. They were asked about their engagement and enablement. The results in 2023 show an overall satisfaction rate of 86% among employees and a pride in working for Ethias reaching 82%. Areas of improve-

ment, listed in action plans, are opportunities for Ethias to grow and optimise its working environment for the employees, the driving force of the company.

- 83% of colleagues took the survey
- 88% see Ethias as a responsible company
- 85% believe in the company's values

Top Employer 2023 certification

Ethias responded to a comprehensive survey focusing on Employee Experience, Employee-centric Culture and Agile HR. In January 2024, Ethias received confirmation that it had been awarded the Top Employer label for the third time. Based on the global ranking methodology of the Top Employers Institute, Ethias has reached 10th place in Belgium, which is a major achievement.

7.3.2 Together @ home and office

Hybrid work

Ethias implemented a balanced hybrid work policy outside the COVID restrictions on the principle of “neither a right nor an obligation”.

Ethias allows its employees to work from home voluntarily with 2 essential rules: the **Team Together Day** (i.e. the team must show up at the office at least once a week) and a maximum of 3 days of remote work per week. People come to the office as much as possible on certain days of the week strengthens relations between departments, facilitate the resolution of complex problems and **stimulate innovation**.

This way, Ethias tries to find the right balance between face-to-face and remote work. Employees can also work from home which provides flexibility, less commute time and a better work-life balance. The company wins surface area and productivity without losing its culture or social ties.

New working environment in Hasselt

On December 3, 2023, a big party was held to unveil the new offices to Ethias employees and their families. The new Hasselt building, like the future Ethias headquarters in Liège, displays new technologies adapted to today's work-related needs: working from home (reduced office capacity), shared

offices, clean desks (space optimisation) and paperless policy. The building offers spaces for collaboration and conversation between colleagues, but also for focus time.

7.3.3 Re- and upskilling competencies

Ethias offers its staff many opportunities to evolve in exciting and varied positions, far from the clichés of the insurance industry. At the same time, it aims to promote a balance between professional and private life.

Onboarding

In 2023, more recruitment took place face-to-face, although remote interviews were still held. By 2023, Ethias has recruited 149 new employees.

NRB Group¹: 304 new recruits.

Internal promotion opportunities

Ethias' employees have the necessary tools to keep on growing and changing positions within the company. In 2023, 86 employees moved to other positions.

NRB Group²: 101 mutations registered.

Well-being trainings

Training plays an important role in the sustainable employment of the employees. On the digital platform MyLearning, employees can, in consultation with HR and their manager, choose the training that suits their future career.

The total number of training hours in 2023 is 48,236, broken down as follows per type of training:

- online training (785)
- webinars (3,262)
- blended-learning (504)
- coaching (11,610)
- in-house training (32,072)

The NRB Group provided a total of 44,009 hours of training.

Ethias wants to give its employees the tools they need to perform in their professional tasks, but also to promote their well-being. This is why Ethias regularly organises workshops and information sessions such as:

- Aggression prevention training
- Assertiveness training

As part of the Leadership program (see below), a new training course entitled "Putting people at the heart of management" has been launched. This training is centred on concrete approaches for managers to detect poor well-being triggers as well as effective support to their team and to promote well-being and prevent stress and burnout.

Ethias Young Talent Development Program

The Ethias Young Talent Development Programme 2022-2023, organised in collaboration with the universities of Hasselt and Liège, enabled a diverse group of young Ethias colleagues to benefit from a training programme on the skills for tomorrow.

This program contributes to "replacement management": find the right individuals with the right skills to move into key positions within the company.

Participants attended inspirational sessions related to the world of insurance, digital transformation, project management, customer experience, change & leadership and sustainability. They also had the opportunity to hone certain personal skills through, for example, French or Dutch language lessons. Finally, they worked in groups on specific innovation projects under the guidance of an internal mentor and in collaboration with the various entities of the Ethias Group.

This program was successfully completed in April 2023. Last year's program is being analysed while this year's edition is in the making.

Leadership@Ethias

In 2023, Ethias continued to train its managers and appointed an external partner to provide all new Ethias managers with a practical training, intervention and coaching program.

In this context, Ethias launched the "Keep Doing Great" program. It focuses on how managers can handle performance and skills. The first deployment of support took place in 2023 and will continue in 2024 via training courses and the management community.

Sustainability challenges: rising awareness & training

Raising awareness among Ethias employees around sustainability challenges is an integral part of the company's strategy and is considered by all to be essential for a successful integration of sustainability into the company's core business.

In 2023, this has been achieved in various ways:

- Training in sustainability issues, including regulatory aspects, for the members of the Executive Committee and the Board of Directors;
- Raising awareness of climate change issues among all employees by organising in-house "Climate Frescoes" with 22 in-house trainers ("Fresqueurs"). 150 employees have already taken part in the program, and a multi-year sustainability target has been set for 2023 ;
- Conference-debate on regenerative economy;
- Info lunches on Ethias' transition plan (decarbonisation of operations and of the investment portfolio).

Alongside these training courses, the activities organised by the in-house sustainability community - the ReGeneration Movement - have also helped to raise awareness of these issues among our colleagues.

1 NRB Group: NRB SA, Computerland, Zorgi, CEVI, CIVADIS, WIN, INK, Trigone.

2 NRB Group figures excluding WIN.

7.3.4 Sustainable Career

Mylife@Ethias

Ethias is particularly sensitive to sustainable growth and to the preservation of resources, including human resources. This is particularly important in times of uncertainty. HR's ambition is to move forward, to improve and to anticipate needs. That's why HR has embarked on a long-term project to focus on sustainable careers.

Ethias is taking the pulse of three target groups to draw up a tailor-made plan:

- **Early career:** young people up to 30
- **Mid-career:** +/- 40/45 years old, with 15 to 20 years' experience
- **End of career:** employees with 28 years of service or more

Senior Talent Program

Studies (RIZIV, Ethias) clearly show that the 55-59 age group is the most exposed to the risk of long-term absenteeism. The Senior Talent Program, designed for employees with 28 years of seniority, has 3 phases:

- Meeting with management (talking about older employees and their outlook)
- PIT STOP Career interview between senior employee and HR (voluntary) ;
- Support and feedback to management.

The goal is to allow senior employees to reflect on their professional situation and their expectations for the rest of their career.

In 2023, a proof of concept was submitted to a department. Positive feedback confirms and refines the project.

In 2024, roll-out is scheduled for employees who joined the company in 1996. In 2025, it will be for employees who started working in 1997, and so on.

The project will be carried out in close collaboration with management (upstream and downstream) in order to remain consistent with business expectations and to work in a forward-looking manner (*Gestion Prévisionnelle des Emplois et des Compétences and replacement planning*).

7.4. Implementing Ethias' values in HR management

7.4.1 Protecting workers

HUMAN CARE

At Ethias, people are a fundamental value. It is based on the principle that by taking care of its employees, it takes care of the company and its clients.

As employer, Ethias wishes to create the conditions that will enable its employees to become involved and take responsibility. It ensures their safety, their physical and mental health, prevents dangerous situations and identifies issues as early as possible. Ethias provides the necessary support to prevent, manage and overcome these problems and tries to contain the damage and impact and to learn as much as possible from them.

Ethias is also sensitive to work experience and emotions.

Well-being charter

In 2023, the following principles were included in our Well-being charter:

1. Ethias considers each employee to be unique and valuable, capable of growing, taking on responsibilities, making mistakes, ... as its brand purpose invites them to do: "Daring to be human together".
2. Ethias always strives to achieve a dynamic balance between individual, collective and organisational needs, in order to ensure not only the employees' well-being but also their commitment and performance.

3. Ethias believes that well-being is a responsibility shared by the company, all members of the CPPT (Committee for Prevention and Protection at Work) and the hierarchical structure, as well as by each and every employee.
4. Ethias recognises the right to disconnect (see specific charter on this subject).
5. Ethias fosters a climate of trust and (mental and physical) safety and promotes openness, tolerance, authenticity and solidarity among all employees.
6. Ethias sees mistakes as learning opportunities, illness as an opportunity to show kindness, humanity and charity, ageing as an opportunity for mentoring, diversity as an opportunity for mutual enrichment...
7. Ethias shows no tolerance to undesirable behaviour, violence, bullying, sexual harassment and all forms of discrimination.
8. Ethias has developed specific policies for preventive and proactive management of absenteeism and reintegration.
9. Ethias actively promotes health and well-being through preventive actions, information and training for all employees (addiction prevention, vitality, ergonomics and resilience). Ethias also tries to detect early signs of struggle, or even problems, and to look for creative, innovative and sustainable solutions, in consultation with all parties concerned.

10. Ethias monitors the current state of well-being and steers its actions with both qualitative and quantitative measurements which are consolidated in systematically updated dashboards discussed with all prevention stakeholders.

Pulso

Since 2023, Ethias has been working with Pulso as an employee assistance program (EAP). Both colleagues and family members can receive free help and support in a variety of areas 24/7. They can get information, advice and/or support for issues that may affect their personal well-being or their work. These services and other resources available internally are highlighted all year long, for example on Mental Health Day. This year, 69 employees used EAP's services.

Reboost

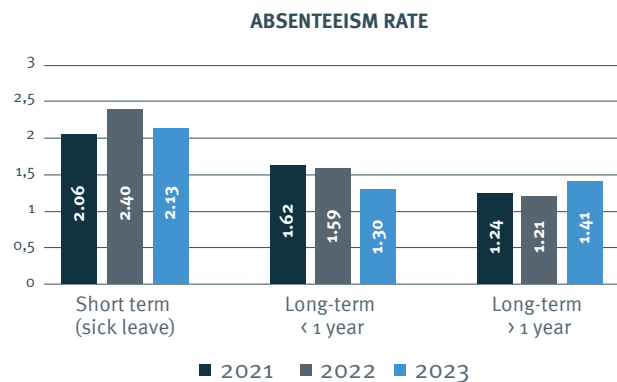
Ethias gained access to the "Re-boost" Pulso's Re-boost app. This application gives Ethias employees access to a series of modules relating to personal well-being. Based on short questionnaires, users receive indications and recommendations concerning their well-being. They can also compare their results with a reference population. Current courses are about work balance, stress, incentives at work, personal life balance and commitment.

Stronger absenteeism and reintegration management policy

Absenteeism policy (Toolbox)

2023 saw the creation of the first "Toolbox" on the issue of absenteeism. All Ethias managers have access to tools that help reintegrate a colleague following a long-term leave. A second Toolbox on stress and burnout prevention is currently in preparation. There will be a new training course entitled "Putting people at the heart of management".

When it comes to reintegrating the long-term sick, both formal and informal procedures exist. The informal reintegration procedure keeps improving year after year, with the support of trade unions, human resources management and counsellors. In 2023, 6 people received support from the formal process and 100 from the informal process.



Ethias' absenteeism rate is lower than the market average, but follows the same trends.

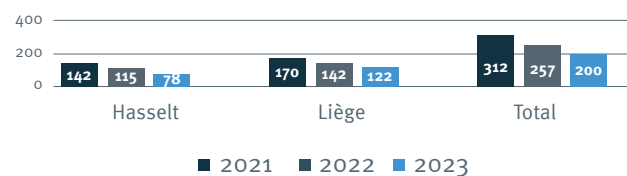
Counsellors

At Ethias, counsellors work in the Human Care department. Their mission is broad, as they help employees with all issues related to violence, mental or sexual harassment at work, but also stress, burn-out, conflicts, etc. Informal process aims at reintegrating colleagues after long-term absence. In the year 2023, trusted third parties continued to receive training on various topics relating to psychosocial risks, as well as on changes in legislation: extension of protection against the harmful consequences of discrimination.

In 2023, 200 employees called on counsellors for their services:

- 122 in Liège
- 78 in Hasselt

IN 2023, 200 PEOPLE CALLED ON COUNSELLORS FOR THEIR SERVICES



First aid team

There are 54 first aiders at Ethias: 34 in Liège and 20 in Hasselt.

Blood donation

73 employees gave blood at a blood centre. Blood drives took place again on site (3 events) in 2023, for a total of 183 donations.

Flu vaccine

212 people got a free vaccine shot against influenza.

Staff Association

The Employee association was founded in 1959 and has 7,500 members (active colleagues and retired staff, their partner and children). It is better known as the Amicale or Vriendenkring.

In 2023, the activities of the Amicale were mainly oriented towards cohesion activities between staff members, their family and retired staff. The Employee association also supervised the donations for Turkey and Morocco.

7.4.2 Diversity, equity and inclusion

In 2023, the Diversity Charter was updated.

Vision: At Ethias, we believe that diversity is the foundation of a thriving society, where everyone finds their place and is valued for their differences.

Promoting pluralism and diversity within our company is essential to our success and growth. This is why Ethias is committed to promoting an inclusive culture by shaping a working environment where all differences are valued, respected and not subject to prejudice. A work environment that promotes diversity opens up new perspectives and fosters innovation. With this Diversity Charter, we want to demonstrate our commitment to gender equality, but also to cultural, ethnic and social diversity within our company. The prohibition of all forms of discrimination and the principle of equal opportunity had already been expressly established in our Code of Social Ethics. The aim of the Charter is to reaffirm these principles, by rooting them in our culture and making them concrete.

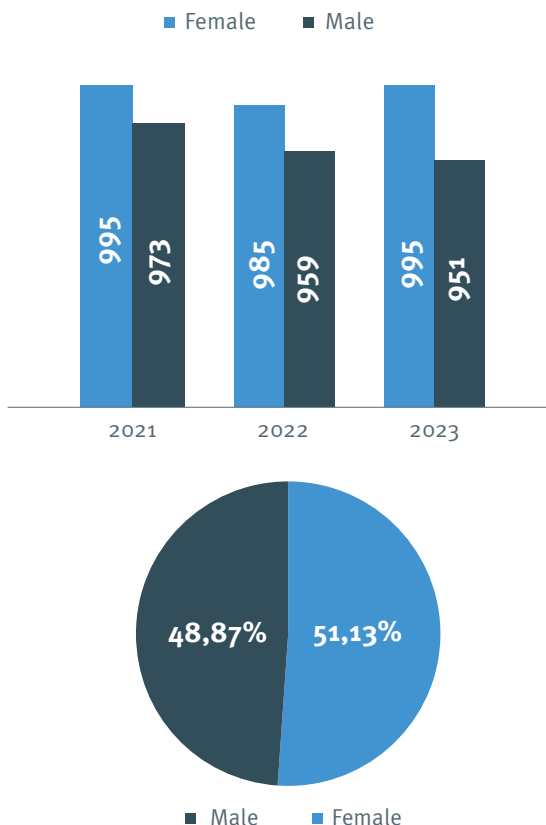
We are committed to investing in a culture of inclusive leadership and solidarity. Diversity is not a superficial concept. That is why we have deliberately chosen to focus on 4 pillars in order to take targeted action.



- **Gender:** women's empowerment and gender equality at all levels
- **Age inclusion:** stimulating cooperation between different generations
- **Disability inclusion:** giving everyone the chance to take control of their lives
- **D&I culture:** balanced representation of different origins and languages at all levels

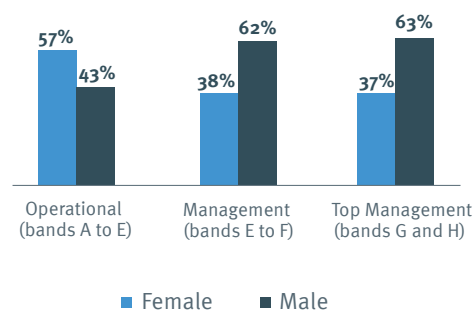
Gender

At 31 December 2023, the company had 1,946 employees (995 women and 951 men).



In order for Ethias to be sustainable and strong, we need men and women working together to promote an inclusive corporate culture and to bring out the best in women. The **Women in Finance** charter is an initiative of the financial sector (Belgian Financial Forum) and various institutions founded by Women in Finance Belgium. Bringing together financial organisations helped to promote gender balance and share good practices. On June 17 2019, many Belgian financial companies signed this charter. **As a socially responsible insurance company, Ethias was among the first signatories.**

GENDER DISTRIBUTION AS OF 31 DECEMBER 2023



Group: 2725 employees, i.e. 1,899 men (69.7%) and 826 women (30.3%)

Age inclusion

Training is an important pillar for Ethias. That is why the company wants to provide student-trainees with a valuable first experience. In return, they can provide valuable support to employees.

Ethias has entered into an initial three-year partnership (2018-2019-2020) with **YouthStart**, a non-profit that aims to boost the self-confidence of young people aged 16 to 30 in search of opportunities. **This association helps young people to step into the corporate world and delivers them a well-deserved certificate at the end of the training.** In 2021, Ethias renewed this three-year partnership over 2021, 2022 and 2023.

As a reminder, YouthStart offers young people from disadvantaged backgrounds an 8-day training course, during which they can benefit from the help of a coach to develop a concrete project. At the end of the training, the participants present their projects to a jury. Ethias supports YouthStart with EUR 15.000 per year.

Disability inclusion

Of 38 regional offices, 32 are **accessible to persons with reduced mobility** (25 are specially adapted and 7 are equipped with an access ramp or elevator).

A personal welcome is the first service to be provided to disabled people:

- Attitude and general behaviour: courtesy, listening, friendliness (e.g. notebook and a pen for the hearing impaired).
- Mobility: large spaces and barrier-free pathways.
- Facilities: seating, lighting, gates, toilets, etc.

D&I Culture

Ethias works on several mentoring projects. Ethias also finances the operations of this non-profit. Several colleagues act as mentors for job seekers with a migrant background who have difficulties in accessing the labour market. For staff members who take up this challenge, Ethias offers the possibility to do mentoring work during their working hours.

Mentoring@work maximises employment opportunities and integration into the labour market for foreign job seekers in Limburg. It broadens the support base in companies and contributes to greater expertise and social inclusion in society, through collaboration with volunteer mentors.

2 people are involved in the mentoring process via **Mentoring@work**.

7.4.3 ReGeneration Movement: every day is an impact day!

In 2015, in the wake of COP21 which saw the birth of the Paris Climate Agreement, a group of committed colleagues launched the **Green Movement** to raise awareness within the company of the importance of reducing its carbon footprint.

In 2022, in line with the new Sustainability strategy and the concerning state of the world, this movement is rising from its ashes after it ran out of steam during the pandemic. Today, its missions and ambitions not only encompass the ecological transition but also to the broader theme of Regeneration.

Each Ethias employee is free to join the new **ReGeneration Movement** and to make a change on society and the planet. Every day and every action, no matter how small, can make a difference in creating a better future.

In 2023, the ReGeneration Movement, Ethias' in-house community dedicated to sustainability, continued to expand internally and offer sustainability-related activities. It is made up of around a hundred employees committed to sustainability and willing to take concrete action in an active way:

- Partnership with the "Coopérative Ardente" (a cooperative offering more than 800 locally produced, bio and/or fair-trade food and household products)
- Reforestation Day: « Forest in One Day »
- "Be WaPP" spring clean-up event
- Range of sustainable teambuilding activities
- Bike tours
- Corporate challenge - Green IT (cleaning up mailboxes and reducing e-mails)
- Inspiring conferences
- A jumble sale (clothes and toys)
- "Ma Petite Planète" corporate challenge for the whole Ethias Group
- Collection of warm clothing and hygiene products for the Cœur SDF association

To find out more about sustainability at Ethias, please refer to the **"Cross-functional and participatory approach to sustainability" section.**

7.4.4 Social dialogue

Ethias' top priority is social cohesion and the well-being of its employees, in direct connection with its values and as an extension of its sustainability commitments.

A respectful, collaborative and responsible social dialogue has always been part of Ethias' corporate culture. The social cohesion of our the company allowed us to thrive for over a

century. The quality of its social dialogue has become one of the assets for the company's stability, growth and future. Like all insurance companies, Ethias faces many challenges resulting from global changes. Its goals are therefore aligned with these changes, with the needs of our society and with those of the job market.

This is reflected in our ongoing relations with employee representatives, through meetings within the consultation bodies (Works Council, CPPT and union delegation), as well as through more informal meetings with various management representatives.

In recent years, company-wide agreements have been concluded each year. The last, dated March 9, 2023, was about securing the long-term future of our employees by putting the company in a good position to meet the challenges of the future.

In concrete terms, the latest company agreement has increased working hours, repositioned supplementary pension plans in the market and reviewed certain elements of the remuneration

7.4.5 Remuneration policy

Ethias' remuneration policy aims to encourage and stimulate its teams. It relies on a fair and challenging basis, in line with short- and medium-term corporate strategy.

It is regularly updated to take account of market trends, the Business' needs, recommendations made by supervisory bodies and social consultation. Some elements are defined in collective bargaining agreements.

policy. These elements have been translated, or are about to be, into collective bargaining agreements applicable to all the company's employees.

Employee representatives have also been consulted on the launch of an end-of-career plan for employees born in 1965.

In November 2023, a collective bargaining agreement was signed for a purchasing power bonus in the form of electronic consumer vouchers.

This dialogue protects the cohesion and social peace needed to achieve HR missions in the service of the company and its employees.

The last update was carried out in November 2023, to add the company agreements signed in 2021 and 2023.

It was the opportunity to formalise Sustainability goals at the Executive Committee level, and to integrate them into the individual goals of Management Meeting functions.

8. Social impact¹

8.1. Ethias Impact Fund

In 2022, Ethias set up the Ethias Impact Fund, a corporate fund hosted within the King Baudouin Foundation.

This fund will support Ethias' social actions with the aim to have a concrete, visible and measurable impact on society.

In addition to providing financial support for various projects, the fund's mission is to develop a vast network of partners whose actions help to create impact for society. Through Ethias Impact, Ethias wishes to provide concrete financial support to those who are carrying out projects in line with its sustainability strategy, as well as occasional support in terms of time and skills.

The Ethias Impact Fund will give priority to supporting projects or associations in line with the themes of the Sustainability strategy:

- Fighting poverty among young people
- Health and environment (including the protection of nature, biodiversity, animals...).

This support will be provided mainly through calls for projects, such as the Ethias Youth Solidarity Awards.

Ethias Youth Solidarity Awards

Building on the success of the first EYSA in 2023, Ethias decided in January 2023 to launch a second call for projects to the PSWCs. They were invited to submit a project aimed at fighting poverty among young people. Projects could address cultural participation, access to education, budget support, etc.

The budget allocated to this second edition was EUR 275,000, and was divided between the 14 winning PSWCs.

Ethias Youth Solidarity Awards in figures (first and second editions):

- EUR 725.000 donated
- 177 projects submitted
- 32 winners

8.2. Sponsoring & Partnerships

Ethias' sporting, cultural and societal partners share its values: human, commitment, client satisfaction and enthusiasm.

Ethias sponsors via financial contributions or via advertising support through its own communication channels. As a sponsor, it is actively involved in every project supported.

Ethias excludes any sponsorship of organisations that could associate its name with doping, corruption, violence, racism, incitement to hatred, addiction, public disorder, unethical

Pelicano Foundation

Ethias actively supports the Pelicano Foundation, which is committed to fighting child poverty in Belgium. Ethias employees can choose to donate money via their **Flex@Ethias cafeteria plan**. The donations are used to cover the basic needs of Belgian children living in poverty: meals, clothes, school supplies, doctor's visits, but also the costs of joining a youth movement or sports club.

In 2023, the bees in the hives of the Hasselt headquarters and the regional office in Alleur produced their delicious honey. As every year, jars of Ethias-labelled honey were sold to employees, with the proceeds going to the Pelicano Foundation.

Every year, Ethias conducts surveys among its customers. Participation in these surveys is encouraged through a pledge to Pelicano.

All these initiatives enabled Ethias to raise EUR 16,747, which were directly donated to Pelicano in 2023.

Natuurpunt

Natuurpunt is a benchmark for the protection of nature and biodiversity in the Flemish region.

In 2022, Ethias entered into a three-year partnership with Natuurpunt to preserve the "Zwarte Beek" valley in Lummen. This is one of the last peat areas in Flanders, currently under great pressure due to climate change.

Thanks to the financial support of Ethias and the Flemish Government, Natuurpunt will be able to acquire the necessary hectares to create a contiguous and robust nature reserve.

For Ethias, the protection of biodiversity is directly linked to its mission as an insurer: an increase in biodiversity contributes to the prevention of natural disasters (particularly the risk of flooding) and to the correlated reduction in the risk of claims in areas deemed "at risk".

beliefs, discrimination on the basis of race, gender, age, sexual orientation or conviction (for example homophobia, anti-Semitism, Islamophobia, etc.).

8.2.1 Festivals

Live music brings people together, of all generations, in all their diversity and emotions.

Festivals: Pukkelpop, CORE-festival, Francofolies de Spa.

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

8.2.2 Sports

Sport allows you to challenge yourself, to constantly push your limits, to ease tensions, to bring people together, to improve your well-being and to take care of your health. These are some of the reasons why Ethias partners with sports events and chose two inspiring Belgian sports ambassadors. Wout van Aert and Matthias Casse.

Sports events: UCI World Cup Cyclocross, Ethias Tour de Wallonie, Grand Prix de Wallonie, Lotto Cycling Cup, Euromillions Cup finals volley, Mon Ventoux, Ethias Challenges and Count Me In.

Sports federations: tennis, volleyball, handball,...

National team: Red Wolves (handball), as well as federations (AES, LOS and AISF).

Our ambassadors

Wout van Aert, celebrated as the best pro cyclist in the world, is now a real national pride! Ethias is proud to count him among its brand ambassadors since 2022 and to share with him strong ambitions and human values such as solidarity.

Matthias Casse, Olympic bronze medallist in judo, former World and European champion, is the Ethias ambassador since 2021. His dynamism, healthy lifestyle and ambition are fully in line with Ethias' values.

8.2.3 Social partnerships and sponsoring

CharEthi Hours

We are here for you: Ethias' new tagline fits perfectly into the initiative "**CharEthi Hours**" inspired by the 2022 De Warmste Week edition.

In 2023, 532 worked during one evening for the charity events Warmste Week and Viva for Life.

All in all, the campaign raised EUR 43,454.71. The Executive Committee decided to round off this amount to the pretty sum of EUR 50,000, to be divided between the two initiatives.

Digital For Youth

Ethias donates its old ICT equipment to Digital For Youth, an organisation that recycles this equipment and makes it available to young people in difficult situations.

In 2023, Ethias donated 132 computers, 21 tablets, 9 desktops, 37 dockings, 3 monitors and 4 printers.

NRB donated 108 computers.

Red Touch Challenge

In 2023, the Red Touch Challenge call for projects, organised by Ethias and the Red Cross Youth, was a great success.

The jury (including Ethias) **short-listed 15 projects**, of which 11 were selected by the public.

The winning projects tackle poverty, intergenerational and intercultural issues and mental health among youth. These

projects will be carried out over the course of 2024, thanks to the support of the Red Cross Youth and a grant of EUR 2,000 per project (for a total of EUR 22,000).

Association Sint-Vincentius Genk & Restos du Cœur Seraing

The Sint-Vincentius Association is an umbrella organisation for all people in need in Genk. Ethias gives its employees the opportunity to organise collection activities (clothes, toys, etc.) during working hours and makes its facilities available in Hasselt.

Similar actions are carried out every year with the Restos du Cœur non-profit in Seraing.

Social sponsoring

- Belgian Red Cross
- Les Territoires de la Mémoire

8.2.4 Academic partnerships

Universities and colleges are pioneers in the search for solutions to the various challenges of today and tomorrow. By partnering with them, Ethias ensures that it stays ahead in the field of innovation.

UCL

The Ethias Chair "Pensions" pursues three goals:

- reflect on the design of equitable and sustainable pension systems, in terms of their financing, architecture and governance, with a particular focus on the study of supplementary pensions.
- contribute to the maintenance of an interdisciplinary platform for research on pensions at UCLouvain.
- ensure the future of teaching on pension issues at UCLouvain and offer quality lectures on the problems and challenges of pension systems at the Belgian and European levels.

HEC Liège

Ethias provides financial support for scientific research in machine learning, via a partnership contract with HEC-ULiège for PhD students. This project uses advanced artificial intelligence tools (uncertainty theory, heterogeneous ensemble methods, modeling noise in data - including unstructured data -, causality, etc.) to better model decision-making and uncertainty.

Ethias has also renewed its innovative partnership in sustainable finance for 2023, in order to face the challenges of ESG integration in investments by combining academic theory with practical experience.

9. Products and services¹

9.1. Relations with our policyholders

Ethias is perceived as a player with a wide range of insurance products, easily accessible, as well as quality contract and service².

Satisfaction measured among Individual clients³

- The NPS study conducted in 2023 shows an **overall satisfaction rate** with Ethias of 92%.
- After a first contact with Ethias, 2 out of 3 clients would recommend the insurer to their family and friends.

Satisfaction measured among Public Bodies clients⁴

- **The overall satisfaction rate** of Ethias' clients is particularly high (93%).
- 9 out of 10 clients see Ethias as their preferred partner in the insurance field (Non-Life).

Complaint management

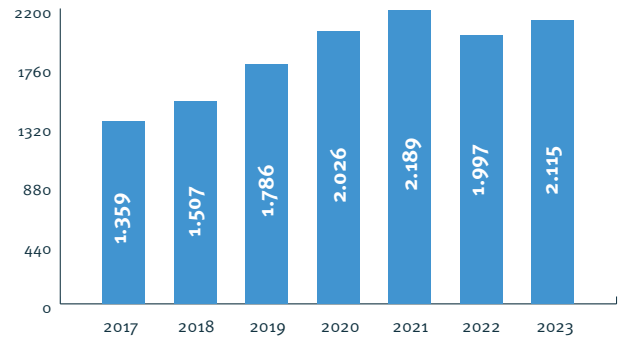
Ethias complies with the Assuralia Code of Conduct for complaint management.

Any interested party – a candidate policyholder, a policyholder, an insured, a beneficiary or an injured third party – may address his dissatisfaction concerning an insurance contract or service.

An independent Complaints Correspondent will examine the file objectively and respond to the complainant within a month of receiving the complaint. If this deadline can't be met, the complainant will receive a detailed letter.

Each year a report on the management of complaints is produced.

GRAPH OF THE EVOLUTION OF COMPLAINTS



The increase in 2023 is due to two notable trends in complaint management:

- 1) a sharp fall in the "fire insurance" branch. Continuous improvement action plans are working, and in 2023 the impact of natural disasters was significantly lower than in previous years.
- 2) a sharp increase in the "assistance" branch, which showed that accessibility and faster processing of a file are areas of permanent improvement and for which customers have increasingly high expectations. Our priority is to provide the best possible and most relieving service to help our customers in distress.

9.2. An increasingly sustainable product range

Ethias' ambition is to gradually evolve its product range towards greater sustainability, in order to cover Belgian society even better in difficult times, to have a positive impact on the environment by encouraging more responsible behaviour, and also to make certain basic insurance products more inclusive and accessible to all.

Ethias' sustainability strategy has been designed and built as an integrated strategy for the company's various activities. Ethias' ambition is for all its departments to make it their own, and for sustainability to become a reflex: in the creation of products and services, in their marketing, and in every contact with customers and partners.

Naturally, ESG integration must first and foremost be reflected in our core business: offering insurance products and services.

As a result, since 2023, sustainability has been integrated "by design" into the product creation process for both Life and Non-Life products. Each new product proposal or revision must justify whether or not it is sustainable, based on a reference framework developed in-house by the Products and Sustainability teams. This framework, largely based on the European Green Taxonomy, will be updated in line with regulatory developments and the state of the art in the field.

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

² These indicators come from the Brand Image study, which measures the positioning and image of Ethias towards individuals (customers/prospects). 2022 sample: 2.000 respondents

³ Indicators come from the NPS (Net Promoter Score) project, a tool created in 2014 to measure the satisfaction and recommendation rate of private individuals (customers & prospects) who have had contact with Ethias. 2023 sample: 29.596 clients.

⁴ Indicators come from the *Satisfaction & Moments of Truth* survey first conducted within public bodies in 2011 et renewed once every 2-3 years. 2021 sample: 135 B2B clients.

9.2.1 For Individual clients

Mobility

Ethias offers a “under 10.000 km” insurance, a specific tariff for green vehicles, a unique “Ethias Young Drivers” offer as well as basic insurance at an accessible cost for more solidarity. Active mobility covered free of charge in the family insurance.

Electric vehicles

Ethias wants to support its customers as they embrace the energy transition. Ethias covers electric and hybrid vehicles with the terms and conditions as regular vehicles. There is no downside for electric vehicles with higher engine power.

New version of Bike & More

With its Bike & More insurance policy, Ethias aims to create an ecosystem conducive to the safety of cyclists and drivers of soft mobility devices.

Throughout 2023, several awareness-raising and promotional campaigns highlighted claims prevention and bike theft to make customer safety a priority.

In addition, a partnership with Cyclecure (a start-up offering subscriptions for the maintenance and repair of bicycles and other mobility equipment) has been concluded for the benefit of Bike & More customers.

Motor insurance

In 2023, Ethias has renewed its partnership with Liberty Rider in order to cover its 40,000 motorcycle customers free of charge.

Liberty Rider offers a fall-prevention service for motorcyclists, such as an automatic call for help if a fall or accident is detected, or an alert for dangerous bends.

As soon as a customer falls with his motorcycle, a warning signal is sent. In the event of an accident, Ethias’ partner, IMA Benelux, will try to contact the motorcyclist. If there is no response, emergency services are sent directly to the location.

Since the partnership began, Ethias has helped 31 motorcyclists, saved 2 lives and avoided 37 accidents in dangerous bends.

Health - Ethias Hospi Quality

A quality and affordable hospital insurance, ensuring comfort in difficult times in a single room (Joker system) in case of hospitalisation due to a serious illness.

Servi + guarantee for Hospi Quality+ and Hospi Next+ products

After hospitalisation due to a serious illness, it is important to be able to count on support during rehabilitation. Ethias reimburses up to EUR 500 per year for non-medical home help services in the following areas: housekeeping, baby-sitting, gardening, DIY, care and well-being, pet-sitting, private lessons in connection with your current schooling, or cosmet-

ic products (turban, scarf, etc.). Ethias also reimburses these costs up to a maximum of EUR 500 if the insured chooses a service provider other than those offered.

Home

The Home insurance policy automatically covers green installations (solar panels, photovoltaic panels, heat pumps, etc.) without any additional premium.

Co-tenant insurance Flora by Ethias

The number of flat-shares is growing significantly and is due to the fact that access to property is becoming increasingly difficult for young people and single-parent families.

Launched in October 2021, Flora by Ethias' co-tenant insurance is a zero deductible insurance policy that provides all co-tenants with third party liability cover for damage to the rented property or neighbouring properties as well as content cover for the entire rented property. Ethias brought a unique option to the market that allows co-tenants to purchase an insurance cover for damages they would cause to each other as well as assistance in conflict management. A very useful guarantee when we know that more and more co-tenants did not know each other before moving in together.

Legal Aid Insurance.

Since December 2019, Ethias offers a Legal Aid Insurance product, in accordance with the "Geens Act". The objective of this law is to make Legal Protection insurance more accessible by extending its coverage. In addition, the premium is deductible for tax.

Partnerships

Whestia

Ethias works in partnership with the Walloon Housing Fund and with various agents who sell social loans in Wallonia via the Whestia outstanding balance insurance label.

Social housing

Ethias is a partner of more than 30 social housing companies in Flanders (including Woonhaven Antwerpen, the largest social housing company in Flanders) and offers its insurance products (Home, Family and optional Theft cover) at a rate adapted to this target group of tenants.

67,000 social houses have an adapted package for their basic insurance: important instruments to fight poverty.

The Housing Fund for large families in Wallonia

In 2021, Ethias entered into a partnership with the “Fonds du Logement des familles nombreuses de Wallonie”. Customers who take out a mortgage through this social fund can also benefit from our Home insurance policy.

Vlaams Huurdersplatform

At the end of 2022, Ethias entered into a partnership with the Vlaams Huurdersplatform. The VHP supports the functioning of the tenants' unions and the network of social tenants (VIVAS - Vereniging van Inwoners Van Sociale woningen). This association also protects the interests of tenants, particularly the most vulnerable, by virtue of the fundamental right to housing. VHP affiliates and members can purchase tenant insurance at a discounted rate.

Blue Bike

Ethias extended its collaboration with Blue Bike until 2024. Blue Bike is a shared bike system in which De Lijn and the Flemish and Walloon Regions are the main shareholders.

Ethias and Blue Bike are working closely together to achieve sustainable mobility. In addition to visibility at bike points and on bikes, we are looking for other *win-win* activities as part of our Sustainability strategy.

9.2.2 For Public Bodies

Ethias, leading insurer in the public sector, insures major public sector players committed to sustainable development and alternative energy.

Mobility

Electric vehicle insurance

Ethias has updated its general conditions to the motor vehicle insurance policy to address the specific risks associated with the use of electric vehicles and to promote their use.

As the benchmark insurer for public bodies, Ethias covers many electric vehicles, including electric buses.

Furthermore, in collaboration with Ethias Lease, Ethias aims to help its customers in the energy transition in terms of mobility by facilitating access to electric vehicles.

Mobility & More

The Mobility & More insurance is an innovative and flexible product that covers the travel of the clients' staff members regardless of the mode of travel used (and more particularly active mobility). Employers can choose between different cover options to offer their employees comprehensive mobility cover on the way to and from work.

Bike & More

The aim of the "Bike & More" group insurance is to encourage employers to promote active mobility by insuring their employees' vehicle at advantageous rates.

Recently, Ethias extended this product to the guarantee "civil liability for the use of a soft mobility device" in order to further promote soft mobility for professional use and to offer employees guarantees similar to those enjoyed by employees who own a company car.

Property

Property insurance (fire and all risks)

Ethias insures green energy sources (photovoltaic panels, solar panels, heat pumps and charging stations for electric vehicles) either in Property policies or through specific covers (all risks insurance).

Business interruption cover after a property claim

The aim is to prevent bankruptcy after a disaster by covering overhead costs before the production tools are repaired and by facilitating the restart of the company. It is a kind of life insurance for the organisation.

Cyber Protection Insurance

This insurance has been developed for local public bodies (municipalities, cities, CPAS, police and rescue zones) to cover their cyber risks and to help them to further secure their IT tools as well as their business data in the service of the people.

The goal is to make these clients aware of the importance of protecting their sensitive data and to support them in securing their IT infrastructure.

Health

Healthcare Insurance

Ethias offers companies and public bodies a range of healthcare insurance products for their employees and their families.

In addition to the Hospiflex insurance policy, which covers hospitalisation costs, Ethias also covers ambulatory medical expenses.

Ethias offers flexible formulas with various coverages, ceilings and deductibles, to better meet the needs of its policyholders and adapt to the evolution in healthcare costs. Specific services such as the Ethias Servi+ guarantee have been added to cover the cost of non-medical services (gardening, cleaning, etc.) to enhance the well-being of policyholders hospitalised due to a serious illness.

Since 2023, Ethias also provides optional "assistance" coverage, providing additional services such as second medical opinions, mental support, the coverage for the costs of child and/or pet care.

Occupational disease insurance

As a societal player, Ethias has created brand new product on the Belgian market to meet its clients' needs and concerns about the COVID pandemic. More than ever, employers and employees are aware of the need to have optimal coverage when they are exposed to an occupational health risk.

This new product provides extra-legal compensation to employees and staff in the private sector and in local and provincial governments who suffer from an occupational disease recognised by Fedris.

9.3. Beyond Insurance: Ethias' services

9.3.1 For Individuals

Because the protection of physical and mental health, prevention at home and on the road are at the heart of Ethias' business.

Mobility

Liberty Rider

App for motorcyclists calling emergency services after a crash.

Assist on Demand

Text message to Ethias for a quick breakdown service on the road through a digital flow and with a negotiated rate. This service is also available to non-clients.

Health

Care4You

Thanks to this reliable and free tool, doctors and patients can meet virtually in complete safety. This platform was created during the COVID-19 pandemic and makes healthcare more accessible.

App4You

Digital, collective; innovative, simple and supportive platform accessible to all for free. Volunteers can help other citizens in need while being covered for free by Ethias for liability and personal injury.

Home

Home Services

With Home Services you will quickly find the right contractor for your needs (heating breaks down in the middle of winter, your door doesn't close any more, you are the victim of a break-in, your electrical installation breaks down...)

9.3.2 For Public bodies and Companies

These services focus on prevention and risk management. Our support services are tailor-made.

Ethias Services offers services in three main areas:

- Protecting people
- Protecting buildings
- Protecting business

Since the end of 2023, these three areas have been integrated into the Ethias Members Academy, which provides services in the insurance sector and beyond. Registration are directly available online on the service platform: solutions.ethias.be

Latest addition to the catalog: access, from autumn 2023, to the ordering of preventive equipment at attractive prices for Ethias Services customers.

A range of sustainability services

In 2023, Ethias Services pursued its strategy of developing complementary sustainable propositions. It has now become a reflex when new services are created.

In the **energy sector, several new partnerships have been concluded.**

Ethias Services, Ethias' Beyond Insurance solutions provider, knows very well that reducing carbon footprints, energy autonomy and cost control are among its customers' top priorities, but is also acutely aware that many of them are at a loss when it comes to dealing with these issues and therefore developed an energy maturity assessment tool to guide them.

As to air quality, Ethias Services and its partner Helexia help venue managers and operators to comply with carbon standards and protect their guests by analysing, purifying and communicating indoor air quality in real time.

Mental health & personal support

In 2023, over 1.000 mental health support sessions were held. Ethias Services wants to be close to people and organised individual or group sessions during times of crisis. In addition to mental health support, we also provided household help and transport services to injured or sick people. "We're here for you" is Ethias Services' everyday reality.

Managing psychosocial risks

Degrading mental health, workers reluctant to come back to work, declining well-being index for everyone... Ethias Services has set up a whole series of training, audits and consultancy services to help companies prevent psychosocial risks and support their employees in difficult times. Services: burnout prevention, support following a traumatic event or an accident at work, stress and conflict management, psychosocial risk analysis, mental health audit, expertise in professional rehabilitation or reintegration, etc.

Skill management

Ethias Services offers its expertise to establish ethical and inclusive management with the aim of resolving conflicts, detecting and supporting workers in need, understanding the multicultural advantages and challenges at work, encouraging collaboration and intergenerational synergies.

Managing cyber-risks

Not a day goes by without a company, a public institution or a hospital being the victim of a **cyber-attack**. On this topic, Ethias Services is positioning itself as a different player, aiming not only to insure its customers against this risk, but also to prepare them against such attacks. Ethias Services offers a wide range of Cyber risk prevention solutions:

- Security audit - Security level assessment
- Business continuity plan (Cyber)
- Combating phishing

- Cybercrime awareness
- DPO as a Service
- Other cyber security related services

Finally, in addition to these preventive services, Ethias Services also provides a Cyber Assistance service, similar to Mobility.

9.4. Responsible investment products in life insurance contracts

Ethias offers a range of sustainable investment products linked to life insurance policies for individuals, companies and local authorities.

9.4.1 For our institutional clients

Through the Global 21 Ethical Fund

The **Ethias Global 21 Ethical Fund** is intended for the management of pension and group insurance reserves. It is certified **Ethibel Excellence** (confirmed in 2022). This fund has two solidarity mechanisms, for the benefit of the **Réseau Financité** and **Fairfin**. Depending on the client's choice, Ethias pays one of these partners 0.05% of the average capital invested in the fund at year-end. Affiliates who so wish may also retrocede all or part of their yield to the association of their choice.

Through **customised life insurance products**, some of which incorporate very strict ESG criteria, including a decarbonisation path for the investment portfolio under management.

9.5. Prevention

Prevention at Ethias is a 360-degree service with a tailor-made approach to each client's risks and needs.

Ethias Group has set up ecosystems to offer a global, integrated approach to its clients' risk assessment and management challenges: Ethias Prevention, Ethias Services (external partnerships for all types of services related to risk management and prevention), Ethias Ventures (investment), NRB-CIVADIS-CEVI (Cyber, IT).

The various areas are approached in a structured way according to the following topics:

- Personal injury (occupational accidents)
- Property damage (Fire and Fleet)
- Emerging risks (cyber, climate risks, mobility, etc.).

In 2023, Ethias' Claims department developed an innovative "Postvention" approach. Ethias gives support to the client after a serious and/or specific claim and to help analyse and implement measures in order to avoid, in the future, the occurrence of this type of claim or, at the very least, to reduce its human and financial consequences.

Some examples of prevention services provided by Ethias to its customers:

Managing risks of fire

Fire risk prevention is one of Ethias Services' major areas of development. In addition to providing training in this field, we also help our clients support with fire audits, evacuation plans, internal emergency plans, fire department intervention files, etc.

Through the "Ethical" sub-fund of the Ethias Life Fund offered in our dedicated asset funds: The objective of this sub-fund is to invest in units of funds that invest in shares and/or bonds of companies that integrate ecological, social or ethical criteria into their long-term strategy and are certified Towards Sustainability by Febelfin.

9.4.2 For our retail clients

Through the Invest 23 Mundo fund: Our private clients also have the opportunity to invest in the Ethias Life Fund's "Ethical" sub-fund through our Ethias Boost Invest Mundo insurance product (Towards Sustainability label confirmed in 2022).

Ethias Invest: Branch 23 life insurance in the form of a structured note for retail investors. The first product of its kind to be based on a "Sustainable" index - MSCI Europe Climate Paris Aligned.

9.5.1 Personal injury – Occupational accidents

Training and awareness programs

All employers are obliged to organise training courses related to the well-being of their staff. To be relevant, they must be adapted to the occupational hazards to which workers are exposed in their working environment.

Training is therefore an essential tool for developing well-being in the workplace.

Thanks to the expertise of its Level 1 Prevention Consultants and specialist partners, Ethias offers a wide range of training courses.

Here is an overview:

- The legal and regulatory framework for well-being at work
- The notion of occupational accident
- Analysing the causes of an occupational accident
- The role and responsibilities of management
- Workplace safety culture and behavioural factors
- Basic Prevention Advisor training: This 7-day training course for level 3 prevention consultants is recognised

by the Federal Public Service for Employment, Labor and Social Dialogue (SPF Emploi, Travail et Concertation sociale). It takes place twice a year and can be attended free of charge by a candidate member of staff

- Specific occupational hazards encountered in the company:
 - Electrical hazards
 - Dangerous materials
 - Temporary work at height
 - Manual handling
 - Safety when landscaping
 - Worksite signage
 - Driving awareness
 - Bike training

Support and coaching

Prevention advisors for Ethias clients benefit from the free support of a Level 1 Prevention Advisor within the framework of the annual number of man(s)/day determined, as well as from a number of specific services.

As part of this support, Ethias experts provide assistance on both technical issues and workplace safety.

This support includes many services:

Guide for Extranet reporting tools

In the Prevention section of Extranet, each customer can see and work on their statistics, and generate different overviews of their claims.

Support for reporting a serious accident

Ethias helps you draw up a cause tree to identify the causes of the accident and suggest appropriate preventive measures.

Legal and technical advice

Ethias provides technical and/or legal advice on employee welfare and/or workplace safety.

Support for specific awareness-raising initiatives

Ethias can provide visual material (posters, stickers, flyers, etc.) relating to a specific safety topic or risk.

Information and documentation

Prevention-related documents, articles and videos are available on the Prevention Corner of the Ethias website and blog.

“Ethias Prevention Reporter” app

This app improves the traceability of "prevention" findings and better tracks corrective actions.

Psychosocial risk services (PRS)

Psychosocial risks are one of the main causes of absenteeism. Preventing and successfully managing PRS and work-related stress is key in human resources management.

Psychological support for prevention of aggression

Thanks to a network of external partners, Ethias offers free psychological support (individual or in group) to people who suffered in their private and/or professional life.

Professional reintegration

The free professional reintegration procedure set up by Ethias (Decavi Award 2019) for victims of serious occupational accidents is unique on the Belgian market and contributes to the well-being of workers.

Stress, depression, burn-out...

With Ethias Services, Ethias provides a tailor-made response to specific prevention needs in the field of psychosocial risks, at a preferential rate.

9.5.2 Material damage – Fire

Material risks and fire

As a "partner", Ethias wishes to collaborate constructively in risk management and loss prevention or postvention. They have the resources and support they need for:

- fire prevention, detection and control
- improved security against theft
- protecting customer sites from flooding

Interventions by the Ethias Prevention Property department for insured risks are included in the insurance premium.

Loss Prevention Engineers Property answer all technical questions concerning fire, burglary and flood prevention.

They will assess all questions and requests about standards, legal provisions (e.g. regional), current safety regulations and insurance industry recommendations. They are there to help policyholders optimise their prevention policy.

The Prevention Property Department can answer policyholders' questions about the various areas of prevention in which Ethias specialises:

Fire prevention

Building visits, process assessment, prevention monitoring and implementation of a prevention plan.

Technical and organisational recommendations and verification of legal requirements.

For risks that have not yet been finalised from a fire technical point of view, and/or where some of the required alarm and detection equipment or fire-fighting resources are missing, a prevention program may need to be drawn up in order to incorporate these risks into a tailor-made insurance policy.

The Loss Prevention Engineer is on hand to specify the various preventive actions and, if necessary, monitor their implementation. Each time the Loss Prevention Engineer receives feedback from the policyholder on the progress made in implementing the program, prevention reports are updated to ensure accurate follow-up.

Machine breakdown prevention

Visits and risk analysis of insured machines.

Theft prevention (techno prevention)

Ethias may recommend mechanical, electronic and organisational protection measures.

Flooding

Risk assessment and recommendation of preventive measures.

Assessing the value of new buildings

If required, and after consultation, Ethias will help the client evaluate the replacement value of a simple building in order to update the amount and type of guarantees (buildings) if the type of building falls within our expertise.

More services

Free “Ethias Prevention Reporter” app

This app improves the traceability of "prevention" findings and better tracks corrective actions.

It can be used directly during a site visit (risk assessment, accident analysis, legal reference...) to create a quick visit report with predefined content fields and free text zones.

Free Ethias Fire Prevention checklist

With this checklist, clients can assess their risks and manage their transition to greener mobility (battery management, storage, charging stations, etc.).

The client can then take vital preventive parameters into account when implementing changes.

Documentation

Our prevention department also provides documents and technical notes, explaining how to implement standards, legal provisions and good practices.

These documents are available on request.

Concrete actions

Ethias Prevention Property's mission is to promote and support safety and prevention among policyholders and provide the following support:

Site visits and implementation of fire and theft prevention plans in collaboration with internal departments

If necessary, Ethias plans to visit the largest and most specific buildings/risks (depending on the capital insured for the buildings and the more technical risks).

Inspections result in a technical file with a description of the risk and a illustrated report for potential co-insurers and reinsurers, as well as advice and prevention programs enabling you to optimise the risk.

The terms and conditions of the program are defined by mutual agreement, and are also monitored by the assigned prevention engineer.

Depending on further information and discussions, specific interventions may be planned. A precise schedule of risk visits will be drawn up in consultation with the people in charge of these aspects in the field, both at the client and at Ethias.

Ethias provides, on request, support for risk assessment on the location of charging station areas for electric vehicles and premises where batteries are charged.

Visits to monitor the prevention policy in place

Ethias monitors the prevention plans implemented in collaboration with the technical and prevention departments, and is always available to support the implementation of the measures included in the prevention plans.

At your request, expert visits to assess the replacement value of one of your buildings

Should it be necessary to verify the insured capital for one or more buildings, Ethias will, with a written request, appraise said buildings if they fall within its area of expertise.

To ensure that the on-site visit runs smoothly, the information needed to carry out the assessment (plans with dimensions or metric scale, cost estimate, etc.) will be provided by the insured prior to the visit.

Technical and legal advice

Laws and standards are constantly evolving. It's not easy for policyholders to keep track of all these changes. Our expert advisor can apply the rules specific to the buildings and activities insured, and work with the insured to find the best possible solutions.

What measures are required by law? How often must electrical installations be inspected? How many fire extinguishing systems are required? Do I have to carry out a legal inspection of my automatic fire detection system?

Technical opinion on the prevention plan (if applicable)

All measures which the affiliate is contractually obliged to carry out within a specified period will be processed immediately and, if necessary, accompanied by explanations and advice by return.

9.6. Sustainable claims management

Ethias is committed to integrating sustainability into all its activities, including claims management.

In this respect, it has begun to integrate sustainability criteria into the selection processes for its car repairers, for example with regard to compliance with labour law rules or obtaining a sustainability label. These labels ensure that the garages and body shops are committed to implementing more environmentally-friendly repair processes.

By 2023, 58.6% of repairers in the Ethias network had the "Sustainable Repair" or "Long Life Repair" quality label. The "Sustainable Repair" quality label was set up at the initiative of the Réparer Durablement network, of which Ethias is a member along with other players in the sector: <https://www.reparerdurablement.be/verzekeraars/>



10. Sustainable and responsible investment¹

10.1. Sustainability at the heart of our investments

Ethias makes a positive contribution to today's major societal and environmental challenges by going far beyond risk-return analysis in its investment decisions and integrating ESG criteria. Ethias is concerned about the potential impact of investments on the financing of the energy transition and the creation of a fairer society. This role as responsible investor comes with a long-term responsibility in life-insurance policies, particularly in the management of legal and supplementary pensions and in supporting the economy.

As the latest IPCC report shows, global warming caused by human activity is having serious consequences, such as rising sea levels and loss of biodiversity. Progress has been made in planning adaptation measures and mitigation policies, but they are not yet of sufficient scale or speed, and gaps remain. Immediate action to reduce greenhouse gas emissions and limit warming to 1.5°C is crucial to avoid irreversible negative effects.

Aware of the urgency to limit the impacts of climate change and to achieve a just transition by relying on strong governance, Ethias continued in 2023 its responsible investor approach launched in previous years adding with new initiatives:

- **EUR 250 million invested in sustainable projects following the issue of a green bond**

In 2023, Ethias issued a green bond that was a great success with investors. This green bond issue enabled Ethias to raise EUR 250 million, which will be invested in projects and activities with a positive impact on the environment. Ethias is proud to be one of the few Belgian companies to issue a green bond in 2023, demonstrating its commitment to sustainable investment and environmental protection.

- **Development and publication of impact investment policy**

In the wake of its support for the creation of the Impact Finance Belgium Institute, Ethias has developed the first version of its impact investment policy in collaboration with BE.Impact. This policy is now an important part of our sustainable and responsible investment framework. Impact investments are aimed at generating a positive social or environmental impact in addition to achieving a financial return. In this way, they go even further than the classic ESG approach, which integrates extra-financial criteria into the analysis and selection of investments to reduce long-term financial risks and contribute to a more sustainable world.

- **Transparency around the concepts behind SFDR's article 8 classification of investment products**

In the interests of transparency, the ESG integration policy and the definition of responsible investment, in line with SFDR regulations, have been published on the Ethias.be website. The first document provides a more detailed view

of the means used by Ethias to integrate ESG criteria into its asset management. The second clarifies the criteria Ethias takes into account when considering an investment as responsible under SFDR regulations.

In 2023, Ethias also continued its efforts to encourage the companies in which it invests to adopt sustainable and responsible practices. The dialogue initiated by Ethias took concrete form during the assessment phases of investment opportunities and as part of the monitoring of existing investments.

Furthermore, in 2023, Ethias worked in partnership with other investors and stakeholders to help achieve a just transition, strengthening social cohesion and reducing inequalities. Ethias has supported initiatives to promote public health and well-being and preserve biodiversity. As a result, the company has continued to invest significant amounts in sustainable investment areas through a variety of approaches. These approaches mainly include pursuing the goal towards a carbon-free economy, green, social or sustainable bonds, sustainable real estate investments, investments in infrastructure contributing to social or environmental objectives, and impact investments.

In 2024, Ethias' main sustainability challenges will materialise through three main goals:

- **Formalising and submitting the decarbonisation plan of the investment portfolio in line with the SBTi initiative**

After joining BACA in 2021, Ethias has committed to SBTi in 2022. Ethias' ambition is to obtain an independent approval (within a maximum of 2 years) for its plan including intermediate decarbonisation targets (based on recognised scientific methods) in order to achieve Net Zero in line with the objectives of the Paris Climate Agreement. Ethias aims to submit this plan for its climate change mitigation strategy by the end of 2024.

- **Continued use of funds from the green bond issue**

Ethias has invested almost all the funds raised in 2023, but will continue to deploy them in 2024 to finance concrete projects with a positive environmental impact. The specific areas on which Ethias will continue to focus are set out in the Green Bond **financing framework**.

- **Deploying our impact investment policy in positive-impact projects**

In 2024, Ethias wants to pursue this impact investing policy by investing in projects that have a positive impact on society and the environment. Its ambition is to become a leading Belgian player in the field of impact investing, while taking the time to carefully validate the alignment between investment opportunities and its vision, in order to guarantee investments that have a positive and measurable impact.

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

10.2. Sustainable and responsible investment framework

Ethias has implemented a comprehensive system to incorporate environmental, social and governance (ESG) factors into its investment strategy. As a signatory to the United Nations Principles for Responsible Investment (UN PRI), Ethias incorporates ESG factors into its assessment and investment de-

cision-making processes, and into its interactions with key stakeholders. To this end, Ethias has developed a sustainable and responsible investment policy based several pillars that guide its actions.



EXCLUSION

Ethias applies an exclusion policy aligned with the Towards Sustainability label, ensures compliance, manages related risks and communicates transparently and regularly on the criteria used.



INTEGRATION

Ethias takes ESG issues into account in the assessment and decision-making process for its investments. Ethias integrates ESG issues into its policies and practices as an active asset manager.



COMMITMENT

Ethias encourages the companies in which it invests to take on sustainable and responsible practices. Ethias promotes its values to all stakeholders.



IMPACT

Ethias seeks to create a positive impact on society and the environment through its impact investment policy.



COMMUNICATION

Ethias publishes regular reports on its activities and progress in terms of sustainability and the implementation of its responsible and sustainable investment policies.

10.2.1 Integrating ESG criteria into investment processes

A transparent integration policy

The inclusion of sustainability criteria in the investment process is aligned with Ethias' corporate strategy. It is based on robust policies and concrete commitments that enable us to assess both the financial and extra-financial impact of each investment.

In addition to special investment committees, the Ethias Sustainable and Responsible Investment Committee is in charge of developing, implementing and monitoring all the principles of the sustainable and responsible investment policy. The committee meets regularly to keep abreast of evolving ESG challenges. These include changing regulations, limited data and lack of common standards for assessing ESG criteria, climate risks, stakeholder pressures and technological challenges.

The system implemented by Ethias must adapt regularly to correctly assess the potential of companies in an ESG context, as well as to avoid the legal and financial risks associated with non-compliance with ESG regulations.

Beyond policies and governance, their practical implementation is first and foremost the responsibility of investment managers. Ethias invests mainly directly, with limited outsourcing of asset management. For direct management, Ethias integrates ESG criteria assessment into its investment processes and promotes sustainable and responsible investments in its selection process. For delegated management, Ethias also places a high priority on working with managers who are **signatories to the United Nations Principles for Responsible Investment (UN PRI)**. In addition to this requirement, Ethias uses sustainable investment criteria in its management mandates.

To demonstrate the seriousness of the approach implemented by Ethias, the ESG integration policy for its direct investments is available in the **Policies, charters and codes** section of its website www.ethias.be.

Finally, in 2023, Ethias has renewed its innovative partnership in sustainable finance with HEC Liège. With this partner-

ship, which celebrated its second anniversary in September 2023, Ethias has been able to face the challenges of ESG integration in investments by combining academic theory with practical experience. It has proven its worth in helping investors rise to the challenge of sustainability.

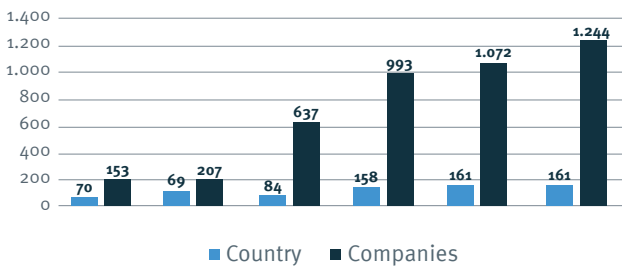
10.2.2 Exclusion Policy

A strict exclusion policy that aims to be more ambitious than the norm

Every year, Ethias updates and improves its exclusion policy. In force since 2005, it has once again been updated for 2021 for alignment with, at the least, the exclusion criteria of the **Towards Sustainability label** created by Febelfin. In some cases, Ethias' policy imposes more stringent rules than the label. As a result, a growing number of issuers are excluded from Ethias' investment universe.

In 2023, the label criteria were revised and made stricter for certain sectors. Ethias integrated these changes into its own exclusion policy.

CHANGE IN THE NUMBER OF ISSUERS EXCLUDED FROM ETHIAS' INVESTMENT SCOPE



Ethias completely excludes thermal coal and non-conventional oil and gas from its investments, as these involve complex extraction methods and have a particularly harmful impact on the environment. Ethias also applies its exclusion policy to the tobacco, arms, conventional oil and gas industries, and to power generation based on non-renewable energy sources. Ethias also applies a series of strict criteria to the countries in which it invests, so as to systematically exclude states with poor governance records. The full approach is detailed in the publicly available exclusion policy.

10.2.3 Normative approach

For many years, Ethias has been a signatory of the **United Nations Global Compact (UN GC)** and the **United Nations Principles for Responsible Investment (UN PRI)**. These two initiatives are key pillars of responsible investment. They are incentives to respect fundamental human rights principles and integrate sustainability criteria into investment processes.

In its investments, Ethias is also careful to exclude companies that do not respect the minimum guarantees of the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights (UNGPs), the OECD Guidelines for Multinational Enterprises and the conventions of the International Labour Organization (ILO).

10.2.4 Ethias, an active shareholder

Ethias has positioned itself as an active shareholder. This implies a dialogue with the investee companies, which is governed by the Group's engagement policy, on the one hand, and by voting rights linked to investments (described in the voting policy), on the other. In this way, Ethias intends to take responsibility not only for its investment choices, but also for the way they are monitored. As part of this approach, Ethias is actively seeking to join initiatives that bring together change players in these fields. As part of its **commitment policy**, Ethias has taken part in several collaborative engagement initiatives.

Partnership for Biodiversity Accounting Financials (PBAF)

PBAF is a partnership of 30 financial institutions working together to develop the PBAF standard, which enables financial institutions to assess and disclose the biodiversity impacts and dependencies of loans and investments. Understanding the impacts (positive and negative) of its investment portfolio on biodiversity is an important objective.

Ethias is the first Belgian player to join PBAF

www.pbafglobal.com

Belgian Alliance for Climate Action (BACA)

BACA is a Belgian initiative led by The Shift and WWF that aims to encourage the adoption of a science-based approach to reduce the environmental impact of companies.

Ethias is among the first Belgian insurers to join BACA in 2021.

www.belgianallianceforclimateaction.org

Climate Action 100+

The Climate Action 100+ initiative, consisting of 617 global investors, aims to ensure that the (165) largest emitters of greenhouse gases take the necessary action on climate change.

Ethias is among the first Belgian insurers to join Climate Action 100+.

<https://www.climateaction100.org>

Science Based Targets Initiative (SBTi)

After joining BACA in 2021, Ethias has committed to SBTi in 2022. Ethias' ambition is to obtain an independent approval (within a maximum of 2 years) for its plan including intermediate decarbonisation targets (based on recognised scientific methods) in order to achieve Net Zero in line with the objectives of the Paris Climate Agreement. Ethias aims to submit this plan for its climate change mitigation strategy by the end of 2024.

<https://sciencebasedtargets.org>

10.2.5 Impact investment approach

In 2023, Ethias continued to monitor developments in impact finance through its collaboration with Impact Finance Belgium (IFB). Ethias is a member of the IFB network, an ecosystem of Belgian players whose aim is to mobilise capital to initiate and accelerate solutions that meet the needs of people and the planet.

In 2023, Ethias developed its own impact investment policy, adopting the definition of the Global Impact Investing Network (GIIN): investments made with the deliberate intention of generating a positive and measurable social and environmental impact, alongside a financial return. The new policy is available in the **Policies, Charters and Codes** section of www.ethias.be.

10.2.6 Communication

Ethias publishes regular reports on its activities and progress in terms of sustainability and the implementation of its responsible and sustainable investment policies. In addition, Ethias provides its customers with transparent information on the extra-financial performance of its investment portfolios, even more so since SFDR came into force. In addition, Ethias has implemented a rigorous ESG data control process to guarantee the quality and accuracy of the information published and used to make investment decisions.

By publishing this information on a regular basis and complying with applicable regulations, Ethias strives to promote transparency and accountability in its investment activities. Ethias believes that transparency is essential to building trust with its customers and to encouraging the adoption of sustainable and responsible investment practices throughout the financial sector.

10.3. ESG data coverage

Of all the assets managed by Ethias, the vast majority are subject to ESG assessment. However, the depth of data available varies greatly depending on the type of investment. In relation to the EUR 17.6 billion of assets under management, including unit-linked contracts, Ethias has EUR 13.1 billion worth of ESG data. In 2023, ESG coverage increased by 5%

over the previous year. This increase was mainly due to higher coverage of equities and real estate investments.

See below the breakdown of these assets according to the data used to analyse them.

In million Euros	31 December 2023				
	Eligible outstandings with available data			Eligible outstandings with partially available data	Non-eligible outstandings amounts
	Outstanding amounts covered by MSCI	Investment fund-related data	Data related to the place-based repositories		
Shares	0	0	0	651	0
Equities	492	1.077	0	18	0
Government bonds and similar	6.271	436	73	1.210	0
Corporate bonds	2.344	733	169	1.161	0
Investment properties	696	100	17	36	0
Mortgage loans	0	116	0	458	0
Alternative investments	63	411	87	518	0
Derivative instruments	0	0	0	0	-36
Cash and cash equivalents	0	58	0	15	435
Total	9.867	2.930	346	4066	399
Percentage	56%	17%	2%	23%	2%

In million Euros	31 December 2022				
	Eligible outstandings with available data			Eligible outstandings with partially available data	Non-eligible outstandings amounts
	Outstanding amounts covered by MSCI	Investment fund-related data	Data related to the place-based repositories		
Shares	0	0	0	420	0
Equities	341	807	0	212	0
Government bonds and similar	5.755	113	157	1.365	0
Corporate bonds	2.329	755	157	1.147	0
Investment properties	287	42	165	376	0
Mortgage loans	0	116	0	422	0
Alternative investments	58	330	90	308	0
Derivative instruments	0	0	0	0	134
Cash and cash equivalents	0	119	0	0	539
Total	8.771	2.281	569	4.250	673
Percentage	53%	14%	3%	26%	4%

The scope of outstanding amounts analysed mainly concerns sovereign and private issuers for which Ethias has sufficient data. To this end, Ethias uses the services of the extra-financial rating agency MSCI to obtain qualitative and quantitative data on the issuers invested in its portfolio. MSCI uses a rating scale that assesses these issuers on a scale ranging from 0 (worst company in its sector) to 10 (best company in its sector)¹. More than half (56%) of the assets managed by Ethias are covered by an MSCI ESG assessment.

Other data sources are sometimes used depending on the asset class or issuer analysed. The assessment of ESG criteria on investments is gaining in maturity, but the associated data still lacks reliability and is often difficult to compare. Lacking or unreliable data is hard to measure and analyse.

Most investment funds are required to provide Ethias with a set of quantitative and qualitative ESG data for the investments made in their funds. Ethias relies primarily on this data to analyse the funds involved. Ethias also closely monitors how managers observe the SFDR regulation.

¹ MSCI's overall ESG rating is calculated for each issuer as a weighted sum of its three independent scores, with a weighting depending on the issuer's industry. The calculated score is then adjusted for each issuer, qualitatively, according to the sector's peers. This rating is then weighted at the level of the Ethias portfolio according to the fair value of the outstanding amounts at the closing date.

Finally, for certain asset classes, Ethias relies on external certifications or frameworks whose goal is to demonstrate the sustainable and responsible nature of the investments concerned. These include energy performance certifications for its investment properties or green, social or sustainable bond issues.

Most of the assets under management not covered by an ESG assessment are in the "Government bonds and similar" and "Corporate bonds" categories. For the first category, these may be local authorities or supranational organisations that require an adapted ESG analysis methodology. Companies not covered by an ESG assessment include smaller companies that are not necessarily required to publish sustainability-related information. Nevertheless, the roll-out of the new European CSRD regulation should gradually facilitate access to ESG data, making it more reliable and comparable.

Concrete examples of sustainable and responsible investment

Ethias is increasingly orienting its investments towards sustainable economic development by integrating environmental and social factors into its decisions. All assets managed by Ethias are potentially eligible for ESG criteria, whether they are invested directly by the internal management team or through

10.3.1 Sustainable infrastructure

Whether directly or through investment funds, Ethias has continued to invest significant amounts in infrastructures that contribute to social and/or environmental objectives. These are mainly investments made to develop, build, improve or manage physical assets such as transport, renewable energies, water infrastructure, telecommunications networks and other projects that have a positive impact on society or the environment.

Over the past two years, Ethias has increased its commitments to sustainable infrastructure funds and projects. These commitments take the form of investments that are deployed year after year to reach the amounts negotiated

external mandates or funds. Its approach is progressive and pragmatic, considering that the integration of ESG criteria in its management requires time and maturity.

As part of the new European regulation on sustainability reporting in the financial services sector (SFDR), Ethias has developed an internal methodology for identifying sustainable investments in its investment portfolios. The methodology applies a "pass or fail" logic for each issuer in its portfolios.

In accordance with the SFDR regulation (2019/2088), Ethias defines a sustainable investment as an investment in an issuer whose economic activities contribute to an environmental or social goal, and which does not significantly harm another environmental or social objective (DNSH). In addition, these companies or public entities must observe good governance practices, particularly with regard to sound management structures, employee relations, staff remuneration and compliance with tax legislation. Ethias has developed a specific methodology for each asset class.

In 2023, Ethias continued to invest in companies and projects that contribute to environmental and/or societal goals. These investments are made in both equities and debt, on both listed and over-the-counter markets.

with the fund managers or project sponsors.

In 2023, Ethias therefore continued to deploy its investments in financing or equity stakes in companies or financing vehicles. Directly, Ethias continued to deploy investments in the **energy transition**, for example:

- **PCRE (Power Capital Renewable Energy)** : installation of 1.2 Gw in Ireland with leading users such as Microsoft
- **Storm Holding**: injection of capital in a holding company aiming at the development of wind energy produced on land in Belgium

Green4You

Green4You, a joint venture created by Ethias and Luminus in 2021, is an energy solution for financing sustainable energy projects such as photovoltaic panels, cogeneration and electric charging stations. Clients benefit from a third-party investment formula in which Green4You covers the cost of the solution and its installation, and takes care of all administrative formalities. Clients pay a kind of annual rent/fee and assign their right to subsidies to Green4You. Materials remain until the end of the contract, and the rental payments are tax-deductible. Clients can finance their sustainable energy projects, keep their energy costs under control and help reduce their carbon footprint.



Indirectly, Ethias continued to invest in various infrastructure funds. Ethias has indeed continually increased its investment share in funds that invest in renewable energy (wind, solar, biomass), public transport, energy efficiency, etc. In 2023, Ethias also invested in two Belgian funds, I4B ("Infrastructure for Belgium") and EPICO II.

In addition to these investments, Ethias analyses various projects throughout the year. For some of these projects, the company decided not to proceed because of the quality of the bid, while for others, it submitted a bid but was not selected. In some cases, notably for Public-Private Partnerships (PPP), Ethias is still waiting for the final decision.

10.3.2 Sustainable real estate (direct or indirect)

As a long-term investor, Ethias focused in 2023 on its sustainable commitment to the construction and management of its real estate portfolio. Integrating ESG principles at all levels of real estate strategy over the long-term is crucial to generating positive societal impact and value across the entire real estate portfolio at the same time.

With regard to the existing portfolio, Ethias has undertaken major renovations of various buildings:

- The "Les Tamaris" nursing home, which was built in 1990 and had not been renovated since 2011, has been completely revitalised with a new frontage and state-of-the-art window frames to considerably improve its energy efficiency;
- Ethias headquarters in Hasselt has undergone extensive investment and renovation to make it virtually carbon-neutral, demonstrating Ethias' desire to set an example in terms of both environmental sustainability and employee comfort in the workplace.

At the same time, Ethias has focused on acquiring new assets that meet the most stringent sustainability requirements.

- The **Nova One building**, developed by Ghelamco and due for delivery in the second quarter of 2024, will house Dematic's European headquarters. It will benefit from dual Well Gold and BREEAM Excellent certification.
- The **"Schutterhof" project**, for which Ethias has signed an initial partnership agreement with two renowned Limburg developers to build and manage the first residential project to meet the criteria of the Flemish housing policy (Diependaele Program) aimed at providing more affordable housing (social and subsidised). This project of over 35 units will welcome its first residents at the end of 2025.

Ethias still invests in infrastructure that benefit the greatest number of people and promote integration but also foster economic development. A concrete example of this commitment is fiber optics, particularly useful during the Covid-19 pandemic to maintain contacts and encourage working from home. Ethias is playing a key role in this area by investing capital and financing in GoFiber, an open fiber optic network developed in public-private partnership with Proximus and the German-speaking region. This project will connect an entire region that currently suffers from numerous "white zones" without signal, offering a major opportunity for economic development and integration.

Wood HUB building

In 2023, Ethias acquired the Wood Hub project, an office building in Brussels that is considered one of the most ambitious in the Benelux in terms of sustainability and innovative construction. Certified BREEAM Outstanding and Welle Platinum, this 7,200 m² building has already won two awards: the Silver Award in the «Climate Future Project» category at the Belgian Construction Awards, and the title of «Project of the Year» at the Belgian Prop-Tech Trophy.

Wood Hub uses an innovative prefabrication technology, combining a PEFC-certified wood structure with concrete, which reduces CO₂ emissions linked to building structures by almost 30%. Heated and cooled by geothermal energy and heat pumps, it features almost 400 photovoltaic solar panels, making it virtually energy self-sufficient. The prefabricated load-bearing hybrid wood and concrete structure (CREE), intelligent fossil-free energy management, BREEAM Outstanding and WELL Building Standard Platinum certifications and alignment with the European taxonomy make Wood Hub a building of collaboration, well-being, sustainability and innovation.

"We are here to invest in sustainable real estate".
Discover Ethias' 24 commitments on its website



With regard to indirect investments, Ethias has also maintained its commitment to ESG through its various holdings.

In collaboration with logistics developer Weerts and fund manager Primonial, Ethias has acquired several assets with BREEAM Very Good certification. In addition, Ethias has partnered with Weerts Energy to provide the occupants of these assets with as much green energy as possible via solar panels;

As part of the Cityforward initiative, in which Ethias is one of the anchor investors alongside SFPIIM and Whitewood, agreements are being signed to transform buildings in the European district to make them exemplary and compliant with the highest energy standards. Moreover, in consultation with various public players, these agreements aim to redesign the European district to make it more multifunctional, integrating office, residential, commercial and community functions, and thus making it accessible to all.

Ethias also invests in the residential real estate sector through funds. Since 2022, it has been deploying an impact-based approach, seeking in particular, for part of these investments, to provide access to housing for people who

10.3.3 Company funding

Ethias also funds companies directly through private financing, which enables it to have a greater impact on these companies than investing in the bonds of listed companies. Some are therefore eligible for the capital raised by Green Bond issues.

Here are two concrete examples:

- Ethias funded the growth of Biobest, a company based in Flanders and global player in the biological crop protection and pollination market. By investing directly in Biobest, Ethias has enabled the company to pursue its growth while respecting its environmental values.
- Ethias has also financed companies active in the logistics sector, imposing environmental targets to be met in order to benefit from its financing.

Within the companies funded, Ethias values the representation of men and women in management bodies.

10.3.4 Green, social, sustainable or ESG performance bonds

Sustainability Bonds, Green Bonds and Social Bonds are issued by companies or public bodies to finance one or more projects with a positive social or environmental impact. With these bonds, the issuer makes a commitment regarding the use of the funds raised. For bonds linked to ESG performance, the issuer commits to improving its ESG performance. Certain bond characteristics, such as the coupon, can be linked to these performances.

struggle to find a home. This is particularly true of the following funds:

- **Canius**'s goal is to reduce social inequalities in terms of access to property while offering new low-energy housing.
- **Vicinity** offers flexible, affordable residential units for the middle class, with equal attention to environmental, social and financial impacts.

Ethias also invests in funds designed to make a positive contribution to environmental issues. These are mainly the following funds:

- **Revive**'s goal is to revive industrial wastelands and abandoned land in city centres to make them the green urban centres of tomorrow.
- **Eiffage** is acquiring land to develop residential projects for the eco-districts of the future.

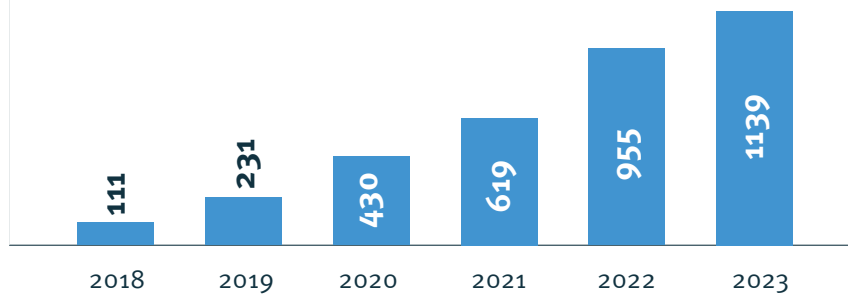
These investments demonstrate Ethias' approach to real estate investment. This goes far beyond mere regulatory compliance, and aims to create a positive long-term impact on society and the environment.

The covenants that Ethias adds can be expressed on the basis of KPIs to be achieved, which can vary according to the company's business model, and always with a view to encouraging them to make progress on the ESG front. To do this, the bond's coupon (and therefore the cost of financing) is adjusted downwards. This enables the companies financed to reduce their environmental impact while lowering the cost of their financing. Typically, Ethias requested a carbon footprint, investments in buildings to enable them to reduce emissions or improve safety for employees, and so on.

Ethias can also provide financing to its subsidiaries, with the same aim of having a greater impact. One example is Ethias Lease, which focuses on electric vehicle leasing, contributing to the ecological transition by encouraging the use of more environmentally-friendly cars and reducing greenhouse gas emissions and air pollution.

Over the course of 2023, this type of bond increased by 19% in Ethias' portfolio, reaching 1,139 billion. Over the past 5 years, this investment pocket has increased tenfold.

INVESTMENTS IN GREEN, SOCIAL, SUSTAINABLE OR ESG PERFORMANCE BONDS IN MILLION EUROS

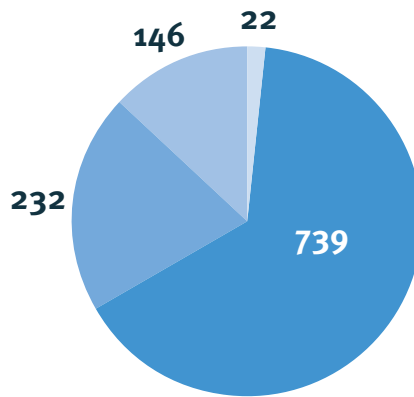


In 2023, for example, Ethias invested in social bonds issued by the Fédération Wallonie-Bruxelles. By issuing this bond, the FWB commits to allocating a certain amount of its budget to social spending, targeting the themes of education, sport and culture, as well as social inclusion. Among other examples, this funding will be used for investments or expenditure linked to education programs, financial support for students, improving the school system, etc. During 2023, Ethias also invested in green or social bonds issued by several large Belgian companies active in various sectors such as retail, energy and financial services. This demonstrates Ethias'

commitment to helping finance the transition to a greener economy throughout Belgium.

Among green, social, sustainable or ESG performance bonds, green bonds account for around 65% at Ethias. ESG bonds are less present in Ethias' portfolios (2%). As mentioned above, the issuer's commitment is not the same as for green, social or sustainable bonds. The issuer does not have to inform the investor how the financing will be used. Instead, the focus is on improving certain key performance indicators.

ALLOCATION OF EUR 1.139 MILLION IN GREEN, SOCIAL, SUSTAINABLE OR ESG PERFORMANCE BONDS (2023)



- Green bonds
- Social bonds
- Sustainable bonds
- ESG bonds

10.3.5 Impact investments

Ethias greatly values investments that aim to create a measurable, positive impact on society and the environment. Its approach to impact investing is driven by its commitment to delivering tangible, quantifiable social and environmental benefits while making financial returns.

As part of the deployment of its 2023 impact investment policy, Ethias' goal is to contribute to the creation of a more resilient and inclusive economy by promoting projects fo-

cused on the transition to a decarbonised, sustainable and climate-resilient economy and on strengthening social cohesion, reducing inequalities, promoting health prevention and improving the well-being of the population.

Ethias has always supported organisations in support of solidarity, such as social loan companies, housing societies, microfinance institutions, social economy funds, and support for various associations and alternative finance organisations.

Ethias also supports the healthcare sector by financing hospitals and nursing homes, as well as scientific research.

Some examples of investments already in the portfolio:

- In 2022, we supported the I Keep It Cool project, which aims to develop a refrigerated vaccine transport solution. This need emerged during COVID, but is also very present in Africa.

10.4. Investment funds

Sustainability criteria are an integral part of the selection process for funds invested or produced by Ethias. These investment funds account for 18% of outstanding amounts.

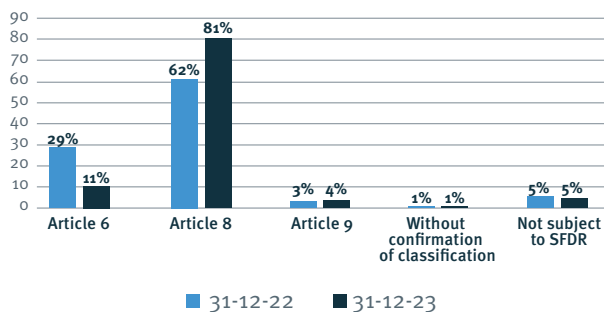
Our selection process for external managers and their investment funds includes an analysis of the consistency of their ESG policy, the quality of their teams, the quality of their reporting, their track record on these strategies, as well as their local initiatives or commitments. On this point, for example, being a signatory of the UN PRI is a prerequisite.

For internal investment funds, ESG assessment is carried out through transparency, which makes it possible to reconstitute each fund line held and to analyse the issuer.

Moreover, the entry into force of the European SFDR (*Sustainable Finance Disclosure Regulation*) has accelerated the exchange of information between external fund managers and Ethias. Managers must communicate transparently on the inclusion of ESG criteria in their investment process. In this context, most of them have explained the classification of their fund in article 6, 8 or 9 according to the degree of consideration of sustainability factors.

The breakdown of funds invested by Ethias – 18% of assets under management –; according to the SFDR classification is as follows

ISSUERS EXCLUDED FROM ETHIAS' INVESTMENT UNIVERSE



- Ethias invested in the SDG Frontier Fund, which was created at the initiative of BIO, the Belgian investment company for developing countries. The fund aims to support sustainable economic growth in emerging markets in Africa and Asia.
- Ethias is a minority shareholder in Triodos Bank, a European bank whose mission is to finance sustainable and socially responsible projects.

In thousand euros, in market value	Investment funds	
	31 December 2023	31 December 2022
Article 6	327	699
Article 8	2.492	1.498
Article 9	111	84
Without confirmation of classification	19	16
Not subject to SFDR	146	132
TOTAL	3.094	2.430

Non-listed asset funds such as private debt or private equity also allow Ethias to deploy investments with an ESG angle even more directly. Two strategies recently deployed via non-listed funds are worth mentioning:

- The private debt strategy with ESG ratchets such as Eiffel Impact Debt which grants loans to companies whose level of remuneration is dependent on ESG indicators that generate a penalty or a bonus.
- The infrastructure strategy in both debt and equity finances projects related to soft mobility, green energy assets, assets with a social angle such as access to fiber optics or personal care services.

Ethias is constantly increasing the proportion of its investments in these economically relevant strategies, with a focus that is strongly linked to its ESG goals. The same is true of our selection of listed funds. Ethias invests in a wide range of sustainable funds, most of which publish information that complies at least with article 8 of the SFDR.

10.5. Physical and transition risks associated with investments

The transition and climate risks of an investment portfolio are very important to take into account in Ethias' risk management. Climate change is creating financial risks for companies, particularly in terms of the transition to a low-carbon economy, and these risks can have an impact on the value of investments.

Ethias has assessed the potential impact of climate change on its investments in 2023. Companies exposed to these risks require a more in-depth analysis. This is why Ethias seeks to in-

vest in companies that are better prepared to face these risks, such as those with a clear strategy for reducing their carbon footprint and adapting to climate change.

In addition, preventing and mitigating climate change risks can also create financial risks for investors. Ethias integrates transition and climate risks into its investment process and takes steps to minimise these risks.

10.6. Investment indicators

The main ESG indicators related to Ethias SA's financial assets are presented below. These indicators are the result of aggregating MSCI coverage data.

	2023	
	Indicator	Percentage of coverage
Private issuers		
Average extra-financial rating (MSCI scale)	AA (7.5)	45%
Breakdown of ratings within the MSCI universe		
- Leader (AAA and AA)	65,2%	
- Average (A, BBB and BB)	34,1%	
- Laggard (B and CCC)	0,7%	
Greenhouse gas (GHG) emissions financed		
- Net emissions for scope 1 and 2 (tonnes eq. CO2)	103.629	32%
- Net emissions for scope 1, 2 and 3 (tonnes eq. CO2)	628.263	32%
- Footprint for scope 1 and 2 (tonnes eq. CO2 / M€ invested)	42	32%
- Footprint for scope 1, 2 and 3 (tonnes eq. CO2 / M€ invested)	252	32%
- Footprint for scope 1 and 2 (tonnes eq. CO2 / M€ turnover)	74	45%
- Footprint for scope 1, 2 and 3 (tonnes eq. CO2 / M€ turnover)	763	45%
Other indicators		
- Representation of women on Boards of Directors (average in %)	40%	39%
- Independent directors (average in %)	81%	38%
Sovereign and similar issuers		
Average extra-financial rating (MSCI scale)	A (5,9)	89%
Breakdown of ratings within the MSCI universe		
- Leader (AAA and AA)	4,6%	
- Average (A, BBB and BB)	95,4%	
- Laggard (B and CCC)	0,0%	
Greenhouse gas (GHG) emissions financed		
- Net emissions for scope 1 (tonnes eq. CO2)	1.210.870	78%
- Intensity for scope 1 (tonnes eq. CO2/ GDP unadjusted)	246	78%
Investment funds		
Average extra-financial rating (MSCI scale of 1 to 10 for funds)	8,3	40%

End 2023, the average rating of these corporate issuers covered by MSCI is 7.5/10, (+0.2% compared to 2022) equivalent to an extra-financial rating of AA. This good performance can be explained by the fact that Ethias, thanks to its policy excluding activities linked to fossil fuels, invests to a limited extent in sectors where environmental risk is more heavily weighted than social or governance criteria. In 2023, investments were made in companies, when covered by MSCI, only classified in the "Leader" or "Average" categories.

End of 2023, the average rating of sovereign issuers is 5.9/10, equivalent to an extra-financial rating of A. Within this scope, the percentage of assets under management for which MSCI data is available is 89%. The average rating of Ethias' sovereign issuers is aligned with that of Belgium, i.e. A. As a direct consequence of our strict exclusion policy, Ethias invests only in countries, when covered by MSCI, classified in the "Leader" or "Average" categories.

10.7. Green bond issue

Ethias successfully closed its first Green Bond issue for a total of EUR 250 million in April 2023. This issue, which is part of Ethias' sustainable and responsible investment strategy, will enable the company to continue investing in the Belgian economy while strengthening its alignment with its ESG strategy. This bond issue also enables Ethias to diversify its Tier 2 loan maturities, which is a win-win situation for the company, investors and the environment.

Ethias has already invested almost all the funds raised by 12/31/2023, demonstrating its commitment to financing concrete projects with a positive environmental impact, such as sustainable real estate and renewable energies.

Lastly, Ethias will publish a detailed report on the use of funds from the green bond issued in April 2023. This report will track the use of these funds in line with the ICMA (International Capital Market Association) principles for green bonds.

10.8. Investments in the Belgian economy

As a Belgian institutional investor with close ties to local, regional and federal governments and as the leading insurer of local public entities, Ethias allocates a significant part of its investments to the economic support of all public actors in the country. Ethias is now recognised in the market as a player that can meet the financing needs of infrastructure, real estate and private-public partnerships projects in Belgium.

The investments are diversified across local, regional and federal actors, as well as across asset classes. Investing in the Belgian economy and enabling economic players grow in a sustainable manner is clearly part of Ethias' strategy of investment and local and responsible development.

Ethias invests EUR 4,933 million (out of EUR 14.8 billion of assets under management, excluding unit-linked contracts) in the Belgian economy, including 60 % in the public sector.

In EUR million	Fair value of investments in the Belgian economic fabric as at 31/12/2023	Fair value of investments in the Belgian economic fabric as at 31/12/2022
Shares	650	418
Equities	226	314
Government bonds	2.043	2.176
Corporate bonds	381	313
Investment properties	725	738
Mortgage loans	302	263
Alternative investments	603	403
Cash and cash equivalents	5	40
Total	4.933	4.665

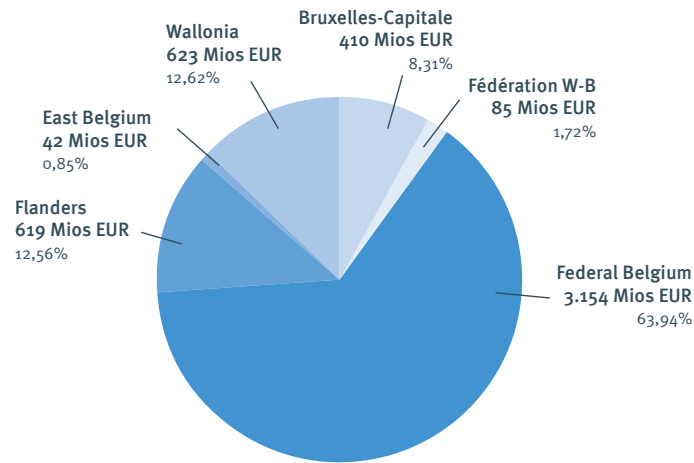
In 2023, Ethias kept investing in the Belgian private equity market, both in real estate and in alternative investments. The share of investments in the Belgian economy has increased mainly through alternative investments and mortgage loans. Among alternative investments, Ethias continued to provide financial support to several federal and regional investment bodies. With this in mind, the company has invested in the Fluxys Group, a major emerging player in green hydrogen

transport. The decrease in government and corporate bonds is mainly due to the effect of rising interest rates on the market value of these bonds and reimbursements.

It should be noted that the methodology for determining the scope of assets invested in the Belgian economy was reviewed in 2023. Figures at 12/31/2022 have been reassessed accordingly.

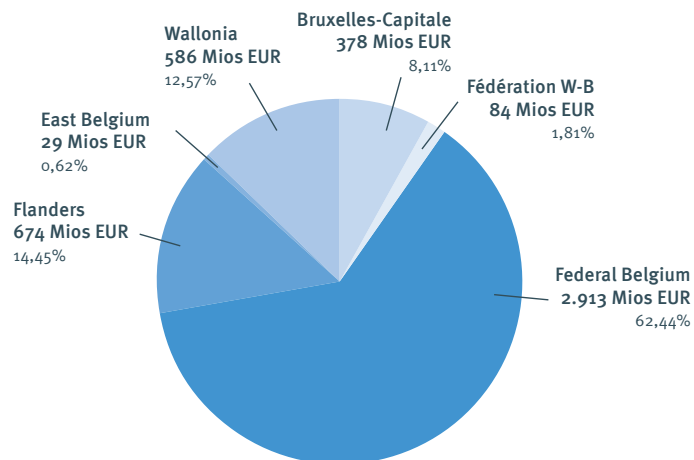
ETHIAS CONTRIBUTES TO ECONOMIC DEVELOPMENT THROUGHOUT BELGIUM

31/12/2023



Total : 4.933 Mios EUR

31/12/2022



Total : 4.665 Mios EUR

Ethias, the insurer that believes and invest in the Belgian economy with a multiplier effect!

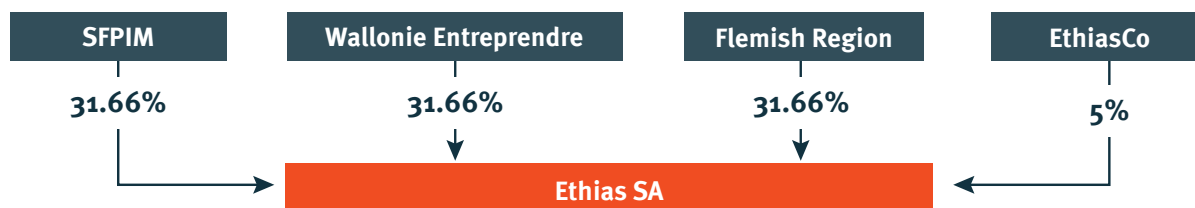
With the support of its public shareholders, Ethias plays the role of economic player at the service of Belgian economic development. Through its activities, the company leverages the public investment for the benefit of the economy, with a multiplier effect:

- By using the premiums income, a large proportion of which is invested in Belgium every year. As of today, Ethias invests EUR 5 billion in the Belgian economy (1st multiplier effect).
- By allocating capital to support structures such as Fluxys, VEH, GoFiber or CityForward, Ethias attracts other investors (2nd multiplier effect).
- Finally, at the end of the insurance and investment cycle, Ethias pays its shareholders a dividend that can be reinvested in public policies. (3rd multiplier effect)

There is more to Ethias' DNA than simply providing insurance services. That is why Ethias must be seen as an economic player that contributes to the country's long-term economic growth, which can sometimes supplement other federal and regional investment tools.

11. Governance

11.1. Ownership structure



Ethias SA is held by the SFPIM, by Wallonie Entrepreneurs, by the Flemish Region and by EthiasCo (historical shareholder).

EthiasCo's main purpose is to hold and manage shareholdings, including Ethias SA, Ethias Services, Socofe, Vlaamse Energie Holding, Green4You and Fluxys (the last four being active in the energy sector).

Ethias SA centralises all Life and Non-Life insurance activities.

11.2. Governance structure and composition of governing bodies¹

11.2.1 Composition

11.2.1.1 Executive Committee

Name	Function
Philippe Lallemand	Chairman - Chief Executive Officer
Wilfried Neven	Vice-President- Chief Customer Experience Officer
Nicolas Dumazy	Member - Chief Strategy & Data Officer
Maryline Serafin	Member - Chief Financial Officer
Benoît-Laurent Yerna	Member - Chief Risk Officer
Luc Kranzen	Member - Chief Claims & Delight Officer
Joris Laenen	Member - Chief Investment & Life Officer
Izabella Molnar	Member - Chief Digital & Transformation Officer

11.2.1.2 The Board of Directors

Name	Function
Myriam Van Varenbergh	Chair
Jacques Braggaar	Director
Marc Descheemaecker	Director
Kathleen Desmedt	Director
Olivier Henin	Director
Ingrid Loos	(Independent) Director
Claude Melen	(Independent) Director
Marc Meurant	Director
Philip Neyt	Director
Anne-Marie Seeuws	(Independent) Director until May 17, 2023
Karl Van Borm	Director
Dewi Van de Vyver	(Independent) Director from May 17, 2023
Bruno van Lierde	(Independent) Director
Philippe Lallemand	Director
Wilfried Neven	Director
Maryline Serafin	Director
Benoît-Laurent Yerna	Director

¹ Situation as of 31/12/2023

11.2.1.3 The Audit and Risk Committee

Name	Function
Bruno van Lierde	Chairman
Marc Descheemaecker	Member
Ingrid Loos	(Independent) Member
Claude Melen	(Independent) Member
Marc Meurant	Member
Dewi Van De Vyver	(Independent) Member from May 17, 2023

11.2.1.4 The Appointments and Remuneration Committee

Name	Function
Myriam Van Varenbergh	Chair
Jacques Braggaar	Member
Olivier Henin	Member
Anne-Marie Seeuws	(Independent) Member until May 17, 2023
Dewi Van De Vyver	(Independent) Member from May 17, 2023

11.2.1.5 The Statutory Auditor

PwC – Réviseurs d'entreprises SRL
Culliganlaan 5 – B-1831 Diegem

Represented by T. Meuleman, Accredited Auditor A01894 - Appointed for fiscal years 2023, 2024 and 2025.

11.2.2 Justification for the independence and competence of the members of the Audit and Risk Committee

The Audit and Risk Committee is composed of five non-executive directors, amongst whom three independent directors.

The Audit and Risk Committee is chaired by Bruno van Lierde and is also composed of Marc Descheemaecker, Ingrid Loos, Claude Melen, Marc Meurant et Dewi Van De Vyver (since June 1 2023).

Mr. van Lierde is a graduate in law and economics (UC Louvain), and has completed the Stanford Executive Programme. He has extensive experience in financial services, having advised, as Senior Partner and Managing Director of the Boston Consulting Group, the general management of banks and insurance companies on strategy, mergers and acquisitions, organisation, major change and performance improvement programmes. He was Professor of Strategy at the Solvay Brussels School of Economics and Management. He is Chairman of the Boards of Lloyd's Insurance Company, Sopartec, Tempora and Cliniques de l'Europe. He is also a member of the Boards of The Ring Ring Company, Vives Inter University Fund and the non-profit organisation H. Uni, and Managing Director of SMA. He is also a member of the Audit and Risks Committee and a director of NRB. M. Van Lierde also meets the independence criteria set out in article 15 §1 of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

Mr. Descheemaecker has a degree in applied economics and a post-graduate degree in European Economic Studies. He was executive vice-president of the ISS Group, managing director of ISS Belgium, Director of Vitrufin (liquidated on 25/10/2019), chairman of the board of directors of Brussels

Airport Company, managing director, director and chairman of the SNCB/NMBS Audit Committee and director of the EIB and the EIF. He is currently chairman of the Board of Directors of Lijncom and Lantis, vice chairman of the Board of Directors of De Lijn, and director of GIMV, Ecorys and Tunnel Liefkenshoek. He is also a member of the Audit and Risk Committee and a director of NRB.

Ms. Loos holds a degree in applied economics, a master in economics and a master in change management (Sioo - University of Utrecht-Amsterdam). She has made a career in the financial sector by holding senior positions in credit granting, financial engineering, risk management and internal audit. She was Secretary-General of the Fortis Group. She was also a director at PwC Belgium Advisory, where she was involved in corporate governance issues. Ms. Loos is also an independent member of the Audit Committee of the "Groep Stad Antwerpen" (City of Antwerp) and a director of the University of Antwerp. She also meets the independence criteria set out in article 15, 94° of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

Ms. Melen holds a master in financial management and a specialisation analysis, controlling and audit. She is currently director and chairman of the Audit Committee of Brussels South Charleroi Airport, as well as director and member of the Audit Committee of Crelan, AXA Bank, CrelanCo and Luminus SA. Originally from the Belgian Court of Audit, she is currently Strategic Project Manager at UNMS. She also meets the independence criteria set out in article 15, 94° of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

Mr. Meurant is a civil engineer in applied mathematics and has a degree in actuarial sciences. He has acquired a solid experience in the insurance world, having been a member of the Executive Committee and then CEO of Winterthur-Europe Assurances for Belgium and Luxembourg. He was then CEO of CPH Life where he led, among other things, the implementation of the SII regulation. He was also a director of BBL Life and BBL Insurance, Touring Assurances, Atelia, Verheyen, Winterthur Czech Republic and a member of the Executive Committee of Assuralia. Mr. Meurant is also currently chairman of the Board of Directors of Amifor, Smart Plan and Bessonnat, risk manager and executive director of M.M.H., director of CPH Life and director and chairman of the Audit and Risk Committee of Scottish Widows Europe. He is also a director of Koramic Finance Company.

Ms. Van De Vyver holds a Master's degree in Communications from the University of Antwerp and a European Master's degree in Law & Economics from Ghent University. She also holds several certificates in ICT management, digital transformation and sustainability. She began her career as an ICT project manager before becoming co-founder and CEO of Flow Pilots, an IT services company. In 2020, she founded her own consultancy firm delivering strategy services for start-ups and scale-ups, go-to-market strategy and digital transformation. After selling Flow Pilots in 2022, she takes on a new challenge as co-founder and CEO of EFFEX, a KU Leuven spin-off that helps innovative companies improve their products. She is also a director of Thomas More Hogeschool, Proviron Holding, Voka and a member of the STEM Advisory Board. Ms. Van De Vyver also meets the independence criteria set out in article 15 §1 of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

11.2.3 Justification for the competence of the members of the Appointments and Remuneration Committee

The Appointments and Remuneration Committee is composed of four non-executive directors. It is chaired by Myriam Van Varenbergh, Chairman of the Board of Directors, and also includes Anne-Marie Seeuws (until May 17, 2023), Jacques Braggaar, Olivier Henin and Dewi Van De Vyver (from June 1, 2023, replacing Anne-Marie Seeuws).

Ms. Van Varenbergh holds a law degree, a specialisation in tax law and an additional degree in corporate law, as well as a degree in forensic medicine. She also briefly followed studies in the United States. Ms. Van Varenbergh has been a Board member of NRB NV and the LUCA School of Arts for several years. She was a member of the Superior Council of Justice, of the Notary Nomination Commission and of the Flemish Council for Electoral Disputes. She was chair of the Council for Equal Opportunities between Men and Women, a board member of the Flemish Regulator for the Media, of Fluida NV, of Vandebussche NV, etc. She was also a board member / member of the executive committee of Vitrufin (liquidated on 25/10/2019).

Ms. Seeuws has a degree in applied economics. She has acquired solid experience in the insurance world, having been a director-member of the Executive Committee of Baloise Insurance, a director of Euromex Insurance, a director-member and then chair of the Executive Committee of Nateus Life Insurance, Nateus Insurance, Audi Insurance and a director of Nateus Netherlands and Korfina Insurance. She also meets the independence criteria set out in article 15, 94° of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings. Her term of office as a director of Ethias SA expired at the Annual General Meeting on May 17, 2023.

Mr. Braggaar holds a bachelor's degree in law and master's degree in criminology from ULiège. He held the position of Head of HR-Budget in various ministerial offices. He was Deputy General Secretary and member of the Executive Committee of the Union Nationale des Mutualités Socialistes. At the Direction Générale, he coordinated human resources management and was director of several ASBLs linked to the mutualist network. He was also a director and member of the Société Wallonne des Aéroports' Nomination and Remuneration Committee. He

was a government auditor for Wallimage SA and Wallimage Entreprises. After serving as General Secretary of the Socialist Party, he is currently Political Secretary of the Socialist Party in the French Senate. He is also a member of the General Assembly of Solidaris Wallonie. Mr. Braggaar has a thorough knowledge of Ethias, having been a director of SMAP, then of Ethias Droit Commun (now EthiasCo) and of Vitrufin (liquidated on 25/10/2019).

Mr. Henin is licensed in law and holds a DEA in economic law. He was Cabinet Director of various Ministers, director of the European Investment Bank, representative of the Minister of Finance on the NBB's Council of Regency, government commissioner on the Board of Directors of the Deposit and Financial Instrument Protection Fund, CFO of the SNCB/NMBS, director of Thi Factory, Eurogare, Lineas and Brussels Airport Company. He is currently vice-chairman of the Board of Directors and member of the Strategic Committee of the SFPI, director and CFO of Sabena Aerospace Engineering and of Orizio, director of SABCA and OfficeHub and independent director of Dôme Invest and of Stemme Belgium. Mr. Henin is also a director of EthiasCo.

Ms. Van De Vyver holds a Master's degree in Communications from the University of Antwerp and a European Master's degree in Law & Economics from Ghent University. She also holds several certificates in ICT management, digital transformation and sustainability. She began her career as an ICT project manager before becoming co-founder and CEO of Flow Pilots, an IT services company. In 2020, she founded her own consultancy firm delivering strategy services for start-ups and scale-ups, go-to-market strategy and digital transformation. After selling Flow Pilots in 2022, she takes on a new challenge as co-founder and CEO of EFFEX, a KU Leuven spin-off that helps innovative companies improve their products. She is also a director of Thomas More Hogeschool, Proviron Holding, Voka and a member of the STEM Advisory Board. Ms. Van De Vyver also meets the independence criteria set out in article 15 §1 of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

11.2.4 Conflicts of interests

A. If a director has directly or indirectly an interest of a proprietary nature that conflicts with a decision or transaction under the control of the board of directors, he or she must communicate it to the other directors prior to the deliberations of the board of directors. His/Her declaration and the reasons justifying the opposing interest that exists on his/her behalf must be included in the minutes of the Board of directors who takes the decision.

At its meeting on March 30, 2023, the Board of Directors assessed the achievement of the 2022 objectives for the members of the Executive Committee (EC).

The executive directors abstained from taking part in the deliberation and the vote of the Board of Directors, being found that they had, within the meaning of Article 7:115 of the Belgian Code on Companies and Associations, an interest of a proprietary nature that conflicted with the decision that the Board of Directors was likely to take, viz. the awarding of a variable remuneration based on the achievement of their 2022 objectives.

Extract from the minutes of this meeting (free translation from the French original):

« (...)

At the end of this presentation, the Board of Directors decides to follow the recommendation of the Appointments and Remuneration Committee and to grant the members of the Executive Committee the variable remuneration as presented, except for the CCDO's. The Board of Directors decided to increase the final assessment of the CCDO's 2022 objectives to 70%, in view of the reduction in the backlog and the improvements in claims management processes.

In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that the decision it has taken to grant the variable remuneration as proposed to the members of the Executive Committee has a non-significant impact of a proprietary nature for the

company. It justifies this decision by taking into account the degree of achievement of the objectives that were assigned to them for the year 2022.

(...) ».

At its meeting on December 20, 2023, the Board of Directors analysed the 2024 objectives for the members of the Executive Committee.

The executive directors abstained from taking part in the deliberation and the vote of the Board of Directors, being found that they had, within the meaning of Article 7:115 of the Belgian Code on Companies and Associations, an interest of a proprietary nature that conflicted with the decision that the Board of Directors was likely to take, viz. the setting of the 2024 objectives for the members of the Executive Committee, which intervene in the payment of their 2025 variable remuneration.

Extract from the minutes of this meeting (free translation from the French original):

“(…)

At the end of the presentation, the Board of Directors validates the 2024 objectives.

In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that the decision to set the 2024 objectives for the members of the Executive Committee, which intervene in the payment of their 2025 variable remuneration, has an impact of a proprietary nature for the executive directors and for the company. The Board of Directors justifies the decision taken by the interest of the company.

(…)”

B. As for the members of the Executive Committee, they point out that no decision has been taken or any transaction decided that would fall within the scope of Article 7:117 of the Belgian Code on Companies and Associations.

11.2.5 External positions exercised by the leaders of Ethias SA

In accordance with Article 83 of the Law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings ("Solvency II Law"), the NBB Regulation of November 9, 2021 and the Communication NBB_2022_19 on the exercise of external functions by managers and persons responsible for independent control functions of regulated

companies, Ethias SA publishes in its annual management report the list of the external functions exercised by its non-executive directors, its members of the Executive Committee and its members of the Management Meeting of band H.

11.2.5.1 Directors of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Descheemaecker Marc	GIMV	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director and member of the Audit & Risk Committee
	De Lijn	Motstraat 20, 2800 Mechelen	Public transport	Vice-Chairman of the Board of Directors, member of the Audit & Risk Committee and member of the Appointments & Remuneration Committee
	Lijncom	Heusdenbaan 46 bus 2 - 9090 Melle	Tramway and bus advertisement	Chairman of the Board of Directors
	Lantis	Sint-Pietersvliet 7 – 2000 Antwerpen	Mobility	Chairman of the Board of Directors, member of the Appointments & Remuneration Committee
	Ecorys	Watermanweg 44 - 3067 GG Rotterdam	Counsel (public sector, security, justice, etc.)	Director, member of the Audit & Risk Committee
	Tunnel Liefkenshoek	Sint-Annalaan 1 - 9130 Kallo	Liefkenshoek tunnel management	Director
	NRB	Zoning industrieel des Hauts-Sarts 2 ^{ème} av.65, 4040 Herstal	Auxiliary services company	Director, member of the Audit & Risk Committee
Henin Olivier	Fedimmo	Cantersteen 47, 1000 Bruxelles	Property management	Chairman of the Board of Directors
	SFPIM	Avenue Louise 54/1, 1050 Bruxelles	Investment company	Vice-Chairman of the Board of Directors, member of the Strategy Committee
	OfficeHub	Cantersteen 77, 1000 Bruxelles	Real estate company	Director
	Sabena Engineering	Avenue E. Mounier 2, 1200 Bruxelles	Aeronautical and space maintenance	Director and CFO
	EthiasCo	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	And One Management	Place Sainte-Begge 5, 5300 Andenne	Management company	Managing director
	Orizio	Avenue E. Mounier 2, 1200 Bruxelles	Investment company	Director and CFO
	SABCA	Chaussée de Haecht 1470, 1130 Bruxelles	Aeronautics	Director
	Dôme Invest	Rue des Olympiades 2, 6000 Charleroi	Investment company	Independent director
	Stemme Belgium	Rue Capt. Aviateur Jacquet 44, 5020 Namur	Aeronautics	Independent director
	Loos Ingrid	Universiteit Antwerpen	Prinsstraat 13, 2000 Antwerpen	Education
Melen Claude	Brussels South Charleroi Airport	Rue des Frères Wright 8, 6041 Charleroi	Air transport	Director, chairman of the Audit & Risk Committee
	Crelan (Crelan SA & Axa banque)	Boulevard Sylvain Depuis 251, 1070 Bruxelles	Credit institution	Director and member of the Audit & Risk Committee
	CrelanCo	Boulevard Sylvain Depuis 251, 1070 Bruxelles	Credit institution	Director
	Luminus	Boulevard du Roi Albert II, 7 - 1210 Bruxelles	Production and supply of gas and electricity	Non-executive Director and member of the Audit & Risk Committee
Meurant Marc	Smart Plan	Rue de Linthout 120, 1040 Bruxelles	Company whose activity is an extension of the insurance business	Chairman of the Board of Directors
	M.M.H.	Boulevard A. de Fontaine 15, 6000 Charleroi	Insurance company	Executive director and risk manager
	Bessonnat	Rue Jean Piret 1B, L-2350 Luxembourg	Investment company	Chairman of the Board of Directors
	Scottish Widows Europe	Avenue du Bois 1, L-1251 Luxembourg	Insurance company	Non-executive Director, chairman of the Audit & Risk Committee
	Amifor	Boulevard Bischoffsheim 1-8, Boîte 3, 1000 Bruxelles	Insurance company	Chairman of the Board of Directors
	CPH Life	Rue Perdue 7, 7500 Tournai	Insurance company	Non-executive Director
	The Ring Ring Company	Culliganlaan 2/F - B9, 1831 Diegem	Communication	Non-executive Director
	Koramic Finance	Kapel ter Bede 84, 8500 Kortrijk	Investment company	Non-executive Director

Name	Company	Registered office	Field of activity	Office exercised
Neyt Philipp	BNP Paribas B Invest	Rue Montagne du Parc 3, 1000 Bruxelles	Undertaking for investment in receivables	Independent director
	BNP Paribas B Strategy	Rue Montagne du Parc 3, 1000 Bruxelles	Undertaking for investment in receivables	Independent director
	Curalia	Rue des Deux Eglises 33, 1000 Bruxelles	Insurance company	Director
	Vladubel	Avenue du Port 2, 1080 Bruxelles	Undertaking for investment in receivables	Director
	PensioenInvest	Esplanade Heysel 1, PB 94, 1020 Bruxelles	Management company	Manager
	Ghelamco Invest	Zwaanhofweg 10, 8900 Ieper	Real estate investment company	Director
Van Borm Karl	EthiasCo	Rue des Croisiers 24, 4000 Liège	Investment company	Director, member of the Audit & Risk Committee
Van De Vyver Dewi	The Dewi Corp.	Stenenmolenlaan 21, 2890 Puurs-Sint-Amands	Management company	Director (full-time employee job)
	Proviron Holding	Georges Gilliotstraat 60, 2620 Hemiksem	Holding company	Non-executive Director
	EFFEX	Tessenstraat 5 bus 27, 3000 Leuven	Statistical IT platform	Director and CEO
Van Lierde Bruno	SMA	Avenue Hamoir 24B, 1180 Bruxelles	Management company	Managing director
	Sopartec	Place de l'université 1, 1348 Louvain-la-Neuve	Investment company	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Tempora	Rue des Anciens Etangs 44-46, 1190 Bruxelles	Design and management of exhibitions and cultural sites	Chairman of the Board of Directors
	Buy Way	Boulevard Baudouin 29 bte 2, 1000 Bruxelles	Credit institution	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Inventures II SDG Growth	Avenue des Arts 56, 1000 Bruxelles	Undertaking for investment in receivables	Chairman of the Board of Directors, member of the investment committee
	NRB	Zoning industriel des Hauts-Sarts 2 ^{ème} av. 65, 4040 Herstal	Auxiliary services company	Director, member of the Audit & Risk Committee
	Vives Inter University Fund	Place de l'université 16 bte 27, 1348 Louvain-la-Neuve	Investment company	Director
	Lloyd's Insurance Company	Bastion Tower, Etages 13&14, Place du Champ de Mars 5, 1050 Bruxelles	Insurance company	Chairman of the Board of Directors, member of the Audit & Risk Committee and chairman of the Appointments & Remuneration Committee
	The Ring Ring Company	Culliganlaan 2/F - B9, 1831 Diegem	Communication	Director
Van Varenbergh Myriam	NRB	Zoning industriel des Hauts-Sarts 2 ^{ème} av. 65, 4040 Herstal	Auxiliary services company	Director, member of the Appointments & Remuneration Committee

11.2.5.2 Effective leaders of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Lallemand Philippe (CEO)	Safran Aero Boosters	Route de Liers 121, 4041 Herstal	Aircraft and space construction	Director
	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Chairman of the Board of Directors
	NRB	Zoning industriel des Hauts-Sarts 2 ^{ème} av. 65, 4040 Herstal	Auxiliary services company	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Assuralia	Square de Meeûs 29, 1000 Bruxelles	Insurance	Member of the Executive Committee and Director
	Socofe	Avenue Maurice Destenay 13 bte 2, 4000 Liège	Investment company	Director
	NEB Participations	Rue Louvrex 95, 4000 Liège	Holding company	Director
	NEB Foncière	Rue Louvrex 95, 4000 Liège	Real estate company	Director
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director
Neven Wilfried (Vice CEO, CXO)	Xior Student Housing	Mechelsesteenweg 34, 2018 Antwerpen	Real estate company	Chairman of the Board of Directors, member of the Audit & Risk Committee and member of the Appointments & Remuneration Committee
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Ethias Lease Corporation	Boulevard Bischoffsheim 15, 1000 Bruxelles	Investment company	Director
Dumazy Nicolas (CSDO)	Noshaq	Rue Lambert Lombard 3, 4000 Liège	Investment company	Director and member of the Audit & Risk Committee
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director, chairman of the Audit & Risk Committee
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Chairman of the Board of Directors
Kranzen Luc (CCDO)	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Chairman of the Board of Directors
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director
Laenen Joris (CILO)	GIMV Health & Care Partners	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director
	DG Infra Yield	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director
	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Ethias Lease Corporation	Boulevard Bischoffsheim 15, 1000 Bruxelles	Investment company	Director
	Smartfin Capital II	Priester Cuypersstraat 3 1040 Etterbeek	Investment company	Member of the shareholders advisory board
Molnar Izabella (CDTO)	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director and member of the Technical Committee

Name	Company	Registered office	Field of activity	Office exercised
Serafin Maryline (CFO)	NRB	Zoning industriel des Hauts-Sarts 2 ^{ème} av.65, 4040 Herstal	Auxiliary services company	Director
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Glasfaser Ostbelgien (GO Fiber)	Klötzerbahn 24, 4700 Eupen	Fiber-optic network	Director
Yerna Benoît-Laurent (CRO)	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Liège Airport	Aéroport de Liège, Bât 44, 4460 Grâce-Hollogne	Air transport	Director and member of the Audit & Risk Committee
	NEB Participations	Rue Louvrex 95, 4000 Liège	Holding company	Director
	NEB Foncière	Rue Louvrex 95, 4000 Liège	Real estate company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director and member of the Investment Committee
	NRB	Zoning industriel des Hauts-Sarts 2 ^{ème} av.65, 4040 Herstal	Auxiliary services company	Director
	Ethias Lease Corporation	Boulevard Bischoffsheim 15, 1000 Bruxelles	Investment company	Director

11.2.5.3 Members of Ethias SA's Management

Name	Company	Registered office	Field of activity	Office exercised
Balisteri Julien (Chief People & Organization Officer)	Ethias Lease Corporation	Boulevard Bischoffsheim 15, 1000 Bruxelles	Investment company	Chairman of the Board of Directors
	Ethias Lease	Prins-Bisschopssingel 73, 3500 Hasselt	Other	Chairman of the Board of Directors
Bernier Bertrand (Head of Asset Management)	Ethias Sustainable Investment Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Boosting.brussels by finance&invest.Brussels	Rue aux Laines 70, 1000 Bruxelles	Investment company	Director
	Finance&Invest.Brussels (SRIB SA)	Rue aux Laines 70, 1000 Bruxelles	Investment company	Director
	Veran Real Estate CY	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	UP 38	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Sagitta	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Real Goed Invest	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Lothian Developments IV	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Koala	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Jan Dockx	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Immo Vivegnis	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Immo Hofveld	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Het Gehucht	Rue des Croisiers 24, 4000 Liège	Investment company	Chairman of the Board of Directors
	Foncière du Berlaymont	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Ethias Patrimoine	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
Bora	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors	

Name	Company	Registered office	Field of activity	Office exercised
Bernier Bertrand (Head of Asset Management)	Ariane Real Estate	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Archeion	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Ankaret Invest	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Weerts Logistic Parks Holding	Heersterveldweg 11, 3700 Tongres	Asset management company	Director
	Ariane Building	Place Saint-Jacques 11 bte 104, 4000 Liège	Asset management company	Director
	Zabrixx I	Antoon Catriestraat, 8A, Gand (9031)	Investment fund	Director
	UKOT Liège	Rue des Anglais 6A, 4430 Ans	Asset management company	Director
Renard Régis (Head of Actuary & Data)	R4C	Avenue des Evaux 3, 1341 Ottignies-Louvain-la-Neuve	Management company	Manager
Xhonneux Dominique (Head of Risk Management)	Amerigo	Avenue Maurice Destenay 13, 4000 Liège	Investment company	Director

11.3. Cross-company and participatory approach to sustainability¹

To build, manage and drive its Sustainability strategy, Ethias relies on cross-functional, participative governance.

The central Sustainability team steers the strategy and ensures its integration into all the company's activities and at group level.



Based on the sustainability impacts identified in the various departments, internal **workstreams** have been set up. These workstreams work with the central Sustainability team to draw up action plans for the strategy in line with their business or department, and are responsible for its implementation. These workstreams meet once every six weeks in **Stream Lead Meetings** to discuss progress on the roadmaps and current issues relating to the Sustainability strategy.

In addition, **ad hoc working groups** are set up if needed in order to deal with cross-functional issues, for better coordinating the company's ongoing Sustainability Strategy projects.

Finally, good governance requires both top-down and bottom-up involvement. For the strategy to spread throughout the company, it needs the support of both Top and Senior Management, as well as employees. Sustainability strategy, action plans and progress are regularly discussed at various levels within the company:

- The **Board of Directors** validates the company's strategy, with sustainability at its core, and regularly reviews its progress; In this respect, it is specified that the members of the Board of Directors must collectively be in a position to understand the activities of Ethias SA, including the principal risks to which it is exposed. They must have a collective knowledge and experience of environmental and climatic risks in particular. The collective expertise criteria are detailed in the competency matrices created and updated by the Appointments and Remuneration Committee. There are 16 directors, including 4 executive directors, 4 inde-

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

pendent directors and 6 women (pursuant to Article 7:86 of the Belgian Code on Companies and Associations). The composition of the Board of Directors also respects linguistic parity.

- The Sustainability strategy is also discussed on a quarterly and ad hoc basis at **Executive Committee** meetings. In addition, each member of the Executive Committee also receives an individual Sustainability target, on which a percentage of his or her variable compensation depends. Since December 2021, the Executive Committee has comprised 8 individuals (6 men - 2 women), four of whom are directors. The composition of the Executive Committee also respects linguistic parity.
- A **Sustainability Steering Committee** meets quarterly with management to review the various workstreams and redirect them where necessary. It meets under the supervision of the Chief Strategy & Data Officer.
- An **Ethics Committee** was set up in 2003, as an offshoot of the Works Council. It deals with corporate ethics and social responsibility issues, and operates on the basis of shared responsibility between unions and management. The council assesses the progress of the sustainability strategy and can also give opinions or recommendations related to sustainability;
- **Employees** meet within the ReGeneration Movement, an internal community of people committed to and passionate about sustainability. They take on a wide range of initiatives and provide input for internal workgroups.

This structure enables Ethias to make ambitious commitments, develop relevant policies, and implement impactful actions and projects.

Sustainability goes hand in hand with robust governance to enable:

- (1) relationships of trust with all our stakeholders through authentic communication and transparent reporting;
- (2) an active role as a responsible insurer in communities of experts and initiatives to advance sustainability;
- (3) ESG integration at all levels of corporate governance.

Main policies, charters and codes naturally include those relating to ethics and responsible business conduct. Together, these documents guarantee compliance with sustainability principles.

- Ethias Group Code of Ethics;
- Social-Ethical Code;

- Responsible Procurement Policy;
- Responsible Procurement Charter;
- Anti-corruption policy;
- Integrity Policy;
- Whistleblowing Policy;
- Conflict of interest Policy;
- Policy on the prevention of money laundering and terrorist financing;
- Code of ethics.

All commitments and principles described here are formalised in our policies, charters and codes on our website: https://www.ethias.be/corporate/fr/Sustainability/Vision_Strategie/Sustainability.html

Ethias' ambitions, policies and commitments in terms of governance are concretely reflected in the following projects:

- the members of the Executive Committee of Ethias SA have received a collective bonus target, linked to the reduction of the company's CO2 emissions;
- all members of the Executive Committee have one or more individual ESG-related goals, on which a percentage of their variable compensation depends;
- the inclusion of sustainability criteria in remuneration policies for executives and members of the Executive Committee;
- promoting sustainability throughout the company via the ReGeneration Movement, a community of committed and passionate employees who raise awareness and implement a multitude of projects and activities (corporate sustainability challenges);
- a company-wide awareness-raising and training program for all employees and members of the Executive Committee or Board of Directors (Climate Fresco and creation of a network of in-house facilitators, various sustainability training courses, etc.);
- the selection of responsible and committed partners, in the choice of suppliers and subcontractors with whom Ethias works, in particular thanks to a charter and a selection policy integrating sustainability criteria;
- the gradual establishment of a network of sustainable repairers and the screening of different partners according to sustainability criteria.

11.4. Due diligence¹

As part of its sustainability report, Ethias takes into account the results of its due diligence procedures when assessing the impacts, risks and opportunities that are material to its insurance business.

The assessment of these impacts, risks and opportunities

takes into account both the company's own activities and any impacts that may occur in the value chain (upstream or downstream).

Below is a summary of how due diligence is integrated into Ethias' action and sustainability reporting.

Essential elements of due diligence	Comments	References, chapters and sections of this report
Integrating due diligence into governance, strategy and business model	Due diligence is an integral part of Ethias' procedures and, in particular, of Ethias' approach described in its Sustainability Framework	Chapters 4 to 11
Collaborate with relevant stakeholders at all stages of due diligence	Involvement with stakeholders as part of the double materiality exercise	Chapter 5
Identifying and assessing negative impacts	The impacts identified are: Direct (own environmental and social impacts) Indirect: <ul style="list-style-type: none"> Impacts across the investment portfolio, notably through the definition of principle adverse impacts, Impacts through products offered to customers Impacts through suppliers 	Chapters 6 to 8 Chapter 10 Chapter 9 Chapter 11.7
Taking steps to solve these negative impacts	Procedures are in place to reinforce positive impacts and reduce negative ones, for example: For investments <ul style="list-style-type: none"> Ethical Investment Code Sustainable and responsible investment policy Exclusion Policy For suppliers <ul style="list-style-type: none"> Responsible Procurement Policy For employees <ul style="list-style-type: none"> Diversity Charter Wellbeing Charter 	Chapter 10 Chapters 6.4 and 11.7 Chapter 6
Monitoring and communicating the effectiveness of these efforts	The effectiveness of sustainability procedures and efforts, and the due diligence process, are monitored by the company's governance bodies and communicated through this report	Chapters 6 to 11

11.5. Conducting business¹

Corporate culture and business conduct policies

Human and ethical values are at the heart of Ethias' identity, as defined in its brand purpose and corporate vision. More broadly, Ethias' corporate culture is implemented by several charters and codes:

- Ethias' commitment to the social economy that recalls Ethias' mission and how it positions itself in relation to its various stakeholders.
- The Code of Social Ethics, which affirms Ethias' commitment to the values of the social economy, defines its fundamental principles in relations with its employees and sets up an Ethics Committee, whose operation is defined in the Code.
- The Group's Ethics Charter defines the fundamental principles of the Ethias Group, sets out the various measures taken to ensure integrity at all levels, both internally and externally, establishes principles in terms of social, societal and environmental responsibility, and organises professional whistle-blowing procedures.
- The Code of Ethics, which sets out the ethical principles to be applied internally and in customer relations.
- The sustainability framework, which describes how sustainability is embedded in Ethias' strategy and governance, reference frameworks, environmental, social and governance policies and actions, as well as in investments, the development of sustainable products and services, and the performance indicators monitored.
- Wellbeing Charter that puts the human being in the core of Ethias' values, general principles and concrete procedures are in place to ensure the well-being of employees at work, in line with the sustainable development objectives supported by Ethias. A set of performance indicators has

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

also been defined to measure the concrete impact of this charter.

- **Diversity Charter:** Promoting diversity, equity and inclusion is central to a thriving society. This charter therefore describes the general principles and their link with sustainable development objectives and the concrete actions implemented. Like for well-being, performance indicators have been defined to measure the concrete impact of this charter.

Furthermore, as an insurer operating in a highly regulated sector, it is essential to guarantee high standards of business conduct.

Ethias is committed to conducting their business with the utmost integrity, and expect all employees to behave in an irreproachable professional manner, in compliance with the law, as well as with company values and rules of conduct.

The company's integrity policy provides a frame of reference to guide the actions of each employee, inspire his or her choices and bring the company's values to life on a daily basis.

It is supplemented by various specific policies and charters which are regularly revised to take account of changes in the regulatory context and the company's internal requirements.

Ethias has adopted policies and charters covering its business activities (anti-money laundering, financial sanctions, anti-corruption, tax compliance, free competition, integrity in asset management, respect for the environment), customer relations (duty of care, data protection and privacy, prevention and management of conflicts of interest, respect for partners) or relations within the company (diversity, equal opportunities, respect, duty of discretion, preservation of Ethias' image, use of resources, professional exclusivity). They also cover the rules applicable to the company's governance bodies (notably in terms of composition, Fit & Proper requirements, remuneration, risk management, exercise of external functions, independent control functions, business continuity).

The Board of Directors must promote integrity in the conduct of activities. It approves the integrity policy and ensures that it is appropriate to the company's activities.

The integrity policy is defined by the Executive Committee, which ensures that all company employees are aware of it and adhere to it rigorously. To do this, it relies on management, who are responsible for demonstrating by example their adherence to the rules of integrity, helping to understand them and actively promoting their implementation. It is updated every three years (unless major changes need to be incorporated), with an annual review by its editor.

Finally, it is everyone's responsibility to assimilate the principles of this policy and to ensure that their behaviour is consistent with them, to seek advice in case of doubt and to report any non-compliant behaviour. Failure to comply with the obligations set out in this policy constitutes misconduct and may result in sanctions up to and including dismissal for serious misconduct.

Training is a cornerstone of the integrity policy, and essential to its successful implementation.

It aims to make employees aware of the risks associated with non-compliance with the rules of integrity and conduct, to help them adopt appropriate behaviour and to develop a shared culture of integrity.

A program has been set up to give everyone a better understanding of the issues, the risks and the rules to be observed to control them.

The following information is available to the public:

- The Group's ethics charter, which describes all measures relating to integrity and whistle-blowing.
- The Integrity Policy lists rules of conduct applicable within the company.
- The Anti-Corruption Policy defines an anti-corruption program. It sets out management's commitment, risk mapping, risk management and control measures. It complies with the United Nations Convention Against Corruption.
- The Whistleblowing Policy defines what internal and external whistleblowing is, sets out the procedure to be followed and the people to be contacted, and provides for the protection of whistleblowers.

How to report misconduct?

All employees are required to report any inappropriate, unethical or illegal behaviour they observe.

To do so, they are encouraged to use the usual channels and to contact their direct manager or a higher management.

They can also make use of the internal whistleblowing system set up within the company (which is also available to third parties), by contacting the Compliance Officer in accordance with the procedures defined in the whistleblowing procedure.

Head of Compliance has been appointed by Ethias as "Whistleblower Manager". This is an independent, impartial person, competent to receive reports in complete discretion, centralise information and process it thoroughly and with due diligence.

Ethias carries out internal investigations into business-related incidents, including cases of corruption and bribery.

When a detailed investigation needs to be launched, the reporting manager (Head of Compliance - independent control function) defines the most appropriate approach and determines who within the entity needs to be informed in a timely manner about the allegations, before any duty to investigate is implemented. In this context, he may require the help of any company employee to achieve the objectives set out above, and will rely on "authorised persons". These are the people specifically responsible for investigating a report or taking the necessary measures to check the reported facts. They will be selected on a case-by-case basis, according to the strict requirements of the investigation. They may be employees of the Compliance or Internal Audit departments, or

technical or legal experts specialising in certain areas. These people ensure that the information they receive is treated confidentially, and comply with the appropriate security measures.

Both internally and externally, the use of the IT platform is preferred, as it enables anonymous reporting and as well as exchanges with the reporting party, notably for the follow-up of the file concerned.

In addition, all employees are regularly made aware of this issue. The last action took place in September 2023 in order to remind employees: who can make a report, what offences are concerned, to whom and how to introduce an internal report, can the report be anonymous, to whom do protection measures apply, does the report have negative consequences?

In addition, Ethias shall ensure that person reporting any misconduct in good faith will not be subject to any discrimination or retaliatory measures.

Any form of reprisal against whistleblowers and those who have helped them is prohibited, including threats of reprisal and attempted reprisals such as suspension, dismissal, demotion or refusal of promotion, harassment, etc.

If necessary, any protected person can submit a substantiated complaint to the federal coordinator, who will initiate an out-of-court protection procedure.

If the whistleblower believes that he or she has been the victim of retaliation, it is Ethias' responsibility to establish that no retaliatory measures were taken against the whistleblower as a result of the report.

Training and awareness-raising on corporate culture and rules of business conduct

In terms of business-related training, the Compliance Charter states that, in collaboration with the operating lines and support functions, Compliance is responsible for raising employee awareness of how to detect and manage compliance risks, particularly in the context of monitoring assignments.

It also assists in the design and organisation of awareness-raising actions and training activities for employees in fields within its sphere of activity.

An awareness compliance program is available for the company. This program provides for different levels of awareness for each compliance topic, depending on the employees concerned. A complete program is delivered over a three-year period, but some subjects are highlighted every year.

Implementation of the program began in 2023 with the support of Human Resources, with the main aim of providing compliance awareness training for all new recruits. Various awareness-raising and training initiatives have also been implemented, notably on the following topics: conflicts of interest, prevention of money laundering, IDD, whistleblowing and practical subcontracting.

Preventing and detecting corruption and bribery

Ethias believes that the functions most at risk for the company are the following: Real Estate, Asset Management, Procurement, Anti-Fraud & External Networks, Strategic partnerships, sponsoring. However, we must note that Ethias regularly assesses corruption risks, and has a range of mitigating measures, which are all the more present in the most exposed functions.

As mentioned above, Ethias has an integrity policy and an anti-corruption policy, under the responsibility of the compliance department. The procedure lists a number of situations that can be a source of corruption, and how to deal with them. It also provides for employee training and awareness-raising.

In the event of detection of a situation that could involve corruption, reporting is to be carried out in accordance with the whistleblowing policy.

During the entire reporting process, as well as during the investigation, the Head Compliance regularly reviews the situation with the CEO, or the Chairman of the Board of Directors if the report concerns the CEO.

In addition, the recommendations of the Head Compliance are submitted to Management for decision.

The Head of Compliance keeps a register of all internal reports received.

This register mentions: the date the report was received, the channel used, the initial recipient, the category of internal report, the anonymous description of the case (no names need be provided in this section - only the name of the department), a summary of what was done and the main factual findings, the status of the case, the date of completion of the investigation, an indication of the next steps (corrective measures, disciplinary sanctions, legal proceedings) and the action taken or the reason why no action was deemed necessary (eg. the reason why the report was deemed unfounded).

The annual compliance report, which is submitted to the Executive Committee, the Board of Directors and the supervisory authorities, includes the number of reports filed and the resulting risks.

Similarly, the Responsible Procurement charter requires suppliers to combat all forms of corruption.

All the above procedures are available on the Ethias website.

No cases of corruption were identified within the company in fiscal 2023.

Ethias has not been convicted of any offence under anti-bribery and anti-corruption legislation. No internal reports via whistleblowing measures or any other potential channel have been received. No additional measures to the mitigation measures identified in the anti-corruption policy have therefore been implemented in 2023.

11.6. Variable remuneration policy, targets and achievements

In accordance with the remuneration policy applicable to members of the Executive Committee, their variable remuneration is linked to the achievement of both collective and individual goals, which include, as far as possible, goals related to sustainability risk management.

For 2023, a collective target was set for 2% of total variable remuneration. Each member of the Executive Committee has also been assigned an individual target in line with the com-

pany's ESG policy, and this target can be used to determine between 2% and 15% of additional variable compensation.

The Board of Directors is responsible for setting the goals of the members of the Executive Committee, and for assessing the extent to which they have been achieved.

They can also be included in the objectives of the Direct Reports of the members of the Executive Committee.

11.7. Procurement practices¹

As part of its responsible procurement policy, the Ethias Procurement Department is looking for the best guarantees at the best conditions for the supply of goods and services.

Ethias' responsible procurement policy was reviewed in 2022 to incorporate more sustainability criteria. These are set out in a charter that translates the principles in terms respect for human and environmental rights and to which each new supplier is asked to comply with.

In a transparent way, both the general conditions for suppliers and the Responsible Procurement Policy and Charter are available on the Ethias website and are referenced in the documents sent to suppliers sourced in the context of a call for tenders.

Ethias ensures that tenders for products and services include an ESG component. This takes the form of an ESG questionnaire sent to the suppliers contacted. Their answers influence the weighting for the tenders leading to the selection of the supplier. Ethias also ensures that the general conditions of all order forms include an article in which the supplier undertakes to **respect the basic principles of the International Labour Organization (ILO)** and to ensure that any subcontractor respects them. In the context of invitations to tender, signature of the ILO Convention is mandatory in order to be eligible to bid (exclusion criterion).

In 2023, Ethias began a tender process to select a platform for evaluating suppliers beyond the self-assessment questionnaire.

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

12. Remuneration of the directors

Name of the director (non-executive and executive)	Function in Ethias SA	Remuneration Ethias SA (attendance fees)	Remuneration Ethias SA (fixed compensation)	Number of meetings Ethias SA (Board of Directors - Audit & Risk Committee - Appointments & Remuneration Committee)
Myriam Van Varenbergh	Chair	13,000.00	27,500.00	13
Jacques Braggaar	Non-executive director	21,046.80	9,500.00	13
Marc Descheemaeker	Non-executive director	15,000.00	12,500.00	17
Kathleen Desmedt	Non-executive director	15,208.44	7,500.00	8
Olivier Henin	Non-executive director	18,812.60	9,500.00	13
Ingrid Loos	Non-executive director	15,817.52	12,500.00	12
Claude Melen	Non-executive director	23,674.11	12,500.00	17
Marc Meurant	Non-executive director	19,042.52	12,500.00	17
Philip Neyt	Non-executive director	8,000.00	7,500.00	8
Anne-Marie Seeuws	Non-executive director	6,867.00	3,601.65	5
Karl Van Borm (*)	Non-executive director	9,000.00	7,500.00	9
Dewi Van De Vyver	Non-executive director	7,000.00	8,714.29	8
Bruno van Lierde	Non-executive director	15,000.00	22,500.00	17
Philippe Lallemand (**)	CEO	0.00	0.00	20
Wilfried Neven (**)	CXO	0.00	0.00	12
Maryline Serafin (**)	CFO	0.00	0.00	15
Benoit-Laurent Yerna (**)	CRO	0.00	0.00	17

(*) paid to the City of Antwerp

(**) the directors' terms of office are exercised free of charge

Name of the director	Function	Remuneration company within the scope of consolidation NRB (***) - (attendance fees)	Remuneration company within the scope of consolidation NRB (***) - (fixed compensation)	Number of meetings NRB (Board of Directors - Audit Committee - Appointments & Remuneration Committee)
Philippe Lallemand	Chairman	11,000.00	13,435.00	23
Maryline Serafin	Non-executive director	4,500.00	5,680.00	9

(***) paid to Ethias SA

Name of the director	Function	Remuneration company within the scope of consolidation NRB (attendance fees)	Remuneration company within the scope of consolidation NRB (fixed compensation)	Number of meetings NRB (Board of Directors - Audit Committee - Appointments & Remuneration Committee)
Bruno van Lierde	Non-executive director	6,500.00	6,845.00	13
Benoit-Laurent Yerna	Non-executive director	3,500.00	4,136.67	7
Myriam Van Varenbergh	Non-executive director	5,500.00	6,050.00	11

Name of the member of the executive committee	Function	Gross remuneration (*)	Gross variable remuneration (*)
Philippe Lallemand	CEO	505,785.72	77,380.45
Joris Laenen	CILO	338,653.92	50,986.00
Maryline Serafin	CFO	338,653.92	51,587.25
Luc Kranzen	CCDO	338,653.92	42,087.50
Wilfried Neven	CXO	422,219.76	52,458.89
Benoit-Laurent Yerna	CRO	338,653.92	51,587.25
Izabella Molnar	CDTO	338,653.92	37,758.50
Nicolas Dumazy	CSDO	338,653.92	51,166.38

(*) does not include other benefits

13. Risk management¹

13.1. Introduction

Besides its business activity of managing the risks underwritten by its clients, an insurance company, like any company, is itself confronted with various categories of risks. In such circumstances, it is a matter of managing the uncertainty as satisfactorily as possible, by identifying, assessing and effectively dealing with the risks the company is confronted with, in order to control them.

Therefore, the general risk management process aims at "offering a reasonable assurance with regard to achieving the objectives of the organisation by maintaining exposure to risk within the limits of risk appetite".

The purpose is to strike the best possible balance between the objectives and the associated risks, with an excessive risk aversion itself posing a risk, and keeping in mind that, alongside each threat, opportunities do exist. Risk management in general is not an end in itself but rather a means; a tool for managing and controlling risks. Risk controlling actions must be in line with their contribution to the achievement of the company's objectives and culture. In other words, the measures taken must bring real added value and proscribe unnecessary and superfluous supervision.

13.2. Governance with regard to risk management

Good governance of an insurance company requires the setting-up of the following functions: Internal Audit, Compliance, Risk Management, Internal Control and Actuarial Function. These are not only independent monitoring functions but also governance functions. Their conclusions and advice are translated into measures to reinforce the management structure, the organisation and the internal control system. These functions, together with the functions of the operational lines and support functions, are structured in such a way as that three lines of defence are in place.

First defence line - Daily risk supervision

The first defence line is provided by operational lines and support functions (Accounting, Asset Management, IT, Human Resources, etc.). It is their responsibility to identify the risks posed by each operation and to respect the procedures and limits set.

Ethias sees to it that every employee has a suitable understanding of the risks that are likely to threaten the correct fulfilment of the activities he/she is responsible for. Hence, each employee is responsible for the identification and the assessment of the risks that are incurred on an ongoing basis.

Furthermore, a network of "risk" correspondents within the operational lines and the support functions permits to benefit from the technical skills of the experts in the field, including complaints, operational incidents and GDPR.

Second defence line - Risk supervision

The second defence line includes the control functions of the Risk Management function, the Internal Control function, the Actuarial Function and the Compliance function, which are responsible for ensuring that the risks have been identified and managed by the first line, according to the rules and procedures envisaged.

These four functions depend on the CRO, who ensures the transversal coordination of the work and the adequate exchange of relevant information.

The CRO, who is a member of the Executive Committee, has to make sure that the structure of Ethias' risk management is operational and has to improve its effectiveness and efficiency. The entities that are hierarchically answerable to the CRO assist him in his assessment of the company's risk profile, of its alignment with its strategy and risk appetite as well as in the identification of future risks.

Under the direction of the CRO function, a process of self-assessment of the adequacy of the processes put in place in order to meet the governance principles laid down in the umbrella circular is organised and coordinated with the business divisions and monitoring functions.

This exercise is based on thematic evaluation grids that the management and the heads of independent monitoring functions have completed according to their respective skills.

The 7 main themes are as follows: (i) Management structure, remuneration and shareholding; (ii) Fit & proper, external functions and transactions with leaders; (iii) Risk management system, ORSA process and Risk Management function; (iv) Organisational structure, internal control system, Compliance Function, integrity and IT infrastructure; (v) Internal Audit function; (vi) Actuarial Function and (vii) outsourcing.

The evaluation grids used are based on the umbrella circular, and reproduce line by line the requirements laid down therein. These grids are completed by the business line responsible for the activity in question, and reviewed by a second line to ensure the most objective assessment possible.

¹ The Solvency and Financial Condition Report (<https://www.ethias.be/corporate>) provides further explanations on risk management.

This second defence line, which is independent of the first one, maintains a methodological framework and underlying processes that allow the control and the supervision of the implemented risk management structure. In the event of exceeding the risk profile wanted by Ethias, it can intervene at the operational level to initiate changes and to help the first defence line in resolving the problems.

Finally, in order to reinforce risk governance, Ethias' Executive Committee relies on committees dedicated to risk management: These committees are advisory and their recommendations are validated by the Executive Committee.

The mission of the **Model Coordination Committee (MCC)** is to monitor and contribute to the compliance, within the risk framework defined by the Board of Directors, of all internal and regulatory standards for the development and use of internal quantitative models used by Ethias for, in particular, the management of its technical and financial risks and its asset / liability management.

The mission of the **Insurance-Reinsurance Committee (IRC)** - in terms of insurance techniques, insurance contract management and reinsurance coverage - is to ensure that the business lines comply with the technical and commercial objectives and with the risk framework defined by Ethias' Executive Committee and Board of Directors. Hence, the IRC monitors the technical risks (profitability, reservation, risks) of the existing products, analyses the mitigation actions of the technical risks, analyses the modifications to existing products or the proposals for new ones and supervises the reinsurance programme. Efficient collaboration between the 1st and 2nd lines is to be highlighted, especially on files regarding underwriting (review of underwriting guides, Non-Life commercial strategy, monitoring of UFRs/CFRs, commercial dispensations, review of underwriting policies, provisioning and pricing, S/P balance, POG, risk appetite, etc.)

The **Assets and Liabilities Committee (ALCO)** has the task of contributing to the protection of Ethias SA in its liquidity, profitability and solvency aspects, through the alignment of the company's assets and liabilities.

The **Risk Management Forum (RMF)** is responsible for discussing risks, which are presented to the Audit and Risk Committee (and beforehand to the Executive Committee) in detail, so as to have a specific view of all the risks borne by the company. It is the forum for analysis of specific risks highlighted in the context of projects or activities in order to identify priorities, relevant mitigation measures and action

13.3. Typology of risks

Ethias has drawn up a cartography of the different risks in order to ensure a common and shared comprehension of the risks managed by the company.

The typology adopted by Ethias is presented in the diagrams below and

plans as well as their target risk and to monitor their evolution in accordance with the Risk Appetite policy. It ensures:

- an efficient and transparent reporting of risks;
- the selection of the most important risks;
- the identification of action plans;
- the monitoring of already identified risks, especially in case of modification (deterioration) of these risks;
- to propose to the management bodies practical and pragmatic business guidelines in accordance with the risk appetite;
- to recommend to the Executive Committee the validation of the company's risk profile.

This body does not replace the Local Risk Forums, which are organised at the operational level and which enable action plans to be drawn up at team level.

Each committee is chaired by a member of the Executive Committee. The CRO is present in each committee dedicated to risk management. It was the willingness of the Executive Committee and of the Board of Directors to create "strong committees", so as to set up an effective risk governance within the company. It is also with this aim in view that the responsibilities of each committee have been clearly established by means of internal regulations. To ensure even more systematic risk monitoring, in early 2024 we created a Risk Dashboard, which will provide a record of observed risks and will be sent to the entire Executive Committee on a quarterly basis.

Third defence line - Independent assessment

The third defence line is provided by the Internal Audit, which assesses, among other things, compliance with procedures by the first and second lines of defence and, more generally, the effectiveness of the internal control system. To ensure its independence, this entity reports hierarchically to the CEO directly and functionally to the Audit and Risk Committee.

With regard to risk management, the Board of Directors of Ethias SA assumes ultimate responsibility for the effectiveness of the risk management system. To carry out its missions, it relies on the Audit and Risk Committee. The Audit and Risk Committee advises the Board of Directors on Risk Appetite and risk tolerance issues, analyses risk reporting, challenges the implementation of the risk management system by the Executive Committee, and verifies its proper application.

- relies on the modules of the standard formula used to calculate regulatory capital requirements in the Solvency II framework (in blue in the diagram)
- is completed by the risks not covered by the standard formula (in orange in the diagram).

INSURANCE RISKS

Life underwriting risk	Non-Life underwriting risk	SLT Health	Non-SLT Health
Mortality risk	Premium and reserve risk		Catastrophe risk
Longevity risk	Catastrophe risk	Mortality risk	Premium and reserve risk
Disability/morbidity risk	Expense risk	Longevity risk	Termination risk (redemption)
Expense risk		Disability/morbidity risk	
Revision risk		Expense risk	
Termination risk		Revision risk	
Catastrophe risk		Termination risk (redemption)	

FINANCIAL RISKS

NON-FINANCIAL RISKS

Market risk	Counterparty risk	Liquidity risk	Operational risks	Other non-financial risks
Interest rate risk	Downgrade risk	Market liquidity risk	Customers/Third Parties, Products and Business Practices	Model risk
Stock (price) risk	Default risk	Risk of funding liquidity	Process Execution, Delivery and Management	Concentration risk
Real estate assets risk			Business and system malfunctions	Strategic risk
Spread risk			Employment and Safety Practices in the Workplace	Reputational risk
Foreign currency exchange risk			Damage to tangible assets	
Concentration risk			Internal fraud (incl. information security)	
Inflation risk			External fraud (incl. information security)	
			Legislative, regulatory and tax risk	
			Project Risk	

Ethias takes into account what is commonly referred to as "climate risk" through the various risk modules of its typology, considering that this is not a separate risk but rather a set of factors that will be reflected in the various risks already listed. For example, increased frequency and/or intensity in CatNat risk.

This approach is in line with the logic presented by EIOPA in appendices 3 and 4 of its opinion on the supervision of the use of climate change risk scenarios in ORSA (EIOPA-BoS-21-127).

13.4. Risk management policy

Risk management within Ethias is materialised through the setting up of various monitoring processes allowing the identification, the monitoring and the reporting of the different endured risks.

13.4.1 Risk appetite

Risk Appetite is the overall level of risk that the company agrees to take to meet its value creation objective. The Risk Appetite is a key strategic indicator of the risk management system. It must enable the company to achieve its strategic objectives while controlling the resulting risks. The company's Risk Appetite and its strategic objectives have to be consistent with each other.

This approach is stratified, in the sense that higher-level risk modules capture the impact of adverse factors or phenomena.

The same applies to certain "risks" that have recently come under the spotlight, including:

- cyber "risk" captured through operational risk in its security-related aspects;
- sustainability or "ESG" "risks", of which climate risk is a part, covering environmental, social and governance issues, taken into account in particular through the operational, reputational and strategic risk modules.

The Risk Appetite the responsibility of the Board of Directors. In practice, it is proposed by the CRO, validated by the Executive Committee and approved by the Board of Directors. The risk policies are the direct translation of the Board of Directors' view in terms of risk appetite. Similar to the strategic objectives that are translated into operational objectives, the Risk Appetite, as it has been approved by the Board of Directors, must also be translated into operational terms by means of policies.

At its meetings in December 2023, the Board of Directors reviewed and approved Ethias SA's risk appetite.

13.4.2 Stress testing and capital planning process

Within the framework of the planning exercise, the company regularly carries out an evaluation of its solvency (i.e. the adequacy of its internal equity to face its global risk profile). The exercise takes the specific risk profile into account: it integrates the main risks and their interactions during the carrying out of stress tests.

13.5. Insurance risks

13.5.1 Underwriting risk

Creating a new product or modifying an existing product

The penetration of a new market, the launch of a new product, the extension of services and guarantees offered to customers are subject to a complete and formal review of all potential risks associated with the launching of such initiatives and with procedures for risk acceptance that follow the hierarchical lines.

Before launching a new product or adapting an existing one, the product is studied in all its aspects: product characteristics, market and competition, adequacy test, pricing, legal, tax, profitability, ALM constraints, compliance, ESG, distribution, business case ... in accordance with the product governance and monitoring policy and associated procedures, supplemented by new aspects (IFRS, Sustainable Finance ...).

The analysis is submitted to the Insurance/Reinsurance Committee (IRC) and to the decision-making bodies for approval (Executive Committee).

Underwriting limits

Underwriting guidelines set the limits to be respected with regard to underwriting (limits of a sectoral nature, contractual limits of insured capital, contractual limits of compensation, etc.) in accordance with our risk appetite.

In the public sector, policyholders do respect the guidelines that determine the limits with regard to subscription. These limits concern both the general and specific conditions of the contracts, the price setting and the degree of risk (including the business sector). They also determine the level of power that is granted according to the hierarchic level and the procedures to be followed, an "acceptance bureau" deciding at the operational level in the last instance. The second line is associated with the overrun and a statement is drawn up in the IRC (Insurance-Reinsurance Committee). In the event of disagreements, the latter can escalate matters to the IRC.

For private individuals, the policyholders are subject to risk acceptance procedures that follow the hierarchical lines and to certain limits that are implemented in the IT systems. Underwriting guidelines also set the limits on underwriting.

These risks are tested against our global Risk Appetite policy, and all business indicators are monitored.

Stress tests are in themselves tools for measuring specific risks. Ad hoc stress tests are performed on the SCR coverage ratio, in addition to a range of stress tests that are performed annually. These stress tests are either standardised sensitivity tests or impact tests adapted to the specific risk profile of the company (see following section). The consideration of non-financial risks such as reputational risks, strategic risks, macroeconomic risks, climatic risks, continuity risks and cyberattack risks is also integrated into these analyses.

Tariffs

Tariffs are established by underwriting actuaries and are submitted to the actuarial function for an opinion.

Reinsurance

Reinsurance lies within the control process of the insurance risks.

It also contributes to the improvement of the solvency ratio.

Ethias SA's main insurance risks concern non-life insurances, liability insurances (miscellaneous and motor vehicle), life/health insurances and (natural or human-caused) catastrophe risks on people and/or goods.

The Reinsurance department works in close collaboration with Underwriting, the product managers and Risk Management, who express their (new or adapted) needs for the reinsurance programme. Risk Management, in collaboration with the Reinsurance department, formalises the objectives set by the Executive Committee, which are to be pursued through the reinsurance programme.

Reinsurance is taken out on the basis of reinsurance treaties that apply to a portfolio on the whole or on the basis of optional reinsurance conventions relating to risks that are outside the frame of these treaties. The majority of these contracts are concluded on a non-proportional basis.

The reinsurance programmes are divided into three major parts: non-life insurances, liability insurances (miscellaneous & motor vehicle) and accidents, life/health insurances (death/disability insurances, catastrophe accidents). They are reviewed annually.

The Insurance-Reinsurance Committee (IRC) supervises the reinsurance programme.

Between 2022 and 2023, reinsurance covers have been adjusted to take account of inflation (increase in capacities) and a tougher market.

Non-Life management

The different portfolios (car, accidents, civil liability, fire, comprehensive, construction all risk and ten-year risk) are reinsured by excess of loss treaties. Reinsurance intervenes whenever a damage or an event exceeds the amount determined according to risk aversion.

The purchased capacities are a function of the underwriting limits and/or of the MPL (Maximum Possible Loss) in excess of loss per risk treaty. They are a function of very cautious catastrophe scenarios for the excess of loss per event treaty.

Life management

Death and disability are reinsured on the basis of an excess of loss treaty.

Non-Life and Life management

In case of an accident affecting at least two persons insured in accidents at work, in accidents common law; in death or in disability, an excess of loss per event treaty intervenes globally on top of the formerly presented treaties.

Terrorism is covered through the national TRIP pool. Our retention following on the TRIP intervention is also reinsured.

13.6. Financial risks

13.6.1 Market risk

Investments in accordance with the Prudent Person Principle

Asset Management manages in a profession manner both the premiums generated by the insurance business and any cumulative investment income. To this end, the Head of Asset Management and the asset managers manage and monitor the securities portfolios and invest within a framework that respects the prudent person principle. The company only invests in instruments that it understands, that are managed and monitored appropriately. Both the members of the various governance committees and the portfolio managers must act with the care, skill, prudence and diligence required by the size of the transactions concerned.

Financial limits

A system of financial limits ensures a healthy diversification of the portfolio by asset class (asset allocation), issuer, sector, currency and country. The system of limits also provides limits in minimum ratings according to the asset classes.

Limits in interest rate sensitivities

Limits for interest rate sensitivity are applied by activity (Life, Non-Life and ring-fenced funds) to ensure compliance with Risk Appetite tolerance limits.

Interest rate risk hedging

Several programmes for managing the asset-liability duration gap have been implemented in recent years so as to limit the impact of interest-rate volatility on Ethias' own funds.

We monitor the interest-rate risk using a global strategy and a variety of instruments: extending asset duration by purchasing long-term government bonds, and using derivatives to limit, on the one hand, the impact of rising interest rates on bond values and, on the other hand, to set reinvestment rates over the next few years. The aim is to reduce the sensitivity of the ALM segments and consequently also the sensitivity of own funds to a movement in interest rates.

Interest rate sensitivity is regularly monitored. The duration gap is controlled between -1 and 1.

Spread risk hedging

The spread risk is also assessed on a regular basis: the sovereign risk remains high, but has been significantly reduced during 2023 through the deployment of a larger derivatives

programme. The corporate risk is not financially hedged, but remains limited thanks to diversification, the choice of quality issuers, portfolio monitoring and the strengthening of the average rating.

Inflation risk hedging

The inflation risk was also reduced this year, thanks in particular to the acquisition of new inflation-linked bonds offering positive real returns. The choice of issuers has been extended to diversify names and to reduce the concentration risk. Inflation risk is also covered by the equity portfolio, rental income from real estate and other derivatives.

13.6.2 Credit risk

Besides the selection of counterparties, diversification and measures to avoid concentrations, the credit risk is mitigated by obtaining collaterals or guarantees. The value of the collateral is determined by a cautious approach, based on several criteria including the nature and the specific type of collateral as well as its liquidity and the volatility of its value.

With regard to reinsurance, the treaties are reinsured by a large panel of reinsurers being at least "A-" rated, which generally take a limited stake of 20%.

The credit risk of reinsurers is constantly monitored by the reinsurance brokers we work with, who inform us if a reinsurer's rating is downgraded. We also have access to a site listing the main financial information by reinsurer and we have subscribed to a site providing daily news from the reinsurance world.

Claims provisions are also covered by cash deposits or by blocked securities accounts.

13.6.3 Liquidity risk

The mitigation of the market liquidity risk is ensured:

- on the one hand, by verifying that a sufficient proportion of the portfolios is invested in liquid instruments, which means that they can be realised quickly on the markets without undergoing significant depreciations in value;
- on the other hand, by limiting investments in less liquid assets (for example, real estate, structured products, etc.) without prior authorisation.

A system of liquid asset limits has been defined for each business line (Life, Non-Life, ring-fenced funds) to ensure compliance with risk appetite tolerance limits.

Liquidity is monitored for both Life and Non-Life activities. The definition of limits by business line is monitored according to Ethias criteria and also according to the definition of the Fitch rating agency liquidity indicator.

Monitoring these ratios allows to cope with funding liquidity stress scenarios, by maintaining a sufficient and sufficiently diversified stock of liquid assets that can either be rapidly realised on the markets, without incurring major depreciations in value, or that can be posted as collateral for repos.

A liquid portfolio will tend to be less profitable than an illiquid one. As a result, the notion of profitability must be taken into account when analysing the portfolio's liquidity. A certain level of illiquid assets is necessary to maintain a minimum profitability.

13.7. Non-financial risks

13.7.1 Operational risk

The operational risk is described as “the risk of direct or indirect loss resulting from an inadequacy or failure attributable to procedures, processes, and people as well internal as external and to systems within the organisation, or resulting from external events”.

External events are for instance natural disasters (fire, flooding...), legal changes, strikers preventing access to the workplace, etc.

The definition includes legal risk, but excludes strategic and reputational risks.

The Executive Committee directly monitors the operational risk. It analyses and proposes guidelines for the corresponding mitigation/management measures in accordance with Ethias' risk management policy.

13.7.2 Other non-financial risks

Reputational risk

Reputational risk is the risk that negative (true or false) information (publicity or otherwise) will cause a loss of confidence in the integrity of the company.

In order to protect itself from a reputation risk, Ethias takes various measures to guarantee the integrity of its image.

To this end, a communication culture using two complementary and coordinated axes has been developed.

Hence, the reputational risk is first of all dealt with through an external communication culture aimed at informing the public, the investors and the shareholders in a professional and transparent manner about the strategic and financial positioning, the operational developments and the company's commercial evolution.

In 2023, tolerance limits were respected.

The mitigation of the funding liquidity risk is ensured:

- through a regular monitoring of this risk by anticipating possible liquidity gaps between the liabilities and assets over a defined time horizon, by regularly monitoring the risk of redemptions on the most exposed liabilities contracts, by a priori defining a sufficient level of liquidity when designing new products,...
- through a quick action if a liquidity gap is detected, such as: transforming assets into cash, taking out a loan or repo, etc.

A system of limits in funding liquidity and in repos has been defined in order to meet the tolerance limits related to Risk Appetite for liquidity and to cover cash requirements.

Ethias also attaches particular importance to a good internal communication within the company because it contributes to the confidence of the personnel in the integrity of the company. Hence, there is a constant concern in the company to ensure a rapid, continuous and relevant information of the personnel.

Several internal departments have established operating charters (Privacy, Risk Management, Actuarial Function, Compliance, etc.) in order to make their staff aware of the ethical behaviour that should be adopted in the performance of their activities.

In terms of Sustainability, Ethias makes its sustainability strategy concrete and actionable through all its policies, charters and codes. These documents define the sustainability principles that the company sets for itself. By publishing them, Ethias undertakes to be transparent about its sustainability strategy, its objectives and progress.

The Ethias Sustainability Framework was published in 2023. It is a document that summarises the guiding principles of the company's sustainability strategy and its implementation in all its activities.

Ethias' Sustainable and Responsible Investment Policy protects against taking stakes in activities whose reputation may be doubtful.

Ethias regularly conducts opinion surveys to gather the opinion of its policyholders on the quality of its services. The results of these surveys carried out by independent research firms regularly demonstrate the quality of the Ethias brand name.

Climatic risks

Ethias is naturally attentive to ESG risks, including physical climate and transition risks. Their nature can affect both the profitability of its products and the very continuity of its activities.

Every year, as part of its ORSA (Own Risk Self Assessment) process, Ethias assesses the potential impact of an extreme

weather scenario on its physical risks and the impact of climate change on its investments. The stress tests carried out on this occasion thus make it possible to challenge the company's reinsurance policy, its investment policy ...

In its ORSA exercise, Ethias pays particular attention to floods, earthquakes and drought. Then, the risks related to greenhouse gas emissions are studied in a new climate change scenario. The overall objective is to identify material exposures to physical and transitional risks and to assess these risks in both the short and long term. An initial approach is proposed based on market trends and the first consultations carried out by the European supervisory authorities prior to the publication of directives in this area.

A large majority of our Non-Life contracts have a one-year maturity. This allows us to adapt the pricing of insurances fairly

13.8. Emerging risks

The combination of external risk factors and internal risk factors leads independently or in an aggravated way to potential consequences for the company. This quarterly assessment provides an list of Ethias' most significant risks. We can then define worst-case scenarios for which stress tests are carried out. This exercise is called ORSA (Own Risk Self Assessment), and is a regulatory annual exercise imposed by the NBB (National Bank of Belgium), which takes into account the guidelines issued by EIOPA on risk management by European insurance companies.

ORSA is integrated into the management of the company, and more particularly into strategic decisions and processes, both operational and management. Ethias takes into account the results of ORSA in the context of:

- its strategy and business plan: adequacy with the Risk Appetite and the dividend distribution policy.
- the management of its own funds: quantity, quality, raising additional own funds;
- the development and design of its products: appropriate level of pricing and margin setting.

quickly to changes in climate risks. Our reinsurance treaties take into account the evolution of climate risks as well as concentration risks. From discussions with our reinsurers, we gather information on the further development of climate risks. This is of course incorporated into the pricing of reinsurance treaties, which provides market information on the evolution of the risks.

In addition, the Sustainable and Responsible Investment Policy excludes investments in environmentally harmful industrial activities.

As part of the development of its continuity plan, Ethias regularly conducts business continuity tests to determine its resilience capacity to risks of a catastrophic nature. In the same vein, black-out tests are carried out periodically in order to test our resilience based on our energy self-sufficiency.

The results of the ORSA are formalised in a report to the decision-making bodies and the NBB. The ORSA process, leading to the preparation of the report, is formalised. ORSA's results and conclusions are also communicated internally to staff members for whom it is relevant, so that they can take any necessary follow-up action.

The 2024 ORSA report was presented to the Board of Directors on March 27-28, 2024 and sent to the regulator after validation.

For more detailed information on Ethias' risk management governance, the public SFCR report can be consulted on the Ethias Corporate website.

14. Assessment of Internal Control

The preparation of the report on the assessment of the internal control system is in conformity with the BNB circular 2015_21 on internal control as well as with the COSO 2013 and 2017 standards.

In terms of control environment, Ethias:

- pays attention to the respect of the integrity and the ethical values it enshrines;
- aims at reaching its objectives through a clear definition of its organisational structure and of the appropriate competences and responsibilities;
- shows its commitment to attract, train and hold competent co-workers in accordance with the objectives of its multi-year plan;
- reinforces for each of its employees the duty to give account of hi; internal control responsibilities;
- establishes a risk appetite which is monitored by the Board of Directors, assisted by the Audit and Risk Committee.

In terms of risk assessment, Ethias:

- ensures a clear definition of the objectives assuring the identification and assessment of risks linked to its objectives;
- identifies the risks linked to the achievement of its objectives within the scope of its responsibilities and regularly analyses these risks in order to determine the appropriate management modalities for its risks;
- integrates the internal and external fraud risk in the assessment of risks that can compromise the achievement of its objectives;
- creates a risk profile incorporating monitoring of external and emerging risks;
- identifies and regularly assesses the changes that could have a significant impact on its internal control system;

In terms of controlling activities, Ethias:

- develops and/or reviews its controlling activities by means of guidelines which specify the objectives and procedures implementing these directives;
- selects and develops the controlling activities - including information technology general controls - that contribute to the maintenance or decrease of risks linked to the achievement of its objectives at acceptable levels.

In terms of information and communication, Ethias:

- Ethias communicates internally the information which is required for proper functioning of the other internal control components, more specifically by obtaining relevant and qualitative information. Coordination exists between the independent monitoring functions, as well as between the internal audit function, the statutory auditor and the regulators;
- communicates with third parties on the points that may affect the functioning of other components of the internal control (shareholders, analysts, regulators, clients, suppliers, associations, etc.).

In terms of steering, Ethias:

- realises permanent and/or punctual assessments to check if the internal control components have been developed and are operable;
- communicates, in due time, an assessment of the internal control's deficiencies to the persons responsible for corrective measures, in particular to the Executive Committee and the Audit and Risk Committee.

The internal control department located in the second line of control is continuing its deployment as planned in the internal control policy put in place in 2021.

15. Events occurring after the financial year was closed

Dividend

The Board of Directors of Ethias SA will propose to the General Assembly of May 2024 the payment of a dividend of EUR 110 million.

16. Information on circumstances which may significantly impact the company's development

16.1. Regulatory developments - Solvency II

On December 14, 2023, the Council and Parliament reached a provisional agreement on amendments to the Solvency II Directive, the EU's main piece of insurance legislation, and on new rules for the recovery and resolution of insurance and reinsurance undertakings.

The new Solvency II rules will strengthen the role of the insurance and reinsurance sector in providing private sources of long-term investment for European companies. At the same time, they will make the sector more resilient and better pre-

pared for future challenges, so as to better protect policyholders.

The provisional agreement requires insurance and reinsurance companies and groups to draw up and submit preventive recovery plans to national supervisory authorities.

Ethias has already taken steps to define the main action plans to be implemented as part of a preventive recovery plan.

16.2. Regulatory developments in sustainability

The EU-Corporate Sustainability Reporting Directive (CSRD) was adopted in November 2022 and introduces the need for more regular and detailed information on the environmental, social and human rights impact of companies, based on common and therefore comparable criteria. These rules aim to fill the gaps in the existing non-financial reporting directive (NFRD), which is currently considered largely insufficient and unreliable. The European Commission validated the European Sustainability Reporting Standard (ESRS) on July 30, 2023. They were approved by the European Parliament on October 18, 2023 and published in the Official Journal on December 22, 2023. These standards are intended to implement the concrete content of the sustainability report as set out in the CSRD, and to standardise corporate reporting. These standards came into force on 1 January 2024. The 12 ESRS standards are "sector-agnostic", i.e. applicable across all sectors. The European Financial Reporting Advisory Group (EFRAG) is also preparing sector-specific standards which will be added to the first 12 ESRS standards. However, in a decision taken on February 14, 2024, the Council and the European Parliament agreed to postpone the adoption of sector-specific standards until 2026.

Financial and sustainability information will be included in a single report, providing investors with comparable information. To ensure the reliability of the information provided by companies, they will be subject to an independent audit (limited assurance), the details of which will be set out in the transposition of the CSRD directive into Belgian law.

The new EU sustainability reporting requirements will be applied to all large companies, both listed and unlisted, as well as to listed SMEs. Thus, for nearly 50,000 companies in the European Union, the collection and publication of information on their own sustainability will become the norm, whereas today only 11,700 companies are covered by the scope of the European law.

For Ethias, the publication of the first report in compliance with the new rules is expected for 2025 concerning the 2024 data. In order to anticipate these changes, every team at Ethias are on deck and Ethias has already integrated the sustainability information it wishes to communicate in its 2023 financial report.

In view of the potential future adoption of the CSDD (Corporate Sustainability Due Diligence Directive) and its links with the ESRS, Ethias is also preparing for this. The CSDDD vote was scheduled for February 9, 2024, but has been postponed indefinitely.

17. Details of balance sheet and income statement items

17.1. Balance sheet

17.1.1 Assets

Heading B. Intangible assets

- I. Formation expenses: relating to the issue expenses of subordinated bonds.
- II. Intangible assets: these are mainly goodwill related to the acquisition of portfolio and participating interest as well as the amounts invested as software and IT developments.

Heading C. Investments

- I. Land and buildings
 1. Real estate for corporate purposes: company buildings
 2. Other: includes buildings intended for rental as well as advance payments on business properties under construction.

Heading E. Receivables

- I. Receivables arising from direct insurance operations
 1. Policyholders: essentially relating to the amounts due from our policyholders.
 3. Other: includes amounts due from various insurance companies and projected recoveries.
- II. Receivables arising from reinsurance operations: re-groups receivables due from reinsurers.
 - III Other receivables: includes guarantees paid, revenues to be recovered from ring-fenced funds, prepaid expenses, various contributions and taxes to be recovered and various debtors.

Heading F. Other asset items

- I. Tangible assets: include facilities, machinery, electronic equipment, tools, furniture, rolling stock, fitting-out of buildings and stock.
- II. Cash at bank and in hand: cash in hand and assets in different banks with a term of less than one month.

Heading G. Accruals

- I. Interest and rent received but not yet due: income from portfolio securities and bank deposits received in the financial year 2022 but will be collected in 2023.

17.1.2 Liabilities

Heading E. Provisions for other risks and expenses

- III. Other provisions: these are mainly provisions for disputes and for the end-of-career plans.

Heading G. Debts

- I. Debt arising from direct insurance operations: includes premiums paid prior to maturity, amounts due to various applicants and benefits to be paid.
- IV. Debts toward credit institutions: mainly includes repos and collateral.
- V. Other debts
 2. Other: essentially includes the suppliers, invoices to be received, unallocated payments, costs on ring-fenced funds and dividend to be paid.

Heading H. Accruals

Mainly includes interests not yet due on bond loans.

17.2. Income statements

17.2.1 Technical account

Heading 2: Investment revenues - Life technical account.

Heading 2bis: Investment revenues - Non-Life technical account.

b) income from other investments

bb) income from other investments: investment revenues that are assets covering technical provisions and technical debts are recognised under these items.

Heading 3: Other technical income, net of reinsurance - Non-Life technical account.

This is income related to RDR management (Direct Settlement Compensation).

Heading 5: Change in other technical provisions, net of reinsurance - Non-Life technical account.

This is mainly the change in the indexation provision in Law 1971 and the change in the indexation fund in Law 1967.

Heading 6: Change in other technical provisions, net of reinsurance - Life technical account.

This includes the change in the provision for Life insurance.

Heading 8: Other technical expenses, net of reinsurance - Non-Life technical account.

Mainly includes the amount of the capital transferred to the Accidents at Work Fund (FAT) in Law 1971.

Heading 11: Other technical expenses, net of reinsurance - Life technical account.

These are mainly the tax on profit sharing and the tax on certain mathematical provisions Life, the contribution to the Deposit Protection Fund and the change in the provision for other risks and expenses related to the Life business.

17.2.2 Non-technical account

Heading 7: Other income.

This item mainly includes reversals of impairments on receivables.

Heading 8: Other expenses.

These are mainly losses on the realisation of receivables and impairments on receivables.

18. Balance, income statement and notes

18.1. Balance sheet

Assets	2023	2022
B. Intangible assets	96,731,372	108,068,503
I. Formation expenses	2,137,246	0
II. Intangible assets	94,594,126	108,068,503
1. Goodwill	21,333,987	27,325,556
2. Other intangible assets	56,379,644	52,604,303
3. Advance payments	16,880,495	28,138,644
C. Investments	15,671,471,091	15,900,447,200
I. Land and properties	181,560,623	135,148,753
1. Real estate for corporate purposes	58,443,876	5,313,220
2. Others	123,116,747	129,835,533
II. Investments in associated companies and participations	512,884,613	517,084,679
- Associated companies	348,104,997	357,169,140
1. Participating interests	348,104,997	357,169,140
2. Certificates, bonds and receivables	0	0
- Other companies linked by a participating interest	164,779,616	159,915,539
3. Participating interests	152,329,254	146,863,129
4. Certificates, bonds and receivables	12,450,362	13,052,410
III. Other financial investments	14,973,479,192	15,244,547,431
1. Equities, shares and other variable-income securities	771,949,745	687,335,122
2. Bonds and other fixed-income securities	12,697,052,657	13,177,201,265
4. Mortgage loans and mortgage credits	177,049,778	202,828,153
5. Other loans	1,267,675,607	1,104,959,735
6. Deposits with credit institutions	58,972,340	70,967,156
7. Others	779,065	1,256,000
IV. Deposits with ceding companies	3,546,663	3,666,337
D. Investments related to operations linked to a "Life" business investment fund whose investment risk is not borne by the company	2,161,659,451	1,609,303,201
Dbis. Reinsurers' share of technical provisions	297,157,343	224,800,854
I. Provision for unearned premiums and outstanding risks	68,592	77,816
II. Provision for Life insurance	725,439	1,478,991
III. Provision for claims to be paid	296,363,312	223,244,047
E. Receivables	666,147,873	484,130,070
I. Receivables arising from direct insurance operations	291,635,123	254,329,478
1. Policyholders	160,166,482	134,056,487
2. Insurance intermediaries	33,434,544	21,556,600
3. Others	98,034,097	98,716,391
II. Receivables arising from reinsurance operations	290,259,827	145,708,350
III. Other receivables	84,252,923	84,092,242
F. Other asset items	373,690,627	508,749,139
I. Tangible assets	23,119,228	17,090,697
II. Available values	350,571,399	491,658,442
G. Accruals	156,643,134	152,656,360
I. Interest and rent earned but not yet due	154,956,909	152,656,360
III. Other accruals	1,686,225	0
Total assets	19,423,500,891	18,988,155,327

Liabilities	2023	2022
A. Equity	1,701,078,045	1,611,324,752
I. Subscribed capital or equivalent funds, net of uncalled capital	1,000,000,000	1,000,000,000
1. Issued capital	1,000,000,000	1,000,000,000
III. Revaluation surpluses	1,660,619	1,660,619
IV. Reserves	100,891,978	90,841,386
1. Statutory reserve	83,650,000	73,650,000
3. Untaxed reserves	15,199,503	15,148,911
4. Available reserves	2,042,475	2,042,475
V. Result carried forward	598,525,448	518,822,747
1. Profit carried forward	598,525,448	518,822,747
B. Subordinated debts	535,899,519	478,604,150
Bbis Funds for future appropriations	22,910,255	18,378,650
C. Technical provisions	13,705,108,041	13,994,771,455
I. Provisions for unearned premiums and outstanding risks	308,683,448	294,668,170
II. Provision for Life insurance	9,223,948,627	9,571,531,044
III. Provision for claims to be paid	3,935,751,479	3,904,869,102
IV. Provision for profit sharing and refunds	23,001,690	36,122,762
V. Equalization and catastrophe provision	32,967,942	6,738,032
VI. C. Other technical provisions	180,754,855	180,842,345
D. Technical provisions related to operations linked to a Life business investment fund whose investment risk is not borne by the company	2,161,659,451	1,609,303,201
E. Provisions for other risks and costs	33,572,648	38,203,852
I. Provisions for pensions and similar liabilities	0	0
II. Provisions for taxes	2,703,643	2,776,732
III. Other provisions	30,869,005	35,427,120
F. Deposits received from reinsurers	304,323,424	165,183,086
G. Debts	914,228,025	1,050,536,101
I. Liabilities arising from direct insurance operations	196,118,971	165,444,448
II. Reinsurance payables	19,462,909	12,279,138
IV. Debts owed to credit institutions	343,458,878	545,366,890
V. Other debts	355,187,267	327,445,625
1. Amounts payable for taxes, remuneration and social security	107,330,106	104,985,292
a) taxes	65,566,019	61,835,333
b) remunerations and social security costs	41,764,087	43,149,959
2. Others	247,857,161	222,460,333
H. Accruals	44,721,483	21,850,080
Total liabilities	19,423,500,891	18,988,155,327

18.2. Income statements

I. Technical account Non-Life	2023	2022
1. Earned premiums, net of reinsurance	1,419,020,581	1,468,685,117
a) Gross premiums	1,668,661,622	1,511,642,376
b) Outgoing reinsurance premiums (-)	-237,242,537	-44,106,353
c) Change in the provision for unearned premiums and outstanding risks, gross of reinsurance (increase -, decrease +)	-12,389,280	1,135,927
d) Change in the provision for unearned premiums and outstanding risks, reinsurers' share (increase +, decrease -)	-9,224	13,167
2bis. Investment income	148,565,191	179,740,827
a) Income from investments in associated companies or companies linked by a participating interest	2,865,297	2,320,014
aa) associated companies	621,026	0
1° participating interests	462,300	0
2° certificates, bonds and receivables	158,726	0
bb) other companies linked by a participating interest	2,244,271	2,320,014
1° participating interests	2,329,599	2,156,816
2° certificates, bonds and receivables	-85,328	163,198
b) Income from other investments	122,369,761	151,179,149
aa) income from land and properties	1,164,511	1,521,033
bb) income from other investments	121,205,250	149,658,116
c) Write-back of value adjustments on investments	3,405,362	3,161,437
d) Gains on disposal	19,924,771	23,080,227
3. Other technical income, net of reinsurance	2,031,533	2,244,693
4. Claims costs, net of reinsurance (-)	-1,010,914,264	-1,177,382,956
a) Net amounts paid	1,061,606,366	1,000,506,749
aa) gross amounts	1,124,516,199	1,029,276,913
bb) reinsurers' share (-)	-62,909,833	-28,770,164
b) Change in provision for claims to be paid, net of reinsurance (increase +, decrease -)	-50,692,102	176,876,207
aa) change in provision for claims to be paid, gross of reinsurance (increase +, decrease -)	22,427,163	181,812,740
bb) change in provision for claims to be paid, reinsurers' share (increase -, decrease +)	-73,119,265	-4,936,533
5. Change in the other technical provisions, net of reinsurance (increase -, decrease +)	87,490	25,176,557
6. Profit sharing and refunds, net of reinsurance (-)	-473,759	-2,153,981
7. Net operating costs (-)	-260,622,653	-253,421,256
a) Acquisition costs	139,146,530	119,924,153
c) Administrative costs	137,381,733	138,834,444
d) Commissions received from the reinsurers and participating interests (-)	-15,905,610	-5,337,341
7bis. Investment-related costs (-)	-24,170,133	-30,718,704
a) Investment management costs	14,827,075	7,398,563
b) Value adjustments on investments	3,513,646	11,567,244
c) Losses on disposal	5,829,412	11,752,897
8. Other technical costs, net of reinsurance (-)	-47,690,025	-40,850,097
9. Change in provision for equalization and catastrophe, net of reinsurance (increase -, decrease +)	-26,229,909	1,261,488
10. Result of the Non-Life technical account		
Profit (+)	199,604,052	172,581,688

II. Life technical account	2023	2022
1. Premiums, net of reinsurance	1,703,688,432	1,400,737,057
a) Gross premiums	1,705,466,105	1,402,379,858
b) Outgoing reinsurance premiums (-)	-1,777,673	-1,642,801
2. Investment income	342,271,613	323,047,811
a) Income from investments in associated companies or companies linked by a participating interest	6,813,522	8,033,271
aa) associated companies	5,148,077	6,595,881
1° participating interests	5,033,689	6,595,878
2° certificates, bonds and receivables	114,388	3
bb) other companies linked by a participating interest	1,665,445	1,437,390
1° participating interests	1,592,726	1,323,965
2° certificates, bonds and receivables	72,719	113,425
b) Income from other investments	279,566,361	257,447,443
aa) income from land and properties	12,020,343	11,350,445
bb) income from other investments	267,546,018	246,096,998
c) Write-back of value adjustments on investments	5,529,133	6,518,631
d) Gains on disposal	50,362,597	51,048,466
3. Value adjustments on investments of the assets side D. (income)	322,882,274	200,845,486
4. Other technical income, net of reinsurance	5,533,231	3,575,336
5. Claims costs, net of reinsurance (-)	-1,796,852,549	-1,488,606,942
a) Net amounts paid	1,796,852,549	1,488,606,942
aa) GFross amounts	1,798,100,780	1,490,111,617
bb) Reinsurers' share (-)	-1,248,231	-1,504,675
b) Change in provision for claims to be paid, net of reinsurance (increase +, decrease -)	0	0
aa) Change in provision for claims to be paid, gross of reinsurance (increase +, decrease -)	0	0
bb) Change in provision for claims to be paid, reinsurers' share (increase -, decrease +)	0	0
6. Change in the other technical provisions, net of reinsurance (increase -, decrease +)	-203,872,510	233,332,489
a) Change in provision for Life insurance, net of reinsurance (increase -, decrease +)	49,397,321	-61,674,411
aa) Change in provision for Life insurance, gross of reinsurance (increase -, decrease +)	50,150,873	-60,229,985
bb) Change in provision for Life insurance, reinsurers' share (increase +, decrease -)	-753,552	-1,444,426
b) Change in the other technical provisions, net of reinsurance	-253,269,831	295,006,900
7. Profit sharing and refunds, net of reinsurance (-)	13,121,072	7,464,638
8. Net operating costs (-)	-47,121,223	-41,176,082
a) Acquisition costs	10,156,504	8,398,574
c) Administrative costs	36,964,719	32,777,508
d) Commissions received from the reinsurers and profit sharings (-)	0	0
9. Investment-related costs (-)	-96,914,541	-81,237,078
a) Investment management costs	33,001,253	18,838,070
b) Value adjustments on investments	28,467,254	13,992,822
c) Losses on disposal	35,446,034	48,406,186
10. Value adjustments on investments of the assets side D. (costs) (-)	-139,945,982	-467,384,130
11. Other technical costs, net of reinsurance (-)	-4,451,389	-5,736,775
12bis. Change in fund for future appropriations (increase -, reduction +)	-4,531,605	0
13. Result of the Life technical account		
Profit (+)	93,806,823	84,861,810

III. Non-technical account	2023	2022
1. Result of the Non-Life technical account		
Profit (+)	199,604,052	172,581,688
2. Result of the Life technical account		
Profit (+)	93,806,823	84,861,810
3. Investment income	15,729,056	19,048,035
a) Income from investments in associated companies or companies linked by a participating interest	10,942,128	13,410,946
b) Income from other investments	4,588,628	4,727,056
bb) income from other investments	4,588,628	4,727,056
c) Write-back of value adjustments on investments	4,600	816,907
d) Gains on disposal	193,700	93,126
5. Investment-related costs (-)	-37,525,459	-28,613,961
a) Investment management costs	32,286,501	26,826,102
b) Value adjustments on investments	0	1,065,857
c) Losses on disposal	5,238,958	722,002
7. Other income	14,883,745	15,482,705
8. Other costs (-)	-28,072,391	-25,892,428
8bis. Current result before taxes		
Profit (+)	258,425,826	237,467,849
12. Exceptional costs (-)	0	0
15. Income taxes (-/+)	-58,745,623	-46,959,129
15bis. Deferred taxes (-/+)	73,090	2,968
16. Result of the financial year		
Profit (+)	199,753,293	190,511,688
17. a) Withdrawal from the untaxed reserves	949,283	41,888
b) Transfer to the untaxed reserves (-)	-999,875	-1,997,645
18. Result for the period to be appropriated		
Profit (+)	199,702,701	188,555,931
Appropriation and withdrawal	2023	2022
A. Profit to be appropriated	718,525,448	636,322,747
1. Profit for the period available for appropriation	199,702,701	188,555,931
2. Profit carried forward from the previous period	518,822,747	447,766,816
B. Charge to shareholders' equity	0	0
2. to reserves	0	0
C. Transfers to equity (-)	-10,000,000	-9,500,000
2. to the statutory reserve	-10,000,000	-9,500,000
D. Result to be carried forward		
1. Profit to be carried forward (-)	-598,525,448	-518,822,747
F. Profit to be distributed (-)	-110,000,000	-108,000,000
1. Remuneration of capital	110,000,000	108,000,000

18.3. Notes

N° 1. Statement of intangible assets, investment property and investment securities

Name	Asset items concerned			
	B. Intangible assets	C.I. Land and properties	C.II.1. Participating interests in associated companies	C.II.2. Certificates, bonds and receivables in associated companies
a) Acquisition value				
Previous year end	258,078,904	196,882,371	304,864,158	
Changes during the year				
- Acquisitions	13,650,089	53,469,408	2,731,669	
- Disposals and withdrawals	-582,918	-1,894,041	-11,435,812	
- Reclassified between headings				
- Other changes				
Year end	271,146,075	248,457,738	295,800,014	
b) Increase in value				
Previous year end			72,345,152	
Changes during the year				
- Decided				
- Cancelled				
- Reclassified between headings				
Year end			72,345,152	
c) Reductions in value				
Previous year end	150,010,401	61,733,618	3,541,670	
Changes during the year				
- Decided	24,404,302	5,466,681		
- Written back as excessive				
- Cancelled		-303,184		
- Transfers from one heading to another				
Year end	174,414,703	66,897,115	3,541,670	
c) Amounts not called up				
Previous year end				
Changes during the year			16,498,500	
Year end			16,498,500	
Net book value, year end	96,731,372	181,560,623	348,104,997	0

Name	Asset items concerned			
	C.II.3. Stakes in companies linked by a participating interest	C.II.4. Certificates, bonds and receivables in companies linked by a participating interest	C.III.1. Equities, shares and other variable-income securities	C.III.2. Bonds and other fixed-income securities
a) Acquisition value				
Previous year end	178,271,649	13,052,410	753,193,728	13,457,868,109
Changes during the year				
- Acquisitions	7,060,359		222,249,977	2,156,035,396
- Disposals and withdrawals	-1,768,122	-602,048	-138,582,973	-2,600,470,591
- Reclassified between headings				
- Other changes				32,776,928
Year end	183,563,886	12,450,362	836,860,732	13,046,209,842
b) Increase in value				
Previous year end				
Changes during the year				
- Decided				
- Cancelled				
- Reclassified between headings				
Year end				
c) Reductions in value				
Previous year end	11,553,508		12,365,963	280,666,844
Changes during the year				
- Decided	843,062		13,176,929	115,365,625
- Written back as excessive	-362,390		-147,970	-300,931
- Cancelled			-6,557,258	-46,574,353
- Transfers from one heading to another				
Year end	12,034,180		18,837,664	349,157,185
c) Amounts not called up				
Previous year end	19,855,012		53,492,643	
Changes during the year	-654,561		-7,419,320	
Year end	19,200,451		46,073,323	
Net book value, year end	152,329,254	12,450,362	771,949,745	12,697,052,657

N° 2. Statement of participating interests and social rights held in other companies

NAME, full address of the REGISTERED OFFICE and if it concerns a company under Belgian law, the VAT or NATIONAL NUMBER	Social rights held by			Data extracted from the last available annual report			
	directly		by the subsidiaries	Financial statements as of	Currency	Equity	Net profit or loss
	Number	%	%			(+ or -)	
						(in thousands of currency units)	
Air Properties SA Rue Léon Laval 12, L-3372 Leudelange B179.427	140,411	65		12/31/2022	EUR	10,182	1,420
Ankaret Invest SA Rue des Croisiers, 24 B-4000 Liège BE 0438.840.866	2,368,879	100		12/31/2022	EUR	17,592	43
Archeion SA Rue des Croisiers, 24 B-4000 Liège BE 0832.269.896	28,410	100		12/31/2022	EUR	2,177	123
Ariane Building SA Place Saint-Jacques, 11/104 B-4000 Liège BE 0862.467.382	8,050	25		12/31/2022	EUR	-3,649	-900
Ariane Real Estate (ARE) SA Rue des Croisiers, 24 B-4000 Liège BE 0898.866.435	200	100		12/31/2022	EUR	8,139	433
Assurcard NV Fonteinstraat 1A/301 B-3000 Leuven BE 0475.433.127	900	20		12/31/2022	EUR	3,161	75
Bedrijvencentrum regio Geraardsbergen Herenveld 2 -9500 Geraardsbergen BE 0456.832.584	32	27		12/31/2022	EUR	934	27
Bora SA Rue des Croisiers 24 B-4000 Liège BE 0444.533.281	484	100		12/31/2022	EUR	5,584	148
Centreperts Avenue Franklin Roosevelt 104/1 1330 Rixensart BE 0463.891.315	80	10		12/31/2022	EUR	174	34
Cityforward Vlaamsekaai, 35 2000 Antwerpen BE 0784.472.652	50,000,000	50		12/31/2022	EUR	101,987	987
De Oostendse Haard asbl Nieuwpoortsesteenweg, 205 B-8400 Ostende BE 0405.277.282	1,400	16		12/31/2022	EUR	21,581	892
E.D.A. SA Avenue de la Cokerie 3 B-4030 Grivegnée BE 0823.162.982	10	10		12/31/2022	EUR	285	45
EPICO II WIND BV Rue du Vieux Marché aux Grains 63 B-1000 Bruxelles BE 0787.696.121	8,500,000	39	11				
Epimède SA Lambert Lombard, 3 B-4000 Liège BE 0634.750.380	2,080	20		6/30/2023	EUR	7,362	-1,648
Ethias Patrimoine SA Rue des Croisiers, 24 B-4000 Liège BE 0894.377.612	40	100		12/31/2022	EUR	21,739	17
Ethias Services SA Rue des Croisiers, 24 B-4000 Liège BE 0825.876.113	999	100	0	12/31/2022	EUR	3,614	51
Ethias Sustainable Investment Fund SA (European Equities High Yield) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	231,904	92	8	12/31/2022	EUR	87,901	-19,712
Ethias Sustainable Investment Fund SA (Global Equities) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	21,333	100		12/31/2022	EUR	20,146	-4,598
Ethias Ventures rue des Croisiers 24, B-4000 Liège BE 0793.497.216	1,000	100					
Expertisebureau Bellefroid NV Kiewitstraat 175 B-3500 Hasselt BE 0429.884.105	13	10		12/31/2022	EUR	567	-29
Foncière du Berlaymont sprl Rue des Croisiers, 24 B-4000 Liège BE 0833.012.640	1,000	100		12/31/2022	EUR	305	108
Green4you SA boulevard du Roi Albert II 7, B-1210 Saint-Josse-ten-Noode BE 0778.652.157	2,600	26	49	12/31/2022	EUR	525	25
Hamsterhuren - location écoreuil II Begijnhof 58 3800 Sint-Truiden BE 0761.522.848	38,554	22		12/31/2022	EUR	19,607	1,357
Idelux Développement Drève de l'Arc-en-ciel,98 B-6700 Arlon BE 0205.797.475	75	11		12/31/2022	EUR	78,302	1,360
IMA Benelux square des Conduites d'Eau 11-12, B-4020 Liège BE 0474.851.226	16,500	33		12/31/2022	EUR	2,157	165

NAME, full address of the REGISTERED OFFICE and if it concerns a company under Belgian law, the VAT or NATIONAL NUMBER	Droits sociaux détenus			Données extraites des derniers comptes annuels disponibles			
	directement		par les filiales	Comptes annuels arrêtés au	Unité monétaire	Capitaux propres	Résultat net
	Nombres	%	%			(+ ou (-))	
						(en milliers d'unités monétaires)	
Immo Hofveld SA rue des Croisiers, 24 B-4000 Liège BE 0889.535.233	1,000	100		12/31/2022	EUR	1,266	34
Immovivegnis SA rue des Croisiers, 24 B-4000 Liège BE 0463.660.394	10,500	100		12/31/2022	EUR	-7	-16
Impulse Microfinance Investment Fund Sneeuwbeslaan, 20/2 B-2610 Wilrijk BE 0870.792.160	1,200	11		12/31/2021	EUR	1,586	1,143
Jan Dockx SA rue des Croisiers, 24 B-4000 Liège BE 0458.920.757	2,500	100		12/31/2022	EUR	2,226	105
Koala SA rue des Croisiers 24, B-4000 Liège BE 0873.412.150	400	100		12/31/2022	EUR	4,856	420
Lothian Developments IV SA rue des Croisiers, 24 B-4000 Liège BE 0463.648.518	1,012,873	100		12/31/2022	EUR	3,078	352
Glasfaser Ostelgien GmbH SRL Klötzerbahn 24 B-4700 Eupen BE 0791.811.295	327,501	50					
Naos SA Rue Léon Laval 12, L-3372 Leudelange B 207.559	670,000	67		12/31/2022	EUR	14,640	1,690
Network Research Belgium SA P.I. des Hauts-Sarts 2ème avenue, 65 B-4040 Herstal BE 0430.502.430	42,530	64		12/31/2022	EUR	116,305	40,808
Palais des expositions congrès de charleroi rue de robiano, 74 B-7130 Binche BE 0401.553.571	9,856	23		12/31/2022	EUR	-586	-8
Sagitta SA rue des Croisiers 24, B-4000 Liège BE 0812.356.489	240	100		12/31/2022	EUR	2,665	68
NEB Foncière SA rue Louvrex, 95 B-4000 Liège BE 0480.029.838	145	29		12/31/2022	EUR	319	193
NEB Participations SA rue Louvrex, 95 B-4000 Liège BE 0480.029.739	60,503	29		12/31/2022	EUR	66,382	11,325
Real Goed Invest SA rue des Croisiers, 24 B 4000 Liège BE 0872.354.157	1,046	100		12/31/2022	EUR	2,766	107
Veran Real Estate CY SA rue des Croisiers, 24 B-4000 Liège BE 0894.106.012	100	100		12/31/2022	EUR	4,541	270
Weerts Logistic Parks Holding Varnstraat, 2 B-3793 Teuven BE 0837.446.629	46,575,664	33		12/31/2022	EUR	114,743	-5,584
Land Investment Vehicle Avenue Brugmann 27A B-1060 Saint-Gilles BE 0792.292.535	3,500	35					
Ukot Liège SA rue des Anglais, 6A B-4430 Ans BE 0798.942.973	25,000	33					
Ethias Lease Corporation Boulevard Bischoffsheim, 15 B-1000 Bruxelles BE 0802.442.495	540	45					
Zabrixx I Antoon Catriestraat, 8A B-9031 Gent BE 0786.725.725	4,890	49					

N° 3. Actual value of investments

Asset items	Amounts
C. Investments	15,048,761,021
I. Land and properties	200,082,991
II. Investments in associated companies and participations	1,084,289,729
- Associated companies	804,256,053
1. Participating interests	804,256,053
2. Certificates, bonds and receivables	0
- Other companies linked by a participating interest	280,033,676
3. Participating interests	268,249,076
4. Certificates, bonds and receivables	11,784,600
III. Other financial investments	13,760,841,638
1. Equities, shares and other variable-income securities	988,924,994
2. Bonds and other fixed-income securities	11,351,363,434
4. Mortgage loans and mortgage credits	172,224,597
5. Other loans	1,188,576,096
6. Deposits with credit institutions	58,972,340
7. Others	780,177
IV. Deposits with ceding companies	3,546,663

N° 3bis. Derivative financial instruments not measured at fair value

Estimate of the fair value of each class of derivative financial instruments not measured at fair value in the accounts, with indications on the nature and the volume of the instruments

	Net book value	Fair value
Forward swaps, volume: € 95.000.000, rate risk	0	4,083,432
Forward swaps, volume: € 500.000.000, inflation risk	0	-434,204
Forward bonds, volume: € 2.701.492.000, credit risk	0	-40,022,756
Index options, volume: € 246.121.000, market risk	-189,415	549,707

For financial fixed assets included in items C.II. and C.III. carried at an amount in excess of their fair value: the net book value and the fair value of either the individual assets or appropriate groupings of those individual assets

	Net book value	Fair value
C.II.1 Investments in associated companies and participations - participating interests	94,411,914	82,202,861
C.II.3 Investments in associated companies and participations - participating interests	55,231,917	42,356,953
C.III.1 Other financial investments - equities, shares and other variable-income securities	285,760,861	260,171,494
C.III.2 Other financial investments - bonds and other fixed-income securities	10,070,476,241	8,611,737,771
C.III.4 Mortgage loans and mortgage credits	177,049,778	172,224,597
C.III.5 Other financial investments - other loans	799,000,615	719,077,100

For each of the financial fixed assets referred to in B., or each of the individual assets or appropriate groupings of those individual assets referred to in B., which is carried at an amount in excess of their fair value, the reasons why the book value has not been reduced must also be stated below, together with the nature of the indications underlying the assumption that the book value will be recoverable:

- C.II.1 Investments in associated companies and participations - participating interests: see valuation rules in note 20 (item 2)
- C.II.3 Investments in associated companies and participations - participating interests: see valuation rules in note 20 (item 2)
- C.III.1 Other financial investments - equities, shares and other variable-income securities: see valuation rules in note 20 (item 2)
- C.III.2 Other financial investments - bonds and other fixed-income securities: see valuation rules in note 20 (item 2)
- C.III.4 Mortgage loans and mortgage credits: see valuation rules in note 20 (item 2)
- C.III.5 Other financial investments - other loans: see valuation rules in note 20 (item 2)

For items C.II.1 and C.II.3 "Investments in associated companies and participations - participating interests", the valuation rules stipulate that these investments are subject to write-downs in the event of lasting impairment. The Valuation Committee analyzed the cases of unrealized losses and concluded that none of these were of a lasting nature.

For item C.III.1 "Other financial investments - equities, shares and other variable-income securities", the unrealized losses on these investments are not of a lasting nature in accordance with our rules, which stipulate that impairments are recorded when the loss is more than 50% compared to the acquisition value or 20% for at least one year. These criteria have not been met for the positions listed in this note.

For item C.III.2 "Other financial investments - bonds and other fixed-income securities", the Valuation Committee's analysis of these positions shows that the decrease in market value is mainly due to the upward fluctuation of interest rates on the market and not to the credit quality of the issuers, which has not deteriorated.

For items C.III.4 "Mortgage loans and mortgage credits" and C.III.5 "Other financial investments - other loans", the unrealized losses are also attributable to the increase in interest rates on the markets and not to a deterioration in the credit quality of the debtors of these loans.

N° 5. Statement of capital

	Amounts	Number of shares
A. Share capital		
1. Subscribed capital (item A.I.1. of the liabilities)		
- Previous year end	1,000,000,000	xxxxxxxxxxxxxxxx
- Changes during the year		
- Year end	1,000,000,000	xxxxxxxxxxxxxxxx
2. Structure of the capital		
2.1. Classes of shares under company law	1,000,000,000	20,000,000
2.2. Registered or dematerialized shares		
Registered	xxxxxxxxxxxxxxxx	20,000,000
G. Ownership structure of the company at the closing date of the accounts		
EthiasCo SRL	xxxxxxxxxxxxxxxx	1,000,010
Flemish Region	xxxxxxxxxxxxxxxx	6,333,330
Wallonie Entrepreneurs	xxxxxxxxxxxxxxxx	6,333,330
Federal State (SFPI)	xxxxxxxxxxxxxxxx	6,333,330

N° 6. Statement of provisions for other risks and charges - Other provisions

Breakdown of the liability item E.III	Amounts
Provision retirement plan	14,766,456
Other provisions for risks and charges	5,313,422
Provision for disputes	10,789,128

N° 7. Statement of technical provisions and debts

Liability items concerned	Amounts
a) Breakdown of the debts (or a part of the debts) with a residual maturity of more than 5 years.	
B. Subordinated debts	535,899,519
II. Non-convertible loans	535,899,519
Total	535,899,519
b) Debts (or part of the debts) and technical provisions (or part of the technical provisions) guaranteed by collaterals or irrevocably promised on the assets of the company.	
D. Technical provisions related to operations linked to a Life business investment fund whose investment risk is not borne by the company	2,161,659,451
G. Debts	343,310,012
IV. Debts toward credit institutions	343,310,012
Total	2,504,969,463
c) Debts with regard to taxes, remunerations and social security costs.	
1. Taxes (item G.V.1.a) of the liabilities)	
b) Non due tax debts	65,566,019
2. Remunerations and social security costs (item G.V.1.b) of the liabilities)	
b) Other debts with regard to remunerations and social security costs	41,764,087
Total	107,330,106

N° 8. Statement of accruals for liabilities

Breakdown of the liability item H	Amounts
Financial income to be carried forward	801,926
Result on other derivatives to be reallocated	42,951,077
Financial charges to be allocated (Bond Issue and REPO)	968,480

N° 10. Information on technical accounts

I. Non-Life insurance

Content	Total	Direct business			
		Total	Accidents and disease	Automobile Civil Liability	Automobile Other branches
			(branches 1 and 2)	(branch 10)	(branches 3 and 7)
1) Gross premiums	1,668,661,622	1,667,583,537	684,157,066	267,542,994	199,279,997
2) Earned gross premiums	1,656,272,342	1,655,194,257	684,049,095	264,519,045	197,154,642
3) Gross damages	1,146,943,361	1,146,939,062	560,893,072	234,768,981	119,120,889
4) Gross operating costs	276,528,264	276,375,784	63,491,316	58,528,371	40,831,038
5) Reinsurance balance	-85,605,573	-85,605,573	-4,777,706	-10,087,271	-4,154,918
6) Commissions (art. 37)		36,318,097	0	0	0

Content	Direct business				
	Marine Aviation Transport	Fire and other damages to properties	General Civil Liability	Credit and Bonding	Miscellaneous financial losses
	(branches 4, 5, 6, 7, 11 and 12)	(branches 8 and 9)	(branch 13)	(branches 14 and 15)	(branch 16)
1) Gross premiums	297,372	291,529,028	110,836,038	17,498	16,899,994
2) Earned gross premiums	293,571	282,220,066	109,361,609	17,499	23,711,740
3) Gross damages	-381,723	103,134,772	48,457,444	108	14,115,864
4) Gross operating costs	60,272	63,071,652	22,433,667	2,806	5,033,964
5) Reinsurance balance	0	-30,475,395	-36,110,283	0	0
6) Commissions (art. 37)	0	0	0	0	0

Content	Direct business		
	Legal protection	Assistance	Accepted cases
	(branch 17)	(branch 18)	
1) Gross premiums	46,974,630	50,048,920	1,078,085
2) Earned gross premiums	45,908,563	47,958,427	1,078,085
3) Gross damages	38,892,922	27,936,733	4,299
4) Gross operating costs	8,681,599	14,241,099	152,480
5) Reinsurance balance	0	0	0
6) Commissions (art. 37)	0	0	0

II. Life insurances

Content	Amounts
A. Direct business	
1) Gross premiums	1,705,466,106
a) Individual premiums	43,060,878
Premiums under group insurance contracts	1,662,405,228
b) Periodic premiums	1,567,285,602
Single premiums	138,180,504
c) Premiums for non-bonus contracts	28,787,841
Premiums for bonus contracts	1,604,308,087
Premiums from contracts where the investment risk is not borne by the company	72,370,178
2) Reinsurance balance	-1,282,995
3) Commissions (art. 37)	3,261,020
B. Accepted cases	
Gross premiums	0

III. Non-Life insurance and Life insurance, direct business

Content	Amounts
Gross premiums	
- in Belgium	3,362,828,908
- in the other states of the EEC	10,220,735

N° 11. Statement on personnel employed

A. The following information relating to the financial year and to the previous financial year, concerning employees entered in the personnel register and connected to the enterprise by an employment contract or by a first employment agreement	2023	2022
	a) Their total number at the financial year's closing date	1,954
b) The average number of personnel employed by the company during the previous financial year, calculated in full-time equivalents in accordance with Article 15, §4 of the Belgian Company Code, and broken down according to the following categories:	1,800	1,805
- management staff	26	28
- clerical staff	1,774	1,777
c) The number of hours worked	2,635,981	2,590,757
B. The following information relating to the financial year and the previous financial year, concerning temporary staff and persons made available to the company	2023	2022
	a) Their total number at the financial year's closing date	0
b) Average number of full-time equivalents calculated in a similar way to employees registered in the personnel register	1	4
c) The number of hours worked	1,831	7,496

N° 12. Statement on all administrative and management costs, broken down by type

Name	Amounts
I. Employee benefit expenses	208,056,792
1. a) Remunerations	125,168,812
b) Pensions	0
c) Other direct social benefits	43,963,520
2. Employers' social security contributions	38,612,695
3. Employers' allowances and premiums for extra-legal insurances	172,263
4. Other employee benefit expenses	139,502
5. Provisions for pensions, remuneration and social security costs	0
a) Appropriations (+)	0
b) Expenditures and reversals (-)	0

Name	Amounts
II. Services and other goods	186,652,297
III. Depreciation and write-down on intangible and tangible assets other than investments	27,629,143
IV. Provisions for other risks and expenses	0
1. Allocation (+)	0
2. Expenditures and reversals (-)	0
V. Other current expenditure	9,759,306
1. Fiscal operating costs	1,926,662
a) Property tax	1,777,613
b) Others	149,049
2. Contributions to public bodies	3,683,412
4. Others	3,971,947
VI. Administrative costs recovered and other current income (-)	-6,323,786
1. Recovered administrative costs	6,323,786
b) Others	6,323,786
Total	425,773,752

N° 13. Other income, other costs

	Amounts
A. Breakdown of the other income (item 7 of the non-technical account)	
Reversals of write-downs on litigations	14,513,048
Capital gains realized on tangible assets	27,183
Others	343,515
B. Breakdown of the other costs (item 8 of the non-technical account)	
Amortizations	250,441
Impairments on receivables	18,649,338
Capital losses realized on assets	3,267,015
Others	5,905,597

N° 15. Income taxes

	Amounts
A. Breakdown of item 15 a) 'Taxes'	60,000,000
1. Income taxes for the financial year	60,000,000
a) Refundable advance payments and prepayments	50,892,460
b) Other attributable items	0
c) Excess of advance payments and / or capitalized refundable withholding taxes (-)	0
d) Estimated tax supplements (included in heading G.V.1.a) of liabilities)	9,107,540
2. Income taxes on previous periods	0
a) Additional income taxes due or paid	0
B. Main sources of differences between the profit before tax, as stated in the accounts, and the estimated taxable profit	
- Changes in reserves, provisions and taxable impairments (excluding shares)	14,490,588
- Income exempt and non-allowable losses on shares	-3,847,734
- Disallowed expenses (excluding shares)	11,124,229
- Miscellaneous deductions (DTI, income from innovation)	-38,201,260
D. Sources of deferred tax assets	
1. Deferred tax assets	1,111,281,186
- Accumulated tax losses and definitively taxed income ("RDT") (carry-forward)	0
- Taxed technical provisions	1,095,008,818
- Taxed impairments and other taxed reserves	16,272,368
2. Future tax liabilities	0
Surplus value (spread taxation)	0

N° 16. Other taxes and charges borne by third parties

	2023	2022
A. Charges		
1. Charges on insurance contracts borne by third parties	277,315,345	262,916,042
2. Other charges borne by the company	1,045,521	918,016
B. Amounts retained on behalf of third parties in respect of		
1. Withholding tax on earned income	384,935,259	364,011,049
2. Withholding tax (on dividends)	1,722,923	5,266,463

N° 17. Off-balance sheet rights and commitments

	Amounts
A. Guarantees given or irrevocably promised by third parties on behalf of the company*	
B. Personal guarantees given or irrevocably promised on behalf of third parties	
C. Real guarantees given or irrevocably promised by the company on its own assets as security for debts and commitments	
a) of the company	373,134,879
D. Collateral received (others than in cash)	
a) securities and values of reinsurers	258,023,747
b) others	531,122,228
G. Nature and business purpose of off-balance sheet transactions	
H. Others	6,490,464,607
Commitments to acquire real estate	57,585,351
Infrastructure lending commitments	49,458,356
Financial lending commitments	41,767,784
Public Bodies lending commitments	0
Mortgage lending commitments	40,138,450
Participating interest commitments	90,312,498
Equity commitments	0
Bond fund commitments	103,833,828
Equity fund commitments	40,784,043
Infrastructure fund commitments	27,199,150
Commitments to acquire other securities	2,105,274,500
Commitments to dispose of other securities	2,907,393,798
IT projects commitments	15,536,000
IRS swap - Receive leg	500,000,000
IRS swap - Pay leg	500,000,000
Property lending commitments	8,180,849
Estimate of additional compensation - flooding	0
Fund of Funds commitments	3,000,000
Agency lending commitments	0
Commitments to dispose of real estate	0
CDS - Receive	0
CDS - Pay	0
Caps/floor	0
Swaptions	0

N° 18. Relationships with associated companies and companies linked by a participating interest

Relevant items of the balance sheet	Associated companies		Companies linked by a participating interest	
	2023	2022	2023	2022
C. II. Investments in associated companies and participations	348,104,997	357,169,140	164,779,616	159,915,539
1 + 3 Participating interests	348,104,997	357,169,140	152,329,254	146,863,129
2 + 4 Certificates, bonds and receivables	0	0	12,450,362	13,052,410
- Others	0	0	12,450,362	13,052,410
D. II. Investments in associated companies and participations	3,896,029	3,271,915	0	0
1 + 3 Participating interests	3,896,029	3,271,915	0	0
E. Receivables	10,058	2,535	911,932	619,019
I. Receivables arising from direct insurance operations	10,058	2,535	305,301	341,943
III. Other receivables	0	0	606,631	277,076
B. Subordinated debts	3,500,000	3,500,000	0	0
G. Debts	14,129,749	8,681,097	0	0
I. Receivables arising from direct insurance operations	0	0	0	0
V. Other debts	14,129,749	8,681,097	0	0

	Associated companies	
	2023	2022
Other significant financial commitments	90,312,498	95,473,000

N°18bis. Relations with associated companies

Relations with the associated companies (*)		
	2023	2022
1. Amount of the financial fixed assets	131,418,927	123,183,506
- Participating interests	131,418,927	123,183,506
2. Receivables on associated companies	1,812,500	1,812,500
- Within one year	1,812,500	1,812,500
5. Other significant financial commitments	389,768,848	337,225,893

(*) Associated companies in accordance with article 12 of the Belgian Company Code

N° 19. Financial relations with

	Amounts
A. Guarantees given or irrevocably promised by third parties on behalf of the company*	
1. Outstanding receivables on these persons	0
4. Direct and indirect remunerations and allocated pensions charged to the income statement	
- to directors and managers *	341,285

* For non-executive directors and without remunerations and other benefits of the Management Committee (Pursuant to article 11 of the bylaws, the directors' terms of office are exercised free of charge)

N° 19bis. Financial relations with

The statutory auditor and the persons with whom he is linked	Amounts
1. Remuneration of the statutory auditor	800,000
2. Fees for exceptional services or special missions accomplished within the company by the statutory auditor	505,790
- Other control missions	505,790
- Other missions outside the audit missions	0
3. Fees for exceptional services or special missions accomplished within the company by the persons with whom the statutory auditor is linked	0
- Tax advice missions	0
- Other missions outside the audit missions	0

N° 20. Valuation rules

The valuation rules applicable on the income statement are mentioned below.

Asset side of the balance sheet

Intangible assets (heading B)

Intangible assets are capitalised at their purchase or cost price, including incidental expenses.

Software and development costs are capitalised if they relate to investment projects, i.e. large-scale projects that introduce or replace an important business objective or model.

Computer software and licences that have been purchased or internally created for own use are stated at historical cost, less depreciation and any impairment of assets. Internally created software and licenses are only recognised as intangible assets when the following conditions are met: identification criteria for the asset, control of resources, probability of future economic profits and the ability to measure cost reliably.

Software developed by third parties, as well as internal and external development costs for investment projects, are amortised on a straight-line basis over 5 years from the time the software or developments are ready for use, while for “core” systems with a longer useful life, the term is 10 years.

Internal and external research costs related to these projects, as well as all costs related to ICT projects other than investment projects, are directly included in the income statement.

Intangible assets other than IT investment projects are amortised on a straight-line basis at a rate of 20%, except for amortisation of development costs and goodwill when the useful life cannot be reliably estimated, which is spread over a maximum period of ten years. The amortisation period of goodwill is justified in the note to the financial statements.

Investments (heading C)

Land and properties (sub-heading C.I.)

They are capitalised at their purchase or cost price, including incidental expenses.

Land is not depreciated.

Immovable properties acquired before 1 January 2011 are depreciated using the linear method at the following rates:

- Immovable properties: 2%
- Alterations: 10%

Immovable properties acquired after 1 January 2011 are divided in the following categories:

- Structural work
- Roof
- External woodwork
- Special techniques
- Finishing

These immovable properties are depreciated on a straight-line basis over the expected useful life of each component, after deduction of their residual value, provided that they can be determined reliably.

Investments in associated companies and participations (sub-heading C.II)

These investments are subjected to depreciation in case of durable impairments. This depreciation will on the one hand be justified, case by case, according to the financial situation, the profitability or the prospects of the company in which the participating interests or shares are held and will on the other hand be recorded on the basis of a proposal from the Executive Committee.

Other financial investments (sub-heading C.III.)

Equities, shares and other variable-income securities (C.III.1)

These investments are subjected to impairments in case of durable capital loss. The existence of a significant unrealised loss with regard to the purchase price, determined on the basis of the weighted average price over a period of 12 consecutive months preceding the closing, is a criterion of durable impairment. The capital loss is qualified as important when it exceeds the purchase price by 20% in a normal market context. This criterion can be submitted to the Management Committee for consideration when the markets are more volatile.

Additional or exceptional impairments can be recognised on a proposal from the Executive Committee. The impact of these impairments is included in the notes accompanying the income statement provided that they represent an important amount.

In case of disposal of securities, the book value, used to calculate the realised gains and losses, is determined on the basis of the weighted average price.

Bonds and other fixed-income securities (C.III.2)

These investments are recognised in the balance sheet at their purchase price.

However, when their actuarial yield, calculated at the time of the purchase (taking into account their redemption amount at maturity) differs from their nominal yield, the difference between the purchase and the redemption amount is recognised through profit or loss, pro rata temporis for the remaining duration of the securities, as elements of the interest yields on these securities and is recorded as increase or decrease of their purchase price. Taking into account the actuarial yield at the time of the purchase, this difference is recognised through profit or loss on a discounted basis.

In accordance with the principles of Article 19 paragraph 1, impairments are systematically applied to the bonds, mentioned in the item C.III.2. of assets, in order to reflect the risk that the counterparties of such securities and receivables do not fully or partially honour their commitments relating thereto, including, but not limited to, the probability that the reimbursement of these securities and receivables is in whole or partly uncertain or compromised. When the market value of these securities and receivables is permanently lower than their net book value, this circumstance is, unless proved otherwise, presumed to be an other-than-temporary impairment which is to be considered for the application of this provision.

The application of the above rules and the decision to recognise an impairment or not is subject to an analysis at each balance sheet closing date. In that analysis, the following criteria are taken into account to identify durable losses in value, on the one hand, and to assess whether the recognition of an impairment is required:

Criteria for determining durable losses in value

- The insurance portfolio / the relevant separate management;
- The ability of the company to hold these securities to maturity;
- The duration of the unrealised loss observed.

Criteria taken into account to determine whether an impairment should be recognised

- A significant increase in credit spreads for listed issuers;
- A significant deterioration in credit rating;
- A voluntary or imposed restructuring of the debt;
- The occurrence of a credit event under ISDA rules;
- Significant financial difficulties;
- A failure to pay interests or principal;
- The disappearance of an active market for that financial asset because of financial difficulties;
- A significant decrease in the value of collateral or underlying assets.

With regard to the perpetual loans, the difference between their purchase price and their lower market value is to be considered as a permanent impairment so that these securities are valued at the lowest value between their book value and their market value.

In case of disposal of securities, the book value, used to calculate the realised gains and losses, is determined on the basis of the weighted average price.

Within the framework of an arbitrage operation, the realised gains and losses on the balance sheet are maintained and recognised through profit or loss over the term of the re-investment.

Mortgage loans and mortgage credits - Other loans (C.III.4 & C.III.5)

Impairments are applied to this loans according to the same rule as the one applied to item C.III.2 above.

Investments related to operations linked to a Life business investment fund whose investment risk is not borne by the company (heading D - branch 23)

These investments are recognised in the balance sheet at their actual value (market value).

Deposits with credit institutions (sub-heading C.III.6) Receivables (heading E)

These items are recognised at their nominal of purchase price.

For insurance receivables related to Non-Life premiums, impairments are made after one year (accounting date). Furthermore, impairments are registered to take into account the uncertainties of their recovery.

Available values (sub-heading F.II)

These items are recognised at their nominal of purchase price.

Reinsurers' share of technical provisions (heading D. bis)

This item shows the reinsurers' commitment. The amounts recorded are obtained in accordance with the various applicable reinsurance treaties.

Other asset elements (heading F)

Tangible assets (sub-heading F.I)

The tangible assets are capitalised at their purchase or cost price, including incidental expenses.

The depreciations are carried out using the linear method at the following rates:

- Plant, machinery, electronic equipment: 33 1/3%
- Rolling stock: 25%
- Office furniture and equipment: 10%

The office furniture and equipment of which the purchase price is lower than 250 euros are depreciated within the first year.

- Medical devices: 20%

Liability side of the balance sheet

Technical provisions (heading C)

These provisions are calculated with prudence, taking into account the statutory and regulatory dispositions established by different control organisations.

The equalisation and catastrophe provision is valued using the actuarial method.

Technical provisions related to operations linked to a Life business investment fund whose investment risk is not borne by the company (heading D - branch 23)

These provisions are estimated based on the actual value of the assets under heading D.

Provisions for other risks and expenses (heading E)

The provisions for foreseeable risks and expenses are determined with prudence, sincerity and good faith.

The provisions with regard to the previous financial years are regularly reviewed and recognised through profit or loss if they serve no longer any purpose.

Deposits received from reinsurers (heading F) and debts (heading G)

These items are recognised at their nominal value.

Other particular rules

Accounts denominated in currencies

The monetary items are valorised in euro at the spot price at the closing date of the financial year.

The non-monetary items are maintained in euro at their purchase price.

The balance of the negative differences resulting from the conversion of monetary items, other than the technical provisions, is recognised through profit or loss. The balance of the positive differences is recognised in the accruals as deferrable proceed.

Derivatives

The derivative financial instruments, used on a speculative basis, follow the prudence principle. This means that the unrealised losses are subjected to impairments of are used to constitute provisions for financial risks. However, the unrealised gains are not recognised through profit or loss.

The forward transaction in micro hedging or concluded within the framework of the ALM management are symmetrically valued with the allocation of costs and income of the hedged items for the residual lifetime of these items. Forward transactions for hedging purposes are forward transactions having the purpose of the effect to compensate or to reduce the risk on an asset, a liability, a right, an obligation, an off-balance sheet commitment or a set of items that are homogeneous in nature with regard to their sensitivity to interest rate variations.

Finally, the hedging transactions or the transactions concluded within the framework of the ALM management must be recognised as such and this, from the conclusion of the transaction.

N° 22. Declaration regarding the consolidated income statement

The company prepares and publishes a consolidated income statement and a consolidated annual report in accordance with the Royal Decree on the consolidated income statement of insurance and reinsurance companies: yes / no (*): Yes

N° 23. Additional information to be provided by the company on the basis of the decree of 17/11/1994

Art. 27 bis § 3, last paragraph	Amounts
2. Bonds and other fixed-income securities	-11,191,366

Derivative financial instruments used	
Forward bonds coupled with forward swaps	81 acquisition transactions and 14 financial year transactions
Forward bonds sell	38 acquisition transactions and 68 financial year transactions
Forward swap	6 acquisition transactions
Inflation swap	
Index Put/Call	73 acquisition transactions and 94 disposal transactions

Profit and loss accounts	Result	Reversal of impairment losses	Provision for impairment losses	Accrued interests not yet due
Forward bonds coupled with forward swaps	214,885		-1,234,647	
Forward bonds sell	4,220,251			
Forward swap				
Inflation swap			-493,538	
Index Put/Call	-1,265,563		-1,792,267	

Goodwill

The amount of EUR 21,3 million shown on the assets side of the balance sheet under the heading "II.1 Intangible assets - Goodwill" includes:

- Goodwill resulting from the merger with Whestia in 2017, for a net amount of EUR 7,9 million (gross value of EUR 26 million), amortised over the duration of the commitments, vis. 10 years;
- Goodwill resulting from the acquisition of the "Work Accidents Law 1967" portfolio as at 31 December 2017, for an amount of EUR 13,4 million (gross value of EUR 34 million), amortised over 10 years, based on the duration of the commitments

Allocation to the flashing-light provision

On 22 November 2023, the National Bank confirmed, pursuant to Article 34quinquies, § 4 of the Royal Decree of 1 June 2016 amending the Royal Decree of 17 November 1994 on the annual accounts of insurance and reinsurance companies, that it granted to Ethias SA the exemption from the obligation to provide additional provisions for the 2023 financial year, as the solvency requirements were met.

Ethias Lease

When Ethias Lease was set up as a subsidiary of Ethias Lease Corporation, 45% of which is owned by our company, Ethias Lease Corporation arranged for the financing of Ethias Lease to be provided by each of the parent companies, namely Ethias SA, Ethias Venture and Ethias Patrimoine (Commitment Letter signed on 14/9/23 and Joint Venture agreement signed on 13/9/23).

To date, no loans have been granted.

On the other hand, Ethias SA, as the group's mother company, undertook on 8/02/24 to take responsibility for any financing request sent to it by Ethias Lease on the basis of the comfort letter signed when the latter was set up.

Pursuant Art 27 bis § 3, last paragraph

- 2 Bonds and other fixed-income securities: -11,191,366.24

Derivative instruments used

- Forward bonds coupled with forward swaps: 81 acquisition transactions and 14 financial year transactions
- Forward bonds sell: 38 acquisition transactions and 68 financial year transactions
- Forward swap: 6 acquisition transactions
- Put/Call on index: 73 acquisition transactions and 94 maturity transactions

Profit and loss accounts

- Forward bonds coupled with forward swaps:
 - Result: 214,885
 - Provision for impairment losses: -1,234,647
- Forward bonds sell:
 - Result: 4,220,251
- Inflation swap:
 - Provision for impairment losses: -493,538
- Put/Call on index:
 - Result: -1,265,563
 - Provision for impairment losses: -1,792,267

18.4. Social balance sheet

Number of the joint committee competent for the company: 306

Situation of the persons employed

Employees for whom the company has introduced a Dimona declaration or who are recorded in the general staff register.

2023 (During the year)	Total	Men	Women
Average amount of employees			
Full-time	1,550	836	714
Part-time	380	112	268
Total in full-time equivalents (FTE)	1,800	901	899
Number of hours actually worked			
Full-time	2,264,366	1,244,043	1,020,323
Part-time	371,615	103,834	267,781
Total	2,635,981	1,347,877	1,288,104
Employee benefit expenses			
Full-time	178,725,388	98,191,753	80,533,635
Part-time	29,331,404	8,195,571	21,135,833
Total	208,056,792	106,387,324	101,669,468
Amount of benefits granted in addition to wages	2,077,634	1,062,373	1,015,261

2022 (During the year)	Total	Men	Women
Average amount of employees	1,805	908	897
Number of hours actually worked	2,590,757	1,333,431	1,257,326
Employee benefit expenses	169,123,522	84,578,112	84,545,410
Amount of benefits granted in addition to wages	1,570,135	756,047	814,088

2023 (At the financial year's closing date)	Full-time	Part-time	Total (FTE)
Number of employees	1,593	361	1,834
By type of employment contract			
Permanent contract	1,540	357	1,778
Fixed-term contract	51	4	54
Replacement contract	2		2
By sex and educational level			
Men	855	102	916
secondary education	111	36	131
higher non-university education	440	48	470
university education	304	18	315
Women	738	259	918
secondary education	83	59	118
higher non-university education	379	123	469
university education	276	77	331
By professional category			
Management staff	25	1	25
Clerical staff	1,568	360	1,809

Temporary staff and persons made available to the company

2023 (During the year)	Temporary staff
Average number of persons employed	1
Number of hours actually worked	1,831
Costs for the company	77,176

Table of the staff turnover during the financial year

Entries	Full-time	Part-time	Total (FTE)
Number of employees for whom the company has introduced a Dimona declaration or who are recorded in the general staff register.	144	5	147
By type of employment contract			
Permanent contract	92	3	94
Fixed-term contract	51	2	52
Replacement contract	1	0	1

Exits	Full-time	Part-time	Total (FTE)
Number of employees for whom the company has introduced a Dimona declaration or who are recorded in the general staff register.	94	53	123
By type of employment contract			
Permanent contract	69	52	97
Fixed-term contract	24	1	25
Replacement contract	1	0	1
By reason of termination of the contract			
Retirement	6	43	27
Unemployment with company allowance			
Dismissal	14	2	16
Other reason	74	8	80

Information about training for employees during the financial year

2023	Men	Women
Formal initiatives of continuing vocational training paid by the employer		
Number of employees involved	732	764
Number of hours of training	22,627	18,111
Net costs for the company	2,219,467	1,884,705
of which gross costs directly linked to trainings	2,129,516	1,790,821
of which contributions and deposits paid to collective funds	99,629	103,985
of which allowances and other financial benefits received (to be deducted)	9,678	10,101
Less formal or informal initiatives of continuing vocational training paid by the employer		
Number of employees involved	892	939
Number of hours of training	3,806	3,690
Net costs for the company	298,543	289,404

19. Statutory auditor's report on the annual accounts for the year ended 31 December 2023



STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF ETHIAS SA/NV ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of Ethias SA/NV (the "Company"). This report includes our report on the annual accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting *d.d.* 17 May 2023, following the proposal formulated by the board of directors and following the recommendation by the audit and risk committee and the proposal formulated by the works' council. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2025. We have performed the statutory audit of the Company's annual accounts for sixteen consecutive years.

Report on the annual accounts

Unqualified opinion

We have performed the statutory audit of the Company's annual accounts, which comprise the balance sheet as at 31 December 2023, and the profit and loss account for the year then ended, and the notes to the annual accounts, characterised by a balance sheet total of EUR 19.423.500.891 and a profit and loss account showing a profit for the year of EUR 199.702.701.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2023, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "*Statutory Auditor's responsibilities for the audit of the annual accounts*" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Adequacy of technical provisions

Description of the key audit matter

As of 31 December 2023, technical provisions amount to EUR 13.705 and represent 71% of the total balance sheet.

The adequacy test of these provisions is complex and relies on a significant degree of judgement. The assumptions used may be influenced by economic conditions, future management actions as well as by the laws and regulations applicable to the Company.

Given the materiality of these technical provisions in the annual accounts as well as the risk of inadequacy, we consider the adequacy of the technical provisions to be a key audit matter.

How our audit addressed the key audit matter

Assisted by our internal actuarial experts, we reviewed the design and tested the operational effectiveness of the key controls put in place by the Company to guarantee the adequacy of technical provisions. We have also paid particular attention to the controls implemented by the Company to ensure the quality of the data used in the framework of the technical provisions adequacy test.

We also assessed the relevance of the technical provisions adequacy test, considering the current market conditions, as well as its adequacy in relation to the technical results observed during the past financial year.

Finally, we performed an independent test on the adequacy of technical provisions and compared it with the amounts determined by the Company.

Note that we have shared and corroborated our conclusions with the actuaries and the actuarial function of the Company.

Based on our audit, we believe that the assumptions used to determine the adequacy of technical provisions are reasonable. The independent tests we carried out did not reveal any exceptions as to the adequacy of the technical provisions.

Valuation of investments for which a price quoted on an active market is not available

Description of the key audit matter

The Company holds investments for which there is no quoted price in an active market. Indeed, the fair value of a certain number of these investments is determined using valuation techniques which are not based on observable market data (so-called level 3).



As of 31 December 2023, the Company held assets valued by a third party (share funds, debt funds and non-quoted shares) and valued internally (corporate bonds) for a significant book value.

The valuation of these investments is a key audit matter due to the importance of the estimates made and the impact that the valuation may have on note 3 of the annual accounts and the determination of the impairments to be accounted for.

How our audit addressed the key audit matter

We have reviewed the design and operational effectiveness of the key controls put in place by the Company to ensure the accuracy of the valuation of these investments.

For a sample of investments, we also reviewed the estimates made and the key assumptions applied in determining the fair value. We also tested the standing data used in determining the fair value.

Finally, we involved experts in the valuation of financial instruments who independently recalculated the fair value of a sample of investments.

Based on our procedures we believe that the retained fair values of these investments are reasonable.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the annual accounts in Belgium. A statutory audit does not provide any assurance as to the Company's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit and risk committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and risk committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit and risk committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report and of the documents required to be deposited by virtue of the legal and regulatory requirements as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' and Associations' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report certain documents required to be deposited by virtue of legal and regulatory requirements, as well as compliance with the articles of association and of certain requirements of the Companies' and Associations' Code, and to report on these matters.

Aspects related to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and it is prepared in accordance with the articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:6, §4 of the Companies' and Associations' Code is included in the directors' report. The Company has prepared the non-financial information, based on the internationally recognized reference framework "UN Global Compact". However, in accordance with article 3:75, §1, 6° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the internationally recognized reference framework as disclosed in the directors' report to the annual accounts.

Statement related to the social balance sheet

The social balance sheet, to be deposited in accordance with article 3:12, §1, 8° of the Companies' and Associations' Code, includes, both in terms of form and content, the information required under this Code, including, but not limited to, in relation to salaries and education, and does not present any material inconsistencies with the information we have at our disposition in our engagement.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the annual accounts and our registered audit firm remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the annual accounts.

Other statements

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.



- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' and Associations' Code that we have to report to you.
- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.
- We have evaluated the property effects resulting from the decisions of the board of directors dated 30 March 2023 and dated 20 December 2023 as described in section 11.2.4 of the directors' report and we have no remarks to make in this respect.

Diegem, 5 April 2024

The statutory auditor
PwC Bedrijfsrevisoren BV/PwC Reviseurs d'Entreprises SRL
Represented by

Tom Meuleman*
Bedrijfsrevisor/Réviser d'entreprises

*Acting on behalf of Tom Meuleman BV


20. About this report¹

20.1. SDG framework

The 17 Sustainable Development Goals (SDGs) were adopted by all Member States of the United Nations in 2015, as part of the 2030 Agenda for Sustainable Development which sets out a 15-year plan to achieve these goals.

Each of these sustainability goals plays an important role in Ethias' Sustainability strategy. **6 of these are the focus of particular attention, as they represent areas where the company has the potential to make a real impact on society.** Below, Ethias lists its actions and commitments based on this reference framework, which also contains targets and sub-goals that define the priorities to be achieved by 2030.



Related SDGs	Targets and sub-goals	Ethias contributions
	<p>End poverty in all its forms everywhere</p>	
	<p>To eradicate extreme poverty worldwide</p>	<p>Ethias and its employees are involved in numerous initiatives to combat poverty.</p>
	<p>Ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources and access to basic services, land ownership, control over land and other forms of property, inheritance, natural resources, and new technologies and financial services appropriate to their needs, including microfinance</p>	<p>Ethias is committed to partnerships that promote access to basic needs and services for all. It is also developing a range of products and services accessible to all, to provide adequate minimum protection.</p>
	<p>Build the resilience of the poor and vulnerable and reduce their exposure to and vulnerability to extreme weather events and other economic, social and environmental shocks and disasters</p>	<p>Ethias has adopted a proactive approach to climate risk management, developing new products and services to reduce its customers' vulnerability.</p>
	<p>Implement sustainable national, regional and international policy frameworks based on pro-poor and gender-sensitive development strategies to accelerate investment in poverty eradication measures</p>	<p>Ethias has set up a social and societal corporate fund that aims to create a concrete, visible and measurable impact for society through a structured philanthropic policy.</p>

¹ This section addresses sustainability within Ethias SA, the parent company and the group's main contributor.

Ethias' actions and commitments include	References, chapters and sections of this report
<ul style="list-style-type: none"> • Fondation Pelicano (donations) • Red Touch Challenge (call for projects co-organised with the Red Cross on the following themes: povrty, intergenerational, intercultural, mental health) • CharEthi Hours (Warmste Week and Viva For Life) • Digital For Youth (donation of ICT equipment) • Association Sint-Vincentius Genk and Restos du cœur Seraing (organisation of collection activities at Ethias during working hours) 	<ul style="list-style-type: none"> • Social impact • Social partnerships and sponsoring • Social partnerships and sponsoring • Social partnerships and sponsoring • Social partnerships and sponsoring
<ul style="list-style-type: none"> • Second edition of the Ethias Youth Solidarity Awards (call for projects from CPAS) • Partnerships with social housing companies for adapted rates • Land ownership: partnerships with the housing fund for large families in Wallonia (home insurance for borrowers) and Vlaams Huurdersplatform in Flanders (tenant insurance at lower price) • Whestia (outstanding balance insurance label) • Partnership with YouthStart to help young people integrate into the business world, and mentoring projects • Ethias Pensions' Chair at UCL to reflect on the design of fair and sustainable pension systems • Flory by Ethias co-tenant insurance without deductibles • Sustainable and responsible pensions through the Global 21 Ethical Fund 	<ul style="list-style-type: none"> • Social impact – Ethias Youth Solidarity Awards • An increasingly sustainable product range – Home • An increasingly sustainable product range – Home • An increasingly sustainable product range – Home • Human impact - Generational inclusion • Social partnerships and sponsoring - Academic partnerships • An increasingly sustainable product range – Home • Responsible investment products in life insurance contracts
<ul style="list-style-type: none"> • Comprehensive, integrated approach to prevention: personal injury, property damage and emerging risks • New prevention services to manage emerging risks, including climate-related risks • Integration of climate risks in our products and activities 	<ul style="list-style-type: none"> • Products and services - Prevention • Environmental impact - Managing climate opportunities • Environmental impact - climate risk management - managing climate opportunities climatiques
<ul style="list-style-type: none"> • Ethias Impact Fund and “fight against child poverty” component 	<ul style="list-style-type: none"> * Social impact



Ensure healthy lives and promote well-being for all at all ages

Promoting mental health and well-being	Ethias promotes the mental health and well-being of its employees and of society as a whole, whether through its HR policies and practices, its products and services or its philanthropic policy.
Reduce by half the number of road traffic deaths and injuries worldwide	Ethias raises awareness of road safety through its communication campaigns and its range of services.
Ensure that everyone has universal health coverage, including financial risk protection and access to quality essential health services and safe, effective, quality and affordable essential medicines and vaccines	Ethias offers a range of high-quality, affordable hospitalisation products that go beyond minimum guarantees to ensure comfort and access to services in difficult times.



Make cities and human settlements inclusive, safe, resilient and sustainable

Ensure access to adequate, safe, and affordable housing and basic services for all, and clean up slum areas	Ethias multiplies partnerships to offer its home insurance products at appropriate rates.
Ensure access for all to safe, accessible and sustainable transport systems at an affordable cost by improving road safety, including the development of public transport, with particular attention to the needs of the vulnerable, women, children, the disabled and the elderly	Through its mobility catalog, Ethias encourages soft mobility and offers affordable insurance for greater solidarity.
To significantly reduce the number of casualties and people affected by disasters, including water-related disasters, and to significantly reduce the amount of economic loss that is directly attributable to such disasters as a proportion of global gross domestic product, with an emphasis on protecting the poor and vulnerable	Ethias integrates prevention as a default approach in its products and services (upstream), and offers products to limit economic losses due to disasters (downstream).
Reduce the negative environmental impact of cities on a per capita basis, paying particular attention to air quality and waste management, especially at municipal level	Ethias invests in sustainable infrastructure and real estate projects.
Promote positive economic, social and environmental linkages between urban, suburban and rural areas by strengthening development planning at the national level.	Through its services, networks and communities, Ethias encourages the establishment of social ties.

<ul style="list-style-type: none"> • Employee Value Proposition & Strategy, Top Employer certification for the 3rd consecutive year • Well-being Charter, collaboration with Pulso and its "Re-boost" app as employee assistance programs and wellbeing modules • Solutions for the prevention and protection of physical and mental health: Care4You, App4You, Home Services • Ethias Services 'Beyond Insurance': mental health support, psychosocial risk management, skills management, etc. • Ethias Impact Fund (particularly its "health and environment" component) • Sports, cultural and social partnerships • Red Touch Challenge (youth mental health) 	<ul style="list-style-type: none"> • Human impact - HR strategy • Human impacts - Implementing Ethias' values in HR management • Beyond Insurance: the Ethias range of services - For individuals - Health - Home • Beyond Insurance: Ethias' services - For public bodies and companies • Prevention - personal injury - psychosocial risk services (PRS) • Social impact • Sponsoring & Partnerships • Social partnerships and sponsoring
<ul style="list-style-type: none"> • Prevention solutions on the road: Liberty Rider (free with motorcycle insurance), Assist on Demand 	<ul style="list-style-type: none"> • An increasingly sustainable product range – Mobility • Beyond Insurance: the Ethias range of services - For individuals - Mobility
<ul style="list-style-type: none"> • Healthcare catalog (Hospi Quality, Garantie Servi+ for Hospi Quality+ and Hospi Next+ products) 	<ul style="list-style-type: none"> • An increasingly sustainable product range – For individual clients - Mobility
<ul style="list-style-type: none"> • Partnerships with social housing companies for adapted rates • Land ownership: partnerships with the housing fund for large families in Wallonia (home insurance for borrowers) and Vlaams Huurdersplatform in Flanders (tenant insurance at lower price) • Whestia (outstanding balance insurance label) 	<ul style="list-style-type: none"> • An increasingly sustainable product range – For individual clients - Home • An increasingly sustainable product range – For individual clients - Home • An increasingly sustainable product range – For individual clients - Home
<ul style="list-style-type: none"> • Free coverage for soft mobility in family insurance, special rate for green vehicles, "less than 10,000 km" insurance, unique Young Drivers offer • New version of Ethias Bike & More, awareness and promotional campaign on loss and theft prevention, partnership with Cyclecure for maintenance and repair • Motorcycle insurance and partnership with Liberty Rider for a free fall prevention service for motorcyclists • Collaboration with Blue Bike for shared bikes • Mobility & More and Bike & More insurance for public bodies 	<ul style="list-style-type: none"> • An increasingly sustainable product range – For individual clients - Mobility • An increasingly sustainable product range – For individual clients - Mobility • An increasingly sustainable product range – For individual clients - Mobility • An increasingly sustainable product range – For individual clients - Partnerships • An increasingly sustainable product range – For individual clients - Mobility
<ul style="list-style-type: none"> • Comprehensive and integrated approach to prevention and focus on emerging risks • New prevention services to manage emerging risks, including climate-related risks 	<ul style="list-style-type: none"> • Products and services - Prevention • Environmental impact - Managing climate opportunities
<ul style="list-style-type: none"> • Investments made to develop or improve transport, renewable energies, telecommunications networks, etc., including Green4You, a joint venture created by Ethias and Luminus • Sustainable commitment to the construction and management of its real estate portfolio: notably through the acquisition of Wood Hub • Economic support to all Belgian public players to fulfil the financing needs of infrastructure, real estate and private-public partnerships projects in Belgium. 	<ul style="list-style-type: none"> • Concrete examples of sustainable and responsible investment – Sustainable infrastructure • Concrete examples of sustainable and responsible investment - Sustainable real estate (direct or indirect) • Sustainable and responsible investments - Investments in the Belgian economy
<ul style="list-style-type: none"> • * Ethias provides free insurance for volunteers on this platform: App4You 	<ul style="list-style-type: none"> • Beyond Insurance: the Ethias range of services - For individuals

12 CONSOMMATION ET PRODUCTION RESPONSABLES



Ensure sustainable consumption and production patterns

<p>Significantly reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>Ethias aims to prevent pollution (air, water and soil, and to protect the health and well-being of people).</p>
<p>Promote sustainable procurement practices in accordance with national policies and priorities</p>	<p>By including sustainability in all processes, the Ethias Procurement Department is looking for the best guarantees for the supply of goods and services.</p>
<p>Ensure that all people, everywhere in the world, have the information and knowledge necessary for sustainable development and a lifestyle in harmony with nature</p>	<p>Raising awareness of sustainability issues is an integral part of Ethias' strategy and considered by all to be indispensable.</p>
<p>Rationalise wasteful fossil fuel subsidies, eliminating market distortions, as appropriate to the national context, including through fiscal restructuring and the phasing out of harmful subsidies, to reflect their environmental impact, taking full account of the specific needs and circumstances of developing countries and minimising potential adverse effects on their development while protecting the poor and affected communities</p>	<p>Ethias goes beyond the exclusion of certain sectors and develops a comprehensive sustainable and responsible investment framework to incorporate ESG factors into its strategy.</p>

13 MESURES RELATIVES À LA LUTTE CONTRE LES CHANGEMENTS CLIMATIQUES



Take urgent action to combat climate change

<p>Incorporate climate change measures into national policies, strategies and planning</p>	<p>Ethias contributes to major environmental challenges through its products and services, its ambitious environmental action plan and its investments.</p>
<p>Improve education, awareness, and individual and institutional capacity for climate change adaptation, mitigation and impact reduction, and early warning systems</p>	<p>Whether through its internal actions for the benefit of its employees or externally, as well as through its range of products and services, Ethias considers raising awareness of sustainability issues to be an indispensable element.</p>

17 PARTENARIATS POUR LA RÉALISATION DES OBJECTIFS



Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development

<ul style="list-style-type: none"> Structural issues Multi-stakeholder partnerships: Encourage and promote public, public-private, and civil society partnerships, building on past experience and funding strategies 	<p>At Ethias, sustainability is a fundamental pillar of our corporate strategy, which is also implemented through strong external policies, commitments and partnerships.</p>
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<ul style="list-style-type: none"> • Project Zero Plastic and raising awareness of pollution issues among portfolio policyholders • Donation of Ethias laptops to schools and non-profit organisations as part of the partnership with Digital For Youth • Reducing the environmental impact of IT solutions 	<ul style="list-style-type: none"> • Ethias' environmental strategy - Beyond Carbon • Ethias' environmental strategy - Beyond Carbon - Circular economy • Environmental strategy - Beyond Carbon - Green IT, a cross-functional field of action
<ul style="list-style-type: none"> • Responsible procurement policy and charter, inclusion of ESG components in calls for tender • Integrating ESG criteria into supplier selection 	<ul style="list-style-type: none"> • Governance - Procurement practices • Governance - Procurement practices
<ul style="list-style-type: none"> • Training of the Executive Committee and Board of Directors, "Fresques du Climat", conference-debates and information lunches • ReGeneration Movement, which brings employees together to develop sustainable activities 	<ul style="list-style-type: none"> • Human impacts - HR strategy - Re- and upskilling skills • Human impacts - Implementing Ethias' values in HR management - The ReGeneration Movement: every day is an impact day
<ul style="list-style-type: none"> • Strict investment exclusion policy, more ambitious than the norm (Towards Sustainability label minimum requirements and even more stringent rules) • A transparent ESG integration policy for all asset classes • Our own impact investment policy to generate positive, measurable social and environmental impacts 	<ul style="list-style-type: none"> • Sustainable and responsible investment framework - Exclusion Policy • Sustainable and responsible investment framework - integrating ESG criteria into investment processes • Sustainable and responsible investment framework - Impact investment approach
<ul style="list-style-type: none"> • Ethias' environmental strategy developed around Net Zero 2050, Nature and Climate Risks • Rationalization of its real estate and building management (closed on Mondays) + 100% green electricity • Shared mobility and fleet electrification • A range of sustainability services (energy, air quality) • The home insurance automatically covers green installations (solar panels, photovoltaic panels, heat pumps, etc.) without any premium increase • Range of products and tariffs to encourage green and/or soft mobility and multimodality • Creation of the subsidiary Ethias Lease to meet the challenges of Belgian companies and local authorities in their transition to electrification of vehicle fleets. • Partnership with Natuuprunt to preserve the Zwaarte Beek valley (Lumen) as an ecosystem that can help slow climate change. • Decarbonisation plan to achieve Net Zero by 2050, aligned with the goals of the Paris Agreement and based on recognised scientific methods (Science-based Target Initiative): submission scheduled for the end of 2024 	<ul style="list-style-type: none"> • Ethias' environmental strategy - Climate change: achieving Net Zero in 2050 • Change Over - Reduce carbon footprint of Buildings • Reduce carbon footprint of Mobility • Beyond Insurance: Ethias' service offering - Range of sustainability-related services • Products and services - An increasingly sustainable product range • Products and services - An increasingly sustainable product range • Environmental impact - Managing climate opportunity • Environmental impact - Managing climate opportunity • Environmental impacts • Ethias' environmental strategy - Beyond Carbon - Biodiversity and ecosystem • Ethias' environmental strategy - Climate change: achieving Net Zero in 2050 • Sustainability at the heart of our investments
<ul style="list-style-type: none"> • Internal awareness-raising, training and sustainable actions around the theme of Regeneration (Ma Petite Planète challenge, "Forest in One Day" reforestation day, etc.) • Climate Fresco for 150 employees and deployment of 22 in-house trainers • "Ethias Prevention Reporter" as a digital application to enable affiliates to analyse their risks and manage the transition in case of renovation, transformation, greener infrastructures, etc 	<ul style="list-style-type: none"> • Human impacts - Implementing Ethias' values in HR management - The ReGeneration Movement: every day is an impact day • Human impacts - HR strategy - Re- and upskilling skills • Prevention - Material damage - Additional benefits
<ul style="list-style-type: none"> • Promoting sustainability by joining networks and communities of experts • Partnerships, memberships and frames of reference • Ethias is an institutional investor with close ties to local, regional and federal government, and is also the leading insurer of local public bodies. • Issuance of the first Green Bond by Ethias, which will enable the company to continue investing in the Belgian economy while strengthening its alignment with its ESG strategy 	<ul style="list-style-type: none"> • Corporate strategy - Sustainability at Ethias - 10 essentials • Sustainable and responsible investments - Investments in the Belgian economy • Key facts of 2023 • Sustainable and responsible investment - Green bond issue

20.2. Entry into the United Nations Global Compact

In 2023, Ethias renewed its membership to the UN Global Compact (became a member in 2006). The Pact is fully integrated into the company's strategy, and its main references are listed in the table below.

Detailed reporting on its progress in implementing the Ten Principles is available here: <https://unglobalcompact.org/what-is-gc/participants/3481-Ethias>

10 UN Principles for engaging business to	Ethias' answers
Support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none"> • Human impacts for our employees • Ethias' impacts on society • Joint Ethics Committee • Integrity policy • Social-Ethical Code • Sustainable and responsible investment policy • UN PRI / UN PSI
Make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> • Responsible procurement charter and policy • Sustainable and responsible investment policy • UN PRI / UN PSI
Uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> • Social governance (social code of ethics) • UN PRI / UN PSI
Contribute to the elimination of all forms of forced or compulsory labour	<ul style="list-style-type: none"> • Responsible procurement charter and policy • UN PRI / UN PSI
Contribute to the effective abolition of child labour	<ul style="list-style-type: none"> • Responsible procurement charter and policy • UN PRI / UN PSI
Contribute to the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Diversity Charter • "Women in Finance" charter • Talent Management policies (mylife@Ethias, young talents, senior talents, toolbox absenteeism policy, generational inclusion, disability, culture, etc.)
Support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> • Decarbonisation plan to achieve Net Zero by 2050 • * New prevention services to manage emerging risks, including climate-related risks • Sustainable investment policies • UN PRI / UN PSI / PBAF / Climate Action 100+ / BACA / SBTi / Natuurpunt Partnership • Project Zero Plastic
Take initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> • Ethias' environmental strategy developed around Net Zero, Nature and Climate Risks • Awareness-raising, training and sustainable actions around the topic of Regeneration • Ethias develops increasingly sustainable products and services to reduce its customers' vulnerability • SBTi • UN PRI / UN PSI
Encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> • Responsible suppliers • Strategic renovation choices • Concrete examples of sustainable and responsible investment (infrastructure, real estate, corporate finance) • UN PRI / UN PSI
Work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> • Anti-corruption, integrity and whistleblowing policy • Sustainable investment policies: beyond the exclusion of certain sectors, development of a comprehensive sustainable and responsible investment framework • UN PRI / UN PSI

References	
	<ul style="list-style-type: none"> • See chapter "Human impacts" • See chapter "Societal impacts" • See chapter on "Governance - a cross-company and participatory approach to sustainability" • See chapter "Governance - Business conduct" • See chapter "Governance - Business conduct" • See chapter "Sustainable and responsible investment policy" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Procurement practices" • See chapter "Sustainable and responsible investment policy" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Business conduct" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Procurement practices" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Procurement practices" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Human impact - diversity, equity and inclusion" • See chapter "Human impact - diversity, equity and inclusion" • See chapter "Human impact - re- and upskilling competencies" - "sustainable career" - "diversity and inclusion"
	<ul style="list-style-type: none"> • See chapter "Ethias' environmental strategy - Climate change: achieving Net Zero" • See chapter "Environmental impact - opportunity management" • See chapter "Sustainable and responsible investment policy" • See chapters "Corporate strategy - Sustainability at Ethias - Partnerships, memberships and frameworks" and "Sustainable and responsible investment - Ethias, an active shareholder"
	<ul style="list-style-type: none"> • See chapter "Ethias' environmental strategy - Climate change: achieving Net Zero" • See chapter "Human impacts - Implementing Ethias' values in HR management - The ReGeneration Movement: every day is an impact day" • See chapter "Products and services - An increasingly sustainable product range" • See chapters on "environmental impacts", "Ethias' environmental strategy - Beyond Carbon - Biodiversity and ecosystems", "climate change: achieving Net Zero", "investments - sustainability at the heart of our investments" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Procurement practices" chapter • See chapter "Environmental impact - reducing the carbon footprint of buildings" • See chapter "Sustainable and responsible investment policy" • See chapter "Sustainable and responsible investment policy"
	<ul style="list-style-type: none"> • See chapter "Governance - Business conduct" • See chapter "Sustainable and responsible investment policy" • See chapter "Sustainable and responsible investment policy"

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